



ELECTRONIC FUNDS TRANSFERS - YOUR RIGHTS & RESPONSIBILITIES

This Electronic Funds Transfer disclosure does not apply to any accounts other than consumer accounts, as defined by Regulation E.

This Electronic Funds Transfer Agreement and Disclosures (“Agreement”) describes the types of electronic funds transfers (“EFT”) services that we make available to consumers. Generally, EFT services are electronically initiated transfers of money involving one or more of your accounts at Poppy Bank. This Agreement describes how these services work, what limitations and restrictions apply to them, and some rights you have under federal law. This Agreement applies to EFT services to and from consumer accounts, as defined by Regulation E, which is described in “Scope” below. The EFT services (including those originated by any ATM Card or VISA debit card) we are capable of handling are indicated in “Types of EFT Services” below, some of which may not apply to your account. You may request that certain EFT services be made available to you by contacting your local branch or by calling us at 888-636-9994.

We may change any part of this Agreement at any time and from time to time, and we will give advance notice of any change when required by law. We may terminate your Card, or your access to any EFT services, at any time and for cause or for no cause, and with or without terminating other services or closing your account. If we terminate your Card or a service, we will provide you with notice as required by law. Please read this Agreement carefully because it tells you your rights and obligations for these transactions. You should keep this Agreement for future reference.

You agree that the Card is the property of Poppy Bank and that Poppy Bank may revoke or cancel all or any part of the privileges related to the Card. You will surrender the Card to Poppy Bank if so requested.

Definitions: Some of the terms used in this Agreement have special meanings. Some terms are defined in other parts of the Agreement, generally when the term is first used. In addition, the following terms have the following meanings:

A “Card” is the plastic ATM Card or VISA debit card that can be used as one type of access device for EFT services. If you are issued a Card, it may be an ATM Card that can be used at ATM’s and at merchants that display the STAR and/or PLUS logos. We refer to these Cards as “ATM Cards.” You may be issued a Card that is an ATM Card with a VISA® logo on the front. We refer to this as a “VISA debit card.” A VISA debit card can be used at merchants that display the VISA logo to purchase goods or services in a transaction through the VISA system (a “VISA debit card transaction”). In some cases, the rules governing your Card and your Card transactions change, depending on whether it is being used as an ATM Card or as a VISA debit card. Unless otherwise specified, the term “Card” means both an ATM Card and a VISA debit card.

An “EFT” is an electronic funds transfer, as defined under federal Regulation E. An EFT service is one or more electronic funds transfer services you may obtain from us. Some EFT services involve the use of a Card. Other EFT services may involve electronic transfers that you authorize others to make to or from your account(s) with us.

“Notice of Automatic Transaction” (“Notice”): Some accounts offered by Poppy Bank provide quarterly statements rather than monthly statements. For those accounts with quarterly statements, we will provide you with a Notice of Automatic Transaction if one or more EFTs is posted to the account during the month. This notice will list only the EFT transactions affecting your account for the month and you will still receive the regular periodic statement.

“PIN” is a personal identification number, and is sometimes referred to as a “code” or “access code.”

“You” and “your” and similar terms mean each person who applies for an EFT service or who is an authorized user of the service.

“We”, “us” and “our” and “Bank” and similar terms mean Poppy Bank.

“Unauthorized EFT” means an electronic funds transfer from a consumer’s account initiated by a person other than the consumer without the actual authority to initiate the transfer and from which the consumer receives no benefit. The terms do not include an EFT initiated:

- By anyone authorized by you (such as, anyone you give your Card or PIN to), unless and until you notify us that they are no longer authorized;

- With fraudulent intent by you or any person acting in concert with you; or
- By us or our employees.

Scope: This Agreement applies only to EFT services to and from the accounts you have established with us that are primarily for personal, family or household purposes (“consumer accounts”). This Agreement does not apply to:

- Electronic funds transfers to or from a non-consumer account;
- Transfers of funds through Fedwire or similar non-retail wire transfer service;
- Transfers of funds the primary purpose of which is the purchase or sale of a security or commodity; and
- Any other debits or credits to your account or transactions that are not covered under the Electronic Funds Transfer Act or its implementing Regulation E.

You agree not to use our EFT services for non-consumer purposes without a separate agreement with us for that purpose.

Using Your Card. You agree to use your Card in compliance with all applicable laws, rules and regulations. Since the Card is not a credit card, it does not provide overdraft or credit protection. (Using your Card could, however, result in a cash advance from an overdraft line of credit if you have a line of credit that also serves as overdraft protection on your deposit account.) Some merchants may refuse to accept your Card even though they display the VISA logo, but we cannot control those merchants. We are not liable if a merchant or financial institution refuses to accept your Card or Card number. Since your Card is not a credit card, if you have a dispute with the merchant regarding the quality, price, warranty or otherwise regarding the goods or services you purchase with your Card, you will have to settle your dispute with the merchant directly. We are not responsible for the merchant’s actions, including any misrepresentations by the merchant.

Types of EFT Services. There are several types of EFT services we offer. They are described below, but some may not be available to you at this time.

- 1. Direct Deposits.** You may authorize others to access your account on a regular basis and make electronic deposits (credits) to your account. For example, you may authorize your employer to electronically deposit your payroll into your account. Certain government benefit programs may also pay you through periodic electronic deposits to your account. We do not impose fees for the processing of preauthorized electronic deposits to your account.
- 2. Preauthorized Withdrawals.** You may authorize others to access your account on a regular basis and make electronic withdrawals (debits) from your account. For example, you may authorize an insurance company to make periodic withdrawals to pay for your insurance premiums, or a lender to make periodic withdrawals to pay for a loan. You may also authorize internet merchants, in some cases, to make recurring withdrawals from your account. We do not impose fees for the processing of preauthorized electronic withdrawals from your account.
- 3. Electronic Check Conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant or other payee (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 Funds Transfer Act and this disclosure, a description of the transaction will appear on your statement. We do not impose fees for the processing of an electronic check conversion from your account.
- 4. Re-Presented Check Transaction and Fees.** You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting transaction fee 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 Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement. We do not impose fees for the processing of a re-presented check transaction or electronic collection of a fee from your account.
- 5. Telephone Transfers.** You may make a transfer between your accounts by calling 888-636-9994. This service is generally available from 9:00 a.m. to 5:00 p.m. Pacific Time. You may transfer between your accounts, obtain balance information, obtain deposit information, obtain withdrawal information, obtain loan information, make loan payments to us, order checks and place a stop payment. Transfers may be subject to limitations as described in “Limitations on Transfers,” below. We do not impose fees for the processing of telephone transfers between your accounts.

- 6. Online Banking Transfers.** You may make a transfer between accounts or to a third party. In order to make online transfers or payments to third parties, you must first sign up for these services by executing our Internet Banking/Bill Payment Agreement. This service is generally available 24 hours a day, but may be unavailable from time to time for system maintenance or circumstances beyond our control. Using your personal computer, you may transfer between your accounts, obtain balance information, obtain deposit information, obtain withdrawal information, obtain loan information, make loan payments to us, order checks, and place a stop payment. We do not impose a fee for each online banking transfer or inquiry. Online transfers may be subject to limitations as described in "Limitations on Transfers" below.
- 7. Mobile Banking Transfers.** You may make a transfer between accounts or to a third party. In order to make mobile banking transfers or payments to third parties, you must first sign up for these services by executing our Internet Banking/Bill Payment Agreement as well as our Mobile Banking Agreement. This service is generally available 24 hours a day, but may be unavailable from time to time for system maintenance or circumstances beyond our control. Using your personal cell phone/mobile device, you may transfer between your accounts, obtain balance information, obtain deposit information, obtain withdrawal information, obtain loan information, make loan payments to us, order checks, place a stop payment, and change your PIN. We do not impose a fee for each mobile banking transfer or inquiry. You must use your personal identification number (PIN) to participate in this service. Mobile transfers may be subject to limitations as described in "Limitations on Transfers" below.
- 8. ATM Transactions.** You may access your account(s) by using your Card at our Automated Teller Machines ("ATMs") or at other ATMs that display PLUS, Discover, Cirrus, Visa, MasterCard, & Money Pass logos. You will need to use your personal identification number (PIN) when using your Card at an ATM. You may make deposits at our ATM's, but not at others. In addition, you may use your Card at ATMs to withdraw cash from your account(s), make transfers between your accounts and obtain balance information. When you use an ATM Card, withdrawals are limited to \$520 each business day. If you use a VISA debit card, withdrawals are limited to \$520 each business day. Withdrawals after 3:00 p.m. (Pacific Time), and transactions on a non-business day, will be added to transactions on the next business day for purposes of these dollar limitations. Some services may not be available at all terminals.
- 9. Point-of-Sale (POS) Transactions.** You may also use your Card to access your checking account(s) to purchase goods or services, including cash back from merchants that display a STAR POS system. If you use a VISA debit card, you can use it for VISA debit card transactions, or to purchase goods or services at merchants displaying the VISA logo, or to obtain a cash advance from participating financial institutions. When you are using an ATM Card, purchases are limited to a maximum of \$500 per business day. If you use a VISA debit card, purchases are limited to \$3,000 per business day. Purchases after 3:00 p.m. (Pacific Time), and transactions on a non-business day, will be added to transactions on the next business day for purposes of these dollar limitations. Purchase transactions may be subject to limitations as described in "Limitations on Transfers," below.
- 10. Fees and Charges.** There is no charge when you use your Card at any Poppy Bank ATM. We do not impose a fee when you use your Card at a non-Poppy Bank ATM (including international ATMs). When you use your Card at a non-Poppy Bank ATM, the ATM owner or operator may assess a fee for all ATM transactions. When you use your Card at a merchant for purchase transactions, the merchant may assess a transaction fee. We do not control the amount of these fees. They will, however, be charged to your account.

Limitations on Transfers. In addition to those limitations on Card transfers elsewhere described, there are frequency limits that apply when transferring funds from a savings or a money market account. You may make a maximum of 6 preauthorized, automatic or telephone transfers per month on a savings or money market account. A per item fee may be imposed on each withdrawal exceeding 6 in a month, as disclosed in your Truth in Savings disclosure.

Consumer Liability for Unauthorized Transactions

Tell us AT ONCE if you believe your Card and/or PIN has been lost or stolen. 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 believe your card and/or PIN has been lost or stolen and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card and/or PIN without your permission.

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

Also if your statement or notice shows transfers made with your card and/or PIN that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement or notice 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 hospital stay or long trip) kept you from telling us, we may extend the time periods.

Contact in Event of Unauthorized Transfer. If you believe your Card and/or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us at 888-636-9994 or write us at Poppy Bank, P.O. Box 4199, Santa Rosa, CA 95402-4199 or e-mail us at Compliance@Poppy.Bank. During non-business hours call 888-636-9994.

Business Days. For purposes of these disclosures, our business days are Monday through Friday. Holidays are not included.

Right to Documentation.

Terminal transactions: You can get a receipt at the time you make any transfer to or from your account using one of our Automated Teller Machines.

Preauthorized credits: 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, the person or company making the deposit will tell you every time they send us the funds.

Periodic statements/notice: Depending on the type of account, you will receive either a monthly statement, or Notification of Automatic Transactions from us (unless there are no transfers in a particular month). In any case, you will receive a statement at least quarterly.

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 you have an overdraft line and the transfer would go over the credit limit.
- If the Automated Teller Machine 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.

Disclosure of Account Information to Third Parties

We will disclose information to third parties about your 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 written permission.

See our privacy policy disclosure for further information regarding our information sharing practices.

Error Resolution

In case of errors or questions about your Electronic Transfers, call 888-636-9994, or write us at P.O. Box 4199, Santa Rosa, CA 95402-4199, or e-mail us at Compliance@Poppy.Bank as soon as you can, if you think your statement, notice, or receipt is wrong or if you need more information about a transfer listed on the statement, notice or receipt.

We must hear from you no later than 60 days after we sent the FIRST statement or notice on which the problem or error appeared.

- (1) Tell us your name and account number.
- (2) 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.
- (3) 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 10 business days.

We will determine whether an error occurred within 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 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 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 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error. Your account is considered a new account for the first 30 days after the first deposit is made, unless you already have 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. You may ask for copies of the documents that we used in our investigation.

Preauthorized Payments

Right to Stop Payment and Procedure for Doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how: telephone us at 888-636-9994, or write us at P.O. Box 4199, Santa Rosa, CA 95402-4199, 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 14 days after you call. We will charge you a fee (as disclosed in our Service Fees Disclosure) for each stop payment order you give. Stop payments of ACH items will be considered as a single stop request unless otherwise requested by you. ACH revocations must be placed with the originator.

Notice of Varying Amounts. If these regular payments vary in amount, the person you are going to pay will tell you, 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 Pre-Authorized 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 Terms and Conditions

- 1. Proper Use of Card.** Each person whose name appears on the Card or account agreement for an account which has been designated as accessible through the use of the Card jointly and severally agree to use the card and an Automated Teller Machine (ATM) only for the purposes authorized by Poppy Bank and in accordance with this Agreement. Loss of card privileges may occur if the bank has a belief that the card has been misused due to negligence that any reasonable cardholder actions could have prevented.
- 2. No Recognition of Signature Withdrawal Restriction.** You understand that even if your deposit account agreement otherwise requires more than one signature for authorizing withdrawals, anyone who has been given a Card and a personal identification number (PIN) has the right and ability, acting alone, to access any account linked to the Card.
- 3. Illegal Use.** Poppy Bank reserves the right to block Card transactions if it reasonably believes that it is required to do so under any applicable law, rule or regulation (including VISA and other system rules).
- 4. Linked Accounts.** Unless you specify a different account during Automated Teller Machine (ATM) transactions, your primary account will be used for your transactions. The primary account is typically your checking account. You may use the Automated Teller Machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATM's of ours, ATM's within the networks identified on your card and such other facilities as we may designate from time to time.
- 5. Funds Availability.** 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 deposited at ATMs. 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.

In a VISA debit card transaction, a hold may be placed on your account. The hold may be for the amount of the transaction, or for a pre-established amount in excess of individual transactions (for example, hotel or car reservations). The held funds will not be available for other account purposes, and we have the right to return checks or other items drawn against your account to maintain

sufficient funds to pay for any previously authorized transactions. You should be aware, however, that the hold may continue even if you do not purchase the goods or services for which authorization was obtained, or if the final purchase is less than the amount of the hold. The hold will be released promptly after your transaction is finally settled, and you agree to maintain sufficient available funds on deposit in the affected account to cover all previously authorized transactions. If checks are returned, you agree to pay all applicable non-sufficient funds fees. We may, but are not obligated to, allow transactions that exceed your available balance or available credit line. If we do, you agree to pay the overdraft and any other applicable charges.

- 6. Personal Identification Number (PIN) and Password.** The ATM PIN, Debit Card PIN or Poppy.Bank password should not be shared for security purposes. This information is confidential and should not be disclosed to third parties or recorded on the card or access device. You are responsible for safekeeping your PIN(s) and passwords. You agree not to disclose or otherwise make your Card or Poppy.Bank password available to anyone.
- 7. Notices.** All notices from us will be effective when we have mailed them or delivered them to your last known address on your records. Notices from you will be effective when received by us at the telephone number or the address specified in this agreement. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.
- 8. 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 attorney's fees and costs, including fees on any appeal, subject to any limits under applicable law.
- 9. Other Agreements.** This Agreement does not alter or amend the terms or conditions of any other agreement(s) you have with us except to the extent of any inconsistency between this Agreement and the other agreement(s). This Agreement controls to the extent of the inconsistency, however.
- 10. Severability.** If any part of this Agreement is found to be unenforceable, the remaining portions of the Agreement shall remain in full force and effect.
- 11. Governing Law.** This Agreement will be governed by and construed in accordance with federal law and to the extent not preempted by California law (without giving effect to any California choice-of-law rules that may require the application of the laws of another jurisdiction).

Foreign/International Transactions

If you use your Card to conduct a transaction in a currency other than U.S. dollars, the merchant, network or card association that processes the transaction may convert any related debit or credit into U.S. dollars in accordance with its then current practices and may impose fees or charges as part of this. You may see these fees or charges simply as an increase in your transaction amount and not as a separate fee or charge. If you have questions in this regard, you should ask the merchant. The conversion or exchange rate may be different from the rate in effect on the date of your transaction or on the date it is posted to your account. For VISA debit card transactions, the exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by VISA from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date.

ATM Safety Tips

As issuers of Automated Teller Machine (ATM) access devices, we have provided for your information a list of safety precautions regarding the use of Automated Teller Machines. California issuers of Automated Teller Machines (ATM) access devices are required to provide clients with safety precautions regarding use of Automated Teller Machines. Please read the following safety tips:

- Prepare for your ATM transactions at home (for instance, fill out a deposit slip at home to minimize your time at the ATM).
- Prevent others from seeing you enter your PIN by using your body to shield their view.
- Be mindful of your surroundings. Look out for suspicious activity near the ATM facility. At night, be sure the ATM site (including the parking area) is well lit. It may be safer to bring someone with you when you make a transaction. If you observe any problem, go to another ATM facility.
- Consider using another ATM facility or coming back later if you notice anything suspicious. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction; pocket your Card and leave.
- If you believe there is a suspicious device or equipment attached to any of our ATM facilities, please report it to us immediately.
- Don't accept assistance from anyone you don't know when using an ATM.

- Refrain from displaying your cash. Pocket it as soon as your transaction is completed. Count the cash later in the safety of your car or home.
- Go to the nearest public area where people are located if you are followed after making a transaction.
- Report all crimes to law enforcement officials immediately.
- We want the ATM to be safe and convenient for you. Therefore, please tell us if you know of any problem with one of our ATM facilities. For instance, let us know if a light is not working or there is any damage to a facility.

What You Need To Know About Overdrafts And Overdraft Fees

An overdraft occurs when you do not have enough money in your account to cover a transaction, but the Bank pays it anyway. The Bank can cover your overdraft(s) in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

➤ What are the standard overdraft practices that come with your account?

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

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

- Checks and other transactions made using your checking account number
- In-Person withdrawals
- Automatic bill payments
- Preauthorized withdrawals

We do not authorize and pay overdrafts for the following types of transactions:

- ATM transactions
- One-time point-of-sale (POS) transactions (everyday debit card transactions)

If we do not authorize and pay an overdraft, your transaction will be declined. In the event that a preauthorization is obtained and the funds are not available in your account at the time the ATM and/or one-time POS transaction is presented, our system will automatically pay the item overdrawing your account and we will not charge an overdraft fee.

➤ What fees will you be charged if the Bank pays your overdraft?

Under our standard overdraft practices:

- We will charge you a per transaction fee (as disclosed in our Service Fees disclosure) whether the transaction is paid against your account (overdrawing the account), or is returned for non-sufficient funds.
- There is a daily maximum charge (as disclosed in our Service Fees disclosure) per account.