



FUNDS TRANSFER SERVICE AGREEMENT

THIS AGREEMENT, effective as of the date signed by Beach Business Bank below, is between the named customer (the "Customer") and Beach Business Bank or The Doctors Banksm, a division of Beach Business Bank ("Bank") regarding Customer's initiation of certain transfers of funds which Customer has on deposit with Bank (each a "Request"). This Agreement is in addition to the terms provided in the WIRE AND OTHER FUNDS TRANSFERS section of the Business Deposit Account Terms and Conditions document, which is hereby incorporated into and becomes part of this Agreement.

CUSTOMER AUTHORIZATION. Customer authorizes Bank to act on any Request if Bank has complied with the Security Procedure indicated herein. However, if Bank specifies a voice or facsimile telephone number or internet e-mail address for Requests, and the Request is not directed to such telephone number or internet e-mail address, the Request will not be deemed to have been received by Bank and Bank will have no obligation to act thereon. Customer will pay Bank's fees and charges for any funds transfer in accordance with Bank's schedule of fees and charges. Bank is authorized to debit any of Customer's Accounts for fees and charges incurred in connection with Bank's funds transfer services. Bank will provide Customer with a schedule of fees and charges upon request. All fees and charges are subject to change at any time.

ACCOUNTS. Customer has the following Accounts with Bank. Transfers may be made from any of these Accounts.

| ACCOUNT NAME/TITLE | ACCOUNT NUMBER |
|--------------------|----------------|
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DESIGNATED REPRESENTATIVES. The following individuals are designated as Designated Representatives of Customer to initiate and verify Funds Transfer Requests to Bank:

| NAME | TITLE | SIGNATURE | PHONE |
|------|-------|-----------|-------|
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This authorization indicates that the Designated Representative may Initiate and/or authorize transfers between accounts held at Beach Business Bank or with other Financial Institutions. Any restrictions to that authority must be made on a separate form, which must be accepted by the Bank in writing.

SECURITY PROCEDURE. Customer may select one of the following methods for confirming Requests. Bank reserves the right to refuse any Request that cannot be authenticated in accordance with the Security Procedures selected by Customer.

- Confirmation Only From Second Designated Representative**
Upon receipt of a Request, Bank will contact another Designated Representative to verify the authenticity of the Request. If a second Designated Representative is not available, Bank will not accept the Request.
- Confirmation by Initiating Designated Representative**
Upon receipt of a Request, Bank will contact another Designated Representative to verify the authenticity of the Request. If a second Designated Representative is not available, confirmation may be obtained from the Designated Representative who originated the Request.
- No Confirmation Required**
Bank is authorized to act on any Request received without verifying the authenticity of the Request. Customer acknowledges the risk inherent in bypassing this procedure, and agrees to hold Bank harmless from any loss that may arise from unauthorized transfers.

Customer has selected the Security Procedure indicated on this Agreement, provided a list of the names and titles of Designated Representatives, and the telephone numbers which Bank may use to verify the authenticity of Requests. Bank may rely on the telephone



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number(s) and on the list of Designated Representatives set forth in this Agreement until Bank receives, and is able to distribute to its affected employees, a notice from customer changing the telephone number(s) or adding or deleting Designated Representatives. A notice to change a telephone number or add a Designated Representative must be in writing, which must further be accepted by the Bank in writing. A notice to delete a Designated Representative may be oral or in writing, but Customer must promptly confirm in writing an oral notice. If a conflict occurs between Customer's records and Bank's records regarding the substance of oral instructions, Bank's records will control.

Customer will be bound by all Requests that Bank has verified according to the Security Procedure, even if any such Request was not actually authorized by Customer.

Customer represents that Customer has reviewed its requirements and determined that the Security Procedure selected by Customer is a satisfactory method of verifying the authenticity of Requests. Customer acknowledges that the purpose of the Security Procedure is to verify that a Request is that of Customer, and not to detect errors in Requests. Customer acknowledges that Requests made by internet e-mail are not encrypted (encoded) while they are being transmitted to Bank, and may be intercepted during transmission by unauthorized third parties. In addition to the security procedures described in this Agreement, Customer acknowledges that Bank has available a procedure for requesting certain funds transfers by means of a personal computer (the "CASHWorks" cash management product), that incorporates more extensive security measures, such as the use of personal identification numbers, than do either of the security procedures described in this Agreement. Customer has elected not to utilize the CASHWorks system for funds transfers.

Customer agrees to safeguard the confidentiality of the Security Procedures at all times, and to establish and maintain procedures to assure its confidentiality. Customer agrees that no individual will be allowed to initiate a Request without proper supervision and adequate safeguards. Customer agrees to notify Bank promptly by telephone, confirmed in writing, if the Security Procedure is compromised.

LIMITATION ON LIABILITY. For Funds Transfer Requests subject to (i) Division 11 of the California Uniform Commercial Code or (ii) Regulation J of the Board of Governors of the Federal Reserve System, Bank is not liable for any expense, claim, loss, damage or cost (collectively, "Damages") arising out of or relating to its performance under this Agreement other than those Damages required to be paid under Division 11 or Regulation J, as applicable, and then only to the extent provided in this Agreement.

With respect to Requests other than those described above, and for other acts and omissions, Bank is not liable for any Damages arising out of or relating to its performance under this Agreement other than those Damages which result directly from Bank's own negligence, subject to the limits set forth in this subsection. Bank's liability is limited to direct money damages actually incurred by Customer not to exceed, with respect to any Funds Transfer Request, the greater of (i) the amount, if any, or funds transferred from an Account in excess of the amount specified in the applicable Funds Transfer Request, or (ii) the amount transferred to an account different from the account specified in the applicable Funds Transfer Request. Bank will not be liable for any special, indirect, exemplary, punitive or consequential damages (including lost profits) of any kind, including any damages from subsequent dishonor resulting from Bank's acts or omissions under this Agreement.

Notwithstanding any other provision of this Agreement, Bank is excused from failing to act or delaying in acting, and any failure or delay does not constitute a breach of this Agreement or otherwise give rise to any liability of Bank, if (i) the failure or delay arises out of legal constraint, interruption of communication facilities, equipment failure, war, riot, civil unrest, emergency conditions, natural disaster, labor dispute, or other causes beyond the control of Bank, or (ii) Bank believes its action would violate any guideline, rule or regulation of any government authority. Bank is not responsible for the acts or omissions of any other person or entity, including any Federal Reserve Bank, any intermediary or beneficiary bank, or any recipient of a payment or a payment order intended to carry out a Funds Transfer Request. No such person or entity will be deemed Bank's agent.

If Bank is obligated to pay compensation in the form of interest, Bank will do so upon written demand. Depending upon the nature of the applicable Account, Bank will calculate compensation for the relevant period using one of the following interest rates: (i) if the Account is an analyzed Account, Bank will use its earnings credit rate(s) for the relevant period according to its published account analysis procedures; (ii) if the Account is a non-analyzed, interest bearing account, Bank will use the interest rate(s) for the Account for the relevant period; and (iii) if the Account is a non-analyzed, non-interest bearing account, Bank will use the average of the Federal Fund rates published by the Federal Reserve Bank of San Francisco for the relevant period, adjusted by a percentage equal to the reserve requirement for the Account.

Customer will indemnify Bank for all liabilities, costs, losses and damages of any nature, including attorney fees, which arise out of or relate to disputes or legal actions by third parties arising from or in connection with this Agreement or Bank's performance of funds transfer services for Customer. This indemnity does not apply to any liability, cost, loss or damage attributable to the gross negligence or willful misconduct of Bank Customer's obligations under this paragraph survive termination of this Agreement.

TERMINATION. Customer or Bank may for any reason terminate this Agreement at any time upon written notice to the other. The termination will not affect the rights and obligations of either party regarding any funds transfer which occurred prior to the termination.

Customer Name _____

BEACH BUSINESS BANK

By _____
Name *Customer Representative Signature*

By _____
Name _____

Title _____

Title _____

Date: _____

Date: _____