



**COMMERCIAL INTERNET BANKING AGREEMENT**

**ATTACHMENT 2**

**AUTOMATED CLEARING HOUSE (ACH) AGREEMENT**

This is an Agreement between you (“Customer” or “you”) and CENTRAL VALLEY BANK (“Bank” or “we”, “us”, etc...). By instructing us to initiate Debit or Credit Entries on your behalf through our internet banking network, you hereby agree to the following terms and conditions in addition to those contained in our Commercial Internet Banking Agreement:

**1. DEFINITIONS**

- “Entries” as used in this Agreement means one or more instructions you transmit to us across our internet banking network, by which you request that we transfer funds, process payment orders and make a Debit Entry or a Credit Entry to one or more of your accounts. Where necessary, Debit Entries includes transmission to an automated clearinghouse. Debit Entries include fees and charges applicable to processing a Debit Entry, as provided in this Agreement.
- The “Rules” as used in this Agreement means the rules relating to Corporate Trade Payment Entries of the National Automated Clearing House Association and the Northwest Clearing House Association, as amended from time to time. You and CENTRAL VALLEY BANK agree to comply with the Rules, and they are incorporated into this Agreement by this reference. Unless otherwise defined in this Agreement, capitalized terms have the meanings provided in the Rules.
- The “Account” means is the following deposit account you maintain with CENTRAL VALLEY BANK:

ACCOUNT NAME \_\_\_\_\_

ACCOUNT NUMBER \_\_\_\_\_

FAX NUMBER \_\_\_\_\_

We may, without demand, debit the Account for any amount you are obligated to pay to us under this Agreement.

**2. ENTRIES BY INTERNET**

You may initiate Entries across our Internet banking network, and we are willing to act as an Originating Depository Financial Institution (ODFI) with respect to such Entries, as provided in this Agreement.

**3. PREPARATION OF ENTRIES**

We will prepare Pre-notifications and Entries on the basis of data you transmit to us across our internet banking network or present manually to us. Such data ("Entry Data") shall be in the form, have the content, and be sent to us as described in the ACH Manual provided to you at the time you set up your ACH system. We may change these requirements and the ACH Manual from time to time after thirty (30) days written notice to you. We will have no obligation to act on Entry Data received that does not comply with the foregoing requirements, or to reverse, adjust, or stop payment or posting of any Entry Data received or any Entry prepared from Entry Data not complying with these requirements.

**4. TRANSMITTAL OF ENTRIES AND SETTLEMENT**

Except in the case of Entries initiated to accounts maintained with us ("ON-US Entries"), we will transmit Entries that comply with the requirements provided in this Agreement to our Automated Clearing House and settle for such Entries in accordance with the Rules.

**5. DEADLINE FOR ENTRIES**

Attached as Schedule A to this Agreement is a schedule showing the deadline (the "Bank Deadline") for our receipt of Entry Data prior to the deadline for receipt of Entries by our Automated Clearing House (the "Applicable ACH Deadline"). When we receive Entry Data that complies with the requirements of this Agreement prior to the Bank Deadline, we will transmit the Entries prepared from such Entry Data (other than ON-US Entries) to our Automated Clearing House prior to the Applicable ACH Deadline. When we receive your Entry Data after the Bank Deadline, we will have no obligation to transmit the Entries to our Automated Clearing House before the Applicable ACH Deadline. We may change any Bank Deadline from time to time after thirty (30) days prior written notice to you.

**6. PAYMENT WITH RESPECT TO ENTRIES.**

(a) Credit Entries. You will pay us in immediately available funds the amount of each Credit Entry you transmit to us as Entry Data under this Agreement. Those funds shall be paid to us on the same day as the "Effective Date" of Credit Entry. We will promptly credit the Account with the amount of each rejected Entry.

(b) Debit Entries. We will credit the Account with the amount of each Debit Entry transmitted to us by our Automated Clearing House. Funds shall be credited to your Account on the same day as the "Effective Date" of the Debit Entry. ANY CREDIT ENTRY GIVEN TO YOUR ACCOUNT IS PROVISIONAL UNTIL CENTRAL VALLEY BANK HAS RECEIVED FINAL SETTLEMENT THROUGH A FEDERAL RESERVE BANK or otherwise final settlement and payment from the Receiving Depository Financial Institution. We are not obligated to make the credit entry to your Account until we have received such final settlement and payment. IF SUCH SETTLEMENT OR PAYMENT IS NOT RECEIVED, CENTRAL VALLEY BANK SHALL BE ENTITLED TO A REFUND FROM YOU OF THE AMOUNT PROVISIONALLY CREDITED, and the Receiving Depository Financial Institution shall not be deemed to have paid the amount of the Entry. In the event a Receiving Depository Financial Institution, in accordance with the Rules, returns such an Entry after we have provided such credit, you shall, upon demand, repay us the amount of such Entry.

(c) Transaction Maximums. You agree that the total dollar amount of Credit Entries or Debit Entries transmitted by you to us on any one day shall not exceed the ACH Processing Limit set forth on Schedule B for Credit Entries or Debit Entries. We shall notify you of any such entry as provided in Section 8. You may modify any such maximum amount after thirty (30) days written notice to us.

**7. ON-US ENTRIES**

In the case of ON-US Entries, subject to our right to reject any such Entry as provided below, we will credit or debit the appropriate account maintained with us the amount of each ON-US Entry prepared from Entry Data received by us that complies with the requirements provided for in this Agreement. We have the right, in our sole discretion, to reject any ON-US Entry for any reason.

**8. RETURNED OR REJECTED ENTRIES**

We will provide you with notice of the return or rejection of Entries as follows: we will contact you electronically, by telephone or by fax no later than one business day after an Entry has been returned or rejected. We will also post the returned or rejected Entry to the Account, marked on your statement as a rejection or an "ACH Return," and will include the ID number of the person returning or rejecting the Entry and the reason given for return or rejection of the Entry. We may reject any Entry for any reason. We will not be liable to you for the rejection of any Entry because you do not receive such our notice of rejection, or because you do not receive our notice of rejection at an earlier time than that provided in this Agreement. We are not required to pay you interest on a rejected Entry for the period from rejection of the Entry to your receipt of the notice of rejection. We have no obligation to take other action with respect to a rejected or returned Entry.

**9. COOPERATION**

You and CENTRAL VALLEY BANK agree to cooperate promptly and fully in the investigation of any claim asserted by any person arising out of this Agreement or the transactions contemplated thereby.

**10. RECEIVER AUTHORIZATIONS**

Before you initiate the first Entry to a Receiver's account, you must obtain from such Receiver an authorization to initiate one or more Entries to the Receiver's account. Such authorization must comply with the Rules. Each Entry will be subject to such authorization, and you shall initiate no Entry after such authorization has been revoked or the arrangement between you and the Receiver has terminated.

**11. RECORD RETENTION**

You must retain Receiver authorizations for two (2) years after they are terminated, and other documents related to Entries for a period of two (2) years. You must immediately furnish such authorization and documents to us upon our request.

**12. CANCELLATION AND AMENDMENT OF ENTRIES; REVERSALS.** You will have no right to cancel or amend an Entry after it is delivered to us.

**13. SECURITY PROCEDURES**

You agree that the purpose of the security procedures described in the ACH Manual is to verify the authenticity of Entries transmitted to us in your name and not to detect an error in the transmission of content of any Entry. We have not agreed with you to establish any security procedure for our detection of errors in the transmission of any Entry content. You are solely responsible to establish and maintain procedures to safeguard against unauthorized transmissions. You warrant to us that no individual will be allowed to initiate transfers in the absence of proper supervision and safeguards, and you agree to take reasonable steps to maintain the confidentiality of your security procedures and of any User IDs, PINs, passwords, codes, security devices and related instructions provided you in connection with the security procedures. If you believe or suspect that any such information or instructions are known or have been accessed by unauthorized persons, you agree to notify us immediately.

**14. UNAUTHORIZED ENTRIES**

An Entry delivered to us across our internet banking network using your User ID and PIN shall be effective as your Entry as provided in this Agreement, even if the Entry was not in fact authorized by you, provided we have accepted the Entry in compliance with the security procedures with respect to such Entry.

**15. RESTRICTED ENTRIES**

Company will be restricted to transmitting (PPD, CCD) entries and must obtain the Receiver's authorization for such transactions as required in the Rules. Bank reserves the right to audit the company's compliance with the Rules and this agreement. Bank reserves the right to terminate or suspend this agreement for breach of the Rules in a manner that permits the Bank to comply with the Rules. Such termination or suspension does not affect the Bank's rights under this agreement.

**16. AUTHORIZED ENTRIES**

An Entry delivered to us across our internet banking network transmitted or authorized by you will be effective as your Entry as provided in this Agreement, whether or not we complied with the security procedures with respect to the Entry and whether or not that Entry was erroneous in any respect or any error would have been detected if we had complied with the security procedures.

**17. INCONSISTENT ENTRIES**

You acknowledge and agree that if an Entry describes the financial institution receiving the Entry (the "Receiver") inconsistently by name and account number, payment of the Entry transmitted by us to a Receiver may be made by the Receiver (or by us in the case of an ON-US Entry) on the basis of the account number even if it identifies a person different from the named Receiver, and that your obligations to pay the amount of the Entry to us is not excused in such circumstances.

**18. TERMINATION, SUSPENSION AND AUDIT OR ORIGINATORS**

In addition to any other termination or suspension rights in an agreement between an Originator and an ODFI, including for breach, if an Originator breaches these rules, or causes its ODFI to breach these rules, the agreement between the Originator and the ODFI may be terminated or suspended by the ODFI upon ten (10) banking days' notice, or such shorter notice period as may be provided in such agreement. In addition to any other rights that may be set forth in any agreement between an Originator and an ODFI, the ODFI may audit the compliance of the Originator with respect to these rules and such agreement, subject to the procedural requirements, if any, set forth in such agreement.

**19. TAPES AND RECORDS**

All magnetic tapes, Entries, security procedures and records used by CENTRAL VALLEY BANK for transactions contemplated by this Agreement shall be and remain our property. We may, in our sole discretion, make such information available to you upon your request and after the execution of appropriate confidentiality agreements. You agree to pay any expenses incurred in making any such information available to you.

**20. NOTICES**

Except as otherwise provided in this Agreement, any written notice or other written communication required or permitted to be given under this Agreement shall be delivered or sent by United States mail, postage prepaid, and, if to CENTRAL VALLEY BANK, addressed to:

CENTRAL VALLEY BANK  
ACH DEPARTMENT  
2205 S First Street  
Yakima WA 98903

We may, from time to time, change this address by a written notice sent to you. Any notice shall be deemed given when so delivered or sent.

**21. FINANCIAL INFORMATION**

We may from time to time request financial records from you in order to evaluate continuation of services under this Agreement and/or to adjust transaction maximums described in Schedule B. You agree to provide such requested financial information to us immediately and in the type and form we request.

**22. UNIFORM COMMERCIAL CODE ARTICLE 4A**

Customer acknowledges that the Rules make provisional any credit given for an entry until the receiving financial institution crediting the account specified in the entry receives final settlement. If the receiving financial institution does not receive final settlement, it is entitled to a refund from the credited party, and the originator of the entry shall not be deemed to have paid the party.

**CUSTOMER**

**CENTRAL VALLEY BANK**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CENTRAL VALLEY BANK**  
**Commercial Internet Banking ACH Agreement**  
**Schedule A**

---

**DEADLINE FOR ENTRIES**

In order to meet Applicable ACH Deadline windows at The Federal Reserve Bank, the following Bank Deadlines have been established:

1. All Entries must be received by CENTRAL VALLEY BANK from its Customer, by 2:00pm, two (2) business days prior to the "effective date" of the Entries. Example: Assume that the effective date of the Customer's Entries is Friday the 15th. Entries should then be presented to CENTRAL VALLEY BANK no later than 2:00pm on Wednesday the 13th. If the "effective date" is Monday the 18th, then entries should be presented to CENTRAL VALLEY BANK no later than Thursday the 14th. A business day is defined as any day except Saturday, Sunday, or a bank Holiday.

2. Entries meeting the Bank Deadline as stated above will then be credited to Customer's account on the "effective date" of the Entries.

3. All times listed on this schedule are Pacific Standard Time or Pacific Daylight Savings Time, whichever is in effect.

4. According to the National Automated Clearing House Association (NACHA) rules, reversals must take place within five days after the Effective Entry Date of the Entry (ies). Reversals older than five days after the Effective Date are not allowed.

Schedule A accepted by:

Company: \_\_\_\_\_ (Initials)

Bank: \_\_\_\_\_ (Initials)

**CENTRAL VALLEY BANK**  
**Commercial Internet Banking ACH Agreement**  
**Schedule B**

---

According to Section 5 of the Commercial Internet Banking ACH Agreement, CENTRAL VALLEY BANK agrees not to transmit any debit or credit entries to a Receiver's account that exceeds a preset maximum daily limits established here. The Customer shall approve of exceptions to this rule in advance.

The maximum DEBIT amount currently set per this Agreement is:

\$ \_\_\_\_\_ Per month.

The maximum CREDIT amount currently set per this Agreement is:

\$ \_\_\_\_\_ Per month.

Schedule B accepted by:

Company: \_\_\_\_\_ (Initials)

Bank: \_\_\_\_\_ (Initials)