

Online Access Agreement and Disclosure

For

Canyon National Bank's Online Banking Program

"eBank"

1) What this Agreement Covers

This Online Access Agreement and Disclosure ("Agreement") describes the terms and conditions for your use of eBank, Canyon National's On-Line Banking program and Canyon National Bank's Bill Payment Service. The Services permit you to perform a number of banking functions through the use of a personal computer. You may use the Services with accounts that are linked to it.

If you are using the Services for consumer transactions, all of this Agreement applies except for the final Section (Section 22). If you are using the Services for non-consumer transactions, all of this Agreement applies except for the "Provisions Applicable to Consumers Only," (Section 21).

2) Definitions

In this Agreement, "we," "us," "our," "the Bank" or similar terms refer to Canyon National Bank. "You," "your" or similar words mean to each person signed up for electronic funds transfer services provided herein. "Service" means the eBank on-line banking services described in this Agreement or made available by us to you. "Consumer transactions" means the use of the Services to electronically transfer funds to or from a consumer account, and a "consumer account" is an account of yours that is established primarily for personal, family or household purposes. A "non-consumer transaction" means the use of the Services for any purpose that is not a consumer transaction (for example, to transfer funds to or from a business account or any account that is not a consumer account) and in addition includes (to the extent allowed by law): (i) any transfer of funds through Fedwire or a similar wire transfer system; (ii) any transfer of funds the primary purpose of which is the purchase or sale of a security or commodity; and (iii) any other use of the Service if the use is not covered by the Electronic Fund Transfer Act and its implementing Regulation E.

3) Accepting the Agreement

The first time you access any of your accounts through eBank confirms your agreement to be bound by all the terms and conditions of this Agreement and acknowledges your receipt and understanding of this Agreement. When you use eBank, or authorize others to use it, you agree to the terms and conditions of this Agreement. Non-consumer users may be asked by use to sign a copy of this Agreement and to provide evidence of appropriate authorization to enter into this Agreement.

4) Relation to Other Agreements; Multiple Signatures; OFAC Compliance

You may also have other agreements with us for your deposit and loan accounts that will continue to apply to your account. When you link accounts to eBank, this does not change the agreement(s) you already have with us on those accounts except to the extent that the use of the Services causes a change. For example, when you use eBank to access a deposit account, you do so under the terms and conditions we gave you in the agreement and disclosure for the deposit account, but any multiple signature restrictions or requirements for that account are not applicable to any use of the Services.

Accounts that require two or more signatures are not eligible to be linked to eBank, and we may prohibit use of eBank on accounts that require two or more signatures or that contain other restrictions, at our option.) You should review those agreements for any limitations or other restrictions you may have arranged with us, since the loss of those protections might affect whether you want to use an account with the eBank services.

If you want to use eBank to submit entries for processing through an automated clearing house (ACH), you must first agree to a separate agreement specifically identifying automated clearing house transactions. If you want to use eBank to submit payment orders other than ACH credit entries, you must first agree to a separate funds transfer agreement.

SEE OUR PUBLICATION CALLED "ATM CARD AGREEMENT AND ELECTRONIC FUND TRANSFERS DISCLOSURE STATEMENT" FOR INFORMATION ABOUT OUR OTHER CONSUMER ELECTRONIC FUND TRANSFER SERVICES.

You agree to comply with any applicable state or federal law in connection with its use of the Services and the fulfillment of your obligations under this Agreement. You acknowledge that the Automated Clearing House system may not be used in violation of, and that entries originated by you must comply with, the laws of the United States, including sanctions laws administered by the Office of Foreign Asset Controls.

5) eBank Service

To Use Online Banking you need:

- a Canyon National Bank deposit or loan account;
- an Internet Service Provider (ISP) and Internet browsing software (*Internet Explorer 5.0* (or greater) from Microsoft Corporation, or Netscape's *Navigator 4.74* (or greater)). For the best view, set your screen resolution to 800 x 600 pixels
- an eBank Access ID and Password; and

- a computer equipped with a communication device to access the internet.
You will be responsible for acquiring, maintaining and operating the computer equipment located at your premises. The hardware must include a modem and related software necessary to communicate with eBank. You will arrange and be responsible for telephone service necessary to utilize the Service. You will be responsible for all computer hardware, software and communication at its premises.

You may use eBank to:

- Transfer funds between your linked Canyon National Bank deposit accounts.
- Transfer funds from your Canyon Reserve account to your linked checking accounts
- View current balance information for your linked Canyon National Bank checking, money market deposit, savings, loans, and Canyon Reserve account.
- Direct us to Stop Payment on a System payment or on a check or other item you have drawn or authorized outside the System
- The use of the Bill Payment Service (Electronic Application is required)
- Export your account information to Quicken, QuickBooks and other popular personal financial management software.

If you link a personal deposit account to eBank and use it for business purposes, we may convert the account to a business checking account, and we will notify you of this change. Business checking accounts generally do not earn interest.

6) You Are Responsible for Communications in Your Name

We may act on and you are responsible for all electronic instructions we receive in your name if we verify the authenticity of the instruction using the security procedure(s) in the Services. For both consumer and non-consumer transactions, the security procedure is the login Access ID and Password we issue to you.

To the extent allowed by law, you are responsible for any instruction or communication in your name if we verify the authenticity of the instruction or communication using the security procedures, even if the instruction or communication was not authorized by you. We may also act on instructions or communications in your name if they are from an authorized person, even if we do not authenticate the instruction using the security procedures.

You are responsible for communications in your name, whether the communication is a wire transfer request, ACH file, other transfer or other communication or instruction, if we comply with the above. There may be limits on your liability for unauthorized consumer transactions, and these are set out in detail below and elsewhere in this Agreement. For non-consumer transactions, you are responsible for unauthorized transactions in your name without limitation on amount or otherwise, if we comply with the above.

The security procedures are not used by us to detect error.

7) Limitations on Services

Transfer limitations.

For interest bearing accounts, you may not make more than six transfers or withdrawals per month to another account of yours or third parties, when these transfers are made by means of a preauthorized or automatic transfer, or telephonic agreement, order or instruction. eBank transfers count towards these maximums. No more than three of the six transfers can be by check, draft, debit card or similar order made by you and payable to third parties. (These transfer/withdrawal limitations do not apply to Money Market and Now accounts.) If you exceed these limits, we may close the account, impose a fee, and/or change the account to a non-interest bearing demand deposit account.

Dollar limitations.

We may at any time impose dollar limitations on transfers. In all cases, transfers may be limited to the available balance in your account, plus any available overdraft line of credit or other funds you have previously arranged with use to be available through intrabank transfer.

Timing.

Outgoing wire transfer requests and ACH files must be received by us by 12:00 p.m. Pacific Time to be processed the same banking business day. Outgoing wire transfer requests and ACH files received by us after 12:00 p.m. Pacific Time, or on a non-business day, will be processed the next business day. Any transfer request, file or other communication is deemed "received" by us only when it is actually received by us and in the format specified by us. There may be a delay between the time you send and the time we receive data, and the time we receive will control our obligations.

Balance information.

Balance information obtained through the Services will reflect credit and debit information current as of the end of the previous business day. The balance figure includes funds that are subject to the Bank's funds availability policy and may include funds that are not available for immediate withdrawal or transfer.

Our Right to Refuse Requests for Services.

We are not obligated to honor your requests for Services (including transfer or file origination requests). We may at our sole discretion, either with or without cause or notice to you, refuse to accept or otherwise execute any request for Services, and we will have no liability for our decision. If we decide not to perform in accordance with instructions received from you, we will try to notify you on or before our next business day. This may be by mail or confirmation sent, or otherwise by more expeditious means (including telephonic notice), at our option.

8) E-Mail Messages

While the e-mail function of the Services is "online," messages sent to us through e-mail are not reviewed by us immediately after they are sent. Rather, we review e-mail messages twice a day (normally, before the opening of business and again in the mid-afternoon at about 3:00

p.m.). If immediate attention is required, you must contact us by telephone or in person or through some other procedure not using the Services.

We may act on your e-mail messages if we receive them in a manner and in a time that provides us a reasonable opportunity to act. Nevertheless, unless otherwise specifically agreed to by us, e-mail messages will not serve as a substitute for any requirement imposed on you to provide us with "written" notice.

9) Stop Payment Request

The customer may place a stop payment with Canyon National Bank. The customer agrees to pay Canyon National Bank's fee of \$23.00 for the stop payment request, which will be deducted from the customer's account. The customer must precisely identify the account number, the date, check number, and amount of the check, and the name of the payee. We will abide by the rules and regulations (as established by the Uniform Commercial Code or other law) governing Stop-Payment Orders. A stop payment request becomes effective only after Canyon National Bank has had a reasonable opportunity to act on it, but in no event shall Canyon National Bank be liable for paying a check on the same date a stop payment request is received. Orders (excluding on-line request) are binding for 14 DAYS ONLY, unless you confirm the order in writing on the proper form within the 14-day period. Properly signed Stop-Payment Orders are effective for 6 months after the date accepted and will automatically expire after that period unless renewed in writing.

10) Fees and Charges

Currently, there is no monthly service charge for access to and use of the eBank Services. Particular transaction and account fees may be imposed under other agreements between you and us governing your linked account(s). Depending on how you access eBank, you may incur charges for (among other things):

- normal checking account fees, processing and service charges, and any Internet service provider fees
- For savings accounts, an excess withdrawal fee may apply, including withdrawals made through eBank. These fees are described in your deposit account agreement.
- For an inquiry about a transaction that occurred more than 180 days before the date you make the inquiry, we may charge a research fee of \$20 per hour. This fee will be waived if the bank determines that an error occurred
- Stop Payment order request are \$23.00 per item.
- Bill Payment – \$10.00 per standard proof of payment (i.e., copy of cancelled check) delivered to merchant and not necessitated by dispute, \$7.50 per cancellation of each request for payment before disbursement, \$5.00 per payment returned due to error of Customer, \$10.00 ACH return fee, \$15.00 per letter mailed Express Mail, \$10.00 per letter to recipient of payment.

All charges are subject to change. We will provide notice of a change to a charge as required by law.

11) Business Days

For purposes of the Services, our business days are Monday through Friday, but holiday's (normally, New Year's Day, Martin Luther King Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day and Christmas Day.

12) Service Hours

eBank services are available 24 hours a day, 365 days a year. There may be occasional periods when the system is shutdown for routine maintenance, upgrades, or other events beyond our control.

13) Changes to Agreement

We may change this agreement at any time. For example, we may add, delete, or amend terms or services or charges. We will notify you of such changes by mail or electronic message to the extent required by law. If you maintain or use your eBank service after the effective date of a change, you will be deemed to have agreed to the change. If you do not agree to the change, you will need to cancel the Services, in which case your relationship with us will continue under the former terms and conditions of this Agreement but you will not be allowed further access to the Services.

14) Cancellation

The eBank Services remains in effect until terminated by you or by us. You may cancel the Service at any time by notifying us of your intent to cancel in writing or calling eBank Customer Service. Any account owner or authorized person may terminate the Service. This cancellation applies only to the Service and does not terminate your Canyon National Bank accounts. We may terminate your participation in or limit your access to the Services (or any one or more of them), at any time. We will try to notify you in advance, but we are not obligated to do so.

Termination or cancellation by you or by us does not relieve you of any obligation you may have to us that relates to any use by you of the Services before cancellation or termination, and all provisions of this Agreement that apply to a pre-cancellation use of the Services will survive cancellation or termination for any reason.

15) Contact by Canyon National Bank or Affiliated Parties

No Canyon National Bank employee, or company affiliated with Canyon National Bank's eBank Service will contact you via E-mail or phone requesting your Access ID and Password. If you are contacted by anyone requesting this information, please contact us immediately.

16) Offer of Services through Affiliates or Third Parties

We may offer the Services through or with the participation of an affiliate or unrelated third party. In order to provide the Services to you through this type of arrangement, you authorize us to disclose information on your accounts and services to the affiliate or third party that provides the Services or assistance.

17) Entire Agreement

This Agreement contains the entire agreement between you and us with respect to the matters covered herein. No other agreement, statement or promise made by any party hereto or by any employee, officer, or agent of any party hereto that is not in writing and signed by the parties is binding.

18) Notices

Except as otherwise expressly provided herein, any notice or other communication required or permitted to be given under this Agreement shall be written and delivered, or sent by United States registered or certified mail, postage prepaid, or by express carrier, to your address as is appears on our records:

Or, if to us, addressed to:

Canyon National Bank
Attn: Branch Manager
PO Box 2777
Palm Springs CA 92263-2777

Unless another address is substituted by notice delivered or sent as provided herein. Except as otherwise expressly provided herein, any such notice shall be deemed given when sent or received by us.

19) Choice of Law; Attorney's Fees

This Agreement is governed by the laws of the State of California, except to the extent preempted by federal law. The successful party in any such action will be entitled to recover from the unsuccessful party, in addition to any other relief to which it may be entitled, reasonable attorney's fees and cost incurred by it in prosecuting or defending such action.

20) Miscellaneous

Indemnification

You agree to indemnify, defend and hold us harmless from against any and all loss, liability, cost, charges or other expenses (including reasonable attorney's fees) which we may incur or be subject to, arising out of or related directly or indirectly to action or inaction by you or the performance by us of our obligations under this Agreement.

Severability

If any provision of this Agreement, or any part of it, is held to be invalid, illegal or unenforceable, the remainder of the Agreement, or other parts or applications of such provisions, will not be affected thereby.

Assignment

You may not assign any rights or obligations you may have under this Agreement without our prior written consent.

21) Provisions Applicable to Consumers Only

In Case of Errors or Questions about Your Electronic Transactions

Call us at (760)325-2960, or write us at 1711 E.Palm Canyon Drive, Palm Springs CA 92264, as soon as you can if you think:

- your statement or transaction record is wrong, or
- you need more information about a transaction listed on the statement,

We must hear from you no later than 60 days after we have sent the FIRST statement on which the problem or error appeared. If you tell us verbally, we may require you to send us your complaint or question in writing within ten business days. When you contact us, please provide the following information:

- your name and account number,
- dollar amount of the transaction in question
- description of the transaction you are unsure of

Please explain as clearly as you can why you believe there is an error or why you need more information.

We will determine whether an error occurred within ten business days after we hear from you, and we will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. In this case, we credit your account within ten business days for the amount you think is in error, so that you have the use of the money during the time it takes to complete our

investigation. If we ask you to put your complaint or question in writing, and we don't receive it within ten business days, we may not credit your account.

We will tell you the results within three business days after we complete our investigation. If we decide that there was no error, we will send you a written explanation. You may request copies of the documents that we used in our investigation.

Transfer of Funds

When you schedule a transfer using eBank, you authorize Canyon National Bank to withdraw the necessary funds from your Canyon National Bank checking account. You agree that you will instruct Canyon National Bank to make a withdrawal only when a sufficient balance is or will be available in your checking account at the time of withdrawal. You understand that Canyon National Bank will not act on any withdrawal instruction from you if sufficient funds, including any Canyon Reserve, are not available in your checking account.

Processing and Canceling Transfer of Funds

To have a transfer processed on the same business day as your eBank session, we must receive your instructions before the end of our business day (6 p.m. Monday through Friday, Pacific Time). If you schedule a transfer for a future date, we process the transaction at the close of business on that date, if it's a business day. If the date you request is not a business day, or if we receive your instruction after 6:00 p.m. Pacific Time on the Scheduled Transfer Date, we process the transaction i.e., the Scheduled Transfer Date will be on our next business day.

You may cancel a transfer transaction up to the date you scheduled it for processing i.e., the Next Transfer Date. We must receive your instructions to cancel before the end of our business day on the Next Transfer Date.

Contact In Event of Unauthorized Transactions

If you believe your eBank Access ID or Password has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us at (760) 325-2960.

Customer Service is available between the hours of 8 a.m. and 5 p.m., Monday through Friday. Our eBank Service Line is (760) 325-2960.

You may also write us at: Canyon National Bank, eBank Customer Service Center, 1711 E. Palm Canyon Drive, Palm Springs CA 92264.

Consumer Liability in Case of Unauthorized Transactions

Tell us AT ONCE if you believe your Access ID or Password has been lost or stolen. The best way to minimize your loss is to call us immediately. You could lose all of your money in your accounts, plus any amount available under your Canyon Reserve.

If you tell us within two business days after you learn of an unauthorized transaction, you can lose no more than \$50 if someone used your Access ID or Password without your permission.

However, if you don't tell us within two business days, and we can prove that we could have stopped someone from using your Access ID or Password without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transactions you didn't perform, tell us at once. If you don't tell us within 60 days after the statement is mailed to you, you may not get back any of the money you lost, if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

When you give someone your Access ID and Password, you are authorizing that person to use the service on your behalf, and you are responsible for all transactions the person performs. All transactions that person performs, even those transactions you did not intend or want performed, are authorized transactions. If you notify us that the person is no longer authorized, then transactions that person performs after the time you notify us are considered unauthorized. Transactions that you or someone acting with you initiates with fraudulent intent is also authorized transactions.

For your protection, sign off after every eBank session and close your browser to ensure confidentiality.

Confidentiality

We'll disclose information to third parties about your account or your transactions:

- when it's necessary for completing transfers.
- to verify the existence and condition of your account for a third party, such as a credit bureau or merchant.
- to comply with a government agency or court orders or with the request of a federal regulator.
- if you give us your permission.
- at our discretion, to our affiliates.
- on a closed account, if we reasonably believe you have mishandled it.

Preauthorized Payments

Right to Stop Payment and Procedures For Doing So.

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how: call us at (760) 325-4442, or write to us at 1711 E. Palm Canyon Drive, Palm Springs, CA 92264, Attn: Customer Service in time for us to receive your request 3 business days or more before the date the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge you \$23.00 for each stop payment order you give.

Unless you notify us otherwise, we will treat your stop payment order as a request to stop payment on only one particular payment. If you want all future payments to a particular party stopped, you must specifically advise us of that intention.

Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

Liability for Failure to Stop Payment of Preauthorized Transfer. If you order us to stop one of these payments, 3 business days or more, before the date the payment is scheduled to be made and we do not do so, we will be liable for your losses or damages.

Financial Institution's Liability for Failure to Complete Transactions

If we don't complete a transaction to or from your account on time, or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- if, through no fault of ours, you don't have enough available funds in your account (or available credit under your Canyon Reserve account) to cover the transaction or transfer.
- if the Service or terminal wasn't working properly, and you knew about the malfunction when you started the transaction or transfer.
- if circumstances beyond our control (such as fire or flood) prevent the transaction or transfer, despite reasonable precautions we've taken.
- if there are postal delays or processing delays by the payee.
- if a legal order directs us to prohibit withdrawals from the account.

There may be other exceptions in our agreement with you.

22) Provisions Applicable to Non-Consumer (Businesses) Transactions

Protecting your Password

You agree that we may send notices and other communications, including Access ID and Passwords (and any confirmations), to the current address shown in our records, whether or not that address includes a designation for delivery to the attention of any particular individual. You further agree that Canyon National Bank will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business.

You agree to: 1) keep your Access ID and Password and all other security procedures secure and strictly confidential, providing them only to persons you authorize to use the Services; 2) instruct each person to whom you give access to the Services that he or she is not to disclose the security procedures to any unauthorized person; and 3) immediately notify us you believe your security procedures may have become known to an unauthorized person.

You assume all risks associated with disclosure of any security procedures to others, including your employees. You agree to limit disclosures of security procedures to those persons who you authorize to use the Services and who have a specific need to know. You will establish procedures to protect the confidentiality of all information relating to the Services, including all security procedures, and will promptly notify Bank if you know or suspect that any security procedure is stolen, compromised, or misused.

THE BANK WILL HAVE NO LIABILITY TO YOU FOR ANY UNAUTHORIZED PAYMENT OR TRANSFER MADE USING YOUR PASSWORD THAT OCCURS BEFORE YOU HAVE NOTIFIED US OF POSSIBLE UNAUTHORIZED USE AND WE HAVE HAD A REASONABLE OPPORTUNITY TO ACT ON THAT NOTICE.

We may suspend or cancel your security procedures even without receiving notice from you, if we suspect the Services are being used in an unauthorized or fraudulent manner as regards your accounts.

Acknowledgment of Commercially Reasonable Security Procedures

After review of the Services, including the security procedures used to verify the authenticity of a communication from you to the Bank, you will notify us if your use of the Services would necessitate or be better served by a level of security that exceeds that offered by the Services. If you fail to so notify us, you acknowledge and agree that the security procedures of the Services are appropriate for your needs and will provide you with a commercially reasonable degree of security against unauthorized use. You agree that the security procedures are not intended to, and will not serve as, a procedure to identify errors in a payment order or other communications.

You Are Responsible for Communications in Your Name

In addition to the provisions of Section 6 above:

If a wire transfer request or ACH file origination (a "transfer request") (or a request for cancellation or amendment of a transfer request) received by us purports to have been transmitted or authorized by you, it will be deemed effective as your transfer request and you will be obligated to us for the amount of such transfer request, even though the transfer request was not authorized by you, provided we acted in compliance with the security procedure referred to in this Agreement (or other applicable agreement) with respect to the transfer request.

If a transfer request (or request for cancellation or amendment of a transfer request) received by us was transmitted or authorized by you, you shall be obligated to pay the amount of the transfer request as provided herein, whether or not we complied with the security procedure referred to in this Agreement with respect to that transfer request and whether or not that transfer request was erroneous in any respect or that error would have been detected if we had complied with such procedure.

Limitation of Bank's Liability for Business Customers Only

If we fail or delay in making payment or transfer pursuant to your instructions, or if we make a payment or transfer in an erroneous amount which is less than the amount per your instructions, unless otherwise required by law our liability shall be limited to interest on the amount which we failed to timely pay or transfer, calculated from the date on which the payment or transfer was to be made until the date it was actually made or you canceled the instructions. We may pay such interest either to you or the intended recipient of the payment or transfer, but in no event will we be liable to both parties, and our payment to either party will fully discharge any obligation to the other. If we make a payment or transfer in an erroneous amount which exceeds the amount per your instructions, or if we permit an unauthorized payment or transfer after we have had a reasonable time to act on a notice from you of possible unauthorized use as described above, unless otherwise required by law our liability will be limited to a refund of the amount erroneously paid or transferred, plus interest thereon from the date of the payment or transfer to the date of the refund, but in no event to exceed 60 days interest. If we become liable to you for interest compensation under this Agreement or applicable law, such interest shall be calculated based on the average federal funds rate at the Federal Reserve Bank in the district where the Bank is headquartered for each day interest is due, computed on the basis of a 360-day year.

IN NO EVENT WILL WE BE LIABLE TO YOU FOR SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOST PROFITS OR ATTORNEY'S FEES, EVEN IF WE ARE ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES.

Your Duty to Notify Us of Error

You agree to notify us promptly: (i) of any discrepancy between your records and the periodic account statements furnished by us to you; or (ii) if a payment or transfer purportedly made on your behalf or charged to your account was not authorized by you, was erroneous or was executed improperly.

You shall be deemed to have received notice of such an occurrence when you receive actual notice or an account statement furnished in a fashion customary for that account or such other account as was charged for payment indicating: (i) the purported payment order or other communication was accepted and acted upon by us; or (ii) your account was debited with respect to the payment or transfer, whichever occurs first.

If you fail to notify us within 30 days after you received notice of any unauthorized or erroneous transfer, we will not owe you any interest on the amount in question even if we are otherwise liable to you in connection with the transfer or other communication or are obligated to credit you for the amount of the transfer or any portion thereof, nor will we be liable for any other losses resulting from your failure to give such notice with respect to a transfer shown on such periodic statement. If you fail to notify us of any such discrepancy within 60 days, you shall be precluded from asserting such discrepancy against us.

23) Bill Payment Service through the "System"

You must designate the Bank account from which the payments are to be made; the complete name of the payee, the account number, and the payee's remittance address, all exactly as shown on the billing statement or invoice; the amount of the payment; and the date you want the payment to be sent (processing date), which will be the day on which the payment will be debited from your account .

Scheduling Payments

Some of the bills you direct us to pay will be paid by electronically, through an automated clearing house ("ACH"), while others may be paid through the use of a paper draft drawn against the account you designate and mailed to the payee. These paper drafts are like checks you might draw, except that they are generated by the System, are issued without your signature and are paid when they are presented to the Bank through the normal check clearing process. The Bill Payer list available on the System will tell you whether a given payment will be processed through the ACH or by paper draft, the funds will be deducted from your account on the date you specify as the processing date. If the payee is to be paid by paper draft, you must plan to allow sufficient time for the paper draft to reach the payee – we suggest between 5 and 8 business days after the date the payment is processed. If the payee is to be paid electronically, you should allow 3 business days between the processing date and the date the payment must be received by the payee. You understand and agree that we are not responsible for the timely delivery of mail, the improper transmission of a payment by an ACH, or the handling of payments by your Payment Service payee.

You agree to comply with all local, State and Federal laws and regulations, including the sanction laws administered by the Office of Foreign Assets Control (OFAC). You agree not to use the bill payment service to make tax or other payments to the Federal government or to any State or local government or other governmental entity.

Charging your Account

By selecting the Bill Payment option when you apply, you authorize us to charge to your Primary Checking Account all bills for your use or the availability to you of the Bill Payment Service, you also authorize us to charge your designated account for the Payment on the scheduled Processing Date. We will not be obligated to make a Payment unless your account, including any overdraft line of credit, has sufficient funds available to pay the bill on the Processing Date. We will notify you verbally, electronically, or in writing of transactions we are not able to process because of insufficient funds. You are responsible for either making alternate arrangements for the Payment, or for rescheduling the Payment through online banking (System). We will not automatically resubmit a Payment for you after funds have become available. Funds for all Payments (whether we make the Payment electronically or by check) will be withdrawn from your account on the scheduled Processing Date. If the Processing Date falls on a weekend or bank holiday, the funds will be withdrawn from your account on the following business day.

Stopping or Canceling a Bill Payment Processed or to be Processed

To cancel a bill payment that you have scheduled through the System, you must cancel the payment online via the System (by following the onscreen instructions). Before 9:00 am Pacific Time on the date the payment is scheduled to be debited from your account (Processing Date). Once an electronically transmitted bill payment has been debited from your account, you CANNOT cancel or stop the payment, even if the payee has not received the payment yet. However, if the payment is to be made by paper draft, you may be able to stop payment on the draft even if it has been processed and mailed to the payee. Your stop payment order for a System bill payment made by paper draft can be implemented by contacting us by telephone before the paper draft has cleared, just as is the case with checks you issue against your account. When you call us, we will be able to tell you whether the paper draft has cleared. If it has not already cleared, we will immediately process and honor your stop –payment order. You should be aware, however, that to be effective, your stop-payment request must precisely identify the name of the payee, the payee-assigned account number, the amount and scheduled date of the payment, and the ID number from the Bill Payment View Posting Screen.

Rejecting Payments

We may reject a Payment request with or without cause or prior notice. If we do, we will notify you promptly of the rejection verbally, electronically, or in writing.

Cancel or Amend Instructions

You may use Online Banking (System) to cancel or amend any scheduled Payment before 9:00 a.m. Pacific Time on the Payment Date. You cannot cancel or amend a Payment once the transaction has been posted to your account.

By selecting Accept, you agree to the Online Access Agreement and Disclosure for Canyon National Bank.