

Underwriting Requirements Guide – Commercial Bank of California

| Card Acceptance: | | CP - Card Present (> 70% Swipe) | | | CNP - Card Not Present (<70% Swipe) | | |
|------------------|---|---------------------------------|----------------------------|-----------------------------|-------------------------------------|----------------------------|-----------------------------|
| Merchant Levels: | | Level I (ALL Criteria) | Level II (ANY Criteria) | Level III (ANY Criteria) | Level I (ALL Criteria) | Level II (ANY Criteria) | Level III (ANY Criteria) |
| Criteria ❶: | Avg. Monthly Volume (AMV): | < \$75,000 | \$75,000 - \$199,000 | ≥ \$250,000 | < \$100,000 | \$100,000 - < \$200,000 | ≥ \$200,000 |
| | Avg. Ticket Value (ATV): | < \$1,500 | ≥ \$1,500 - < \$5,000 | ≥ \$5,000 | < \$1,000 | ≥ \$1,000 - < \$2,500 | ≥ \$2,500 |
| | Delivery Timeframes: | 0 - 14 Days | < 90 Days | > 90 Days | 0 - 14 Days | 15- 30 Days | > 30 Days |
| | Years Established: | > 2 Years | - | - | > 2 Years | - | - |
| Required Docs* | Minimum Requirements | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Most Recent Processing Statements | | ✓ Last 3 Mos. | ✓ Last 6 Mos. | ✓ Last 3 Mos. | ✓ Last 3 Mos. | ✓ Last 6 Mos. |
| | Most Recent Bank Statements | | | ✓ Last 3 Mos. | | ✓ Last 3 Mos. | ✓ Last 3 Mos. |
| | Most Recent Financials (Audited preferred) or Tax Returns | | | ✓ Last 1 Year | | ✓ Last 1 Year | ✓ Last 2 Years |

* Additional documentation may be required for certain business models. Please speak to your Relationship Manager should you have any questions on submitting a new Merchant Application.

Minimum Requirements:

- ✓ Completed Merchant Application
- ✓ Personal Guarantee ❷
- ✓ Voided Check or Bank Letter
- ✓ Principal's Driver's License or Passport ❸
- ✓ Business Formation documents

❶ Approval of all accounts is also contingent upon the following Underwriting criteria:

- ✓ Principal Credit Score > 600
- ✓ Positive verification of the Business and all Principal(s)
- ✓ Business or Principal(s) are not MATCH listed
- ✓ Business or Principal(s) are not included on the OFAC SDN List or other Sanction Lists
- ✓ Business or Principal(s) are not currently in bankruptcy
- ✓ Merchant's risk exposure is not above Payscout's credit risk policy acceptance levels for its Risk Level. Approval may be subject to daily discount, reserve, or funding delay depending on their risk exposure.

❷ Personal Guarantee may be waived if Merchant provides 2 years business financials as an alternative supportive of their AMV.

❸ Principal is defined as a Beneficial Owner and/or Control Prong per FinCEN's Customer Due-Diligence ruling.

Additional Requirements for Accounts Receivable Management (ARM):

- ✓ Will be treated as CNP Level II Merchants for required documents regardless of processing assumptions.
- ✓ ARM Questionnaire
- ✓ Copy of Sample Client Agreement

Exceptions and Special Consideration:

No exceptions for the Minimum Requirements will be made except where specified. Merchants not meeting minimum credit scores, or requesting processing statements, bank statements or financials to be waived will be done on a case by case basis and may require additional documentation or information at Payscout's request.