



## IMPORTANT AGREEMENT AND DISCLOSURES ABOUT YOUR CHECKING ACCOUNT

In this Important Agreement and Disclosures About Your Checking Account, the words “you” and “your” mean each person applying for a new Checking Account (your “account”) online and the words “we”, “us” and “our” mean Central Pacific Bank.

Your agreement with us. By clicking on the link to review this document and checking the box to confirm that you have reviewed it, you are agreeing to the disclosures, and the terms and conditions set forth below. Please note that the document below is the document that governs your account and if you request a printed copy of this document (see below), the printed version may be more than one document (i.e., our Deposit Account Agreement & Disclosure, Fee Schedule, etc.), and the printed documents may contain information about all of our deposit accounts and not just the checking account you are applying for online.

Since this document contains the terms and conditions that apply to your account, you should review the document carefully and retain a copy for your records either by printing a copy or saving a copy to your storage device. You can print this document while you are reviewing it online. You may also request paper copies of these documents by calling our Customer Service Center at (808) 544-0500 or toll-free at 1-800-342-8422, or by visiting any Central Pacific Bank branch.

Disclosures and Agreements. This document includes the following disclosures and agreements governing the checking account you are applying for:

- Initial Account Deposit Authorization and Agreement
- Value Checking Account Disclosure
- Deposit Account Agreement & Disclosure
- Funds Availability Disclosure
- Electronic Fund Transfer Agreement & Disclosure
- What Does Central Pacific Bank Do With Your Personal Information?

Overdraft Privilege. We will automatically provide Overdraft Privilege, at our discretion, to qualifying checking accounts in good standing. This document includes the following disclosures regarding Overdraft Privilege:

- Overdraft Protection Options
- Overdraft Privilege Disclosure
- What You Need to Know about Overdrafts and Overdraft Fees

**Reminder: You cannot write checks on your account until we have received your completed and signed signature card.**



## INITIAL ACCOUNT DEPOSIT AUTHORIZATION AND AGREEMENT

The following describes the two ways you may make your initial deposit to open your new deposit account with us. If your application to open your new deposit account is approved, you can make your initial deposit by either mailing us a check, or authorizing an electronic funds transfer from another account. Each option is described below.

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### **INITIAL DEPOSIT – YOUR CHECK SENT BY MAIL**

Deposit by mailing check. You can make your initial deposit into your new deposit account by mailing us a check. Please mail your check to Central Pacific Bank, Attn: Online Account Opening, P.O. Box 3590, Honolulu, HI 96811-3590.

A hold on your deposit is possible. Your initial deposit, if made by a check, will be subject to our regular Funds Availability Policy as described in the Funds Availability Disclosure below. If we place a “hold” on your account, we will send you an e-mail notice to tell you when the funds will be available for withdrawal.

Do not send cash deposits by mail. You should not mail us cash for your initial deposit. However, if you do mail us cash, you agree that our count of the amount mailed to us will be final for all purposes.

If you have questions about mailing us a check for your initial deposit, please call us at (808) 544-0500, and toll free at 1-800-342-8422.

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### **INITIAL DEPOSIT – YOUR AUTHORIZATION FOR AN ELECTRONIC FUND TRANSFER**

Deposit by electronic funds transfer. You can make your initial deposit into your new deposit account by authorizing an electronic transfer of funds from your account at another financial institution. You must authorize an electronic transfer to open your new account if you make your initial deposit by an electronic transfer of funds, but you cannot authorize an electronic transfer of funds in excess of \$2,000.00 or your application will not be processed. To the extent necessary, the Electronic Fund Transfer Agreement and Disclosure is modified by the terms and conditions stated below.

Authorization for electronic funds transfer. You hereby authorize us to: (i) initiate a debit entry to your account described on the Fund Your Account screen at the depository financial institution listed on the Fund Your Account screen, and (ii) credit the amount to your new deposit account with us. You acknowledge and agree that the origination of this electronic funds transfer to your new account must comply with the provisions of U.S. law. You also understand that this is an authorization for a one-time electronic funds transfer. This means that you do not have the opportunity to terminate the authorization because the transaction will occur virtually simultaneously upon your authorization of the transaction.



Electronic funds transfer terms and conditions. These terms and conditions apply to your one-time authorization to make your initial deposit into your new account with us by an electronic funds transfer. You are authorizing us to debit your account at another financial institution and to credit that amount to your new deposit account with us, in the amount you enter on the Fund Your Account screen. The Electronic Fund Transfer Agreement and Disclosure contains important information about other types of electronic funds transfers that you can make using your new account after it has been opened. There is no fee or charge for the right to make your initial deposit by authorizing an electronic funds transfer.

**1. Your Liability for Unauthorized Electronic Fund Transfers.** Tell us AT ONCE if you believe that an electronic fund transfer has been made from your account without your permission. Telephoning is the best way of keeping your possible losses down. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days 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 will extend the time period.

**2. Contact in Event of Unauthorized Transfer.** If you believe that someone has transferred or may transfer money from your account without your permission, call (808) 544-0500 or toll-free at 1-800-342-8422 or write to us at Central Pacific Bank, Attn: Electronic Banking Dept., P.O. Box 3590, Honolulu, HI 96811-3590. You should also call or write to us at the same phone number/address if you believe a transfer has been made using the information from your check without your permission.

**3. Our Business Days.** Our business days are Monday through Friday, except for certain holidays.

**4. Confidentiality.** We will disclose information to third parties about your new account or the transfers you make:

- Where it is necessary for completing transfers;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders; or
- If you give us your written permission; or
- As described in our Consumer Privacy Notice which appears below.

**5. Documentation of Transfers.** Your initial deposit will appear on the first statement you receive for your new deposit account with us.

**6. No Right to Stop Payment.** Since your initial deposit to fund your new account is a one-time transaction, you do not have the right to request a stop payment on this transaction. If you have questions about your electronic funds transfer after it has been processed, please call us at the telephone number listed in Section 8 below.



**7. Our Liability.** If we do not complete a transfer 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 do not have enough money in your account to make the transfer.
- If the transfer would go over the credit limit on your overdraft protection credit line.
- If the system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken.
- If you do not have enough money in your account because we placed a hold on your account or your account is subject to legal process or other claim.
- There may be other exceptions not specifically stated here.

**8. In Case of Errors or Questions About Your Electronic Transfers.** Telephone us at (808) 544-0500, or toll-free at 1-800-342-8422 or write us at Central Pacific Bank, Attn: Electronic Banking Dept., P.O. Box 3590, Honolulu, HI 96811-3590, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the **FIRST** statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decided that there was no error, we will send you a written explanation. You may ask for copies of documents that we used in our investigation.



## VALUE CHECKING ACCOUNT DISCLOSURE

### INTEREST RATE INFORMATION

- Interest is not paid on this account.

### BALANCE INFORMATION

- There is no minimum deposit to open this Account.

### LIMITATIONS & CONDITIONS

- Your initial deposit to open your account may not exceed \$2,000.00 if you make your initial deposit by authorizing an electronic transfer of funds.
- Check Safekeeping service is required for this Account (i.e., you do not get your canceled checks or images of your canceled checks with your statements).
- Accounts with zero balance for 60 or more consecutive calendar days will be closed automatically without notice.

### FEE INFORMATION

- There is no monthly service charge on this Account.

#### The following fees apply to your account:

- Paper Statement Fee: A paper statement fee of \$2.25 will be charged per statement period.

This fee is waived for the first calendar month in which the Account is opened. For subsequent months, the fee can be waived in one of three ways:

- 1) Enroll in Online Statement service through Online Banking (if Online Banking is available for your account), or
  - 2) Link your Value Checking to a consumer Exceptional Plan, or
  - 3) Maintain an average balance of \$500.00 or more during the statement period. The average balance is calculated by adding together the ending balances from each day during the statement period and dividing the total by the number of days in the statement period.
- For other fees that may apply to your Account, please refer to the separate [Miscellaneous Fee Schedule](#). **IF YOU CLICK ON THE MISCELLANEOUS FEE SCHEDULE BUT CANNOT ACCESS THE MISCELLANEOUS FEE SCHEDULE, PLEASE DO NOT PROCEED ANY FURTHER WITH YOUR APPLICATION AND CONTACT US IMMEDIATELY BY CALLING OUR CUSTOMER SERVICE CENTER AT 808-544-0500 or 1-800-342-8422.**

# Deposit Account Agreement & Disclosure

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Effective: November 18, 2016

## **Important Information Regarding New Account Opening Procedures**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

## INTRODUCTION

This Deposit Account Agreement and Disclosure contains the terms and conditions governing your deposit accounts with us. In this document, the following terms are used: each and all of the depositors on your deposit accounts are referred to as "you," "your," or "account holder"; the Financial Institution is referred to as "we," "our," and "us"; the term "Agreement" means this document, the signature card, a rate and fee schedule (which may be in the form of a Rate and Fee Schedule, Miscellaneous Fee Schedule, Time Certificate of Deposit, or Confirmation of Time Deposit, hereinafter called the "Schedules"), Funds Availability Policy Disclosure, and an Electronic Funds Transfer Agreement and Disclosure, if applicable. Each of you signing the signature card for a deposit account acknowledges receipt of this Agreement, and agrees to the terms set forth in the Agreement, as amended from time to time. You agree that we may waive, in our sole discretion, any fee, charge, term, or condition set forth in this Agreement at the time the account is opened or at any time thereafter, on a one-time basis or for any period or duration, without changing the terms of the Agreement or your obligation to be bound by the Agreement, and we are not obligated to provide similar waivers in the future or waive our rights to enforce the terms of this Agreement.

This Deposit Account Agreement replaces and supersedes any previous agreement that you may have had regarding your account(s) with us, including the "Rules and Regulations Governing Deposit Accounts at Central Pacific Bank and Other Account Information," as amended from time to time. Any references in other agreements you may have with us referring to your deposit account agreement or account rules and regulations shall mean, in all circumstances, this Deposit Account Agreement, as the same may be amended from time to time.

## ACCOUNT OWNERSHIP

### Individual Accounts

An Individual Account is an account in the name of one depositor only. Only that person may write checks against the account or withdraw money, regardless of who actually owns the funds.

### Joint Ownership Accounts

An account with two or more account holders is a Joint Account. Joint account holders are joint tenants with right of survivorship. Each joint account holder, without the consent of any other account holder, may, and is authorized by every other joint account holder, to make any transaction permitted under the Agreement, including without limitation: to withdraw all or any part of the account funds; to pledge the account funds as collateral to us for any obligation, whether that obligation is of one or more account holders or of a third party; to endorse and deposit checks and other items payable to any joint account holder; to give stop payment orders on any check or item, whether drawn by that account holder or not; and, to close the account. Each joint account holder is authorized to act for the other account holder(s) and we may accept orders and instructions regarding the account from any joint account holder. If we believe there to be a dispute between joint account holders or we receive inconsistent instructions from the account holders, we may suspend or close the account, require a court order to act, and/or require that all joint account holders agree in writing to any transaction concerning the account. Your obligations under the Agreement are joint and several. This means that each joint account holder is fully and personally obligated under the terms of the Agreement, including liability for overdrafts, regardless of which joint account holder benefited from the withdrawal. If you establish a joint account without the signature of the other joint account holder(s), you agree to hold us harmless for our reliance upon your designation of the other joint account holder(s) listed on our documents.

### Agency Account

An Agency Account is an account to which funds may be deposited and withdrawals made by an Agent designated by the owner of the funds. An Agent has full authority with regard to the account but does not have an ownership interest in the account. An Agency designation may be combined with one of the other forms of account ownership.

### Informal Trust Account

An Informal Trust Account does not require a written trust agreement, and the account is owned by the trustee. The beneficiaries have no right to any funds in the account during the trustee's lifetime. As the owner of the account, the trustee may withdraw money from the account and may, by written direction to us, change the beneficiary for the account. When the trustee dies, the funds in the account are owned by the named beneficiary or beneficiaries. If the Trust Account is held by more than one trustee, the trustees will be subject to the rules pertaining to joint account ownership. If there is no surviving beneficiary upon the death of the last trustee, state law will determine ownership of the funds in the account.

### Formal Trust Account

A Formal Trust Account is an account held by one or more trustees for the benefit of one or more beneficiaries according to a written trust agreement. Upon our request, the trustee(s) will provide to us a copy of any trust agreement covering the account. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the trustee(s). The trustee(s) and/or any person opening the account, in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action, or claim, by any beneficiary or other trustee with respect to the authority or actions taken by the trustee(s) in handling or dealing with the account.

### Uniform Transfer to Minors

If you have established the account as a custodian for a minor under our state version of the Uniform Transfers to Minors Act, your rights and duties are governed by the Act. You will not be allowed to pledge the account as collateral for any loan to you. Deposits in the account will be held for the exclusive right and benefit of the minor. The custodian and/or any person opening the account, in their individual capacity, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by the minor or other custodian with respect to the authority or actions taken by the custodian in handling or dealing with the account.

### Business Accounts

If the Business Account is not owned by a natural person (such as a corporation, partnership, limited liability company, unincorporated association, etc.), then the account holder must provide us with evidence to our satisfaction of the authority of the individuals who sign the signature card to act on behalf of the account holder. On any transactions involving the account, we may act on the instructions of the person(s) authorized in the resolutions, banking agreement, or certificate of authority to act on behalf of the account holder. You agree to notify us in writing of any changes in the person(s) authorized or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the account, you agree that we may place a hold on the account until such conflict or dispute is resolved to our satisfaction, and we will not be liable for dishonored items as a result of such hold.

### **Fiduciary Accounts**

With respect to all Fiduciary Accounts, including but not limited to Estate Accounts, Guardianship Accounts, Conservatorship Accounts, and any Formal Trust Account, Uniform Transfers to Minors Act Account, or Agency Account, we reserve the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the withdrawal of funds held in the account has the authority to withdraw such funds. This applies at the time of account opening and at all times thereafter.

### **Attorney Client Trust**

Subject to applicable law, an Attorney Client Trust, or Interest on Lawyers Trust Account (IOLTA) Trust Account, is an account set up by an attorney or law firm to hold client or third party funds in trust, separate from the attorney's or law firm's funds. Upon our request, the authorized signers for an Attorney Client Trust, or IOLTA Trust Account, will provide documentation required by applicable state law and applicable bar association or similar entity rules. We act only as custodian of the trust funds and are under no obligation to act as a trustee or to inquire as to the powers or duties of the attorney or law firm as trustee(s). The attorney, law firm, or any authorized individual on the account agrees to indemnify, defend and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions, or inaction taken by the trustee(s) or authorized individuals in handling or dealing with the account. Additional account terms may be governed by a separate agreement. If this is an IOLTA Trust Account, we will not permit the lawyer or law firm to receive the interest. IOLTA Trust Accounts are used to hold an attorney's or law firm's client funds that are nominal in amount or held for short periods of time.

### **Other Client Trust Accounts**

Subject to applicable law, other client trust accounts may be opened to hold client or third party funds in trust, separate from the account owner's funds. We act only as custodian of the funds. We are under no obligation to act as a trustee or to inquire as to the powers or duties of the account owner or other authorized signer(s) as trustee(s). The account owner and any authorized individual on the account in their individual capacity and jointly and severally, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of any action or claim by any client or third party with respect to the authority, actions or inaction taken by the account owner or authorized signer(s) in handling or dealing with the account. Upon our request, the authorized signer(s) for this type of account will provide to us any documents required by applicable law.

### **Government/Municipal/Public Funds Accounts**

For accounts owned by a government or public entity, you agree to provide us with authorization document(s) in a form acceptable to us stating that we are designated as a depository for the funds of the government or public entity and such documentation shall state the individual(s) authorized to act on behalf of the government or public entity and the extent of their authority. We may rely upon such documentation until we receive written notice of a change and new authorization documents. We are not responsible for any transaction conducted by a previously authorized individual until we actually receive written notice that the authorized individual's authority has been revoked. Unless specifically stated otherwise in the authorization document(s), we can rely on one authorization for all accounts owned by the government or public entity. If required by law, you agree to enter into a collateral security agreement regarding this type of account.

## **ACCOUNT STATEMENTS**

You are responsible for promptly examining your statements and reporting any irregularities to us. The periodic statement will be considered correct for all purposes and we will not be liable for any payment made and charged to your account unless you notify us within certain time limits after the statement is made available to you. We will not be liable for any check that is altered or any signature that is forged unless you notify us within 30 calendar days after the statement and the altered or forged item(s) are made available to you. Except for transactions covered by the Electronic Fund Transfer Act, you must also report any other account problem within 60 calendar days or lose your right to assert the problem against us. You understand that your original checks will not be returned to you with your statement. You agree that this does not alter or waive your responsibility to examine your statements nor change the time limits for notifying us of any errors.

## **ACCOUNT TERMINATION**

Any authorized signer may close an account at any time, with cause or without cause. We are not obligated to provide notice of such closure to any other authorized signers on the account. If the account balance is zero, we may automatically close your account and you will receive a final statement showing that your account is closed. You agree that we may terminate your account relationship with us at any time without prior notice, with or without cause, by giving verbal, electronic, or written notice to you or by giving notice to other authorized signers. We may also terminate your account without prior notice if you or any authorized signers breach any agreement with us or we have reason to suspect fraudulent activity on your account. If account funds are not withdrawn at the time of termination, we may send a check for the account balance to any of you at the last address we have on file for the account. The funds will at that time stop earning interest, if applicable. We may dishonor any check, item or transaction presented for payment after an account is closed. At our sole discretion, we may honor checks, items and orders presented or occurring after an account is closed if the transaction is guaranteed by us to third parties (e.g., as part of an electronic fund transfer arrangement or under a check guarantee) or you fail to give us a timely stop payment order for any outstanding checks. You will remain responsible for such items and transactions, which may be treated as overdrafts.

## **ADJUSTMENTS**

We may make adjustments to your account whenever a correction or change is required. Adjustments might occur, for example, if deposits are recorded in the wrong amount or items you deposit are returned unpaid. We may elect, at our discretion, not to make an adjustment to your account to correct an error which you or a third party (e.g., another financial institution) cause if the adjustment is less than \$10 or our cost to make the adjustment is greater than the amount in question.

## **CHECK NEGOTIABILITY**

**Conditional Checks.** We may disregard information on any check or item other than the signature of the drawer, the identification of the drawee financial institution and payee, the amount, the endorsements, and any other information that appears on the MICR line. In addition, we are not responsible to take action on, or for failure to notify you of restrictive language placed on checks or other items, including but not limited to terms such as, "Void after 90 Days," "Paid in Full," "Two Signatures Required," "Void Over \$100" or similar statements. In accordance with reasonable banking standards, most checks and other items are processed through automated processing and, except in limited circumstances and in our discretion, most items are not individually examined. You agree that we act within reasonable banking standards by processing most checks and other items through automated processing systems. We may agree to adhere to extraneous legends if you notify us of such legends and we have agreed in writing to honor such legends.



**Stale-Dated Checks.** We reserve the right to pay or dishonor a check that is dated more than six months ago without prior notice to you. If you do not want a stale dated check paid from your account, you should place a stop payment on the item.

**Returned Items.** If we are notified that an item you cashed or deposited is being returned unpaid, we may attempt to reprocess the item, place a hold on the funds in question (see Funds Availability Disclosure) or charge your account for the amount (and any interest earned on it), whether or not the return is proper or timely. This also applies to checks drawn on us which are not paid for any reason. We may assess a fee for each returned item and notify you of the return verbally, electronically, or in writing. We are authorized to pursue collection of previously dishonored items, and in so doing we may permit the drawee bank to hold an item beyond our deadline. If we receive an affidavit or a declaration under penalty of perjury stating that an endorsement on an item deposited to your account is forged (or that the item contains an alteration), we may charge the item back against your account or place a hold on the funds pending an investigation, without prior notice to you. If a merchant electronically re-presents a check that was returned to the merchant due to insufficient or uncollected funds, that transaction is not covered by the Electronic Fund Transfer Act. You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check. If a merchant electronically collects a fee associated with the re-presentation of a check, the fee transaction is covered by the Electronic Fund Transfer Act and subject to the Electronic Fund Transfer Agreement and Disclosure if the fee is debited as an electronic fund transfer from a consumer account. A description of the transaction will appear on your statement.

**Postdated or Undated Items.** You agree that when you write a check, you will not date the check in the future. If you do and the check is presented for payment before the date of the check, we may pay it or return it unpaid. You agree that if we pay the check, the check will be posted to your account on the date we pay the check, even though the posting date is prior to the date of the check. You further agree that we are not responsible for any loss to you in doing so. We will not honor a postdated check if you place a stop payment on the check. You agree that we may return a postdated check to the presenter. We reserve the right to pay or dishonor a check that is undated.

## DEATH OR INCOMPETENCE

You agree to notify us immediately of the death or court-declared incompetence of any owner, authorized signer or designated beneficiary on your account. We may freeze, offset, refuse and/or reverse deposits and transactions (e.g., governmental or retirement benefit payments payable to the deceased) if an owner dies or is adjudicated. For joint accounts, upon the death of any owner, the deceased owner's share passes automatically to the surviving owner(s). Accounts that are held in an informal trust for the benefit of others pass automatically (and in equal shares unless otherwise indicated in our records) to the named beneficiaries who survive the last surviving owner. If we have any question as to the ownership of funds or the amount of funds that belong to any person upon the death of an owner, we may freeze all or part of the account pending receipt of proof (satisfactory to us) of each person's right to the funds. You agree that we may pay checks drawn on or before the date of death or legal incompetence for up to ten days after the account holder's death or legal incompetence unless ordered to stop payment by someone claiming an interest in the account.

## DEPOSIT ACCOUNTS

Each deposit account is subject to the general terms in this Agreement and conditions and any specific terms and conditions relating to that type of account that may be set forth in Schedules. If you open multiple accounts, you may receive Schedules for each account, but this Agreement will cover all of your accounts with us. For accounts held by more than one owner, each of you will be jointly and severally liable to us for overdrafts and account charges and jointly and severally promise to pay, upon demand, any and all fees and charges, and our reasonable attorneys' fees and costs and expenses of collection, including but not limited to those incurred at trial and on any appeal.

**Checking Accounts.** If your account is a checking account, the following terms may apply. If we offer NOW accounts, the account must consist solely of funds in which the entire beneficial interest is held by one or more individuals in an individual capacity, a sole proprietor, or a governmental unit, but not professional corporations or business partnerships. A NOW account may also be held by a for-profit organization serving in a fiduciary or trustee capacity for an entity that is itself permitted to hold a NOW account. Otherwise, an organization may hold a NOW account only if it is operated primarily for religious, philanthropic, charitable, educational, or other similar purpose.

**Checking Sub-Accounts.** For accounting purposes, checking accounts are structured with a checking sub-account and a savings sub-account. These sub-accounts will be transparent to you. The sub-accounts do not affect your account balance, interest earned, FDIC insurance coverage, account statement information or other features of your checking account. We may make periodic transfers between these sub-accounts. On the sixth transfer during the month from your savings sub-account to your checking sub-account, all funds in the savings sub-account will be transferred to the checking sub-account. If your checking account earns interest, the interest calculation for your checking account will remain the same; otherwise, the savings sub-account does not earn interest. The savings sub-account will be governed by the rules for our savings accounts.

**Savings Accounts.** If your account is an interest bearing account and is not a NOW account or time deposit, the following terms may apply.

**Transfers and Withdrawals.** If your account is a savings or money market deposit account, federal law requires that an account holder may make no more than six transfers and/or withdrawals during any one calendar month or statement cycle (the period from one statement to the next) or similar period of at least four weeks, to another of your accounts with us or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) or online banking agreement, order or instruction, or by check, draft, debit card, or similar order made by you and payable to third parties (such as through our online bill payment service). A "preauthorized transfer" includes any written or oral arrangement to pay a third party from your account at a predetermined time or on a fixed schedule. **Excess Transactions.** In accordance with federal law, if you have more than the allowable number of preauthorized transfers or preauthorized checks or drafts (for money market accounts) in any one month or statement period, your account may be subject to closure by us and the funds placed in another account that you are eligible to maintain, or we may take away the transfer and draft capabilities of the account. In addition to the above preauthorized transfers, you may make unlimited withdrawals (payments directly to you or transfers of funds from your account to any of your other deposit accounts or loan accounts with us), either in person at our locations, by mail, messenger, telephone (via check mailed to you), or ATM. **Notice Requirements.** Federal regulations require us to retain the right to require you to give at least seven days' notice in writing prior to any intended withdrawal from an account other than a demand deposit account (e.g., non-interest bearing checking account) or a time deposit. Although we usually pay withdrawals or checks without notice on these accounts, doing so does not mean that we give up this right.

**Time Deposits.** If your account is a time deposit, you have agreed to keep the funds on deposit until the maturity date of your account.

If your account has not matured, any withdrawal of all or part of the funds from your account may result in an early withdrawal penalty. We will consider requests for early withdrawal and, if granted, the penalty provided in the Schedule will apply. **Penalty.** The early withdrawal penalty is calculated as a forfeiture of part of the interest that has or would be earned on the account. If your account has not yet earned enough interest so that the penalty can be deducted from earned interest, or if the interest already has been paid, the difference will be deducted from the principal amount of your account. **Exceptions.** We may let you withdraw money from your account before the maturity date without an early withdrawal penalty: (1) when one or more of you dies or is determined legally incompetent by a court or other administrative body of competent jurisdiction; or (2) when the account is an Individual Retirement Account (IRA) established in accordance with 26 USC 408 and the money is paid within seven days after the account is opened; or (3) when the account is a Keogh Plan (Keogh), if you forfeit at least the interest earned on the withdrawn funds; or (4) if the time deposit is an IRA or Keogh Plan established pursuant to 26 USC 408 or 26 USC 401, when you reach age 59-1/2 or become disabled; or (5) within an applicable grace period (if any).

## DEPOSIT RULES

The following terms apply to deposits made to your account: **Final Payment.** All non-cash items (for example, checks) deposited to your account are posted subject to our receipt of final payment from the drawee bank. Upon receipt of final payment, the item becomes a collected item. If final payment is not received or if any item you have deposited or cashed is charged back to us for any reason, you authorize us to charge any of your accounts, without prior notice and at any time, for the amount of the returned item, our returned item fee, any interest paid on that item, and any other fee we pay or incur. If an item to be charged back is lost in the process of collection or is unavailable for return, we may rely upon a photocopy of the item or upon any other generally accepted notification of return of the item to charge you or any of your accounts for the amount of the returned item. **Crediting of Deposits.** We reserve the right to refuse any item for deposit into your account. The Funds Availability Policy Disclosure provided to you reflects our policies relating to the availability of deposited funds. **Substitute Checks and Other Check Images.** The Check 21 Act permits the use of digital images when processing checks instead of processing the paper checks. The Check 21 Act also authorizes the use of substitute checks. A substitute check is a special paper copy of the front and back of an original check with a slightly different size than the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may receive a substitute check in some instances, such as when we return an unpaid deposited item to you. If you are a consumer, you may have certain rights and protections related to the receipt of a substitute check. You will receive a disclosure about those rights and protections when you receive a substitute check from us. Unless specifically stated in a separate agreement between you and us, we can refuse to accept substitute checks created by non-bank entities, such as individuals, companies, governmental units, trusts or organizations.

## DORMANT ACCOUNTS

If you have not made any transactions to or from your checking account for 18 consecutive months, or to or from your savings account for 30 consecutive months, we will classify your account as dormant. We will mail a notice to you at the last address shown on our records in advance of your account being classified as dormant. Monthly minimum balance service charges applicable to your account will not be charged, however, we will impose a monthly dormant account fee on the account for as long as it remains dormant. Not all accounts may incur dormant fees. In accordance with state law, funds in abandoned accounts will be remitted to the custody of the applicable state agency, and we will have no further liability to you for such funds. We reserve the right not to send statements on accounts we consider dormant.

## ENDORSEMENTS AND SIGNATURES

**Endorsements.** You authorize us to accept transfers, checks, and other items for deposit to your account if they are made payable to the order of any one or more of you, whether or not they are endorsed by you. You authorize us to supply missing endorsements, and you warrant that all endorsements are genuine. All endorsements must appear on the back of the check or other item within the first 1-1/2 inches from the left side of the item when looking at it from the front. Endorsements should be in black ink. While we may accept non-conforming endorsements, you will be responsible for any loss incurred by us due to the delay in processing or returning the item for payment. **Signatures.** You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items at the lowest possible cost to our customers. In light of this, you agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for the sight examination of items with a face amount below an amount specified by us from time to time. You authorize us to store and use Signature Card information in any reasonable form we deem necessary, including any digitized signature capture process. **Reproduction of Authorized Signature.** We may refuse to accept or pay items containing a reproduction of an authorized signature, also known as a "facsimile signature." If we agree to honor items containing a reproduction of an authorized signature, and the reproduced signature matches the signature contained in our records, you agree that we are authorized to complete the transaction as if the reproduced signature were an original signature. You agree to assume responsibility for payments made by us when we rely on reproduced signatures that resemble the actual signatures provided to us in connection with your account. You agree to notify us at once if you believe that your reproduced signature is being misused. **Multiple Signatures.** You agree that we will not assume any responsibility to confirm that two or more (or any combination of) authorized signers have approved any check, item or transaction.

## FEES & CHARGES

Subject to applicable law, you agree to pay us the fees and charges shown in the Schedules as are applicable to your account or for other services performed by us. You agree the fees and charges may be changed by us from time to time and authorize us to charge your account for their payment whether or not each charge results in an overdraft of your account. We will notify you of the changes, to the extent required by law.

## GOVERNING LAW

This Agreement shall be governed by and construed in accordance with all applicable federal laws and all applicable substantive laws of the state in which we are located and where you opened your account. In addition, we are subject to certain federal and state regulations and local clearing house rules governing the subject matter of the Agreement. You understand that we must comply with these laws, regulations, and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation, or rule, the terms of the Agreement will prevail to the extent any such law, regulation, or rule may be modified by agreement.

## INTEREST

If your account earns interest, the following information applies: **Payment of Interest.** We will pay interest at the annual interest rate specified on the applicable Schedule. The Schedule also sets forth the frequency of interest payments, the frequency of any compounding and crediting, the interest accrual basis, the balance on which interest will be paid, and any minimum balance requirements. Interest is paid only when the interest amount accrued is \$0.01 or more. **Minimum Balance Requirements.** The Schedules may specify a minimum balance that you are required to maintain in your account. If the minimum balance is not maintained during a specified period, we, at our option, may not pay interest on your account and/or may charge a fee for that period. You should review any minimum balance requirements on the applicable Schedule. **Initial Interest Rate.** The initial interest rate is the interest rate in effect on the day the account is opened and is disclosed in the applicable Schedules for your account. **Interest Compounding and Crediting.** The applicable Schedule will indicate the interest compounding and crediting frequency for your account, if any. Compounding generally means that interest is being accrued on earned interest. Interest may be compounded more frequently than interest is credited to your account. **Interest Accrual.** We may accrue interest on your account more frequently than we pay or credit interest. The interest that has been calculated, but not paid to the account, is called accrued unpaid interest. **Changes.** We have the right to change the interest rates and fees in accordance with the terms of the Schedules.

## MISCELLANEOUS PROVISIONS

**Legal Process.** We may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant or any other legal process which we believe to be valid and binding. You agree to relieve us of any liability from any and all actions, claims, and damages

associated with our compliance with any legal process that we believe to be valid and binding. We may notify you of any legal process by telephone or by written notice mailed to the last address on file for your account.

**Freezing of Accounts.** We may suspend or freeze your account if we believe your account is involved in or affected by legal proceedings or if there is a dispute as to ownership of your account, until the matter is resolved to our satisfaction. We will not be liable for suspending your account so long as we acted in good faith and in accordance with the law.

**Conflicting Claims.** If we believe conflicting claims have been made to the funds in your account, we may deposit the balance of the account, less amounts due to us, with an appropriate court and ask the court to resolve the conflicting claims. We are entitled to recover the cost of taking this action, including attorneys' fees, from you.

## NON-ASSIGNABILITY

The account established under this Agreement cannot be assigned or transferred except with our consent. We must approve any pledge of the account and any such pledge remains subject to any right we have under the Agreement and applicable state and federal law. If ownership is proposed to be transferred, we may require the account be closed and a new account opened in the name of the transferee or pledgee.

## NON-LIABILITY (FINANCIAL INSTITUTION)

You agree that if we do not properly complete a transaction according to the Agreement, we will not be liable in any event for losses or damages in excess of the amount of the transaction or for consequential damages, unless required by law, and we will not be liable if circumstances beyond our control prevent the transaction, or the funds in your account are or may be subject to legal process or other claim. In receiving items from you for withdrawal or deposit, we act only as your agent. You are responsible for the condition of a check or item when you issue it. If a check or item is returned or payment is delayed as a result of any writing or marking that you or a prior endorser placed on the front or back of the check or item, you will be responsible for any cost and liabilities associated with such return or delay. We reserve the right to refuse any item for deposit or to reverse the credit for any deposited items or to charge your account for items should they become lost in the collection process.

## NOTICES

The following terms apply to notices relating to your account. **Notice of Amendments.** You agree that the terms and conditions of the Agreement, including without limitation all rates, fees, and charges, may be amended by us from time to time. We will give you reasonable notice in writing at the most recent address shown on your records or by any other methods you agree to. Only one notice will be given in the case of joint account holders. **Account Changes.** You agree to notify us immediately in writing of any change in your name, address or the authorized signers on your account. We may require a new signature card before any change in ownership or authorized signers becomes effective. If the authorized persons on your account change, we may continue to honor items and instructions given earlier by any previously authorized person(s) until we receive specific notice from you in writing not to do so. (Note: A new or updated signature card, by itself, does not constitute notice to terminate any pre-existing payment or transfer plan.) In some instances we may require you to close your account or provide us with stop payment orders in order to prevent transactions from occurring. There may be a delay in implementing a change in the authorized persons on our records, and you agree that we will be given a reasonable opportunity to make the changes necessary.

## OVERDRAFT POLICY

Unless we have agreed to a separate overdraft protection agreement with you, the following rules apply. We are not obligated to pay any overdraft. We may assess a fee for each transaction that results in an overdraft, whether we pay the transaction or not. If we pay the transaction, you agree, immediately upon notice from us, to deposit funds sufficient to cover the overdraft plus any fees we impose. If you do not deposit enough money to make your account balance positive within 45 days after your account becomes overdrawn, your account will be closed. If we close your account because you did not repay your overdraft, we may report negative information about your account to a consumer reporting agency. We may also refer your account to a collection agency to recover the amount you owe us.

### **Overdrafts, Available Balance, and Current Balance.**

An overdraft occurs when the dollar amount of the items we receive for payment is more than your Available Balance. Your Available Balance may be less than your Current Balance. Your Current Balance is the amount of money in your account at the beginning of a business day and does not include any pending deposits, withdrawals or holds. Your Available Balance is your Current Balance minus any holds and any pending debit card purchases, automatic drafts, processing checks or other debits from your account. The Available Balance also takes any pending deposits into consideration. You can spend up to the amount of your Available Balance (after accounting for holds and pending or outstanding transactions) without incurring an overdraft or insufficient funds transaction.

## POWER OF ATTORNEY

The person executing a power of attorney will be referred to as the principal and the person acting for the principal as the agent. We may refuse to comply with a power of attorney for reasonable cause, or until we receive an affidavit from the agent stating that the Power of Attorney presented is a true copy and that, to the best of the agent's knowledge, the principal is alive and that the relevant powers of the agent have not been altered or terminated.

## RIGHT OF SETOFF

Subject to applicable law, we may exercise our right of setoff or security interest against any and all of your accounts without notice, for any liability or debt of any of you, whether joint or individual, whether direct or contingent, whether now or hereafter existing, and whether arising from overdrafts, endorsements, guarantees, loans, attachments, garnishments, levies, attorneys' fees, or other obligations. If the account is a joint or multiple-party account, each joint or multiple-party account holder authorizes us to exercise our right of setoff against any and all accounts of each account holder.

## STOP PAYMENT ORDERS

Subject to certain limitations, you may order us to stop payment on any check, automated clearing house/pre-authorized electronic funds transfer ("ACH/EFT"), or other item payable from your account, whether drawn or authorized by you or any other account holder, as follows:

**Stop Payment Against Point of Sale Transactions.** You may not stop payment on point-of-sale debit card transactions.

**Stop Payment Against a Check.** A stop payment request against a check payable from your account will be effective if we receive the order at such time and in such manner as to afford us a reasonable opportunity to act upon the order. A stop payment order against a check or other item payable from your account is effective for 6 months, but it lapses after 14 calendar days if the original order was oral and was not confirmed in writing within that period. A stop payment order against a check or other item payable from your account may be renewed for additional 6 month periods if renewed during a period within which the stop payment order is effective and our current stop payment fee is paid. You may not stop

payment on a check that was used by the merchant at the point of purchase to create a one-time electronic fund transfer. If you are a consumer, you may have other rights for resolving errors or disputes for checks that have been converted electronically. See the Electronic Fund Transfer Agreement and Disclosure for more information.

**Stop Payment Against an ACH/EFT Item.** A stop payment order against an electronic funds transfer (EFT) (such as those processed through an automated clearinghouse or "ACH") may be honored if received at least 3 business days before the scheduled date of the transfer. If we honor a stop payment request against an ACH/EFT received on or within three business days of the scheduled transfer, we do so without any liability or responsibility to any party having any interest in the entry. A stop payment order against an ACH/EFT is effective until the earlier of the following events: (i) you withdraw the stop payment order, or (ii) the debit entry is returned, or, where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific party, all such debit entries are returned. We may require you to provide us written confirmation of a verbal stop order request against an ACH/EFT within 14 calendar days. Additionally, if you request us to stop all future payments pursuant to a specific ACH/EFT authorization involving a particular party, we may require you to confirm in writing that you have revoked such authorization.

All stop payment order requests will require you to provide the date, the amount, and the number of the item or authorization, together with the name of the payee. If you give us incorrect information, we will not be liable for failing to stop payment on the item or authorization. Our acceptance of a stop payment order will not constitute a representation that the item or authorization has not already been paid or that we have a reasonable opportunity to act upon the order. You may not stop payment on an official, certified, cashier's, or teller's check issued by us, nor may you request us to stop payment if we have otherwise become accountable for the item or authorization. Further you may not stop payment on an item or authorization after acceptance of the same by us.

**Notice of Stop Payment, Legal Process, or Setoff.** A check received by us before the close of the banking day may be subject to any stop payment order received, legal process served upon, or setoff exercised by us. Additional limitations regarding stop payment orders, the right of setoff, or other legal process may be found elsewhere in this Agreement.

## SYSTEMS AND SOFTWARE

We shall not be responsible to you for any loss or damages you suffer as a result of the failure of systems and software you use to interface with our systems or systems to initiate or process banking transactions whether such transactions are initiated or processed directly with our systems or through a third party service provider. You acknowledge that you are solely responsible for the adequacy of systems and software you utilize to process banking transactions and the ability of such systems and software to do so accurately.

## TRANSACTION POSTING ORDER

The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. The payment order can affect the number of items that overdraw your account or are returned unpaid, and the amount of the fees you may have to pay. To assist you in managing your account, we are providing you with the following information regarding how we process those items. We reserve the right to change the order in which we pay items at any time at our discretion. Our current policy is to process items in the following order: First, deposits and other credits are added to your balance. Then, ATM withdrawals, debit card transactions, and checks cashed at one of our branches are deducted in the order in which they are received. We then process electronically processed transfers (such as ACH items, preauthorized automatic transfers, and telephone transfers) in the order in which they are received. Then, we process checks written, in check number order. Finally, any remaining items are processed. If a check, item or transaction (other than an ATM or everyday debit card transaction) is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item for insufficient funds (NSF). The amounts of the overdraft and NSF fees are disclosed in the Schedules, as are your rights to opt in to overdraft services for ATM and everyday debit card transactions, if applicable. We encourage you to make careful records and practice good account management. This will help you to avoid creating items without sufficient funds and potentially incurring the resulting fees.

## UNLAWFUL INTERNET GAMBLING TRANSACTIONS PROHIBITED

If you are a business customer, you certify that you are not now engaged in, and during the life of this Agreement will not engage in, any activity or business that is unlawful under the Unlawful Internet Gambling Enforcement Act of 2006, 31 USC 5361, et seq., (the "UIGEA"). You may not use your account or any other service we offer to receive any funds, transfer, credit, instrument or proceeds that arise out of a business that is unlawful under the UIGEA. You agree that if anyone asks us to process a transaction that we believe is restricted under the UIGEA, we may block the transaction and take any other action we deem to be reasonable under the UIGEA and this Agreement.

## WIRE AND ACH TRANSACTIONS

**Provisional Payment.** Any credit we give you with respect to an automated clearinghouse or wire transfer entry is provisional until we receive final settlement for the entry. If we do not receive final settlement, you understand and agree that we may charge your account for the amount, and that the party making payment to you (i.e., the originator of the transfer) shall not be deemed to have paid you the amount of the transfer. **Notice of Receipt.** We will notify you of the receipt of payments in the periodic account statements we provide to you. You acknowledge that we will not give next day notice to you of receipt of an ACH or wire transfer item. You may call us at the telephone number listed at the bottom of this page to find out whether or not a credit has been made.

## WITHDRAWAL RULES

The following terms apply to withdrawals from your account: **Manner of Withdrawal.** You may make withdrawals from your account in any manner that is permitted by us for the type of account that you have opened. Withdrawals by mail will be posted to your account as of the day we process the transaction. We may refuse to accept any check other than standard checks provided by us, or approved by us in advance. Withdrawals and transfers from your account may be restricted as provided in the Agreement, or in the Schedules, or by applicable law. **Withdrawal Restrictions and Overdrafts.** We do not have to allow you to make a withdrawal from your account if you don't have sufficient funds available in the account to cover the full amount of the withdrawal. If there are available funds to cover some, but not all, of the withdrawals or other debits to your account on a single business day, we will post the items according to our transaction posting order disclosed elsewhere in this Agreement. If there are insufficient funds available in your account to cover a withdrawal or debit presented against your account, this is called an "overdraft." We will handle each overdraft in accordance with our Overdraft Policy (described elsewhere in this Agreement) or in accordance with any other agreement you may have with us, such as an overdraft protection agreement. Even if we choose to pay one or more overdrafts, we are not obligated to cover any future overdrafts. When we determine whether payment of an item will create an overdraft, we may determine the balance of your account at any time between the time we receive the item and the deadline for us to take action on the item. We are not required to determine your account balance more than one time during this period. **Preauthorized Drafts.** If you voluntarily give information about your account, such as our routing number and your account number, to a party who is seeking to sell you goods or services, and you do not physically deliver a check to the party, any debit to your account initiated by the party to whom you gave the information is deemed authorized by you.

**Electronic Check Conversion.** You may authorize a merchant to use your check as a source of account information to initiate an electronic withdrawal from your account. The merchant uses the check information, along with the transaction amount, to initiate an ACH debit transaction. The transaction is electronically transferred through the ACH system and the funds will be debited directly from your account and transferred to the merchant's account. After the information is gathered from the check, the merchant should mark it void and return it to you. You should receive and sign a receipt documenting the transaction. This type of transaction generally results in funds being removed from your account faster than a normal check transaction. A description of the transaction will appear on your statement from us. Checks used in these types of transactions will not be returned with your statement, nor will an image of the checks be provided. This type of electronic funds transfer from a consumer account is governed by the Electronic Fund Transfer Act and subject to the Electronic Fund Transfer Agreement and Disclosure. **Non-Customer Check Cashing Fee and Identification.** If a person who is not a deposit customer of ours presents a check drawn against one of your accounts for payment over the counter, we may require identification that meets our standards including a thumbprint or fingerprint from the person and we may, subject to applicable law, charge the person a service charge for cashing the check. You agree that if the person refuses to comply with our identification standards and/or refuses to pay the service charge, we may dishonor the check and we have no liability to you for refusing to cash the check.



## Your Ability To Withdraw Funds

Our policy is to make funds from your cash and check deposits available to you on the same business day as the day we receive your deposit. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. Our cut-off hours are as follows: 3 p.m. for deposits made at one of our ATMs, and close of business for in-person transactions at a branch.

If you make a deposit before our cut-off hour on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after our cut-off hour or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

## Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day as the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the 2<sup>nd</sup> business day after the day of your deposit. The first \$200.00 of your deposit, however, will be available on the business day of your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

## Longer Delays May Apply

We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- You deposit checks totaling more than \$5,000.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- We believe a check you deposit will not be paid.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7<sup>th</sup> business day after the day of your deposit.

## Holds On Other Funds

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

This Agreement and Disclosure is made in compliance with federal law regulating electronic fund transfer (EFT) services. Electronic fund transfers are electronically initiated transfers of money involving an account at Central Pacific Bank. The following disclosures set forth your and our rights and responsibilities concerning the electronic fund transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we," "us" and "our" mean Central Pacific Bank. The abbreviation "PIN" or word "code" means a personal identification number.

## Business Days

For purposes of these electronic fund transfer disclosures, our business days are:

- Monday through Friday
- Holidays are not included

## Documentation

### Periodic Statement

If you have a checking account, money market account, Exceptional Savings, Exceptional Super Savings, or Personal Super Savings account, you will get a monthly statement. For all other accounts, you will get a quarterly statement. If there are electronic fund transfers on your account, you will also get a statement for that month.

### Direct Deposits

If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at the telephone number listed in the Contact Information to find out whether or not the deposit has been made.

## Consumer Liability

Tell us AT ONCE if you believe your code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check.

Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your code, you can lose no more than \$50 if someone used your code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your code, and we can prove we could have stopped someone from using your code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days 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 a hospital stay) kept you from telling us, we will extend the time periods.

## Our Liability for Failure to Make Transfers

If we do not complete a transfer 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 do not have enough money in your account to make the transfer.
- If the money in your account is subject to legal process or other claim restricting such transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

## In Case of Errors or Questions About Your Electronic Transfers

Telephone us or write us using the Contact Information listed below as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

## Confidentiality

We will disclose information to third parties about your account or the transfers you make:

- To complete transfers as necessary;
- To verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant; or
- To comply with government agency or court orders; or
- If you give us your written permission.

## Notices

All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Written notice from you is effective on the date that you mail the notice. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

## Insufficient Funds

We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

## Enforcement

In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

You or any other party to your account can terminate this Agreement by calling or writing to us at the telephone number or address listed in the Contact Information. Termination of service will be effective after we have had a reasonable time to act on your notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

## EFT TRANSACTIONS

You may access certain account(s) you maintain with us by EFT transaction types described below:

### Electronic Check Conversion

You may authorize a merchant to use your check as a source of account information to initiate an electronic withdrawal from your account to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. This type of EFT transaction involving a consumer account is covered by the Electronic Fund Transfer Act and this disclosure. A description of the transaction will appear on your statement.

### Re-presented Checks Transactions and Fees

You may authorize a merchant to electronically collect a fee associated with the representation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction if debited as an EFT from a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Fund Transfer Act and this disclosure. A description of the transaction will appear on your statement.

## Telephone Banking (audio response, known as Infoline)

### Types of Telephone Banking Services

You may access your deposit and loan accounts by using a separate personal identification number (PIN) assigned to you and your account number in our audio response system. At the present time you may use the system to:

- Transfer funds between your deposit accounts.
- Obtain tax information on interest earned or paid on your accounts.
- Obtain balance information on your deposit and loan accounts.
- Verify the last date and amount of your payroll deposit.
- Determine if a particular check has cleared your account.
- Transfer funds from your deposit accounts to your loan accounts.
- Transfer funds from your loan accounts that allow advances (according to your loan agreement).

### Limitations on Frequency and Amount

- For checking accounts, there are no limits on the number or dollar amount (except for your available account balance) of inquiries, transfers, or withdrawals you may make.
- For savings accounts, you may make no more than six electronic transfers (among other types of limited transfers) during any calendar month. See the deposit account agreement for more information about the limit for savings accounts.
- Transfers cannot be made to or from time deposit and IRA accounts.

### Personal Identification Number (PIN)

The Audio Response PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your Audio Response PIN available to anyone.

### Fees and Charges for Audio Response Transactions

We do not charge for any Audio Response transactions.

### Termination of Telephone Banking Services

You agree that we may terminate this Agreement and your use of the Audio Response services, if:

- You or any authorized user of your Audio Response PIN breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your Audio Response PIN;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement.

## Preauthorized Electronic Fund Transfers

### Types of Preauthorized Transfers

You may arrange for us to complete the following preauthorized transfers to or from your deposit accounts:

- Accept direct deposits from your employer or other financial institutions to your checking or savings account.
- Accept direct deposits from the U.S. Treasury Department to your checking or savings account.
- Pay certain recurring bills from your checking or savings account.

### Limitations on Frequency and Amount

- For checking accounts, there are no limits on the number or dollar amount (except for your available account balance) of transfers or withdrawals made from your account.
- For savings accounts, you may make no more than six electronic transfers or preauthorized transfers (among other types of limited transfers) during any calendar month. See the deposit account agreement for more information about the limit for savings accounts.

### Fees and Charges

- We do not charge for any preauthorized EFTs.
- We will charge you \$30.00 for each stop payment order you give us.

### Stop Payment Rights

If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us or write to us at the telephone number or address listed in the Contact Information, in time for us to receive your request three (3) business days or more before 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 fourteen (14) days after you call. Our stop payment fee is disclosed elsewhere in this Agreement. Additional information on stop payments can be found in our deposit account agreement.

### Notice of Varying Amounts

If these regular payments may vary in amount, the person you are going to pay will tell you, ten (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 Transfers

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

### Other Provisions

There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds.

## CONTACT INFORMATION

### EFT Errors or Questions

Central Pacific Bank

Attn: Electronic Banking Dept.

P.O. Box 3590 Honolulu, Hawaii 96811

Phone: 808-544-0500 Toll-free: 1-800-342-8422



# FACTS

## WHAT DOES CENTRAL PACIFIC BANK DO WITH YOUR PERSONAL INFORMATION?

### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.

### What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and transaction history
- Payment history and overdraft history

### How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Central Pacific Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Central Pacific Bank Share?	Can you limit this sharing?
<b>For our everyday business purposes —</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes —</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	Yes
<b>For our affiliates' everyday business purposes —</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes —</b> information about your creditworthiness	No	We don't share
<b>For our affiliates to market to you</b>	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

### To limit our sharing

Call (808) 544-0500 or toll-free 1-800-342-8422.

**Please note:**

If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice.

However, you can contact us at any time to limit our sharing.

### Questions?

Call (808) 544-0500 or toll-free 1-800-342-8422.

**What we do**

**How does Central Pacific Bank protect my personal information?**

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

We restrict access to your personal information to those employees who need to know that information to provide services to you.

**How does Central Pacific Bank collect my personal information?**

We collect your personal information, for example, when you

- open an account or apply for a loan
- give us your contact information or pay your bills
- show your government-issued ID

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

**Why can't I limit all sharing?**

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes—information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

**What happens when I limit sharing for an account I hold jointly with someone else?**

Your choices will apply to everyone on your account.

**Definitions**

**Affiliates**

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- *Our affiliates include companies with a Central Pacific name, such as Central Pacific Financial Corp. and financial companies, such as Gentry HomeLoans, LLC, Haseko HomeLoans, LLC, Island Pacific HomeLoans, LLC, One Hawaii HomeLoans, LLC and Pacific Access Mortgage, LLC; and other financial and nonfinancial affiliated companies that we have or may establish in the future.*

**Nonaffiliates**

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- *Central Pacific Bank does not share with nonaffiliates so they can market to you.*

**Joint marketing**

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- *Our joint marketing partners include credit card issuers and financial services companies.*

## What is an overdraft?

An overdraft occurs when you spend or withdraw more money than you have available in your checking account to use.

One of two things happens when you do not have enough money in your account to cover a transaction. The transaction can be rejected without payment (it is sent back to the person or company you paid); this is called a return item. Or, the transaction is paid, causing your account balance to become negative, also called an overdraft. In both cases, a fee may be charged to your account for each item that is paid or returned unpaid.

We understand that occasional mistakes or temporary situations can cause you to overdraw your account. However, incurring overdraft or return item fees on a regular basis can be costly.

**Central Pacific Bank offers the following overdraft protection options for your personal checking account for those occasional overdrafts:**

- Savings Overdraft Protection
- Personal ExpressLine of Credit
- Home Equity Line of Credit
- Overdraft Privilege

## How to Avoid Overdrafts

- Know your account balance and keep track of your deposits and payments, including those that are scheduled to occur automatically (you can do this by keeping a transaction register). Using free services like online banking, mobile banking, or our Infoline telephone banking can help.
- On a monthly basis, take time to balance your checking account register with your monthly statement from the bank.
- Sign up for direct deposit of your paycheck or Social Security payments.
- Know when regular electronic transfers (e.g., rent, mortgage payments, or utility bills) and direct deposits (e.g., payroll or Social Security checks) are paid or deposited into your account.
- Sign up for low-balance email alerts, available through our online banking service.

**For more information, please visit any branch; call our Customer Service Center at (808) 544-0500 or toll-free at 1-800-342-8422 or visit us online at [www.centralpacificbank.com](http://www.centralpacificbank.com).**

Type of Overdraft Protection	SAVINGS OVERDRAFT PROTECTION	PERSONAL EXPRESSLINE OF CREDIT OR HOME EQUITY LINE OF CREDIT	OVERDRAFT PRIVILEGE For Personal Checking Accounts
<b>Description of Service</b>	Your Personal Savings or Exceptional Savings account balance is used to cover overdrafts. (Not all account types can be used for this service.)	Your line of credit is used to cover overdrafts.	Overdraft Privilege covers occasional, unintended overdrafts.
<b>How Does It Work?</b>	<p><b>The exact amount of the overdraft plus the Savings Overdraft Protection Transfer Fee will be transferred from your linked savings account to your checking account.</b></p> <ul style="list-style-type: none"> <li>Covers overdrafts caused by checks, in-person withdrawals, electronic funds transfer (ACH) transactions (such as preauthorized automatic transfers), online bill payments, online banking or telephone banking transfers to your other CPB accounts, and debit card and ATM transactions.</li> <li>Covers overdrafts caused by account fees, such as overdraft fees, return item fees, and monthly service charges.</li> </ul>	<p><b>Funds are advanced from your line of credit and transferred automatically to your checking account in increments specified in your line of credit agreement.</b></p> <ul style="list-style-type: none"> <li>Covers overdrafts caused by checks, in-person withdrawals, electronic funds transfer (ACH) transactions (such as preauthorized automatic transfers), online bill payments, debit card and ATM transactions.</li> <li>Covers overdrafts caused by account fees, such as overdraft fees, return item fees, and monthly service charges.</li> </ul>	<p><b>With Overdraft Privilege, we may pay transactions, allowing you to overdraw your checking account. We will charge you an overdraft fee for each transaction we pay, which will increase the negative balance in your account.</b></p> <ul style="list-style-type: none"> <li>We may use Overdraft Privilege to pay checks you have written, in-person withdrawals, and automatic bill payments such as online bill payments, preauthorized debits to pay bills automatically from your account and recurring bill payments using your debit card.</li> <li>We may also use Overdraft Privilege to pay for fees, such as overdraft fees, and other bank charges that may be deducted from your account.</li> <li>If your account also has another form of overdraft protection, such as Savings Overdraft Protection, Personal ExpressLine of Credit, or Home Equity Line of Credit linked to the account, those overdraft protection services will be used first and overdrafts that exceed your overdraft protection amount may be paid by the Bank at our discretion using Overdraft Privilege.</li> </ul>
<b>When are Overdrafts Not Paid?</b>	<p>Generally, Savings Overdraft Protection will not cover an overdraft if the overdraft amount would cause your savings account to have an available balance of less than \$1 after the transfer is made.</p> <p>If the available balance of the savings account is less than the overdraft, we may either pay the overdraft at our discretion, causing your checking account to be overdrawn, or return the item unpaid.</p>	<p>Generally, line of credit overdraft protection will not cover an overdraft if the advance amount would exceed the available credit.</p> <p>Line of credit overdraft protection will not cover transfers made from your checking account to other accounts you have with us that you request using our telephone or online banking services.</p> <p>If the advance amount is not enough to cover the overdraft, we may either pay the overdraft at our discretion, causing your checking account to be overdrawn, or return the item unpaid.</p>	<p>We have the right not to pay any or all items that will overdraw your account. We will use our discretion to decide which transactions, if any, are paid.</p> <p>Overdraft Privilege will not cover ATM and everyday debit card transactions unless you separately authorize us to include such transactions.</p> <p>Overdraft Privilege will not cover transfers made from your checking account to other accounts you have with us that you request using our telephone or online banking services.</p>
<b>How Much Protection Can I Get?</b>	The amount of your available savings account balance minus \$1. (Your savings account must have a balance of at least \$1 after the transfer is made.)	Up to the credit line amount that will be determined by your creditworthiness.	Your overdraft limit may change daily, and may range from \$0 to \$1,500.

Type of Overdraft Protection	SAVINGS OVERDRAFT PROTECTION	PERSONAL EXPRESSLINE OF CREDIT OR HOME EQUITY LINE OF CREDIT	OVERDRAFT PRIVILEGE For Personal Checking Accounts
<b>Are There Any Fees?</b>	<p>We charge a \$10 Savings Overdraft Protection transfer fee. This fee (charged to the checking account) will only be charged once on any day on which a transfer is made. The amount of the fee is included in the amount transferred from the savings to the checking account.</p> <p>If the available balance in your savings account is not enough to cover an overdraft, we may pay the overdraft at our discretion, causing your checking account to be overdrawn, or return the item unpaid. The applicable \$30 overdraft fee or return item fee will be charged to your checking account.</p>	<p>We charge a \$15 annual fee for overdraft protection using a Personal ExpressLine of Credit. (Annual fee is waived for Exceptional Checking or Exceptional Choice Checking.) There is no fee for each transfer.</p> <p>No annual fee for overdraft protection through a Home Equity Line of Credit. There is no fee for each transfer.</p> <p>Interest charges and other fees related to the line of credit may apply.</p> <p>If your available credit is not enough to cover an overdraft, we may pay the overdraft at our discretion, causing your checking account to be overdrawn, or return the item unpaid. The applicable \$30 overdraft fee or return item fee will be charged to your checking account.</p>	<p>A \$30 overdraft fee will be charged for each item that is paid by this service when you do not have enough money in your account. If we return any items unpaid, we will charge a \$30 return item fee for each item.</p> <p>Personal accounts will be charged no more than \$150 per day for overdraft and return item fees combined.</p> <p>Overdraft fees and return item fees will not be charged for transactions of \$5 or less.</p>
<b>What Else Should I Know About the Service?</b>	<p>Savings transfers are limited by law to six preauthorized and other specific types of transfers during each monthly statement period. Each overdraft protection transfer is counted towards this limit. Your savings account will be charged \$10 for each transaction that exceeds the six transfer limit and we may close your savings account because of these excessive transfers.</p> <p>If your savings account has a minimum balance requirement, overdraft protection transfers may cause your balance to fall below the minimum balance, resulting in a monthly service charge to the savings account for that statement period.</p>	<p>The amount advanced from your line of credit will be rounded up to the nearest increment that is specified in your line of credit agreement.</p> <p>For Personal ExpressLine of Credit, the advance would be in \$100 increments; for Home Equity Line of Credit, the advance would be in \$250 increments.</p> <p>For example, an overdraft of \$175 would result in an advance from a Personal ExpressLine of Credit of \$200 being transferred to your checking account.</p> <p>You will be charged interest on the full amount of the advance.</p>	<p>Among our Overdraft Protection Options, this program can be the most costly.</p> <p>You may choose to cancel the Overdraft Privilege service at any time.</p> <p>If you do not deposit enough money to make your account balance positive within 30 days, Overdraft Privilege will be suspended until your account is brought back to a good standing.</p> <p>If your account balance is overdrawn for 45 consecutive days, your account will be closed, and we may report negative information about your account to a consumer-reporting agency, and refer your account to a collection agency.</p>
<b>Do I Have to Apply?</b>	<p>To set up this service, simply sign an agreement and tell us your CPB savings account number to link.</p>	<p>Yes, subject to credit application and approval.</p>	<p>No. We automatically provide Overdraft Privilege, at our discretion, to qualifying checking accounts in good standing. Your account is continually evaluated on criteria such as how long the account has been open, deposit amounts, frequency of deposits, prior overdraft activity and account status relating to any legal or administrative order, levy, or loan obligation. Eligibility criteria may change from time to time.</p>

Central Pacific Bank (“we,” “CPB,” or “the Bank”) believes it is important for you to use your checking account responsibly and to never intentionally overdraw your account. However, we realize that financial shortfalls happen from time to time and we offer Overdraft Privilege (“Service”) as an option to cover you in the event you inadvertently overdraw your checking account. Overdraft Privilege is not a line of credit. It is a service we add to your checking account to cover inadvertent overdrafts.

<b>Who is Eligible for Overdraft Privilege?</b>	<ul style="list-style-type: none"> <li>• There is no application; we automatically provide Overdraft Privilege to qualifying checking accounts in good standing at our discretion.</li> <li>• It is the Bank’s policy to comply with applicable laws and regulations, and to conduct business in accordance with applicable safety and soundness standards. Therefore we will continually evaluate your account for eligibility on the following criteria: how long the account has been open, deposit amounts, deposit regularity, previous overdraft activity, account status relating to any legal, administrative order or levy, and status of any loan obligations with the Bank. Eligibility criteria may change from time to time.</li> </ul>
<b>What is an Overdraft?</b>	<ul style="list-style-type: none"> <li>• Your account is considered to be overdrawn when the dollar amount of the items we receive for payment is more than your Available Balance.</li> <li>• Your Available Balance may be less than your Current Balance. Your Current Balance is the amount of money in your account at the beginning of a business day and does not include any pending deposits, withdrawals or holds.</li> <li>• Your Available Balance is your Current Balance minus any holds and any pending debit card purchases, automatic drafts, processing checks or other debits from your account. The Available Balance also takes any pending deposits into consideration.</li> <li>• You can spend up to the amount of your Available Balance after accounting for holds and pending or outstanding transactions without incurring an overdraft or insufficient funds transaction.</li> </ul>
<b>How Does Overdraft Privilege Work?</b>	<ul style="list-style-type: none"> <li>• We may use Overdraft Privilege to pay the following types of transactions: checks you have written, in-person withdrawals, automatic bill payments, and other transactions using your checking account except for those stated below.</li> <li>• We may also use Overdraft Privilege to pay for fees, such as overdraft fees and other bank charges that may be deducted from your account.</li> <li>• If your account also has another form of overdraft protection, such as Savings Overdraft Protection, Personal ExpressLine of Credit, Home Equity Line of Credit, or Business ExpressLine of Credit linked to the account, those overdraft protection services will be used first and overdrafts that exceed your overdraft protection amount may be paid by the Bank at our discretion using Overdraft Privilege.</li> <li>• For business accounts, we may also use Overdraft Privilege for ATM and everyday debit card transactions.</li> <li>• For personal accounts, we will not use Overdraft Privilege for ATM and everyday debit card transactions unless you separately provide us with your consent to include such transactions. You may provide your consent by calling our Customer Service Center at (808) 544-0500 or toll-free at 1-800-342-8422, or by visiting any CPB branch.</li> <li>• We will not use Overdraft Privilege for transfers made from your checking account to other accounts you have with us that you request using our telephone or online banking services.</li> </ul>
<b>Are There Limits to How Much Overdraft Privilege Will Pay?</b>	<ul style="list-style-type: none"> <li>• Your Overdraft Privilege limit can change daily. Some customers may receive higher limits while others may receive lower amounts or none at all.</li> <li>• As long as your account is in good standing and meets the eligibility criteria, the factors that influence your daily limit are how long your account has been open, the amount of the deposits you make, and the frequency of your deposits.</li> <li>• The maximum daily limit for personal accounts is \$1,500 and \$2,400 for business accounts.</li> </ul>
<b>Will My Transactions Always be Paid if I Have Overdraft Privilege?</b>	<ul style="list-style-type: none"> <li>• We have the right not to pay any or all items that will overdraw your account. We will use our discretion to decide which items, if any, are paid.</li> </ul>
<b>What are the Fees for Using Overdraft Privilege?</b>	<ul style="list-style-type: none"> <li>• A \$30 overdraft fee will be charged for each item that is paid by this service when you do not have enough money in your account. If we return any items unpaid, we will charge a \$30 return item fee for each item.</li> <li>• For personal accounts: Your account will be charged no more than \$150 per day for overdraft and return item fees combined.</li> <li>• For business accounts: Your account will have no limit on overdraft and return item fees that can be charged per day.</li> <li>• Overdraft fees and return item fees will not be charged for transactions of \$5 or less.</li> <li>• We will send you a notice when we process an item for which you did not have enough money in your account to pay.</li> </ul>

<b>In What Order are Items Paid?</b>	<ul style="list-style-type: none"> <li>The order in which we pay items could affect which items are paid and the total amount of overdraft and/or returned item fees you incur.</li> <li>After adding deposits and credits to your account balance, we generally pay items in the following order: ATM withdrawals, debit card transactions, and checks cashed at one of our branches, in the order in which they are received; 2) electronically processed transfers (such as ACH items, preauthorized automatic transfers, and telephone transfers) in the order in which they are received; 3) checks written, in check number order; 4) any remaining items.</li> <li>We reserve the right to change the order in which we pay items at any time at our discretion.</li> </ul>
<b>How Do I Repay My Overdraft?</b>	<ul style="list-style-type: none"> <li>If your checking account is overdrawn, you are required to deposit enough funds to make your account balance positive within 30 days after your account becomes overdrawn.</li> <li>Any deposits you make to your account will be used to reduce the negative balance in your account.</li> </ul>
<b>What Happens if I Do Not Repay my Overdraft?</b>	<ul style="list-style-type: none"> <li>If you do not deposit enough funds to make your account balance positive within 30 days, Overdraft Privilege will be suspended until your account is brought back to a good standing.</li> <li>If your account is overdrawn for 45 consecutive days, your account will be closed, and we may report negative information about your account to a consumer reporting agency, and refer your account to a collection agency.</li> </ul>
<b>How Does This Disclosure Relate to CPB's Deposit Account Agreement?</b>	<ul style="list-style-type: none"> <li>Our deposit account agreement, including any changes, continues to apply to your checking account when you use Overdraft Privilege.</li> <li>The deposit account agreement shall control any possible conflict between any provision of the Overdraft Privilege Disclosure and the deposit account agreement.</li> </ul>
<b>What Happens if Central Pacific Bank Does Not Follow its Rules?</b>	<ul style="list-style-type: none"> <li>If Central Pacific Bank waives any of the rights, remedies, or privileges described in the deposit account agreement or this Overdraft Privilege Disclosure in any particular circumstance, that does not prevent the Bank from exercising those rights, remedies, or privileges in the future nor does it mean that the Bank will waive its rights, remedies, or privileges again in the future.</li> </ul>
<b>What Happens if We Have a Dispute About Overdraft Privilege?</b>	<ul style="list-style-type: none"> <li>If we have a dispute arising out of this Overdraft Privilege service, the only way to resolve that dispute is arbitration by an independent arbitrator pursuant to the applicable rules of the American Arbitration Association, except as prohibited by law.</li> </ul>
<b>How Can Overdraft Privilege be Canceled?</b>	<ul style="list-style-type: none"> <li>You may choose to cancel the Overdraft Privilege service at any time by calling our Customer Service Center at (808) 544-0500 or 1-800-342-8422 or visit any CPB branch.</li> <li>Personal accounts: If you previously gave us your consent to use Overdraft Privilege for ATM and everyday debit card transactions, and would like to revoke that consent, please call us at the phone number above or visit any CPB branch.</li> <li>Business accounts: Your Overdraft Privilege service automatically includes ATM and everyday debit card transactions. If you do not want Overdraft Privilege to cover those types of transactions, you must remove Overdraft Privilege from your account completely by calling us at the phone number above or visiting any CPB branch.</li> <li>We reserve the right to end your participation in Overdraft Privilege at any time for any reason. We will notify you if we end your participation in Overdraft Privilege.</li> <li>We reserve the right to discontinue the Overdraft Privilege service in its entirety at any time.</li> </ul>
<b>What Other Options Do I Have?</b>	<ul style="list-style-type: none"> <li>Personal accounts: The Bank offers other overdraft protection plans, such as a link to a savings account (Savings Overdraft Protection) or a link to a line of credit (Personal ExpressLine of Credit or Home Equity Line of Credit), which may be less expensive than our Overdraft Privilege service. To learn more about these plans, visit any CPB branch.</li> <li>Business accounts: The Bank offers a line of credit (Business ExpressLine of Credit) which may be linked to your checking account for overdraft protection, and may be less expensive than our Overdraft Privilege service. To learn more, visit any CPB branch.</li> </ul>
<b>Where Can I Get Help?</b>	<ul style="list-style-type: none"> <li>If you need help managing your account more effectively, tips and information can be found at the following websites (Central Pacific Bank does not endorse any of these websites): <ul style="list-style-type: none"> <li>Mymoney.gov</li> <li>Consumerfinance.gov</li> <li>Moneymanagement.org</li> <li>Aarp.org</li> </ul> </li> </ul> <p>You can visit a branch or call us for more information on other overdraft protection services we offer.</p>

An **overdraft** occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account. We refer to this practice as Overdraft Privilege.
2. We also offer overdraft protection plans, such as a link to a savings account (Savings Overdraft Protection) or a link to a line of credit (Personal ExpressLine of Credit or Home Equity Line of Credit), which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

This notice explains our standard overdraft practices.

## What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account number
- Automatic bill payments (including online bill payments, preauthorized debits to pay bills automatically from your account, and recurring bill payments using your debit card)

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

## What fees will I be charged if Central Pacific Bank pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$30 each time we pay an overdraft.
- Personal accounts will be charged no more than \$150 per day for overdraft and return item fees combined.
- Overdraft fees and return item fees will not be charged for transactions of \$5 or less.

## What if I want Central Pacific Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call 808-544-0500 or toll-free at 1-800-342-8422, or complete the form below and present it at any branch or mail it to: Central Pacific Bank, Attn: Overdraft Privilege, PO Box 3590, Honolulu, HI 96811-3590.



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<input type="checkbox"/> I <u>do not</u> want Central Pacific Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.			
<input type="checkbox"/> I want Central Pacific Bank to authorize and pay overdrafts on my ATM and everyday debit card transactions.			
_____	_____	_____	_____
Name	Account Number	Phone Number	Date

FOR BRANCH/DEPARTMENT USE CIF Number: \_\_\_\_\_  Phone Authorization Received

DATE	TIME	# BRANCH/DEPARTMENT	EMPLOYEE ID	PROCESSED BY	DATE
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