

CHECK CASHING ACCOUNT AGREEMENT

This Agreement is entered into by and between Hanmi Bank (“Bank”) and the undersigned depositor (“Depositor”).

Recitals

- A. Depositor may, from time to time, cash checks for third parties and may deposit such checks into its account(s) with Bank.
- B. Bank is willing to accept such deposit of these checks, subject to the following terms and conditions.

Bank and Depositor agree, as follows:

1. **Transaction Limitations.** Bank reserves the right to limit the amount of each check and the total amount of checks accepted for deposit each month. Bank may refuse to process checks, which exceed these limitations, or if Depositor fails to maintain sufficient collateral funds (per Section 5) to cover potential returns and claims. Depositor **SHALL NOT** deposit demand drafts, remotely created checks, substitute checks, or checks that:
 - a. It has cashed for someone other than the original payee named on the check (i.e. a third party check);
 - b. Are stale dated checks dated more than 90 days (or as noted on check) before the date of deposit;
 - c. Are post/future dated checks with a date after the date of deposit;
 - d. Are payable to a trust, trustee, executor, guardian, conservator or other personal representative;
 - e. Checks payable to Business Entities registered with the State/County with no accompanying acknowledgement from business’ officer(s) authorizing the individual to cash checks issued to said company/business;
 - f. Have previously been returned unpaid for any reason by the institution upon which they were drawn (however, the redeposit of an item may be allowed once at the discretion of Operations Administrations);
 - g. Do not clearly identify the payee (e.g., checks payable to initials or payable to CASH);
 - h. Any check in an amount greater than \$10,000.00;
 - i. Money Orders drawn in the account holders’ name or business name;
 - j. Checks made payable to vendors but endorsed by the business or individual writing the check;
 - k. US Treasury Tax refund checks deposited 60 days after the date of origination
 - l. Any checks payable to more than one party (e.g., check payable to two or three parties); and
 - m. Checks payable to Businesses in Industries listed on our Restricted Business List
2. **Representations and Warranties.** In addition to any other warranties that Depositor is deemed to make under the Uniform Commercial Code, Depositor represents and warrants the following with respect to each check:
 - a. Depositor is entitled to deposit and receive payment for the check, and has provided goods, services or funds to the payee named on the check.
 - b. Depositor will follow reasonable procedures for verifying the identity of the named payee before cashing the check.
 - c. Depositor will obtain and maintain identifying information from each payee, but will not keep copies of legal documents (identification). **Depositor will provide the documents to the Bank upon its request.**
 - d. Depositor has no knowledge that a stop payment order has been placed on the check or that there is any defense to payment.
 - e. The check is not subject to any claim by a third party or any defense to payment.

Depositor represents and agrees that:

- a. Depositor is and, during the term of this Agreement, will remain in compliance with applicable law, including the Bank Secrecy Act.

- b. Depositor is, and during the term of this Agreement, will possess and maintain all licenses required by law in connection with its business.
 - c. Depositor has registered as a money services business with the Financial Crimes Enforcement Network (and with the state, if required by state law) and has implemented an anti-money-laundering compliance program, including procedures for confirming the identity of persons cashing checks and filing requirements pursuant to 31 CFR 103.20. **Upon Bank's request, Depositor will provide Bank with evidence of Depositor's compliance with this provision.**
 - d. Depositor will not allow the Collateral Account (described below) to be subject to any lien or encumbrance of a third party.
 - e. Depositor will ensure that all checks bear a legible endorsement of the payee, as well as Depositor's endorsement (which shall include its account number).
 - f. Depositor will not cash checks that it knew or should have known were stolen, altered, improperly endorsed or forged.
 - g. If a check cashing software is used to verify and retain customer information, provide a system-generated transaction report for the dates provided, is asked for.
 - h. Bank may request additional documentation on items cashed such as legal documents of the payees.
3. **Right of Charge Back.** Depositor understands and agrees that Bank shall have the right to charge back to Depositor's account any check deposited by Depositor that is subsequently returned to Bank, whether or not the return is proper or timely. This right of charge back includes, but is not limited to, checks returned to Bank unpaid for any reason (e.g., due to insufficient funds, stop payment orders, account closed, allegations of alterations or forgeries, missing or improper endorsement, counterfeit items, endorsement forgery claims or otherwise).
4. **Overdrafts.** If Depositor does not have sufficient available funds in its account to cover the total amount of checks drawn on and/or charged back to its account, resulting in an overdraft of the account, Depositor shall make an immediate deposit of good funds to cover the overdraft. Bank may charge the Depositor's Collateral Account (described in Section 5) or any other account of Depositor for the amount of any overdraft, without prior notice.
5. **Collateral Account/Security Interest.** Depositor acknowledges that Bank's obligation to third parties for checks may extend three years from the date the Check Cashing Account is closed. As such, Depositor agrees to pledge collateral acceptable to Bank for a period terminating no earlier than three years after the last deposit of any check or closing date of the account. **Depositor acknowledges that the amount of collateral required by Bank may change (increase or decrease) over time within Bank's sole discretion.** _____ INITIALS

Depositor hereby assigns, pledges and grants Bank a security interest in Account Number(s)

including all renewals, rollovers, and substitutions thereof, and any present and future principal, interest, and reinvestment of the amounts in such account(s) as collateral security for Depositor's obligations and performance under this Agreement and Depositor's account agreement. Until this Agreement terminates, all obligations of Depositor to Bank are fully and finally satisfied, and Bank releases its security interest, Depositor shall not have a right to withdraw or transfer any Collateral Account funds required by Bank.

The initial amount of Collateral Account funds required for check processed under this Agreement is set forth in Exhibit A. Bank may change the required Collateral Account balance, as well as the period that Collateral Account funds may be held, based on Bank's assessment of risk factors such as Depositor's financial strength, past and current check returns and claims, years in business, and any substantial changes in the average number or amount of checks processed under this Agreement at any time. In such case, Bank will provide Depositor with reasonable (up to thirty days) prior written notice of any change in the required Collateral Account to meet or exceed the requirements of this Agreement on the

effective date set forth in Bank's notice. At Bank's option, Bank may transfer some or all of the proceeds of checks or other Depositor funds into the Collateral Account in order to maintain the minimum balance Bank requires. **When this Agreement ends, Depositor understands the Bank may retain Collateral Account funds for a reasonable time (up to three years) to cover any Depositor's obligations under this Agreement, whether they are incurred before or after the date of termination.**_____ INITIALS

Bank may charge Depositor's accounts (including the Collateral Account) for any check, which is returned by the institution upon which it is drawn or which is subject to any claim for breach of warranty. Bank's right to charge Depositor's accounts for returned checks, claims and other obligations will not be limited by the existence or balance of any Collateral Account funds.

Bank may continue to hold the Collateral Account following the termination of this Agreement or the closure of Depositor's accounts to cover the amount of Depositor's anticipated obligations for check claims and returns. Bank's security interest also will remain in effect after the termination of this Agreement as long as any of Depositor's checks remain subject to return or claims, including but not limited to for breach of warranty.

6. **Furnishing of Information.** Upon Bank's request, Depositor shall provide Bank with a current financial statement in form and substance acceptable to Bank. Depositor agrees to provide Bank with 30-days advance written notice of: (a) any material (15% or greater) change in its ownership; (b) any material change in the type of its business (e.g., a change in legal status; a change in business name or the use of a fictitious business name; engaging in a significant new line of business; the addition of new store locations); and (c) any change in its operations that may result in a significant (25% or greater) increase in the amount or type of checks deposited, compared with the preceding six month's average.

7. **Check Holds and Collection.** Bank reserves the right to place an uncollected funds hold on checks and to accept any check solely on a collection basis, as provided in its deposit agreement.

All deposited items may be subject to an exception hold during the first 30 days the account is open. Single deposited checks payable for more the \$5,525 may be subject to an exception hold time anytime during the account relationship. An exception hold means that the funds for the deposited item may not be available for immediate withdrawal until 7 business days following the day of deposit. Any account that has a returned check with the reason code "refer-to-maker," "closed account," or similar code within the first 90 days will be subject to account closure.

8. **Arbitration.** Any claims or disputes involving or arising out of or related to this Agreement or its breach shall be subject to binding arbitration in accordance with the terms of Depositor's account agreement with Bank.

9. **No Assignment.** Depositor shall not assign any right or delegate any responsibility under this Agreement without Bank's prior written consent. Depositor shall not grant a security interest to others in any of its Bank accounts, including (without limitation) the Collateral Account. This Agreement shall be binding on each party's heirs, successors, and assigns.

10. **No Third Party Beneficiaries.** This Agreement is made for the exclusive benefit of Depositor and Bank. No third party, including any customer of Depositor, has any rights under this Agreement.

11. **Applicable Law.** The validity, interpretation, enforceability, and performance of this Agreement shall be governed by and construed in accordance with the laws of the State of _____, without reference to its conflict of law provisions.

12. **Amendment.** Bank may amend (add to, delete or change) the terms of this Agreement by providing Depositor with 30-days prior written notice. Bank may change the amount of each check accepted, the types of checks accepted and any other operative rules related to this agreement, at its discretion.

13. **Fees for Violation of Transaction Limitations (Section 1).** Bank may charge the following fee to Depositor's account if Depositor deposits any checks that do not qualify for deposit under this Agreement (per Section 1). The Bank may initiate a review of checks deposited during the 90-day period prior to the date of its deposit and charge Depositor the cost associated with its review or \$40 per nonconforming check, whichever is greater. _____ INITIALS

14. **Termination.** Either party may terminate this Agreement by giving the other party 7 days prior written notice. Bank may terminate or suspend this Agreement immediately and without prior notice in the event:

- a. Depositor fails to maintain the required amount of Collateral Account funds;
- b. Depositor is in material breach of this or any other agreement with Bank;
- c. Depositor frequently violates Transaction Limitations (section 1) of this Agreement;
- d. Depositor becomes insolvent, the subject of a bankruptcy, receivership or dissolution proceeding, or makes an assignment for the benefit of creditors; or
- e. Bank experiences a material increase in the number or amount of checks that are returned or subject to third party claims (e.g., breach of warranty).

The requirements of Section 3 (Right of Charge Back), 4 (Overdrafts), 5 (Collateral Account/Security Interest), 6 (Furnishing of Information), 8 (Arbitration) and 9 (No Assignment) shall survive the termination of this Agreement.

15. **Notices.** Unless otherwise agreed, notices required by this Agreement must be in writing. Notices to Depositor may be delivered to it or sent to it at the address shown for Depositor in Bank's deposit account records. Notices to Bank must be sent to the Bank at: **Hanmi Bank, ATTN: Operations Administration, 3660 Wilshire Blvd., Suite PH-A, Los Angeles, CA 90010.**

16. **Entire Agreement.** This Agreement incorporates, supplements, and supersedes where inconsistent, the terms of Depositor's account agreement with the Bank. This Agreement and the account agreement constitute the entire agreement between Bank and Depositor with respect to checks.

17. **Waivers.** Bank may delay enforcing its rights under this Agreement without losing them. Any waiver by Bank shall not be deemed a waiver of other rights or of the same right at another time.

18. **Effective Date.** This Agreement shall become effective as of _____, 20_____.

"Depositor"

Date: _____

By: _____

Title: _____

HANMI BANK
"Bank"

Date: _____

By: _____

Title: _____

for Corporation only

RESOLVED: _____, _____, _____, or _____
(enter 'title' or 'name')

of this Corporation is authorized to enter into a Check Cashing Agreement with Hanmi Bank.

RESOLVED further that the authority conferred is in addition to any other authorizations in effect and shall remain in force until Bank receives written notice of its revocation at the office where the account is maintained or at such other location as Bank may direct.

CERTIFICATION

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

DATED

SIGNATURE

PRINT NAME/TITLE (Must be Secretary or Asst. Secretary)

EXHIBIT A

DESCRIPTION OF ANTICIPATED CHECK CASHING ACTIVITY

Type of Checks Cashed	Check if Applicable	Average Check Amount	Maximum Check Amount*	Average Monthly Total
Payroll				
Personal Check, payable to individuals				
Business Checks, payable to individuals for non-payroll purposes				
Business Checks, payable to business				
Government checks, payable to individuals				
Other:				

***Check must not exceed \$10,000**

Initial Collateral Account Deposit

Until notified otherwise by Bank, Depositor shall maintain the greater of the following amounts in the Collateral Account:

\$ _____

<u>% Required</u>	<u>Applicable volume</u>	<u>Amount Required</u>
_____ of the	_____	\$ _____
_____ of the	_____	\$ _____
_____ of the	_____	\$ _____
_____ of the	_____	\$ _____
		\$ _____

Total Collateral Amount based on the anticipated monthly check cashing volume.

Bank Officer Initials

Depositor Initials