



## ONLINE BANKING ELECTRONIC FUNDS TRANSFER AGREEMENT (WIRE TRANSFERS)

This Funds Transfer Agreement ("Agreement") is dated as of \_\_\_\_\_ 20 \_\_\_\_\_, and is entered into between \_\_\_\_\_ ("Company") and Farmers & Merchants Bank of Long Beach ("Bank"). This Agreement is made to set out the terms under which Company may transfer funds from Company-designated accounts.

Bank and Company agree as follows:

1. **FUNDS TRANSFER REQUESTS.** Company may submit funds transfer payment orders ("Requests") in accordance with the terms and conditions of this Agreement, together with any supplemental agreements based on the products you requested, subject to security procedures, Bank will execute funds transfers in accordance with Requests received from Company or in Company's name. Funds must be available in the account specified in the Request at the time the request is made. Bank may choose the funds transfer mechanism (for example, Fedwire, correspondent bank transfer, internal transfer, letter) to be used when acting upon a Company's Request.
2. **SECURITY.** Company agrees that Bank's security procedures, as set forth in Schedule A, are commercially reasonable. Company agrees that Bank will use these procedures to verify the authenticity of a Request and to detect unauthorized Requests. If Bank acts on a Request in compliance with the Security Procedures, then Company will be obligated on the Request and it will be treated as Company's request, whether or not authorized by Company. The security procedures may be changed by Bank from time to time. Company is responsible for maintaining the confidentiality of the security procedures, including any codes. Company will notify Bank immediately in the event Company suspects that any security procedure used to verify the authenticity of Requests (including but not limited to any confidential code or password) has been or may be compromised or rendered ineffective.

Bank may, but is not obligated to, record electronically any telephone calls between Bank and persons acting on Company's behalf, and may keep these recordings for as long as Bank wishes. Company agrees that these recordings, and any other messages (including telecopier or facsimile messages) received by Bank, will be treated as writings signed by Company, and will control in the event of any difference with the records of Company.

3. **PAYMENT TO BANK.** Unless otherwise agreed to in writing, Company must pay Bank the amount of any funds transfer, plus any applicable fee, before Bank will execute the Request. Bank's funds transfer fees are subject to change.
4. **ACCEPTANCE AND EXECUTION OF REQUESTS.** A Request is considered executed when Bank executes it. A Request must be received by Bank prior to Bank's deadline for funds transfer requests, currently 1:30 P.M. Pacific Time for domestic wires, but may be subject to change. A request received after this time will be executed the next day other than Saturday or Sunday that Bank is open for business (a "Business Day").

Bank may reject a Request for any reason or for no reason, including insufficient collected funds in the account specified in the Request (the "Account"), inability to verify the authenticity of the Request in accordance with applicable security procedures, or otherwise. Bank will notify Company by mail or phone if the request is rejected.

5. **BANK REJECTS A REQUEST.** Company may not be able to amend or cancel a Request after the Request has been received by Bank. Bank may at its discretion use reasonable efforts to act on Company's request for amendment or cancellation, but will not be liable if it does so. Furthermore, Company will indemnify and hold Bank harmless from any and all liabilities, costs and expenses Bank may incur in its amendment or cancellation efforts.

When a Request contains a name and account number, payment may be made by Bank and/or by other banks to which a Request is forwarded based solely on the account number even if the account number identifies a beneficiary different from the beneficiary named by Company. Company acknowledges that Bank and other banks to which a Request is forwarded may rely on any bank identification number supplied by Company as a means to identify any other bank, even if the identification number is different than the bank named by Company. Company's obligation to pay the amount of the funds transfer to Bank is not excused in such circumstances.

Company acknowledges that any Request executed by Bank will be subject to rules and regulations applicable to payment orders, including record keeping and information transmittal requirements under the federal Bank Secrecy Act and its implementing regulations.

Bank will not be responsible for failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond Bank's control. In addition, Bank shall be excused from failing to accept, execute or settle with respect to a Request if so to do would result in Bank's having exceeded any limitation upon its intra-day net funds position established pursuant to present or future Federal Reserve guidelines or in Bank's otherwise violating any provision of any present or future risk control program of the Federal Reserve or any rule or regulation of any other U.S. or state governmental regulatory authority.

6. **LIABILITY.** Bank will exercise reasonable care in processing Requests. Company will exercise reasonable care in observing security procedures, examining statements and records, and initiating Requests. Company is responsible for ensuring the accuracy of Requests, and Bank has no duty to verify the accuracy of a Request, nor will it be liable for any losses or damages arising out of Requests that contain erroneous information.

In no event shall Bank be liable for any consequential, special, punitive or indirect loss or damage which Company may incur or suffer in connection with this Agreement, including without limitation loss or damage from subsequent wrongful dishonor resulting from Bank's acts or omissions pursuant to this Agreement.

Company will be liable for any losses or damages resulting from Company's breach of this Agreement or to which Company's negligence contributed, or which resulted from unauthorized, fraudulent or dishonest acts by Company's current and/or former Authorized Agents (including instances where an Authorized Agent acted to the detriment of Company)

7. **AMENDMENTS.** From time-to-time, Bank may amend any of the terms and conditions contained in this Agreement, including without limitation, any cut-off time or any business day. Such amendments shall become effective upon receipt of notice by Company or such later date as may be stated in Bank's notice to Company. (See Schedule A Security Procedures and Transaction Settlement/Delivery Timeframes)
8. **DATA RETENTION.** Company shall retain data on file adequate to permit remaking or reconstruction of all Requests for one year following the date of the execution of the Request to which such data relate, and shall provide such data to Bank upon its request.

9. **TERM AND TERMINATION.** The term of this Agreement shall begin on the day a copy of the Agreement signed by Company is delivered to and executed by Bank, and shall end at 12:01 a.m., Pacific Time, on the first anniversary thereof. Unless otherwise terminated by either party as set forth below, this Agreement shall automatically renew for successive terms of one year each. Company may terminate this Agreement at any time. Such termination shall be effective on the second Business Day following the day of Bank's receipt of written notice of such termination (unless Bank otherwise specifically agrees to earlier termination) or such later date as is specified in that notice. Bank reserves the right to terminate this Agreement immediately upon providing written notice of such termination to Company.
10. **ENTIRE AGREEMENT.** This Agreement, inclusive of Schedule A, is the complete and exclusive statement of the agreement between Bank and Company with respect to the subject matter hereof together with any supplemental agreements based on the products you requested, and supersedes any prior agreement(s) between Bank and Company with respect to such subject matter. In the event of any inconsistency between the terms of this Agreement and any other agreement, the terms of this Agreement shall govern.
11. **GOVERNING LAW.** This Agreement shall be construed in accordance with and governed by the laws of the State of California.

**IN WITNESS WHEREOF** the parties hereto have caused this Agreement to be executed by their duly authorized officers.

**COMPANY**

**BY** \_\_\_\_\_

**NAME** \_\_\_\_\_

**TITLE** \_\_\_\_\_

**SCHEDULE A**

**SECURITY PROCEDURES AND TRANSACTION SETTLEMENT/DELIVERY TIMEFRAMES**

**SECURITY PROCEDURES**

Farmers & Merchants Bank of Long Beach ("Bank") grants access to the Online Banking System to perform authorized transactions. The Company agrees to establish prudent security standards and policies that include proper safeguards to protect the confidentiality of all login Ids and passwords that are assigned to the Company for initiating transactions using this system Any transaction initiated or authorized using a valid combination of a login ID and password will be considered authentic, valid and binding by the Company and the Bank. Any transaction initiated or authorized using a valid combination of a login ID and password will be considered authentic, valid and binding by the Company and the Bank. The Bank agrees to provide reasonable assistance to establish login Ids and passwords, training, and support to the Company for properly using the services. If the Company suspects or believes any such information has been compromised, it shall immediately contact the Bank at the following address:

Emergency Contact: Internet Banking/Support Center Manager  
Bank: Farmers & Merchants Bank  
Street Address: P.O. Box 2400  
City/State/Zip: Seal Beach, CA 90740  
Telephone Number: (562) 344-2370 (outside of California 1-866-437-0011)  
FAX Number: (562) 344-2371  
Email: [internet.support@fmb.com](mailto:internet.support@fmb.com)

In the event the Bank needs to contact the Company, the following contact information shall constitute notice if delivered to:

Emergency Contact: \_\_\_\_\_ Title: \_\_\_\_\_  
Company Name: \_\_\_\_\_ Street Address: \_\_\_\_\_  
City/State/Zip: \_\_\_\_\_ Telephone Number: \_\_\_\_\_  
FAX Number: \_\_\_\_\_ Email: \_\_\_\_\_

**TRANSACTION SETTLEMENT/DELIVERY TIMEFRAMES**

For Settlement/Delivery purposes, a business day is defined as legal banking days where both the Bank and ACH processor is open for business. The end-of-day cutoff time is shown below:

**END-OF-DAY WIRE CUT-OFF TIME: 2:00 PM TIME ZONE: PACIFIC TIME**

The Bank may reject any Entry if Company has failed to comply with its account balance obligations in the Agreement. The balance showing in the Online Banking System associated with the account designated as the settlement account for the Entries must be sufficient to cover the total originations on the Delivery date as described above. If the settlement account does not have sufficient funds at that time, the Bank may, without any liability, deny, reject or process the Entries. If the entries are processed, the Company is still obligated to pay the Bank for the Entries.