

BayFedOnline Online Banking Agreement and Disclosure

THIS ONLINE BANKING AGREEMENT AND DISCLOSURE (this "Agreement") sets forth the terms and conditions governing your use of our Online Banking Service ("Online Service"). By checking the box at the end of this Agreement, you agree to the terms and conditions of this Agreement, and your acceptance of this Agreement on one computer or Mobile Device constitutes your acceptance on any computer or Mobile Device that you may use to access the Online Service. As used herein, the terms "we," "us," "our," and the "Credit Union" refer to Bay Federal Credit Union. "You" and "your" refer to each person who has applied for or uses the Online Service; and the "Online Service" means Mobile Banking, Bill Payment, Mobile Deposit, Funds Transfer, Popmoney™, Purchase Rewards, FinanceWorks™, and all other products and services provided through the Online Service or Mobile Banking. Each of your Accounts is also governed by the applicable account agreement and disclosure statement ("Account Disclosures").

This Agreement provides consumer protections for our members who use the Online Service for personal, family, or household purposes, and those consumer protections set forth in this Agreement do not apply if the Online Service is used for business purposes.

DEFINITIONS. In addition to those terms otherwise defined herein, the following terms when used in this Agreement shall have the following meanings:

"Accounts" means your accounts with us that are eligible to be accessed through the Online Service and/or Mobile Banking.

"Bill Payment" means the bill payment services described herein offered by us through Metavante Services Corporation.

"Bill Payment Account" is the checking account from which Bill Payments and fees for use of Bill Payment will be debited or credited, as applicable.

"Business Day" means Monday through Friday, excluding any federal or bank holidays.

"Computer" or **"Personal Computer"** or **"PC"** means your computer, computer system, or any other method of access used to access our website and related equipment and software.

"Due Date" is the date reflected on your Payee statement for which the payment is due; it is not the past due date or grace period.

"eStatement" shall mean electronic delivery of the Credit Union's account statements.

"Funds Transfer Service" means the transfer of funds between any of your accounts with us or any of your accounts at other financial institutions, as described herein.

An **"Item"** is an original: check, cashier's check, official check, U.S. Treasury check, or any other payment instrument, drawn on a financial institution within the United States and payable in U.S. currency that is

payable to you. Items are deemed to be "items" under the Uniform Commercial Code and "checks" under the Expedited Funds Availability Act and Regulation CC.

"FinanceWorks" means the financial management service described herein.

"Internet Browser" shall mean a program that you use to access the Internet and view a web page.

"Payee" is the person or entity to which you wish a Bill Payment to be directed or is the person or entity from which you receive electronic bills, as the case may be.

"Payment Instruction" is the information provided by you to us for a Bill Payment to be made to a Payee (e.g., the Payee's name, account number, and Scheduled Payment Date).

"Popmoney" means the Popmoney Personal Payments Service, which allows you to transfer funds to or from one of your Accounts, as described herein.

"Purchase Rewards" means the purchase rewards application described herein and includes any other programs, tools, Internet-based services, components, and any "updates" (for example, Purchase Rewards information, help content, bug fixes, or maintenance releases, etc.) related to Purchase Rewards offers.

"Purchase Rewards Account" means the checking account associated with the debit card eligible for Purchase Rewards offers.

"Mobile Banking" is the service that grants instant and secure connectivity to your Accounts using your Mobile Device, as described herein.

"Mobile Deposit" means the remote deposit capture service that allows you to deposit Items electronically using your supported Mobile Device.

"Mobile Device" means any device acceptable to us that provides for the capture of images from Items and for transmission through the clearing process. Supported devices are subject to change without prior notice to you. The term "Mobile Device" shall apply to any mobile device that you use to access Mobile Banking regardless of whether you own such Mobile Device.

"Mobile Application" or "Mobile App" or "App" shall mean a software application for a mobile device.

"Online Banking" shall mean a system allowing individuals to perform banking activities via the Internet.

"Scheduled Payment" is a payment that has been scheduled through the Online Service but has not begun processing.

"Scheduled Payment Date" is the day you want your Payee to receive your Bill Payment, unless the Scheduled Payment Date falls on a non-Business Day in which case it will be considered to be the previous Business Day.

“Text Message Banking” shall mean a service available for Online Banking members for balance inquiry and transfers via text messages.

I. ACCESSING THE ONLINE SERVICE.

- A. Accessing the Online Service.** To access your Accounts through the Online Service, you must have at least one eligible Account and you must be an authorized signer on such Account. In addition, your primary address must be within the United States. Through the Online Service, you will be entitled to authorize various transactions electronically that otherwise would require written authorization. By using the Online Service, you agree that we are authorized to complete each transaction initiated electronically through the Online Service, including funds transfers and Bill Payments and that this Agreement replaces any requirements you may have otherwise imposed on your Accounts, including multiple signature requirements. We reserve the right to deny you access to the Online Service for any reason, including our inability to verify your identity.
- B. Benefits of Using the Online Service.** With the Online Service, you can manage your personal or small business Accounts from your home or office on your personal computer or Mobile Device. You can use the Online Service to do the following, among other things:
- View Account balances and review transaction history.
 - Transfer money between your Accounts and your accounts at other financial institutions.
 - Pay bills or transfer funds to select merchants, institutions, or individuals.
 - Stop payment on checks.
 - View and archive electronic documents, including Account statements and notices.
- C. Username and Password.** Upon initial enrollment in the Online Service, you will be required to create a unique login ID and password. You will use this username and password at the time of each subsequent login to the Online Service. For security purposes, it is recommended that you memorize your password and do not write it down. You may change your password using the My Settings option within the Online Service. We recommend you change your online password regularly and may require that you change your username and password from time to time.

By entering into this Agreement and using the Online Service, you agree to protect the security of your username and password, any other personally identifiable information and your Mobile Device. Any person having access to your username and password and/or your Mobile Device will be able to access the Online Service and review information and make transfers, among other things. Except as otherwise provided herein, you are responsible for all transactions made using your username and password, and all transactions performed using your username and password, even if not intended by you, are considered authorized by you.

We will never request your username or password. If you are ever contacted by anyone asking for your username or password, you should refuse and immediately contact us. You may be the target of attempted identity theft. If you believe that your username or password or other

means to access your Account, including your Mobile Device, have been lost or stolen or that someone may attempt to use the Online Service without your consent, you must notify us at once by calling the Member Service Center at 831.479.6000, option 3, or writing to us at 3333 Clares Street, Capitola, CA 95010 or via secure e-mail. In case of emergency, telephoning is the best way to contact us.

D. Hardware and Software Requirements. In order to access and use the Online Service and to receive Communications (as defined herein) electronically, you must have:

- An Internet browser that supports 128-bit encryption, e.g. the latest versions of Microsoft Internet Explorer, Mozilla FireFox, Google Chrome, or Apple Safari. If you are not using one of the supported browsers listed, you may encounter issues within your Online Banking experience. We recommend switching to one of the supported browsers listed in order to ensure you have an optimal Online Banking experience.
- An e-mail account and e-mail software capable of reading and responding to e-mail.
- A personal computer or other device, operating system, and telecommunications connections to the Internet capable of supporting the Online Service.
- Software which permits you to receive, access, and download Portable Document Format or "PDF" files, such as Adobe Acrobat Reader version 8.0 and above (available for downloading at <http://www.adobe.com/products/acrobat/readstep2.html>).

To retain a copy of the Communications, your computer or Mobile Device must have the ability to download and store PDF files. We also recommend that you have a printer capable of printing, for your records, paper copies of the Communications. In order to access and use Mobile Banking you must have a supported Mobile Device enabled to receive and transmit data, and which includes texting functionality, if required.

It is your responsibility to ensure that all computers and devices, including Mobile Devices, used by you to access the Online Service comply with the Online Service's hardware and software requirements.

E. Security. The Online Service utilizes a comprehensive security strategy to protect your Accounts and transactions conducted over the Internet.

- The Online Service uses the Transport Layer Security (TLS) encryption technology. Your browser automatically activates this technology when it attempts to connect to the Online Service. Whenever TLS is securing your communications, your browser will typically indicate this secure session by changing the appearance of a small icon of a padlock at the bottom of the screen from "open" to "locked."
- The servers hosting the Online Service have been certified by a certificate authority to ensure you are actually talking to us instead of someone pretending to be us. If you are using an older browser, you will see that the certificate authority's key may have expired.

You will need to update your browser. By clicking on the lock, you can view the certificate to ensure it is valid.

- A persistent encrypted cookie will be passed to your computer or Mobile Device in order to confirm your identity. This cookie enables us to process multiple transactions during the session without you having to provide your username and password for each individual transaction. You should ensure that your browser will accept persistent cookies. Your security is enhanced by acceptance of the cookie, which is stored on your computer's hard-drive.

We are not responsible for any damage to your computer, modem, Mobile Device, or other property resulting from the use of the Online Service, including damage from any electronic virus, worms, Trojan Horses, or other similar harmful components that you may encounter. You are solely responsible for the proper installation, configuration, and maintenance of any intrusion detection system that you may use, and we will not be responsible if any non-public personal information is accessed via the Online Service due to any virus residing in or being contracted by your computer or your Mobile Device.

F. Consent to Electronic Delivery. The following disclosures are required by the Federal Electronic Signatures in Global and National Commerce Act.

Acceptance of Electronic Delivery. The Online Service is an electronic, Internet-based service. By checking the box to accept this Agreement and using the Online Service, you are consenting to receive the following categories of information (the "Communications") relating to the Online Service electronically. By accepting this Agreement, you further represent that you can receive and access the Communications electronically and that you have satisfied the hardware and software requirements contained in this Agreement. You understand that your ability to receive the Communications is dependent upon your maintaining a valid e-mail address with us.

All Communications in either electronic or paper format will be considered to be "in writing." You should print a paper copy of all electronic Communications and retain copies for your records.

Your consent to receive electronic Communications includes:

- All legal and/or regulatory disclosures and communications associated with the products and services available through the Online Service including Mobile Deposit and any amendments, modifications, or supplements to this Agreement;
- Any initial, periodic, or other disclosure notices provided in connection with the Online Service or Mobile Deposit including any amendments, modifications, or supplements to it, including those required by Federal or State Law;
- Your records of funds transfers and other transactions through the Online Service and Mobile Deposit, including, without limitation, confirmations of individual transactions; and
- Any other communications related to the Online Service.

All electronic Communications will be provided by one of the following methods:

- via e-mail (any electronic Communication sent by e-mail will be deemed to have been received by you when we or our service provider send it to you, whether or not you receive the e-mail);
- by access to a web site that we will designate in an e-mail notice we send to you at the time the information is available;
- to the extent permissible by law, by access to a web site that we will generally designate in advance for such purpose;
- by posting the Communications to the Online Service; or
- by requesting you download a PDF containing the Communication.

Your acceptance of this Agreement and consent to receive Communications electronically does not automatically enroll you in eStatements. Your enrollment in eStatements is voluntary, and, to enroll, you will need to complete the steps set forth herein.

Withdrawal of Consent. You may withdraw your consent to receive the Communications electronically at any time. To withdraw your consent prior to completing your enrollment in the Online Service, simply exit this session prior to accepting this Agreement. To withdraw your consent after you have already enrolled contact us at 831.479.6000, option 3, or write to us at 3333 Clares Street, Capitola, CA 95010. At our option, we may treat your provision of an invalid e-mail address, or the subsequent malfunction of a previously valid e-mail address, as a withdrawal of your consent to receive electronic Communications. We will not impose any fee to process the withdrawal of your consent to receive electronic Communications; however, your access and use of the Online Services will be terminated. Upon withdrawal of your consent, you will be required to provide us with a mailing address where we can send any future Communications, and your withdrawal of consent will be effective only after we have a reasonable period of time to process the withdrawal.

Please remember that you have options to manage your electronic delivery preferences and complete withdrawal of your consent may not be necessary. To manage your electronic delivery preferences access the eStatements page and select "Profile."

Updating Your Records. It is your responsibility to provide us with an accurate e-mail address, contact information, and other information related to your Account(s) and to maintain and update promptly any change in this information. You can update your contact information by using the Profile page in the Online Service. We may continue to deliver Communications to your address of record until five (5) Business Days after you have updated your records through the Online Service.

Requesting Paper Copies. You agree that any Communication delivered electronically will not be mailed to you unless you specifically request it. To request a paper copy of any Communication contact us at 831.479.6000, option 3, or write to us at 3333 Clares Street, Capitola, CA 95010. Paper copies of Communications will be mailed at no charge. Copies of

previously issued Account statements, copies of checks, or other account specific items may carry a fee. Please refer to the “Fee Schedule” for details of applicable fees.

Termination or Modification. We reserve the right, in our sole discretion, to discontinue the electronic delivery of your Communications or to terminate or change the terms and conditions on which we provide electronic Communications. We will provide you with notice of any such termination or change as required by law.

- G. eStatements.** You have the right to receive paper statements for Accounts that you access via Online Banking, and you may elect to receive Account statements electronically (“eStatements”) as detailed below. Generally, you will receive your eStatements at the same frequency as you would have received your paper statements. Once you enroll in eStatements for an Account, you will no longer receive paper statements, unless you specifically request them. By default you will receive paper versions of your tax statements (e.g., 1099 INT statements). Your delivery preferences for eStatements may be managed by logging in to the Online Service. The same terms apply with respect to electronically delivered eStatements as for those delivered in paper form and the Account Disclosures you previously received remain in effect. We may change, suspend, or eliminate any or all aspects of this delivery service upon notice to you.

You are responsible for saving your electronic documents for your own record keeping purposes. If you close an account, you may no longer have online access to the associated electronic documents. You can always request a paper copy of any past statements by submitting a request as set forth above.

- H. Fees and Charges.** There are currently no fees for accessing your Account(s) through the Online Service. However, there may be fees associated certain optional banking services and features (e.g., Bill Payment). Please refer to the “Fee Schedule” for details of applicable fees. You agree to pay promptly all fees and charges for services provided under this Agreement and to be responsible for any third-party charges (e.g., Internet, telephone, SMS) incurred by using the Online Service, including BayFedMobile.

We may ask you to designate an Account for the payment of such fees, and you authorize us to charge the Account that you have designated as the payment account. However, if for any reason we cannot access such Account, including because of your closure of such Account, you authorize us to deduct any such fees from any account in your name.

We reserve the right to charge fees in the future for using the Online Service at any time. We will, at our option, notify you online, send a notice to you at the address shown on our records, or send you an e-mail, as required by applicable law. Your continued use of the Online Service will constitute your acceptance of such fees.

- I. New Services.** We may, from time to time, introduce new online services. By using these services when they become available, you agree to be bound by the rules governing your use of

the services. Not all services described herein or offered by us in the future may be available to all customers or all accounts.

J. Transfers from Certain Accounts. Current federal regulations limit the number of transfers that can be made from certain accounts (e.g., a savings account or money market accounts) as described in the applicable Account Disclosure. A transfer made through the Online Service from such accounts will be subject to the same limitations.

K. Overdrafts. If your account has insufficient funds to perform all electronic funds transfers that you have requested for a given Business Day, then:

- Certain electronic funds transfers involving currency disbursement, like ATM withdrawals, will have priority; and
- The electronic funds transfers initiated through the Online Service may result in an overdraft of your account and may, at our discretion, be canceled.

In the event a transfer initiated through the Online Service results in an overdraft of your account, you will be charged an insufficient funds fee as described in the Account and Fee Schedule.

L. Hours of Accessibility. You can access your Accounts through the Online Service seven days a week, 24-hours a day. However, at certain times, some or all of the Online Service may not be available, and we will use commercially reasonable efforts to notify you when this occurs.

M. Secure E-Mail. We provide you with secure email through the Online Service to ask questions about your Account(s), to provide general feedback and to receive notifications about the Online Service and your Accounts. Email is accessible after you sign on to the Online Service. To ensure the security of your account information, we recommend that you use the email feature within the Online Service when asking specific questions about your Account(s). You cannot use e-mail to initiate transactions on your Account(s).

II. MOBILE BANKING.

A. Mobile Banking. Mobile Banking is offered as a convenient and supplemental service to our Online Banking services. It is not intended to replace access to Online Banking from your personal computer or other methods you use for managing your accounts and services with us. Mobile Banking allows you to access your Bay Federal Credit Union account information, transfer funds and conduct other banking transactions. To access Mobile Banking, you must be enrolled in Online Service. As part of the registration process, you may be required to provide information about your Mobile Device, as well as the telephone number for your Mobile Device. It is your responsibility to provide us with accurate, complete, and current information about you and your Mobile Device and to notify us immediately if any of this information changes or if service to your Mobile Device is terminated. We reserve the right to refuse or cancel your registration for Mobile Banking if we cannot verify information about your Mobile Device.

You may also be required to download and install an application or other software to your Mobile Device (a "Mobile Application") to access and use Mobile Banking. It is solely your responsibility to download and install the Mobile Application. We have no responsibility to notify you of any changes to or new releases of the Mobile Application and have no liability for any claims or damages arising from or relating to your failure to download and install any required Mobile Application. You agree that the Mobile Application is licensed, not sold, solely for your use in accessing Mobile Banking and is licensed to you "AS IS" without any warranty. WE DISCLAIM ALL WARRANTIES WITH RESPECT TO ANY MOBILE APPLICATION, WHETHER EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION IMPLIED WARRANTIES OF MERCHANTABILITY, SATISFACTORY QUALITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, TIMELINESS, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS. You release us, our service providers, affiliates, and all other parties from all claims and damages that may arise from or relate to your use of any Mobile Application and agree not to reverse engineer, decompile, disassemble, or attempt to learn the source code of any Mobile Application. You understand and agree that although Mobile Banking is encrypted, it may include personal or confidential information about you such as your account activity or status.

You are responsible for maintaining the security of your Mobile Device. Your Mobile Device is subject to the same security risks as a computer, and it is your responsibility to maintain anti-virus and anti-spyware programs on your Mobile Device. Except as otherwise provided herein, you are responsible for all transactions made using your Mobile Device, and all transactions performed using your Mobile Device, even if not intended by you, are considered transactions authorized by you. Mobile Banking will display sensitive information about your mobile Accounts, including balances and transfer amounts. Anyone with access to your Mobile Device may be able to view this information.

Mobile Banking is provided for your convenience and does not replace your monthly account statement(s). In addition, the products, services, or functionality described on the Online Service and this Agreement may not be available through Mobile Banking, and we reserve the right to determine your eligibility for any product, service, or functionality.

B. Remote Deposit Capture. Remote Deposit Capture is a service for consumer account holders that allows you to deposit a check into your Credit Union account from anywhere with cellular data connectivity by using the Bay Federal Credit Union BayFedMobile Application and your smart phone or other electronic device to take and send an Electronic Image of the item. It eliminates the need to deliver the paper item to the Credit Union.

Eligibility Requirements. To be eligible for the Remote Deposit Capture service, you must meet all of the following minimum criteria:

- You are 18 years of age or older;
- You are a member in good standing with the Credit Union;
- You maintain a Credit Union checking account;

- You do not have a negative record with a consumer reporting agency (e.g., closed account, excessive or unpaid NSF activity, etc.);
- You have not caused a loss to the Credit Union;
- You are qualified for and are currently enrolled in the Credit Union’s Premium Overdraft program; and
- You have not been more than thirty (30) days late on any Credit Union loan payment.

The Credit Union reserves the right, in its sole discretion, to limit or restrict services to any member in accordance with Credit Union policy and applicable law.

C. System Requirements. To use Remote Deposit Capture, you must have a mobile device with an enabled camera and service plan that includes data and Internet access. Third party fees may apply for data and Internet access. You will contact your mobile device carrier for additional information. You must also have the Bay Federal Credit Union BayFedMobile Application installed on your mobile device. The Bay Federal Credit Union BayFedMobile Application can be downloaded from your device’s app store. The Operating System version must be compatible with the latest version of the application.

D. Requirements for Electronic Images. Prior to creating an Electronic Image of a check, you must add the words “For Deposit Only,” your Credit Union account number, and your signature endorsement to the back of the check, or as otherwise instructed by the Credit Union.

An “Electronic Image” must contain: (i) a complete, legible, and accurate image of the front of the check showing the name of the drawer/payor, signature(s), the paying bank’s pre-printed information, MICR encoded information, the name of the payee, and the payment amount information; and (ii) a complete, legible, and accurate image of the back of the check showing your signature endorsement.

The following check items are not accepted for deposit through the Remote Deposit Capture service:

- Items displaying a “non-negotiable” or “void” notation or watermark.
- Items containing an alteration on the front of the check, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Federal Reserve Board Regulation CC.
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete or illegible information.
- Items that are money orders, traveler’s checks, or savings bonds.
- Items made payable to a third party (i.e., any person or entity other than you).

- Items that are in violation of any federal or state law, rule, or regulation.
- Checks or items prohibited by the Credit Union's current procedures relating to the Remote Deposit Capture service or are otherwise not acceptable under the terms of your Credit Union account.
- Items with any endorsement on the back other than what is specified in this Agreement.

You agree to follow any and all other procedures and instructions for use of the Remote Deposit Capture service as the Credit Union may establish from time to time. Failure to do so may result in your transaction(s) not being processed and/or the removal of the Remote Deposit Capture services.

- E. Transaction Limitations.** The maximum amount you may deposit on any day is \$5,000.00. We reserve the right to modify this limit from time to time.
- F. Processing Electronic Images.** We will review each Electronic Image received to determine whether it is eligible for this service. If eligible, we will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable ("Paying Bank"); (b) create a substitute check that we will present directly or indirectly to the Paying Bank; or (c) if we are the Paying Bank, present or post the Electronic Image. If we determine, for any reason, that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, we will require you to present the original item for deposit. It is your responsibility to retain the original item for 90 days to ensure that it is properly credited to your account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into your account. The Credit Union is not responsible for any image that we do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Remote Deposit Capture service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned. You are solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

- G. Cut-Off Time and Credit to My Account.** Items transmitted using the Remote Deposit Capture service are not subject to the funds availability requirements of Federal Reserve Board Regulation CC, and, therefore, longer hold delays may apply to these deposited items. Deposits received before 3:00 p.m. Pacific Time on a business day the Credit Union is open (a "business day" is any day except Saturdays, Sundays, and holidays) will be credited to your account on the first (1st) business day after the day we receive your deposit. Deposits received after 3:00 p.m. Pacific Time on a business day the Credit Union is open will be credited on the business day after we receive your deposit. Funds that you deposit using the Remote Deposit Capture service may not be immediately available to you.

- H. Record Retention.** It is your responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. You should securely store each original check(s) for a period of ninety (90) days after you receive confirmation that your deposit has been accepted. Please note that you are solely responsible for the security and storage of the original checks and you are solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be disposed of in a secure manner designed to ensure that they cannot be read or recreated.
- I. Service and Maintenance.** We may periodically audit the Remote Deposit Capture service and infrastructure. From time to time, the Credit Union may disable the Remote Deposit Capture service without prior notice for scheduled maintenance and upgrades to the system. In the event the Remote Deposit Capture service is unavailable, you may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to the Credit Union at 3333 Clares Street, Capitola, CA 95010.
- J. How to Notify Us in Case of Errors.** If you believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, you should call us at 831.479.6000 or toll-free at 888.4BAYFED or write us at 3333 Clares Street, Capitola, CA 95010. You will be asked to produce the original item and may be asked to complete a written statement in support of your claim.
- K. Amendments.** The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to you at your address as it appears on its records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Remote Deposit Capture service or designated accounts.
- L. Member Warranties and Indemnification.** By using the Remote Deposit Capture service, you represent and warrant all of the following to be true:
- The item transmitted is a complete, accurate, and unaltered item payable to you, that it originated as a paper item, and that you are legally entitled to negotiate it.
 - The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the Remote Deposit Capture service.
 - No other duplicate images of the original check have been made.
 - The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.

- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- You will not attempt to deposit or otherwise negotiate any original check that you have previously presented to us as an Electronic Image through the Remote Deposit Capture service. You will not attempt to present a duplicate Electronic Image.

You agree to indemnify, defend, and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable attorneys' fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by you in the performance of your obligations under this Agreement.
- Calculation or data entry errors made by you.
- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of your obligations.
- Your failure to securely maintain your hardware, your security credentials, or to securely maintain or dispose of any original check.

This section shall survive the termination of the Remote Deposit Capture service.

M. Use of Geolocation. We reserve the right, at our sole discretion, to obtain your location through your Mobile Device and use such location information for fraud prevention and other purposes. Before we obtain your location, we will present you with an on-screen notice alerting you that we will capture your location. If you do not consent to our obtaining and using your location information, you must immediately discontinue your use of Mobile Banking. For more information on how we use your location, please see our privacy policy by clicking on "Privacy Policy" in the Online Service.

III. Bill Payment

A. Bill Payment. Bill Payment allows you to pay your bills electronically through the Online Service using electronic payments, electronic checks, or draft checks, among others. We reserve the right to select the method in which to remit funds on your behalf to your Payee. These payment methods may include electronic payment, electronic to check payment, or laser draft payment. To use the Bill Pay Service, you must register for the Bill Pay Service using BayFedOnline Banking.

Types of Available Transactions. You may use the Bill Pay Service to:

- (1) Add/Delete/Edit Payees. "Payee" refers to the person, entity, or company whose bills you may pay using the Bill Pay Service;

- (2) Make non-recurring payments from your checking account. This feature allows you to schedule one-time payments to payees;
- (3) Make recurring payments from your checking account. This feature allows you to schedule recurring payments to payees;
- (4) View payment history to see payments you have made over a specific time period.

Limitations on Bill Pay Transactions. The following are limitations on the use of your Bill Pay Service:

- (1) The maximum amount you may withdraw by check is \$9,999.00;
- (2) The maximum per day transaction limitation is \$19,999.00;
- (3) Bill payments may only be made from your checking account(s);
- (4) Any payee you wish to pay through the Bill Pay Service must be payable in U.S. Dollars;
- (5) Each payee must appear on the payee list you create with us;
- (6) You may use the Bill Pay Service to make payments to a federal, state, or local government or tax unit, or to other categories of payees that we may establish from time to time. However; payments made to government agencies are not payment guaranteed;
- (7) You must allow sufficient time for the payee to receive and process the payment before the payment due date (the due date shown on your invoice or provided in your agreement with payee, not taking into account any grace period provided by payee). If you do not allow sufficient time, you will assume full responsibility for all late charges, finance charges, or other actions taken by payee;
- (8) Payments may be scheduled 24-hours a day, 7 days a week; however, payments scheduled on a Saturday, Sunday, or holiday will not be processed immediately and processing will occur on the next business day.

Important: Payments are made to payees either electronically via Automated Clearing House (ACH), by check, or other electronic fund transfer. The method of payment depends on the processing method that can be accommodated by the payee or by our Bill Pay Service provider. If your payee accepts electronic bill payment, the payment may take up to two (2) business days to process. If your payee does not accept electronic bill payment, the payment may take up to five (5) business days to process.

B. Member Responsibilities. In addition to any other responsibility described in this Disclosure and Agreement, you are responsible for:

- (1) If payment is made and you have insufficient funds in your account, you will assume full responsibility for all late charges, finance charges, or other actions taken by the Credit Union or its bill pay provider;
- (2) Any overdrafts and Insufficient Funds or Stop Payment fees charged by the Credit Union;
- (3) Ensuring that the data input for payee and transaction information (e.g., payee name, address, account number, payment amount, payment date, etc.) is accurate;
- (4) Allowing sufficient time for bill payments to be processed so that payment can be made by our Bill Pay Service before the payment due date; and
- (5) If any transaction cannot be processed because of insufficient available funds, you are responsible for either making alternate arrangements for the payment or rescheduling the payment through the Bill Pay Service.
- (6) If a payment is processed, but there are insufficient funds in your account to pay it, you understand that there may be up to three attempts to withdrawal funds from your account. Fees will be assessed for each attempt per our Fee Schedule.
- (7) If payment is processed, but there are insufficient funds in your account to make the payment, you understand that you may be prevented from scheduling additional payments and that your bill payment service may be suspended up to 30 business days.

C. Credit Union and Bill Pay Service Provider Responsibilities. The Bill Pay Service Provider is responsible only for exercising ordinary care in making payments upon your authorization and for mailing or sending a payment to the designated payee in accordance with this Agreement. The Credit Union and the Bill Pay Service Provider are not liable for any damages you incur if you do not have sufficient funds in your designated checking account to make the payment on the processing date, or due to delays in mail delivery, changes of payee address or account number, the failure of any payee to credit the account correctly for the payment in a timely manner, or for any other circumstances beyond the control of the Credit Union or the Bill Pay Service Provider.

We will overdraft from your indicated savings account, personal line of credit account or VISA® Credit Card Account (as applicable) according to the instructions you have given us, or we may cover an overdraft using our Premium Overdraft Service, if there are not sufficient funds in the designated checking account.

A written notice will be sent to you of transactions we are unable to process because of insufficient available funds, after each attempt (3 attempts). In all cases, you are responsible for either making alternate arrangements for the payment or rescheduling the payment through the Bill Pay Service. Insufficient available funds will prevent us from making more payments until resolved. You authorize us, and any third-party acting on our behalf, to choose the most

effective method to process your payments. You will receive a transaction confirmation number for each properly instructed payment.

We may charge your designated checking account on the day that a check or other transaction is presented to us directly or electronically for payment. The Credit Union reserves the right to refuse to make any payments, but we will notify you of any such refusal within two (2) to four (4) business days following receipt of your process date.

- D. Stop Payment.** Under some circumstances, you may stop or modify some authorized payments. The Service's ability to process a stop payment request will depend on the payment method and whether or not a check has cleared. The Service may not be able to act on any stop payment request after a payment has been processed. Payments that have already been debited against your account cannot be stopped, canceled, or changed. Payments designated as "today" transactions cannot be stopped, canceled, or changed once your Bill Pay session is terminated. In order to request a stop payment or change a Bill Pay transaction, you must contact us at 831.479.6000 or toll-free at 888.4BAYFED.
- E. Fees Associated With Bill Payment.** We will automatically deduct any applicable fees from your designated checking account.
- F. Amendments.** This Agreement, any user's manual, and the applicable fees and charges may be amended by us in the future. In the event of amendment, we shall send notice to you either by mail to your last known address or transmit such notice of the amendment through the BayFedOnline Banking Service. Your use of the Bill Pay Service feature following the receipt of such notice constitutes acceptance of such amendment.

IV. FUNDS TRANSFER SERVICE.

- A. Funds Transfer Service.** You may use the Funds Transfer Service to transfer funds between any of your accounts, whether such accounts are with us or at another, unrelated financial institution. You may also use the Funds Transfer Service to access Popmoney to transfer funds from one of your accounts to another party's account using a mobile telephone number or email address.
- B. Frequency of Transfers.** We do not currently limit the number of funds transfers you may make. It is your responsibility to review our Account Disclosures to ensure that you are complying with the terms and limitations of such Accounts. From time to time, we may impose additional limits on the frequency of transfers.
- C. Dollar Amount of Transfers.** We reserve the right to change, at our discretion and without notice, the dollar amount of funds transfers that you are permitted to make.

D. Transfers Subject to Account Disclosures. All funds transfers are subject to the relevant Account Disclosure. Certain types of accounts may not be eligible for funds transfers or may be restricted, and you agree not to make any transfers from or to such accounts.

E. Rejection of Transfers. We reserve the right to decline any funds transfer in our sole discretion.

A transfer between any of your accounts initiated through BayFedOnline Banking before 6:00 p.m. Pacific Standard Time on a Business Day will be posted to your Account the same day. All transfers initiated after 6:00 p.m. Pacific Standard Time on a Business Day or on a non-Business Day will be posted to your Account no later than the following Business Day. If the transfer is made through a third party service provider, including Popmoney, it may take three (3) to four (4) Business Days for the transfer to be credited to the appropriate account. The Funds Transfer Service may not be available at all times.

You will ensure that you have sufficient funds in your Account prior to making a funds transfer. We may decline any funds transfer for which you have insufficient funds or that we believe may violate applicable law or expose you to liability or risk of loss.

F. Information Verification. To verify ownership of your Account(s), we may issue offsetting debits and credits to your Account(s) and require confirmation of such from you. Through your enrollment in BayFedOnline, you agree that we may request a review of your credit rating at your expense through a credit reporting agency. In addition, you agree that we may obtain financial information regarding your account from a Payee or your financial institution (e.g., to resolve payment posting problems or for verification).

G. Authorization. You authorize us to select any means to execute your funds transfer, including the Automated Clearing House (ACH). You agree to be bound by the rules and regulations that govern the applicable funds transfer system, including the rules published by the National Automatic Clearinghouse Association.

We and our service providers will make a reasonable effort to complete the transfer; however, if, for any reason, a transfer cannot be made, you authorize us or our service provider, without notice to you, to credit or debit your Account as necessary to reverse the transfer. We reserve the right to resubmit the transfer in the event of an insufficient or uncollected funds return and if we cannot collect the amount credited. There may be a fee associated with such collection imposed by the financial institution holding the Account.

If you have requested a funds transfer to a third party, you must provide us with a true, correct, and current email address or cellular phone number for such third party, and you authorize us to contact such party to request certain information (e.g., the account number and financial institution to which they wish to transfer the funds). If the third party fails to provide such information or to follow the instructions provided by us, we will not complete the transfer and will credit your Account for the amount of the transfer as appropriate.

If your funds transfer instructions identify a recipient by name and account number, the receiving financial institution may execute your instructions by reference to the account number only, even if the account number does not correspond the name you provided. You acknowledge and agree that such financial institution is not obligated to investigate any discrepancies between names and account numbers.

- H. POPMONEY.** Through Popmoney, we offer you the ability to initiate transfers from an Account with us to an account at another financial institution located in the United States. Popmoney also allows you to receive transfers from another person directly into an Account with us. Popmoney is provided through CashEdge, a subsidiary of Fiserv Solutions, Inc., and you acknowledge that we utilize CashEdge to provide Popmoney.
- I. Suspension and Reinstatement.** We may, without notice to you, suspend your ability use the Funds Transfer Service for any reason, including our inability to debit your Accounts or to otherwise collect the amount of any transfer. Our right to suspend your ability to use the Funds Transfer Service does not limit any other right or remedy that we may have under this Agreement or otherwise. If we suspend your ability to use the Funds Transfer Service, you may request reinstatement of the service by contacting us. We may, in our sole discretion, grant or deny reinstatement, and if we agree to reinstate you, we may limit the number of funds transfers or dollar amount of funds transfer that you may make per month.
- J. Documentation.** You may access a statement of all funds transfers made or pending at any time through BayFedOnline by clicking on the History tab within Funds Transfer or the Activity tab within Popmoney.
- K. No Unlawful or Prohibited Use.** You acknowledge and agree that you will not use the Funds Transfer Service or Popmoney for any unlawful purpose or in a way not permitted, either expressly or implicitly, by this Agreement. You further acknowledge and agree that you will not use the Funds Transfer Service, including Popmoney, in a way that could damage, disable, overburden, or impair our Online Banking Service.

You agree not to impersonate any person or use a name that you are not authorized to use. You represent and warrant that all information you have provided or will provide is true, correct, and complete.

- L. Security Procedures.** If you are the recipient of a funds transfer, you agree that you will provide us with any information that we may reasonably require, to transfer funds to your Account and that we may provide the transferor's financial institution with any information that it may need to transfer such funds to your Account. If you are sending a funds transfer, you agree that a recipient's financial institution may contact us to verify the content and authority of funds transfer instructions and any changes to those instructions. You understand that, as your agent, we may provide such financial institution any required information to verify the instructions.

You further agree that you may authorize such financial institution to charge and debit your accounts based solely on these communications. If the transfer is rejected for any reason, the funds will be returned to the transferor.

- M. Incoming Payment Transfers** You may use the Platform to make one-time funds transfers from accounts (including debit cards) that you maintain with third-party financial institutions (“Third-Party Accounts”) to make payments on BFCU loan-related Accounts (“Incoming Payment Transfers”). You agree to follow any applicable instructional material we provide to schedule and initiate Incoming Payment Transfers.
- N. Service Providers.** You acknowledge and agree that we may make the BFCU Incoming Payment Transfer Service available through or by using one or more third-party service providers. You agree that we have the right to delegate to such service providers all of the rights and performance obligations that we have under this Agreement, and that such service providers will be third-party beneficiaries of this Agreement and will be entitled to all the rights and protections that this Agreement provides to us.
- O. Service Charges.** We may charge you a fee for each Incoming Payment Transfer, as disclosed in the applicable Service application. You agree to pay these fees and all other fees and charges applicable to a Funds Transfer. You authorize us to deduct any fees and charges due from you from your applicable Account. We reserve the right to change fees and charges applicable to Funds Transfers at any time. If we change the fees and charges applicable to Funds Transfers, we will provide advance notice to you. Your continued use of the Incoming Payment Transfer Service after our provision of such notice to you will constitute your acceptance of the changed terms.
- P. Access to Your Third Party Accounts.** When you use the BFCU Platform to transfer funds from Third-Party Accounts, you authorize us to initiate a transaction on your behalf with the financial institutions that maintain such Third-Party Accounts and to retrieve information, and you hereby appoint us as your agent for this limited purpose. You hereby represent to us that you are a legal owner of each Third-Party Account and that you have the right and authority to designate us as your agent in connection with your use of the Incoming Payment Transfer Service. If any Third-Party Account is owned by you jointly with other persons, you represent and warrant that each joint owner has consented to your use of BFCU’s Incoming Payment Transfer Service in connection with that Third-Party Account. You, and any joint account holder, are responsible for all fees and charges associated with your Third-Party Accounts and for compliance with all terms and conditions governing or related to such Third-Party Accounts. You acknowledge and agree that we are in no way responsible or liable for your Third-Party Accounts or any products or services related to your Third-Party Accounts, or for any acts or omissions by the financial institutions that maintain such Third-Party Accounts, including (without limitation) any modification, interruption, or discontinuance of any Third-Party Account or any related product or service by such financial institutions. For all purposes related to BFCU’s Incoming Payment Transfer Service, you hereby grant us a limited power of attorney,

and you hereby appoint us as your true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, for you and in your name, place, and stead, in any and all capacities, to initiate transactions with the financial institutions that maintain your Third-Party Accounts, to retrieve information, and to use such information, with the full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection with such activities, as fully to all intents and purposes as you might or could do in person or otherwise. YOU ACKNOWLEDGE AND AGREE THAT WHEN WE INITIATE TRANSACTIONS WITH AND RETRIEVE INFORMATION FROM THIRD-PARTY SITES, WE ARE ACTING AS YOUR AGENT, AND NOT THE AGENT OR ON BEHALF OF THE THIRD PARTY. You agree that our third party service providers and contractors shall be entitled to rely on the foregoing authorization, agency, and power of attorney granted by you.

- Q. Accuracy of Information You Provide.** You agree to provide true, accurate, current and complete information about yourself and your Third-Party Accounts, and you agree not to misrepresent your identity or information related to your Third-Party Accounts, which information may include user names, passwords, or other access devices for such Third-Party Accounts. You agree to keep all of such information up to date and accurate. You acknowledge that we will rely on the information provided by you, and you authorize us to act on any instruction which has been, or reasonably appears to have been, sent by you. We are not obligated to take any further steps to confirm or authenticate such instructions and may act upon them without further confirmation. You acknowledge and agree that financial institutions receiving requests for the release of Third-Party Account information may rely and act upon such requests. If instructions identify a financial institution for a Third-Party Account by name and number, BFCU may execute those instructions by reference to the number only, even if the number does not correspond to the name. You acknowledge that financial institutions may not investigate discrepancies between names and numbers. We shall have no liability for any losses resulting directly, or indirectly, from any of your errors, duplications, ambiguities, or misrepresentations in the information that you provide.
- R. Verification of Instructions.** You acknowledge and agree that any financial institution maintaining a Third-Party Account may contact us to verify the content and authority of instructions and any changes to those instructions. You agree that we, as your agent, may provide to such financial institution such information as may be required to verify the instructions and as may constitute a valid security procedure under the rules governing such Third-Party Account. You agree to allow us to authorize any financial institution that maintains a Third-Party Account to accept instructions in accordance with any authorization procedures as may be agreed from time to time between you and such financial institution, or between us, on your behalf, and such financial institution, without verifying the instructions under the established security procedures, regardless of whether such security procedures were agreed to by you directly or by us on your behalf. In addition, you agree that we may authorize such financial institutions to release your Third-Party Account information based solely on these communications.

- S. Communications.** You authorize us to select and use any means we deem suitable to provide instructions to any financial institution that maintains a Third-Party Account. These means may include banking channels; electronic means; mail, courier, or telecommunications services; intermediary financial institutions, and other organizations. You agree to be bound by the rules and regulations that govern applicable systems and networks, including (but not limited to) the rules and regulations of the Clearing House Interbank Payments System (CHIPS) and the National Automated Clearing House Association (NACHA).
- T. Information from Third Party Accounts.** We have no responsibility to review Third-Party Account information provided by you for accuracy, legality, or non-infringement, or for any other purpose. We will not be liable for technical or other difficulties which may result in failure to obtain data or loss of data, personalization settings, or other Service interruptions. We assume no responsibility for the timeliness, accuracy, deletion, non-delivery, or failure to store any user data, communications, or personalization settings. We make no representation or warranty that any Third-Party Account information displayed through BFCU's Incoming Payment Transfer Service is the most complete, timely, current, or up to date information relating to the Third-Party Account that is available from the financial institution that maintains such Third-Party Account. You should contact the financial institution that maintains your Third-Party Account for verification and confirmation of any information relating to the Third-Party Account. Not all types of Third-Party Accounts are accessible through the Incoming Payment Transfer Service, and we reserve the right to qualify and disqualify any types of Third-Party Accounts in our discretion. It is your responsibility to check with the financial institutions that maintain your Third-Party Accounts for restrictions regarding your retirement (401k, IRA, etc.), savings, trust, loan, custodial, business, corporate, and other account types. You agree that we shall not be liable for any costs, fees, losses, or damages of any kind incurred as a result of (i) our access to your Third-Party Accounts, (ii) any inaccuracy, incompleteness, or misinformation contained in the information retrieved from the Third-Party Accounts, or the untimeliness of any such information, (iii) any charges imposed by any financial institution that maintains any Third-Party Account, (iv) the actions or inaction of any financial institution that maintains any Third-Party Account, and for (v) any action or inaction by you in reliance on any information obtained by you from or through BFCU's Incoming Payment Transfer Service.
- U. Use of Submitted Information; Promotion of Products and Services.** By submitting information about your Third-Party Accounts, data, passwords, user names, PINs, other log-in information, materials, and other content you submit to us through BFCU's Incoming Payment Transfer Service, together with information that we create or compile about your use of the Incoming Payment Transfer Service ("Submitted Information"), you acknowledge and agree that we may use, copy, modify, display, store, create new material from, and distribute such Submitted Information (i) to provide the Incoming Payment Transfer Service to you, (ii) to contact you regarding the Incoming Payment Transfer Service status and usage and to inform you about other matters relevant to the Incoming Payment Transfer Service and for the information collected by or through the Incoming Payment Transfer Service, (iii) to provide information to

you about enhancements to the Incoming Payment Transfer Service, (iv) to respond to your questions or comments about the Incoming Payment Transfer Service, (v) to conduct surveys about the Incoming Payment Transfer Service, (vi) to improve the operation of the service.

V. STOP PAYMENT REQUESTS ON CHECKS.

A. Stop Payment. You may request that we stop payment of a check drawn on your checking Account. A stop payment request must specifically identify the check that you would like to stop the payment of and must be received by us before end of business day in order for us to treat it as received on that Business Day. If we receive your request after the end of a Business Day or on a non-Business Day, we will treat the stop payment request as if it was received on the next Business Day. You further understand and agree that, unless we have a reasonable opportunity to act on your request prior to payment of the check, we will be unable to stop its payment. You understand and agree that, unless your stop payment request is complete and accurate, we may be unable to identify and stop payment of the check. By initiating a stop payment request of a check, you agree that you will indemnify and hold us harmless from and against any claim arising in connection with our refusal to pay the check.

B. Renewal and Termination. If you give us your stop payment request verbally, we may also require you to put confirmation of your request in writing and to provide it to us within fourteen (14) days after your verbal request. A verbal request ceases to be binding after fourteen (14) days if you have not provided us with our required written confirmation of your request. Unless renewed, a written stop payment request will remain in effect for a period of six (6) months. If you want the stop payment request to expire in less than (6) six months, you must cancel the request in writing at one of our branches. Your request to cancel a stop payment order is not effective until we have a reasonable opportunity to act on it.

VI. PURCHASE REWARDS OFFERS.

A. Purchase Rewards License Grant and Restrictions. You are granted a personal, limited, non-exclusive, non-transferable license, to electronically access and use Purchase Rewards. You may not do any of the following or allow any third party to do any of the following: (i) access or attempt to access any other systems, programs, or data that are not made available for public use; (ii) copy, reproduce, republish, upload, post, transmit, resell, or distribute in any way the material from Purchase Rewards; (iii) permit any third party to benefit from the use or functionality of Purchase Rewards or any other services provided in connection with it; (iv) transfer any of the rights granted to you under this license; (v) perform or attempt to perform any actions that would interfere with the proper working of Purchase Rewards or any services provided in connection with it, prevent access to or the use of Purchase Rewards or any or services provided in connection with it by other licensees or customers, or impose an unreasonable or disproportionately large load on the infrastructure while using Purchase Rewards; or (vii) otherwise use Purchase Rewards or any services provided in connection with it except as expressly allowed under this Agreement.

- B. Purchase Rewards Offers.** By participating in Purchase Rewards, you acknowledge and agree to the following terms and conditions:
- C. Purchase Rewards.** You may earn rewards for your participation in Purchase Rewards based on total purchases, and we will credit all cash or point rewards earned to your rewards balance and send you a lump sum of all rewards due to you. For any qualifying purchases during the current month, we will distribute the lump sum amount to you during the following calendar month. For example, if the payment date of all rewards end user disbursements is August 30, the applicable measurement period would be the calendar month ended July 31. Cash rewards will be deposited in the Purchase Rewards Account which is associated with Purchase Rewards.
- D. Purchase Rewards Account.** You must use the debit card associated with the Purchase Rewards Account in order to receive the offers that qualify for the rewards, and rewards will not be earned for any portion of your purchase that you pay for with store credit, gift certificates, or other payment types.
- E. Purchases.** Each offer will specify whether to be eligible for rewards the purchase can be made online, at a store location, or by telephone and each purchase must also comply with any guidelines included with the offer (e.g., offer expiration dates, minimum purchase amounts, purchase limits, etc.).

There may be times that we are unable to track and credit all eligible purchases because of problems with your Internet browser, the merchant's web site or our system. Please contact our Customer Support if you believe you have made a qualifying purchase for which you did not receive Debit Rewards.

- F. Limitations of Warranties and Liability.** You understand and agree that neither we nor our third party service providers make any warranties or have any liability as to:
- Any offers, commitments, promotions, money back, or other incentives offered by any of the merchants in Purchase Rewards;
 - Any rewards information provides to you is provided "AS IS" and "AS AVAILABLE";
 - Your failure or inability to comply with offer guidelines;
 - The accuracy, timeliness, loss or corruption, or mis-delivery, of any qualifying purchase information or any other information; or
 - Unauthorized access to your account(s) or to your account information and any misappropriation, or alteration, of your account information or data, to the extent that the unauthorized access results from your acts or omissions.
- G. Third Party Services.** In connection with your use of Purchase Rewards, or any other services provided in connection therewith, you may be made aware of services, products, offers, and promotions provided by third parties ("Third Party Services"). If you decide to use Third Party Services, you are responsible for reviewing and understanding the terms and conditions governing any Third Party Services. You agree that the third party is responsible for the

performance of the Third Party Services and that we have no liability or obligations to you related to any Third Party Services.

VII. FINANCEWORKS.

- A. Finance Works.** FinanceWorks is a financial management service offered by us but operated by one of our third party service providers. FinanceWorks assists you in managing your finances by consolidating your financial information from third party websites that you designate. FinanceWorks will retrieve and compile your information from designated third party websites (“3rd Party FIs”) to present the information to you in one source. By accessing the Online Services, you are eligible to access and use FinanceWorks. Your use of FinanceWorks, including the terms governing any information you provide to and information retrieved from 3rd Party FIs in connection with FinanceWorks, will be governed by the FinanceWorks Terms and Conditions, which will be provided to you upon enrollment. If you do not agree to those Terms and Conditions, or any updates thereto, you will be denied access to FinanceWorks.

VIII. PROVISIONS APPLICABLE TO CONSUMER ACCOUNTS ONLY.

The limits on your liability in the “Your Rights and Responsibilities” Section below and the Section entitled “Resolving Errors or Problems” apply only to individuals who access the Online Service for personal, family, and household purposes. Although we may grant these protections to you if you use the Online Service for business purposes, you are not entitled to such protections; we are under no obligation to provide them to you; and we may cease providing them at any time in our sole and absolute discretion.

- A. Your Rights and Responsibilities.** You are responsible for keeping your username and password confidential. We are entitled to act on a transaction and other instructions received using your username and password, and you agree that the use of your username and password will authenticate your identity and verify the instructions you have provided to us for the transaction(s), including transactions made using your Mobile Device. If you authorize other persons to use your username and password in any manner, your authorization will be considered unlimited in amount and manner until you have notified us in writing or by e-mail that you have revoked the authorization and changed your username and password. You are responsible for any transactions made by any person you authorize until you notify us that such person is no longer authorized to make transfers or give instructions regarding your Account(s) and change your username and password. We will act promptly to process your username and password change but will have no responsibility for any transfers made under your former username and password during the transition.

You should notify us immediately if (i) you believe your username or password have been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, (ii) the phone number for your Mobile Device is changed or service is terminated, (iii) you believe that your Mobile Device has been lost or destroyed or your Mobile Device or any mobile Accounts have been accessed or used without your authorization, (iv) you suspect any

fraudulent activity on your Accounts, or (v) you believe a transfer has been made using the information from your check without your permission. To notify us call 831.479.6000 or 888.4BAYFED, option 3, during normal business hours, e-mail us through the Online Service or write us at 3333 Clares Street, Capitola, CA 95010. Telephoning is the best way of keeping your possible losses down. If you tell us within two (2) Business Days after you learn of the loss or theft of your username or password, you can lose no more than \$50 if someone used your username or password without your permission. If you do NOT tell us within two (2) Business Days after you learn of the loss or theft of your username or password, and we can prove that we could have stopped someone from using your username or password without your permission if you had told us, you could lose as much as \$500.

B. Resolving Errors or Problems. In case of errors or questions about your electronic transfers, call us at 831.479.6000 or 888.4BAYFED, option 3, e-mail us through the Online Service or write us at 3333 Clares Street, Capitola, CA 95010. Notify us 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.

- 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 (twenty (20) Business Days if the transfer involved a new Account) 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 (ninety (90) days if the transfer involved a new Account) to investigate your complaint or question. If we decide to do this, we will credit your Account within ten (10) Business Days (twenty (20) Business Days if the transfer involved a new Account) 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. Your Account is considered new for the first thirty (30) days after the first deposit is made, unless each of you already has an established account with us before this Account is opened.

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 and will debit your Account any amounts that were advanced. You may ask for copies of the documents that we used in our investigation.

Also, if your account statement, including your electronic account 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 sixty (60) days after the statement was mailed to you or provided electronically, 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 (e.g., a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

C. Our Liability for Failure to Make Transfers. If we do not complete a transfer, including a Bill Payment, to or from your Account on time or in the correct amount, or cancel a transfer as properly requested on time or in the correct amount, according to our agreement with you, we are liable for your losses or damages. There are some exceptions to our liability for processing transactions on your Accounts. 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, or if the transfer cannot be made because of legal restrictions affecting your Account;
- The transfer would go over the credit limit on your overdraft line;
- Your Account is closed or has been frozen;
- You or anyone you allow to use the Online Service has committed any fraud or violation of applicable law or regulation;
- The systems, including Mobile Banking, your Mobile Device or your Internet, cellular or wireless service, were not working properly and you knew about the breakdown when you started the transfer;
- Circumstances beyond our control, such as interruption of telephone or wireless service or telecommunication facilities, flaws in your Mobile Device or natural disaster, such as a fire or flood, prevent the transfer, despite reasonable precautions that we have taken;
- You have not provided us with complete and correct payment information, including without limitation the name, address, account number and payment amount for the Payee on a Bill Payment;
- You have not properly followed the instructions for using the Online Service;
- You have failed to download and/or install any required Mobile Application;
- Your computer or Mobile Device fails or malfunctions; or
- Your operating system or software was not properly installed or functioning properly.

There may be other exceptions stated in our Account Disclosure with you.

Our sole responsibility for an error in a transfer will be to correct the error, but in no case will we be liable for any indirect, special, incidental or consequential damages. In states that do not allow the exclusion or limitation of liability for indirect, special, incidental or consequential damages, our liability is limited to the extent permitted by applicable law.

D. Further Limitations on Our Liability. In addition to the limits of our liability for failure to complete a transfer, we will not be responsible for the following matters, or for errors or failures of the Online Service:

- We will not be liable for failure to provide access or for interruptions in access to the Online Service due to a system failure or due to other unforeseen acts or circumstances.
- We will not be responsible for any errors or failures from any malfunction of your computer, Mobile Device, or any computer virus or other problems related to your computer equipment used with the Online Service.
- We are not responsible for any error, damages, or other loss you may suffer due to malfunction or misapplication of any system you use, including your browser, your Internet service provider, your personal financial management or other software, your Mobile Device, or any equipment you may use (including your telecommunications facilities, computer hardware and modem) to access or communicate with the Online Service.
- We are not responsible for postal delays or processing delays by the Payee for any Bill Payment made through the Online Service.
- We are not responsible for any transactions you initiate or authorize using Mobile Banking.

The Online Service is provided by us on an "AS IS" and "AS AVAILABLE" basis. WE MAKE NO WARRANTIES OR REPRESENTATIONS WITH RESPECT TO THE ONLINE SERVICE, EXPRESS OR IMPLIED INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. We do not and cannot warrant that the Online Service will operate without errors, that any or all functions will be available and operational at all times, that the results that may be obtained from the Online Service will be accurate or reliable or that any errors in the Online Service will be corrected.

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, WE WILL NOT BE LIABLE TO YOU OR ANYONE ELSE FOR DAMAGES OF ANY KIND ARISING FROM THE USE OF THE ONLINE SERVICE, THE INABILITY TO USE THE ONLINE SERVICE OR CIRCUMSTANCES BEYOND ITS CONTROL, INCLUDING, BUT NOT LIMITED TO, DIRECT, INDIRECT, INCIDENTAL, PUNITIVE, AND CONSEQUENTIAL DAMAGES, EVEN IF WE ARE EXPRESSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Some states do not allow limitations on warranties or certain damages. Therefore, some or all of the above disclaimers, exclusions, or limitations may not apply to you, and you might have additional rights.

E. Confidentiality. In addition to any other reasons disclosed herein, we will disclose information to third parties about your Account or the transfers you make:

- Where it is necessary for completing transfers;
- 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;
- As required by applicable law, including tax laws; or
- If you give us your written permission.

You can see a full description of our privacy policy by clicking on "Privacy Policy" in the Online Service.

IX. GENERAL TERMS.

- A. Information Authorization.** In order to provide the Online Service, we must obtain from you certain personal information about you, your Accounts, and your transactions (referred to herein as "User Information"). You represent that you have the right to provide such User Information and that you give us the right to use the User Information in accordance with our Privacy Policy.
- B. Ownership of Intellectual Property.** Either we or our service partners retain all ownership and proprietary rights in the Online Service, associated content, technology, and website(s), and the content, information and offers on our website are copyrighted by us and the unauthorized use, reproduction, linking, or distribution of any portions is strictly prohibited. You may not use Online Service (i) in any anti-competitive manner, (ii) for any purpose which would be contrary to our business interest, or (iii) to our actual or potential economic disadvantage in any aspect. You may not copy, reproduce, distribute, or create derivative works from the content and agree not to reverse engineer or reverse compile any of the technology used to provide the Online Service.
- C. Third Party Websites.** The Online Service may contain or reference links to websites operated by third parties ("Third Party Websites"). These links are provided as a convenience only. Third Party Websites are not under our control, and we are not responsible for the content of or links contained in any Third Party Website. You agree that we are not responsible for any provisions or terms in a Third Party Website and have no liability for any Third Party Website.
- D. Geographic Restrictions.** Although we do not restrict your use of the Online Service outside of the United States, other countries may impose limits on your access.
- E. Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California.
- F. Indemnification.** In addition to the indemnifications and limitations on liability contained in the Account Disclosure, you hereby indemnify and hold us harmless and each of our directors, officers, employees, agents, successors, and assigns ("Indemnitees") from and against all liability, loss, and damage of any kind (including attorneys' fees and other costs incurred in connection therewith) incurred by or asserted against such Indemnitee in any way relating to or arising out of (i) your use of the Online Service, (ii) any failure by you to comply with the terms of this Agreement or breach by you of any representation or warranty contained herein, (iii) any failure by you to comply with applicable laws and regulations, (iv) any acts or omissions of you or any third party, (v) our reliance on the information, instruction, license, and/or authorization provided by you under this Agreement, or (vi) your infringement or infringement by any user of your Account(s) of any intellectual property or right of any person or entity.
- G. Amendment; Waiver.** We reserve the right to amend or modify this Agreement at any time in our sole discretion, upon notice to you. Your continued use of the Online Service following such

notice constitutes your acceptance of any amendment or modification of this Agreement. We shall not be deemed to have waived any of our rights or remedies hereunder unless such waiver is in writing and signed by us. No delay or omission on our part in exercising any rights or remedies shall operate as a waiver of such rights or remedies or any other rights or remedies.

- H. Termination of Agreement.** We may terminate this Agreement, in whole or in part, or suspend or terminate your access to the Online Service at any time in our sole discretion, with or without notice. If your access to the Online Service is terminated, any unprocessed transfers, including recurring transfers and Bill Payments, will be canceled and not processed. To request reinstatement of the Online Service, call Customer Support at 831.479.6000 or 888.4BAYFED, option 3, or by writing us at 3333 Clares Street, Capitola, CA 95010.
- I. Continuing Rights.** You agree that our rights and remedies arising out of any breach of your representations and warranties in this Agreement, the limitations on our liability and our rights to indemnification under this Agreement are continuing and shall survive the termination of this Agreement, notwithstanding the lack of any specific reference to such survivability in these provisions.
- J. Force Majeure.** We shall be excused from failing to act or any delay in acting if such failure or delay is caused by legal constraint, interruption of transmission or communication facilities, equipment failure, war, emergency conditions, or other circumstances beyond our control. Also, we may cause any or all of the Online Service to be temporarily unavailable to you, with or without prior notice, for site maintenance, security, or other reasons.
- K. Assignment.** This Agreement is personal to you and may not be assigned. We may assign this Agreement in our sole discretion and may also assign or delegate certain of our rights and responsibilities under this Agreement to independent contractors or other third parties.
- L. Entire Agreement.** This Agreement, including any amendments that we may make from time to time, constitutes the entire agreement between us, and supersedes and replaces all other agreements or understandings, whether written or oral, regarding the Online Service.
- M. Headings; Severability.** The section headings of this Agreement are for convenience only and shall not limit or affect the meaning or construction of any of the provisions of this Agreement. If for any reason any provision or portion of this Agreement is found unenforceable, the remaining provisions will continue in full force and effect.
- X. OUR CONTACT INFORMATION**

You may contact us at any time by calling the Member Service Center at 831.479.6000 or 888.4BAYFED, option 3, or by writing us at 3333 Clares Street, Capitola, CA 95010 or via secured e-mail.