

## MONEY RESERVE DISCLOSURE



The following is effective through July 13<sup>th</sup>, 2024

Interest Rate and Interest Charges	
Annual Percentage Rate (APR)	<b>19.80% Fixed</b>
Paying Interest	There is no grace period within which an advance from your Money Reserve Account can be repaid without incurring an interest charge.
Minimum Interest Charge	<b>None</b>
Fees	
Transfer Fee	<b>\$10</b> per completed transfer. A transfer fee will be charged each time an advance over \$10 is made from your Money Reserve Account.
Penalty Fees:	
- Late Payment	<b>\$10</b> if payment is not received within 10 days of the payment due date.
- Returned Payment	<b>None</b>

**How we will calculate your balance:** We use a method called “average daily balance”. See your Money Reserve Agreement for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in the Money Reserve Agreement.

## MONEY RESERVE AGREEMENT

Effective: September 19<sup>th</sup>, 2023

**Introduction** – This Money Reserve Agreement (“Agreement”) provides important information about your Money Reserve (Overdraft Protection) Account (“Money Reserve Account”) with Zions Bancorporation, N.A. dba California Bank & Trust (“Bank”). Together with your Money Reserve Application, if any; Money Reserve Disclosures; Deposit Agreement; and Approval Letter; this Agreement contains the terms and conditions of the agreement between you and California Bank & Trust that governs your Money Reserve Account. Your use of the Money Reserve Account constitutes your acceptance of these terms and conditions and your agreement to be bound by them. This Agreement will be governed by federal law applicable to the Bank and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provision. **Keep this document for future use.**

**(a) Definitions** – The following definitions apply to, and will help you better understand, this Money Reserve Agreement.

**Advance** – A transfer of funds from your Money Reserve Account to your Checking Account as explained in Section (c) below.

**Approval Letter** – The letter notifying you of approval of your Money Reserve Application/Account.

**Available Balance** – The difference at any time between your Credit Limit and the Outstanding Balance of your Money Reserve Account.

**Bank/We/Us** – Refers to Bank.

**Business Day** – A day other than a Saturday or Sunday or a day on which banks are authorized or required by state or federal law to close.

**Money Reserve Account** – The revolving overdraft credit account for which you applied and were approved by the Bank. A Money Reserve Account is available only to consumer customers and only in connection with a consumer checking account.

**Money Reserve Application** – Either (1) the application you filled out in writing, over the telephone, at a branch or via the Internet to request a Money Reserve Account, or (2) your Preapproved Acceptance Certificate, if any.

**Checking Account** – The consumer checking account with California Bank & Trust that you designated as the overdraft-protected account in your Money Reserve Application.

**Credit Limit** – The maximum allowable Outstanding Balance of your Money Reserve Account. Your Credit Limit is shown on each Monthly Statement (your initial Credit Limit is disclosed in your Approval Letter).

**Event of Default** – See Section (q) below.

**Limited Advance** – An Advance made that may not be sufficient to cover the full amount of the Overdraft Transaction or transactions, which may result in additional fees charged to the Checking Account.

**Other Fees** – The Money Reserve Transfer Fee and the Penalty Fees itemized in the Money Reserve Disclosures above.

**Outstanding Balance** – The sum of all charges to your Money Reserve Account, including all Advances, interest, Other Fees, and charges, that are due but unpaid as of the closing date of a Monthly Statement.

**Overdraft Transaction** – A customer-initiated debit transaction that—if paid by the Bank—would result in an overdraft of the Checking Account.

**You/Your** – Each person who signed the Money Reserve Application and each owner of the checking account to which the Money Reserve line is attached.

(b) **Credit Limit** – You agree not to use or allow anyone else to use your Money Reserve Account in any way that will cause your Outstanding Balance to exceed your Credit Limit. The Bank may increase or decrease your Credit Limit at any time. You may request a change in your Credit Limit by calling 800-400-6080 (toll-free).

(c) **How to Obtain Advances** –

- (i) Subject to your Credit Limit, you may obtain an Advance on your Money Reserve Account to cover an Overdraft Transaction. An Advance will be made by automatic cash transfer from your Money Reserve Account to the Checking Account in the amount of the Overdraft Transaction rounded up to the nearest \$100.00 or the Available Balance if less than \$100.00.
- (ii) The Bank will honor your requests for Advances up to your Credit Limit so long as: (a) you are not in default under the terms of this Agreement; and (b) this Agreement has not been terminated or suspended by you or by the Bank.
- (iii) If an Overdraft Transaction is presented to the Bank in an amount that exceeds your Money Reserve Account's Available Balance, the Bank may, but is not obligated to, transfer the remaining Available Balance to your Checking Account (a "Limited Advance"). Because a Limited Advance may not cover your Overdraft(s) in full, the Bank's payment of the Overdraft may cause your Checking Account to reflect an overdraft balance. In that event, you may incur any fees (such as a non-sufficient funds fee) applicable under the "Deposit Account Agreement or Personal Account Schedule of Fees" associated with your Checking Account. Whether an Overdraft is paid is subject to several factors, as described in your Deposit Account Agreement.

(d) **Restrictions on Use of Money Reserve Account** – You agree that the Money Reserve Account will not be used for any illegal purpose.

(e) **Periodic ("Monthly") Statements** – The Bank will send or make available to you a "Monthly Statement" that lists each transaction on your Money Reserve Account during the current billing period. The Monthly Statement also shows:

- (i) the Outstanding Balance of your Money Reserve Account as of the end of the current billing period (the "Ending Balance");
- (ii) the Outstanding Balance of your Money Reserve Account as of the end of the previous billing period (the "Previous Balance");
- (iii) the "Minimum Payment Due";
- (iv) the "Payment Due Date" (which date is 25 days from the Monthly Statement ending date); and
- (v) your current Credit Line Limit.

Your Monthly Statement may be combined with your regular Checking Account statement. Review it promptly and carefully to preserve your rights under federal law governing resolution of billing errors as explained in the Section titled "Your Billing Rights" below.

(f) **Annual Percentage Rate** – The daily periodic rate will be 1/365 (1/366 for a leap year) of the current ANNUAL PERCENTAGE RATE during the billing period. The ANNUAL PERCENTAGE RATE is a variable rate. The ANNUAL PERCENTAGE RATE in effect throughout a particular billing period will be the Prime Rate (as defined in the Section titled "Prime Rate" below) plus the margin stated in the Variable Rate Section of the Money Reserve Disclosures above. The calculation for a billing period will use the Prime Rate in effect on the first day of that billing period. The ANNUAL PERCENTAGE RATE and daily periodic rate in effect for each billing period are disclosed on the corresponding Monthly Statement. All other factors being equal, and subject to the method by which the minimum payment is calculated (as described in the Section titled "Payments" below), an increase in the ANNUAL

PERCENTAGE RATE will increase the minimum payment and a decrease in the ANNUAL PERCENTAGE RATE will decrease the minimum payment.

**Prime Rate** – The interest rate on your Money Reserve Account is subject to change from time to time based on changes in an independent index which is the Prime Rate published in the *Wall Street Journal* (the "Index"). If a range of rates has been published, the highest rate will be used. The Prime Rate as used in this Money Reserve Agreement may not be the lowest interest rate the Bank charges for loans to any of its customers. If the Index becomes unavailable, the Bank may designate a substitute Index after providing notice to you.

**Servicemembers Civil Relief Act** - If your account is deemed eligible for Servicemembers Civil Relief Act (SCRA) benefits, your rate will be fixed at the SCRA maximum of 6% APR.

**Military Lending Act** - If your account is deemed eligible for Military Lending Act (MLA) benefits, Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). For more information regarding the Military Lending Act, contact us at 1-844-210-3601.

**(g) Interest Charges on Advances** – Interest on each credit advances from your Money Reserve Account will begin to accrue on the date the Advance is posted to your account and until that balance is paid in full. There is no grace period which would allow you to avoid paying interest on the balance. Interest charges apply to any Outstanding Balance—whether before or after default, judgment, or the closing of your Money Reserve Account. The total amount of the interest charge for a billing period will be determined using the following sequence of calculations:

- (i) The Bank first determines the "average daily balance" of your Money Reserve Account (including current transactions). To get the "average daily balance," the Bank takes the beginning Outstanding Balance of your Money Reserve Account each day, adds any new Advances and subtracts any payments or credits. This gives the daily balance (any unpaid interest charges incurred during that billing period are not included in the daily balance);
- (ii) The Bank then adds up all the daily balances for the billing period and divides the total by the number of days in the billing period. That gives the "average daily balance," and is identified as such on your Monthly Statement;
- (iii) The Bank then multiplies the average daily balance by the number of days in the billing period; and
- (iv) The resulting number is then multiplied by the daily periodic rate to determine the total amount of your interest charge on Advances from your Money Reserve Account for that billing period.

**(h) How We Determine the Ending Balance** – We calculate the Ending Balance by taking the Previous Balance and (i) subtracting any payments or other credits received by the Bank during the current billing period, and then (ii) adding any Advances from your Money Reserve Account, interest charges, other fees, or other debits.

**(i) Payments –**

- (i) **Payment of Advances, Interest, Fees, and Charges.** You promise to pay the Bank the total of all Advances, accrued interest, and interest charges, together with all fees, other charges, costs and expenses for which you are responsible under this Agreement. All payments must be in U.S. Dollars drawn on funds on deposit in the United States. Do not mail cash payments.
- (ii) **Prepayment:** You may prepay all or any portion of the Ending Balance at any time without penalty.
- (iii) **Minimum Payment:** If the Ending Balance is less than \$25.00, the "Minimum Payment Due" will be the full amount of the Ending Balance. If the Ending Balance is \$25.00 or more, then the "Minimum Payment Due" will be the sum of two numbers: the first number is the greater of \$25.00 or 5% of the Ending Balance minus the interest charge; the second number is the total of all interest charges, any past due amount, and any late payment fees.
- (iv) **Automatic Payments:**
  1. If you do not make at least the "Minimum Payment Due" (as shown on your Monthly Statement) by the Payment Due Date (also as shown on your Monthly Statement), the Bank will automatically deduct funds from the Checking Account on that date to make the Minimum Payment Due. If the Payment Due Date falls on a day other than a Business Day, the automatic deduction will occur on the next Business Day. Payments you make must be mailed to the address shown on your Monthly Statement.
  2. If on the Payment Due Date the Checking Account does not contain sufficient funds to cover an automatic payment for the minimum amount due, then the amount of the automatic payment made on the due date will be the amount of the funds actually in the Checking Account on that day. The automatic payment system will not overdraw the Checking Account in order to make the minimum payment amount

due on your Money Reserve Account, which could result in late payment fees and other charges, and an event of default on your Money Reserve Account. The automatic payment system will monitor the Checking Account daily and continue to debit the Checking Account until the full "Minimum Payment Due" amount is satisfied.

- (v) **Application of Payments:** Payments will be applied first to interest charges, then principal due, and then late payment fees and other fees. Payments for more than the "Minimum Payment Due" (but not more than the Ending Balance) will be accepted as a single payment for that billing period; the amount in excess of the "Minimum Payment Due" will not be applied toward future payments due.
  - (vi) **Partial or Nonconforming Payments:** The Bank may accept late payments, partial payments, or any payment marked with any kind of restrictive endorsement (such as "paid in full" or "in settlement") without giving effect to the restrictive endorsement and without losing, waiving, or impairing any of the Bank's rights under this Money Reserve Agreement or applicable law.
  - (vii) **Delay of Available Credit:** We credit payments to your line on the day we receive them however, we reserve the right, based on risk, to delay the available credit resulting from those payments.
- (j) **Fees** – You agree to pay the following fees:
- (i) **Transfer fee:** If an automatic Advance over \$10 is made from your Money Reserve Account, the Bank will charge a Transfer Fee (referred to as "Credit Line Transfer Fee" on your Monthly Statement) as stated in the Money Reserve Disclosures above. The Transfer Fee will be assessed for every automatic Advance over \$10 and will be added to and included in the Ending Balance.
  - (ii) **Late fee:** If the minimum payment shown on your Monthly Statement has not been debited from your Checking Account (because your Checking Account did not contain sufficient funds), or your "Minimum Payment Due" is not received at the Bank on or before the Payment Due Date, a late fee will be assessed and added to the Ending Balance, as noted in the Money Reserve Disclosures above.
  - (iii) **Returned Payment Fee:** If any payment you submit on your Money Reserve Account is dishonored or returned for any reason, you may incur a Returned Payment Fee, as noted in the Money Reserve Disclosures above.

These fees do not apply if your account is deemed eligible for SCRA benefits.

- (k) **Joint Accounts** – If your Money Reserve Account is in the name of more than one person, each and every such person shall be jointly and severally liable for the full Outstanding Balance, including without limitation any amount in excess of your Credit Limit. In addition, except as otherwise required by applicable law, you agree that all Monthly Statements and notices regarding your Money Reserve Account may be sent or made available to any one of you.
- (l) **Credit Information and Related Matters** – You authorize us to release information about you to third parties as described in our privacy policy, provided you did not opt out of the applicable policy or as permitted by law. You agree that, upon our request, you will furnish any current financial information that the Bank may request. You also agree that the Bank may obtain any credit inquiries or investigations about you that the Bank deems appropriate for any reason including but not limited to adverse changes in your financial condition (such as termination of employment or loss of income).
- (m) **Negative Credit Information** – The Bank may report information about your Money Reserve Account or Checking Account to credit reporting agencies. Late payments, missed payments, or other defaults on your Money Reserve Account or Checking Account may be reflected in your credit report.
- (n) **Inaccurate Credit Reporting Information** – Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing specific inaccuracies should be sent to us at: California Bank & Trust Consumer Loan Servicing, P.O. Box 30709, Salt Lake City, UT, 84130.
- (o) **Change of Name or Address** – You agree to promptly notify the Bank if you change your name, address, or mailing address. You may notify the Bank in person at any Bank office, by logging into your account via online banking, by writing to the Bank at P.O. Box 30709, Salt Lake City, UT 84130, or by calling Customer Service at 800-400-6080 toll-free during business hours (Monday – Friday, 7am–7pm, PT; 9 a.m. – 5 p.m. Saturdays). The Bank will not honor your telephone instructions unless you correctly give such identifying information as the Bank may request.
- (p) **Closing Your Money Reserve Account** –
- (i) **Voluntary Closure.** You may voluntarily close your Money Reserve Account. You may close your Money Reserve Account at any time by delivering written notice to the Bank at the address listed in Section (o). **Please note that you are deemed to voluntarily close your Money Reserve Account if you close your related Checking Account.** Despite closing your Money Reserve Account, your obligations under this

Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement as provided in Subsection (iii) below.

- (ii) **Closure by Bank; Repayment.** The Bank may close your Money Reserve Account at any time and without notice to you even if no Event of Default has occurred. **Please note that closure of your Checking Account will result in closure of your Money Reserve Account.** You must repay the balance of your closed Money Reserve Account as provided in Subsection (iii) below.

- (iii) **Payment of a Closed Money Reserve Account Not in Default.** If your Money Reserve Account is not in default when it is closed by you or the Bank, and you choose not to pay the entire Outstanding Balance in full at time of closure, the Outstanding Balance will be converted to a fully-amortizing term loan. The number of months you will have to pay off your term loan (the "Repayment Period") depends on the Outstanding Balance at the time of conversion. The following schedule of Repayment Periods will apply:

Outstanding Balance at Closure	Repayment Period
Less than \$500.00	Six (6) Months
Greater than \$500.00 but less than \$1,000.00	Twelve (12) Months
Greater than \$1,000.00 but less than \$5,000.00	Twenty-Four (24) Months
Greater than \$5,000.00	Thirty-Six (36) Months

**In order to fully amortize (pay off) your Outstanding Balance during your Repayment Period, your required Monthly Payment during the Repayment Period may be greater than the amount of your monthly minimum payment during the time your Money Reserve Account was open.** The ANNUAL PERCENTAGE RATE applicable during your Repayment Period is calculated in the same manner as it was calculated while your Money Reserve Account was open (see the Section titled "Annual Percentage Rate" above). You may prepay all or any portion of your balance at any time without penalty. The entire unpaid balance of your term loan shall become immediately due and payable if an "Event of Default" (as described in the next Subsection) occurs during your Repayment Period. If requested by the Bank upon or after the closing of your Money Reserve Account, you shall sign reasonable documentation further evidencing your obligations under the term loan. Failure to execute reasonably requested term loan documentation shall be an additional "Event of Default." You remain liable for any Advance that may be made to you after your Money Reserve Account is closed. (Bank may, but is not obligated to, delay for any amount of time converting your Outstanding Balance to a term loan. During that delay, you must continue making your minimum Monthly Payments until your entire Outstanding Balance is paid in full or converted to a term loan.)

- (q) **Event of Default, Termination by Bank, Payment of Outstanding Balance** – Upon occurrence of any of the following "Events of Default," the Bank may close your Money Reserve Account and declare its entire Outstanding Balance immediately due and payable in full.

- If the Bank terminates the Checking Account associated with the Money Reserve Account due to an Event of Default;
- If your monthly minimum payment is late;
- If you breach a term or condition of this Money Reserve Agreement;
- If you die or become incapacitated;
- If you file for bankruptcy or other adjustment of debt proceeding or if the same is filed against you;
- If you become insolvent or generally unable to pay your debts;
- If you make an assignment for the benefit of creditors or a receiver is appointed for you or your assets;
- If you have furnished false or misleading information on the Money Reserve Application;
- If you are in default under any other obligations you owe the Bank;
- If the Bank reasonably believes that you are unable or unwilling to honor all of your obligations under this Money Reserve Agreement;
- If a suit is instituted, or a writ issued, against you in any court;
- If an assessment is issued against you for any unpaid state or federal income taxes;
- If a material change occurs in your financial condition;
- If the Bank in good faith deems itself insecure.

- (r) **Change to Credit Limit** – The Bank can reduce your Credit Limit, and/or freeze the availability of further Advances at any time and without prior notice to you even if there has been no Event of Default. Except for such reduction or freeze on the availability of new Advances, all provisions of this Money Reserve Agreement (including your repayment obligations) shall remain in full effect.

- (s) **Collection Costs** – We may refer your account to an attorney or other third party for collection if you do not pay the amounts due under this Agreement. You agree to pay any costs, charges, and fees, including reasonable attorney's fees that we incur to collect amounts due and owing.

Section (t) below does not apply (a) to members of the armed forces and their dependents who are entitled to protection under the Military Lending Act, 10 U.S.C. § 987, or (b) if prohibited under any otherwise applicable

provision of State or Federal law. If you would like more information about whether you are entitled to protection under the Military Lending Act and whether this Section applies to you, please contact us at 1-800-400-6080.

- (t) **Disputes** – In most cases, we will resolve disputes over the telephone or within your branch. Any unresolved disputes shall be governed by the provisions disclosed below in Subsections 1, 2, 3, and 4. READ THESE PROVISIONS CAREFULLY. They supersede the “Disputes” Section contained in agreements prior to this revision and apply to all relationships previously entered into between us regarding the Money Reserve Agreement. No portion of this Disputes Section shall be interpreted or applied in a manner prohibited by governing law, but all other portions shall remain in effect.
- (i) **Dispute Defined.** As used in this Agreement, “Dispute” means any claim by either party against the other party related to or arising out of this Money Reserve Agreement and includes, but is not limited to, matters arising from or relating to an application for or denial of credit, fees, the adequacy of a party’s disclosures, enforcement of any and all of the obligations a party may have to the other party, compliance with applicable laws and/or regulations, performance or services or products provided under this Money Reserve Agreement, including without limitation disputes based on or arising from any alleged tort or matters involving the employees, officers, agents, affiliates, or assigns of a party. If a third party is a party to a Dispute (such as a credit reporting agency, or the payee or maker of an item paid from or deposited in any deposit account), each party agrees to consent to including that third party in any arbitration for resolving the Dispute with that third party.
- (ii) **Jury Waiver.** Each party waives its, his, or her respective rights to a trial before a jury in connection with any Dispute. All Disputes shall be decided by a judge sitting without a jury, unless submitted to binding arbitration pursuant to Subsection 2 below.
1. **Class Action Waiver.** If permitted by applicable law, each party waives the right to litigate any Dispute as a class action (either as a member of a class or as a representative) or to act as a private attorney general. The waiver in this paragraph applies whether the proceeding is in a court, in an arbitration, or in any judicial reference proceeding.
  2. **Agreement to Submit Disputes to Binding Arbitration** if a party so requests or the jury trial waiver is not enforced. You have the right, but no obligation, to require that any Dispute between the parties be resolved by arbitration. Only with regard to arbitration under this Subsection 2, the parties agree that “Dispute” does not include matters regarding: (a) the validity, enforceability, meaning, or scope of this Disputes Section, or (b) class action claims brought by either party as a class representative on behalf of others and claims by a class representative on either party’s behalf as a class member, which matters may be determined only by a court without a jury. BY AGREEING TO RESOLVE FUTURE DISPUTES IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO LITIGATE IN COURT. In any lawsuit regarding a Dispute (a “Lawsuit”), and subject to the provisions of this Disputes Section, following the service of a complaint, third-party complaint, cross-claim or counterclaim or any answer thereto, any amendment to any of the above served in the Lawsuit, or a ruling or entry of an order in the Lawsuit that has the effect of invalidating this Money Reserve Agreement’s jury trial waiver (any of the foregoing, an “Arbitration Event”), then at any time prior to trial of the Dispute, but not later than 30 days after the Arbitration Event, any party shall be entitled to move the court for an order compelling arbitration and staying or dismissing the Lawsuit pending arbitration (“Arbitration Order”) under this Subsection 2. Each party agrees that a party that commenced or participated in the Lawsuit may demand arbitration of a Dispute after an Arbitration Event, and that the commencement or participation in the Lawsuit shall not operate as a waiver of the right to compel arbitration. After entry of an Arbitration Order, the nonmoving party shall commence arbitration. The moving party shall, at its discretion, also be entitled to commence arbitration but is under no obligation to do so, and the moving party shall not in any way be adversely prejudiced by electing not to commence arbitration. Arbitration under this provision shall be conducted before a single arbitrator through either the National Arbitration Forum (“NAF”) or JAMS, as selected by the initiating party, in accordance with the rules of NAF or JAMS (the “Administrator”). However, if the parties agree, a licensed attorney may be selected by the parties to conduct the arbitration without an Administrator. If NAF and JAMS both decline to administer arbitration of the Dispute, and if the parties are unable to mutually agree upon a licensed attorney to act as arbitrator without an Administrator, then either party may file a Lawsuit and move for an Arbitration Order. The arbitrator, however appointed, shall have expertise in the subject matter of the Dispute. Venue for the arbitration proceeding shall be as stated elsewhere in this Money Reserve Agreement with respect to any judicial proceedings between the parties. Absent such a venue provision, the arbitration shall be conducted at a location determined by mutual agreement of the parties or by the Administrator if no agreement can be reached. The arbitrator shall apply the law of the state specified in the agreement giving rise to the Dispute. In any arbitration commenced by a consumer, Bank shall pay one half of the Administrator’s initial filing fee, up to \$500. If Bank commences arbitration or is the moving party obtaining an Arbitration Order, Bank shall pay all Administrator and arbitrator fees, regardless of whether or not the consumer is the prevailing party in such arbitration, unless such Dispute involves a claim for damages by a consumer and is found by the arbitrator to be frivolous. The

Administrator and the arbitrator shall have the authority, to the extent practicable, to take any reasonable action to require the arbitration proceeding to be completed within 180 days of commencing the arbitration. The arbitrator: (1) will render a decision and any award applying applicable law; (2) will hear and rule on appropriate dispositive motions for judgment on the pleadings, for failure to state a claim, or for full or partial summary judgment; (3) will give effect to any statutory or contractual limitations period (e.g., any statute of limitations) in determining any Dispute or defense; (4) shall have the authority to impose sanctions on any party that fails to comply with time periods imposed by the Administrator or the arbitrator, including, without limitation, the sanction of entering a final award against the party that fails to comply; (5) shall have authority to award costs and fees (including attorneys' fees and costs, arbitration administration fees and costs, and arbitrator(s)' fees) to the extent permitted by law; (6) shall recognize and honor claims of privilege recognized at law; and (7) with regard to motions and the arbitration hearing, shall apply the Federal Rules of Evidence. The doctrines of compulsory counterclaim, res judicata, and collateral estoppel shall apply to any arbitration proceeding hereunder. Commencement of an arbitration by any party shall not prevent any party from at any time (1) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, temporary restraining orders, property preservation orders, foreclosure, sequestration, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver; or (2) availing itself of any self-help remedies such as setoff and repossession rights or non-judicial foreclosure of collateral. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration. Judgment upon an arbitration award may be entered in any court having jurisdiction except that, if the arbitration award exceeds \$200,000 ("Appeal Threshold"), either party shall be entitled to a de novo appeal of the award before a panel of three arbitrators. To allow for such appeal, if the award (including Administrator, arbitrator, and attorney's fees and costs) exceeds the Appeal Threshold, the arbitrator will issue a written, reasoned decision supporting the award, including a statement of authority and its application to the Dispute. A request for de novo appeal must be filed with the arbitrator within 30 days following the date of the arbitration award; if such a request is not made within that time period, the arbitration award shall become final and binding. On appeal, the arbitrators shall review the award de novo, meaning that they shall reach their own findings of fact and conclusions of law rather than deferring in any manner to the original arbitrator. Appeal of an arbitration award shall be pursuant to the rules of the Administrator; if the Administrator has no such rules, then the JAMS arbitration appellate rules shall apply. To request information on how to submit an arbitration claim, or to request a copy of an Administrator's rules or fee schedule, please contact the Administrators as follows: JAMS: 1920 Main St., Suite 300, Irvine, CA 92614, Phone: (949) 224-1810, Fax: (949) 224-1818, Email: info@jamsadr.com, Website: www.jamsadr.com; NAF: National Arbitration Forum, P.O. Box 50191, Minneapolis, MN 55405-0191, Phone (800) 474-2371, Email: info@adrforum.com, Website: www.adrforum.com. Arbitration under this provision concerns a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. If the terms of this Subsection 2 vary from the Administrator's rules, this Subsection 2 shall control.

3. **Survival.** This Disputes Section shall survive any termination, amendment, or expiration of this Money Reserve Agreement, or any other relationship between the parties.
4. **Reliance.** Each party (1) certifies that no one has represented to such party that the other party would not seek to enforce a jury waiver, class action waiver or arbitration provision in the event of suit, and (2) acknowledges that it and the other party have been induced to enter into this Money Reserve Agreement by, among other things, material reliance upon the mutual waivers, agreements, and certifications in this Disputes Section.

**(u) Interpretation, Effect, Changes –**

- (i) **Duration.** Except for your right to obtain an Advance from your Money Reserve Account to cover an Overdraft Transaction (which right expires when your Money Reserve Account is closed), all other provisions of this Money Reserve Agreement shall remain in full force and effect until your Money Reserve Account is closed and all amounts owing in conjunction with your Money Reserve Account are paid in full.
- (ii) **Headings.** The titles, headings, captions, and formatting used in this Money Reserve Agreement are for convenience only and do not govern the interpretation of any Money Reserve Agreement's terms and conditions.
- (iii) **Changing this agreement.** You agree that the Bank may change the terms of this Money Reserve Agreement, including without limitation any term pertaining to the interest charges, at any time upon written notice to you. Except with regard to increases or decreases or freezes in your credit limit or closure of your Money Reserve Account, the Bank will send you notice of any such change at least 45 days in advance. If you do not agree to the change, you must deliver written notice to the Bank before the effective date of the change, and the Bank may close your Money Reserve Account. Otherwise, you shall be deemed to have agreed to the change described in the Bank's notice. Use of the Money Reserve Account after the effective date of the change shall be deemed to be your acceptance of the new terms.

- (iv) **Assignment and binding effect.** The Bank may sell, assign, or transfer the Money Reserve Agreement or your Money Reserve Account or any portion thereof without notice to you. Subject to the foregoing, the Money Reserve Agreement shall be binding upon the heirs, representatives, successors, and assigns of the parties hereto. You have no right to assign or delegate any of your rights or duties hereunder.

**(v) Billing Error Rights – Keep This Notice for Future Use**

This notice contains important information about your rights and the Bank's responsibilities under the Fair Credit Billing Act.

What to do if you think your Monthly Statement contains an error, or if you need more information about a transaction that appears on your Monthly Statement:

*Write to the Bank (on a separate sheet of paper) at:*

P.O. Box 25787

Salt Lake City, UT 84125-0787

(this address is also listed on your Monthly Statement)

*In your letter, provide the following information:*

- Account Information: Your name and account number.
- Dollar Amount: The dollar amount of the suspected error.
- Description of error/problem: Describe what you believe is wrong and why you believe it is an error.

*You must contact us:*

- Within 60 days after the error first appeared on the Monthly Statement.
- Within 3 business days before an automated payment is scheduled if you want to stop payment on the amount you think is wrong.

You must notify the Bank in writing. You can telephone the Bank, but doing so will not preserve your rights and we are not required to investigate any potential errors and you may have to pay the amount in question.

***What will happen after we receive your letter:***

When we receive your letter, the Bank must do the following:

- Within 30 days of receipt of your letter, acknowledge that we received your letter, unless we have corrected the error by then.
- Within 90 days of receipt of your letter, we must either correct the error or explain why we believe there is no error.

While we investigate whether or not there is an error:

- We cannot try to collect any amount you question or report you as delinquent on that amount.
- We can continue to bill you for the amount you question, including interest charges.
- While you do not have to pay the amount in question, you are still obligated to pay those parts of your Monthly Statement that are not in question.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest charges related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question along with any interest and fees. We will send you a notification of the amount you owe and the date that it is due. If you fail to pay the amount that the Bank thinks you owe, the Bank may report you as delinquent.

If you receive our explanation and you still believe your bill is wrong, you must write to us within 10 days stating that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you're questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all the rules above, you do not have to pay the first \$50.00 of the questioned amount, even if the amount is correct.





## FLEX-LINE DISCLOSURE

The following information is effective July 14<sup>th</sup>, 2024

Interest Rate and Interest Charges	
Annual Percentage Rate (APR)	<b>Prime Rate + 11.30%</b> This APR will vary with the market based on the WSJ Prime rate.
Paying Interest	You will be charged interest from the transaction date. There is no grace period which would allow you to avoid paying interest on any transactions.
Minimum Interest Charge	None
Penalty APR and When It Applies	None
Fees	
Transfer Fees	<b>Up to \$10.00</b> A transfer fee will be charged each time we transfer an advance of more than \$10 from your Flex-Line Account. If transfer is initiated by the borrower, no fee applies.
Penalty Fees:	
- Late Payment	<b>Up to \$29.00</b>
- Returned Payment	<b>Up to \$25.00</b>

**How we will calculate your balance:** We use a method called “average daily balance”. See your account agreement for more details.

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in the Flex-Line Agreement.

## FLEX-LINE AGREEMENT Effective:

**Introduction** – This Flex-Line Agreement (“Agreement”) provides important information about your Flex-Line (Overdraft Protection) Account (“Flex-Line Account”) with Zions Bancorporation, N.A. dba California Bank & Trust (“Bank”). Together with your Flex-Line Application, if any; Flex-Line Disclosures; Deposit Agreement; and Approval Letter; this Agreement contains the terms and conditions of the agreement between you and California Bank & Trust that governs your Flex-Line Account. Your use of the Flex-Line Account constitutes your acceptance of these terms and conditions and your agreement to be bound by them. This Agreement will be governed by federal law applicable to the Bank and, to the extent not preempted by federal law, the laws of the State of California without regard to its conflicts of law provision. **Keep this document for future use.**

**(a) Definitions** – The following definitions apply to, and will help you better understand, this Flex-Line Agreement.

**Advance** – A transfer of funds from your Flex-Line Account to your Checking Account as explained in Section (c) below.

**Approval Letter** – The letter notifying you of approval of your Flex-Line Application/Account.

**Available Balance** – The difference at any time between your Credit Limit and the Outstanding Principal Balance of your Flex-Line Account.

**Bank/We/Us** – Refers to Bank.

**Business Day** – A day other than a Saturday or Sunday or a day on which banks are authorized or required by state or federal law to close.

**Flex-Line Account** – The revolving line of credit account for which you applied and were approved by the Bank. A Flex-Line Account is available only to consumer customers with ability to service a consumer checking account.

**Flex-Line Application** – Either (1) the application you filled out in writing, over the telephone, at a branch or via the Internet to request a Flex-Line Account, or (2) your Preapproved Acceptance Certificate, if any.

**Checking Account** – The consumer checking account with California Bank & Trust that you designated as the overdraft-protected account in your Flex-Line Application.

**Credit Limit** – The maximum allowable Outstanding Principal Balance of your Flex-Line Account. Your Credit Limit is shown on each Monthly Statement (your initial Credit Limit is disclosed in your Approval Letter).

**Event of Default** – See the section governing Event of Default below.

**Other Fees** – The Flex-Line Transfer Fee and the Penalty Fees itemized in the Flex-Line Disclosures above.

**Outstanding Balance** – The sum of all charges to your Flex-Line Account, including all Advances, interest, Other Fees, and charges, that are due but unpaid as of the closing date of a Monthly Statement.

**Outstanding Principal Balance** – The sum of all Advances to your Flex-Line Account, that are due but unpaid.

**Overdraft Transaction** – A customer-initiated debit transaction that (if paid by the Bank) would result in an overdraft of the Checking Account.

**You/Your** – Each person who signed the Flex-Line Application and each owner of the checking account to which the Flex-Line line is attached.

(b) **Credit Limit** – You agree not to use or allow anyone else to use your Flex-Line Account in any way that will cause your Principal Outstanding Balance to exceed your Credit Limit. The Bank may increase or decrease your Credit Limit at any time. You may request a change in your Credit Limit by calling 800-400-6080 (toll-free).

(c) **How to Obtain Advances** –

- (i) Subject to your Credit Limit, you may obtain an Advance on your Flex-Line Account to cover an Overdraft amount. An Advance will be made by automatic cash transfer from your Flex-Line Account to the Checking Account in the amount of the Overdraft amount.
- (ii) Subject to your Credit Limit, you may obtain an Advance on your Flex-Line Account via Online Banking, Mobile Banking (same rules apply), over the phone through customer service, or at your local branch.
- (i) The Bank will honor your requests for Advances up to your Credit Limit so long as: (a) you are not in default under the terms of this Agreement; and (b) this Agreement has not been terminated or suspended by you or by the Bank. If an Overdraft Transaction is presented to the Bank in an amount that exceeds your Flex-Line Account's Available Balance, the Bank is not obligated to transfer the remaining Available Balance to your Checking Account. In that event, you may incur any fees (such as a non-sufficient funds fee) applicable under the "Deposit Account Agreement or Personal Account Schedule of Fees" associated with your Checking Account. Whether an Overdraft is paid is subject to several factors, as described in your Deposit Account Agreement.

(d) **Restrictions on Use of Flex-Line Account** – You agree that the Flex-Line Account will not be used for any illegal purpose.

(e) **Periodic ("Monthly") Statements** – The Bank will send or make available to you a "Monthly Statement" that lists each transaction on your Flex-Line Account during the current billing period. The Monthly Statement also shows:

- (i) the Outstanding Balance of your Flex-Line Account as of the end of the current billing period (the "Ending Balance");
- (ii) the Outstanding Balance of your Flex-Line Account as of the end of the previous billing period (the "Previous Balance");
- (iii) the "Minimum Payment Due";
- (iv) the "Payment Due Date", and
- (v) your current Credit Line Limit.

Review your Monthly Statement promptly and carefully to preserve your rights under federal law governing resolution of billing errors as explained in the Section titled "Your Billing Rights" below.

(f) **Annual Percentage Rate** – The daily periodic rate will be 1/365 (1/366 for a leap year) of the current ANNUAL PERCENTAGE RATE during the billing period. The ANNUAL PERCENTAGE RATE is a variable rate. The ANNUAL

PERCENTAGE RATE in effect throughout a particular billing period will be the Prime Rate (as defined in the Section titled "Prime Rate" below) plus the margin stated in the Variable Rate Section of the Flex-Line Disclosures above. The calculation for a billing period will use the Prime Rate in effect on the first day of that billing period. The ANNUAL PERCENTAGE RATE and daily periodic rate in effect for each billing period are disclosed on the corresponding Monthly Statement. All other factors being equal, and subject to the method by which the minimum payment is calculated (as described in the Section titled "Payments" below), an increase in the ANNUAL PERCENTAGE RATE will increase the minimum payment and a decrease in the ANNUAL PERCENTAGE RATE will decrease the minimum payment.

**Prime Rate** – The interest rate on your Flex-Line Account is subject to change from time to time based on changes in an independent index which is the Prime Rate published in the *Wall Street Journal* (the "Index"). If a range of rates has been published, the highest rate will be used. The Prime Rate as used in this Flex-Line Agreement may not be the lowest interest rate the Bank charges for loans to any of its customers. If the Index becomes unavailable, the Bank may designate a substitute Index after providing notice to you.

**Servicemembers Civil Relief Act** - If your account is deemed eligible for Servicemembers Civil Relief Act (SCRA) benefits, your rate will be fixed at the SCRA maximum of 6% APR.

**Military Lending Act** - If your account is deemed eligible for Military Lending Act (MLA) benefits, Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). For more information regarding the Military Lending Act, contact us at 1-844-210-3601.

**(g) Interest Charges on Advances** – Interest on each credit advances from your Flex-Line Account will begin to accrue on the date the Advance is posted to your account and until that balance is paid in full. There is no grace period which would allow you to avoid paying interest on the balance. Interest charges apply to any Outstanding Principal Balance—whether before or after default, judgment, or the closing of your Flex-Line Account. The total amount of the interest charge for a billing period will be determined using the following sequence of calculations:

- (i) The Bank first determines the "average daily balance" of your Flex-Line Account (including current transactions). To get the "average daily balance," the Bank takes the beginning Outstanding Principal Balance of your Flex-Line Account each day, adds any new Advances and subtracts any payments or credits. This gives the daily balance (any unpaid interest charges incurred during that billing period are not included in the daily balance);
- (ii) The Bank then adds up all the daily balances for the billing period and divides the total by the number of days in the billing period. That gives the "average daily balance," and is identified as such on your Monthly Statement;
- (iii) The Bank then multiplies the average daily balance by the number of days in the billing period; and
- (iv) The resulting number is then multiplied by the daily periodic rate to determine the total amount of your interest charge on Advances from your Flex-Line Account for that billing period.

**(h) How We Determine the Ending Balance** – We calculate the Ending Balance by taking the Previous Balance and (i) subtracting any payments or other credits received by the Bank during the current billing period, and then (ii) adding any Advances from your Flex-Line Account, interest charges, other fees, or other debits.

**(i) Payments –**

- (i) **Payment of Advances, Interest, Fees, and Charges.** You promise to pay the Bank the total of all Advances, accrued interest, and interest charges, together with all fees, other charges, costs and expenses for which you are responsible under this Agreement. All payments must be in U.S. Dollars drawn on funds on deposit in the United States. Do not mail cash payments.
- (ii) **Prepayment:** You may prepay all or any portion of the Ending Balance at any time without penalty.

**Minimum Payment:** Your "Regular Payment" will be based on a percentage of your outstanding principal balance, plus all accrued interest as shown below or \$25.00, whichever is greater. Your payments will be due monthly.

<b>Range of Balances</b>	<b>Regular Payment Calculation</b>
--------------------------	------------------------------------

All Balances	2.78% of your outstanding principal balance plus all accrued interest
--------------	---

Your "Minimum Payment" is your regular payment, plus any amounts past due and all fees and charges. An increase in the Annual Percentage Rate (also known as "APR") may increase the amount of your regular payment.

In any event, if your Flex-line falls below \$25.00, you agree to pay your balance in full. You agree to pay not less than the Minimum Payment on or before the due date indicated on your periodic billing statement.

- (i) **Automatic Payments:**

If you do not make at least the "Minimum Payment Due" (as shown on your Monthly Statement) by the Payment Due Date (also as shown on your Monthly Statement), the Bank will automatically deduct funds from the Checking Account or other payment account on that date to make the Minimum Payment Due. If the Payment Due Date falls on a day other than a Business Day, the automatic deduction will occur on the next Business Day. Payments you make must be mailed to the address shown on your Monthly Statement. If on the date that the Bank automatically attempts to pay your credit line payment, there are not sufficient funds in your Checking account or other payment account to cover the payment, the Bank at its option may notify you that funds were not sufficient to cover the payment. Should you desire to pay more than the minimum payment amount or otherwise make additional payments on the line, you will need to make a separate payment.

- (ii) **Application of Payments:** Payments will be applied first to interest charges, then principal due, and then late payment fees and other fees. Payments for more than the "Minimum Payment Due" (but not more than the Ending Balance) will be accepted as a single payment for that billing period; the amount in excess of the "Minimum Payment Due" will not be applied toward future payments due.
  - (iii) **Partial or Nonconforming Payments:** The Bank may accept late payments, partial payments, or any payment marked with any kind of restrictive endorsement (such as "paid in full" or "in settlement") without giving effect to the restrictive endorsement and without losing, waiving, or impairing any of the Bank's rights under this Flex-Line Agreement or applicable law.
  - (iv) **Delay of Available Credit:** We credit payments to your line on the day we receive them however, we reserve the right, based on risk, to delay the available credit resulting from those payments.
- (j) **Fees** – You agree to pay the following fees:
- (i) **Transfer fee:** If an automatic advance over \$10 is made from your Flex-Line Account, the Bank will charge a Transfer Fee (referred to as "Credit Line Transfer Fee" on your Monthly Statement) as stated in the Flex-Line Disclosures above. The Transfer Fee will be assessed for every automatic advance over \$10 and will be added to and included in the Ending Balance.
  - (ii) **Late fee:** If the minimum payment shown on your Monthly Statement has not been debited from your Checking Account or other payment account (because your Checking Account or other payment account did not contain sufficient funds), or your "Minimum Payment Due" is not received at the Bank on or before the Payment Due Date, a late fee will be assessed and added to the Ending Balance, as noted in the Flex-Line Disclosures above.
  - (iii) **Returned Payment Fee:** If any payment you submit on your Flex-Line Account is dishonored or returned for any reason, a Returned Payment Fee will be assessed, as noted in the Flex-Line Disclosures above.
- These fees do not apply if your account is deemed eligible for SCRA benefits.
- (k) **Joint Accounts** – If your Flex-Line Account is in the name of more than one person, each and every such person shall be jointly and severally liable for the full Outstanding Balance, including without limitation any amount in excess of your Credit Limit. In addition, except as otherwise required by applicable law, you agree that all Monthly Statements and notices regarding your Flex-Line Account may be sent or made available to any one of you.
- (l) **Credit Information and Related Matters** – You authorize us to release information about you to third parties as described in our privacy policy, provided you did not opt out of the applicable policy or as permitted by law. You agree that, upon our request, you will furnish any current financial information that the Bank may request. You also agree that the Bank may obtain any credit inquiries or investigations about you that the Bank deems appropriate for any reason including but not limited to adverse changes in your financial condition (such as termination of employment or loss of income).
- (m) **Negative Credit Information** – The Bank may report information about your Flex-Line Account or Checking Account to credit reporting agencies. Late payments, missed payments, or other defaults on your Flex-Line Account or Checking Account may be reflected in your credit report.
- (n) **Inaccurate Credit Reporting Information** – Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing specific inaccuracies should be sent to us at: Consumer Loan Servicing, P.O. Box 1507, Salt Lake City, UT, 84110.
- (o) **Change of Name or Address** – You agree to promptly notify the Bank if you change your name, address, or mailing address. You may notify the Bank in person at any Bank office, by logging into your account via online banking, by writing to the Bank at (Consumer Loan Servicing) P.O. Box 1507, Salt Lake City, UT, 84110, or by calling Customer Service at 800-400-6080 toll-free during business hours (Monday – Saturday, 9am–9pm, MT). The Bank will not honor your telephone instructions unless you correctly give such identifying information as the Bank may request.

**(p) Closing Your Flex-Line Account –**

- (i) **Voluntary Closure.** You may voluntarily close your Flex-Line Account. You may close your Flex-Line Account at any time by delivering written notice to the Bank at the address listed in Section. Despite closing your Flex-Line Account, your obligations under this Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement as provided in Subsection (iii) below.
- (ii) **Closure by Bank; Repayment.** The Bank may close your Flex-Line Account at any time and without notice to you even if no Event of Default has occurred. **Please note that closure of your Checking Account will result in closure of your Flex-Line Account.** You must repay the balance of your closed Flex-Line Account as provided in Subsection (iii) below.
- (iii) **Payment of a Closed Flex-Line Account Not in Default.** If your Flex-Line Account is not in default when it is closed by you or the Bank, and you choose not to pay the entire Outstanding Balance in full at time of closure, the same minimum payment amount will apply as stated.

**(q) Event of Default, Termination by Bank, Payment of Outstanding Balance –** Upon occurrence of any of the following “Events of Default,” the Bank may close your Flex-Line Account and declare its entire Outstanding Balance immediately due and payable in full.

- If the Bank terminates the Checking Account associated with the Flex-Line Account due to an Event of Default;
- If your monthly minimum payment is late;
- If you breach a term or condition of this Flex-Line Agreement;
- If you die or become incapacitated;
- If you file for bankruptcy or other adjustment of debt proceeding or if the same is filed against you;
- If you become insolvent or generally unable to pay your debts;
- If you make an assignment for the benefit of creditors or a receiver is appointed for you or your assets;
- If you have furnished false or misleading information on the Flex-Line Application;
- If you are in default under any other obligations, you owe the Bank;
- If the Bank reasonably believes that you are unable or unwilling to honor all of your obligations under this Flex-Line Agreement;
- If a suit is instituted, or a writ issued, against you in any court;
- If an assessment is issued against you for any unpaid state or federal income taxes;
- If a material change occurs in your financial condition;
- If the Bank in good faith deems itself insecure.

**(r) Change to Credit Limit –** The Bank can reduce your Credit Limit, and/or freeze the availability of further Advances at any time and without prior notice to you even if there has been no Event of Default. Except for such reduction or freeze on the availability of new Advances, all provisions of this Flex-Line Agreement (including your repayment obligations) shall remain in full effect.

**(s) Collection Costs –** We may refer your account to an attorney or other third party for collection if you do not pay the amounts due under this Agreement. You agree to pay any costs, charges, and fees, including reasonable attorney’s fees that we incur to collect amounts due and owing.

Section (t) below does not apply (a) to members of the armed forces and their dependents who are entitled to protection under the Military Lending Act, 10 U.S.C. § 987, or (b) if prohibited under any otherwise applicable provision of State or Federal law. If you would like more information about whether you are entitled to protection under the Military Lending Act and whether this Section applies to you, please contact us at 1-888-758-5349.

**(t) Disputes –** In most cases, we will resolve disputes over the telephone or within your branch. Any unresolved disputes shall be governed by the provisions disclosed below in Subsections 1, 2, 3, and 4. **READ THESE PROVISIONS CAREFULLY.** They supersede the “Disputes” Section contained in agreements prior to this revision and apply to all relationships previously entered into between us regarding the Flex-Line Agreement. No portion of this Disputes Section shall be interpreted or applied in a manner prohibited by governing law, but all other portions shall remain in effect.

- (i) **Dispute Defined.** As used in this Agreement, “Dispute” means any claim by either party against the other party related to or arising out of this Flex-Line Agreement and includes, but is not limited to, matters arising from or relating to an application for or denial of credit, fees, the adequacy of a party’s disclosures, enforcement of any and all of the obligations a party may have to the other party, compliance with applicable laws and/or regulations, performance or services or products provided under this Flex-Line Agreement, including without limitation disputes based on or arising from any alleged tort or matters involving the employees, officers, agents, affiliates, or assigns of a party. If a third party is a party to a Dispute (such as a credit reporting agency, or the payee or maker of an item paid from or deposited in any deposit account), each party agrees to consent to including that third party in any arbitration for resolving the Dispute with that third party.

- (ii) **Jury Waiver.** Each party waives its, his, or her respective rights to a trial before a jury in connection with any Dispute. All Disputes shall be decided by a judge sitting without a jury, unless submitted to binding arbitration pursuant to Subsection 2 below.

1. **Class Action Waiver.** If permitted by applicable law, each party waives the right to litigate any Dispute as a class action (either as a member of a class or as a representative) or to act as a private attorney general. The waiver in this paragraph applies whether the proceeding is in a court, in an arbitration, or in any judicial reference proceeding.
2. **Agreement to Submit Disputes to Binding Arbitration** if a party so requests or the jury trial waiver is not enforced. You have the right, but no obligation, to require that any Dispute between the parties be resolved by arbitration. Only with regard to arbitration under this Subsection 2, the parties agree that "Dispute" does not include matters regarding: (a) the validity, enforceability, meaning, or scope of this Disputes Section, or (b) class action claims brought by either party as a class representative on behalf of others and claims by a class representative on either party's behalf as a class member, which matters may be determined only by a court without a jury. BY AGREEING TO RESOLVE FUTURE DISPUTES IN ARBITRATION, THE PARTIES ARE WAIVING THEIR RIGHT TO LITIGATE IN COURT. In any lawsuit regarding a Dispute (a "Lawsuit"), and subject to the provisions of this Disputes Section, following the service of a complaint, third-party complaint, cross-claim or counterclaim or any answer thereto, any amendment to any of the above served in the Lawsuit, or a ruling or entry of an order in the Lawsuit that has the effect of invalidating this Flex-Line Agreement's jury trial waiver (any of the foregoing, an "Arbitration Event"), then at any time prior to trial of the Dispute, but not later than 30 days after the Arbitration Event, any party shall be entitled to move the court for an order compelling arbitration and staying or dismissing the Lawsuit pending arbitration ("Arbitration Order") under this Subsection 2. Each party agrees that a party that commenced or participated in the Lawsuit may demand arbitration of a Dispute after an Arbitration Event, and that the commencement or participation in the Lawsuit shall not operate as a waiver of the right to compel arbitration. After entry of an Arbitration Order, the nonmoving party shall commence arbitration. The moving party shall, at its discretion, also be entitled to commence arbitration but is under no obligation to do so, and the moving party shall not in any way be adversely prejudiced by electing not to commence arbitration. Arbitration under this provision shall be conducted before a single arbitrator through either the National Arbitration Forum ("NAF") or JAMS, as selected by the initiating party, in accordance with the rules of NAF or JAMS (the "Administrator"). However, if the parties agree, a licensed attorney may be selected by the parties to conduct the arbitration without an Administrator. If NAF and JAMS both decline to administer arbitration of the Dispute, and if the parties are unable to mutually agree upon a licensed attorney to act as arbitrator without an Administrator, then either party may file a Lawsuit and move for an Arbitration Order. The arbitrator, however appointed, shall have expertise in the subject matter of the Dispute. Venue for the arbitration proceeding shall be as stated elsewhere in this Flex-Line Agreement with respect to any judicial proceedings between the parties. Absent such a venue provision, the arbitration shall be conducted at a location determined by mutual agreement of the parties or by the Administrator if no agreement can be reached. The arbitrator shall apply the law of the state specified in the agreement giving rise to the Dispute. In any arbitration commenced by a consumer, Bank shall pay one half of the Administrator's initial filing fee, up to \$500. If Bank commences arbitration or is the moving party obtaining an Arbitration Order, Bank shall pay all Administrator and arbitrator fees, regardless of whether or not the consumer is the prevailing party in such arbitration, unless such Dispute involves a claim for damages by a consumer and is found by the arbitrator to be frivolous. The Administrator and the arbitrator shall have the authority, to the extent practicable, to take any reasonable action to require the arbitration proceeding to be completed within 180 days of commencing the arbitration. The arbitrator: (1) will render a decision and any award applying applicable law; (2) will hear and rule on appropriate dispositive motions for judgment on the pleadings, for failure to state a claim, or for full or partial summary judgment; (3) will give effect to any statutory or contractual limitations period (e.g., any statute of limitations) in determining any Dispute or defense; (4) shall have the authority to impose sanctions on any party that fails to comply with time periods imposed by the Administrator or the arbitrator, including, without limitation, the sanction of entering a final award against the party that fails to comply; (5) shall have authority to award costs and fees (including attorneys' fees and costs, arbitration administration fees and costs, and arbitrator(s)' fees) to the extent permitted by law; (6) shall recognize and honor claims of privilege recognized at law; and (7) with regard to motions and the arbitration hearing, shall apply the Federal Rules of Evidence. The doctrines of compulsory counterclaim, res judicata, and collateral estoppel shall apply to any arbitration proceeding hereunder. Commencement of an arbitration by any party shall not prevent any party from at any time (1) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, temporary restraining orders, property preservation orders, foreclosure, sequestration, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver; or (2) availing itself of any self-help remedies such as setoff and repossession rights or non-judicial foreclosure of collateral. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration. Judgment upon an arbitration award may be entered in any

court having jurisdiction except that, if the arbitration award exceeds \$200,000 ("Appeal Threshold"), either party shall be entitled to a de novo appeal of the award before a panel of three arbitrators. To allow for such appeal, if the award (including Administrator, arbitrator, and attorney's fees and costs) exceeds the Appeal Threshold, the arbitrator will issue a written, reasoned decision supporting the award, including a statement of authority and its application to the Dispute. A request for de novo appeal must be filed with the arbitrator within 30 days following the date of the arbitration award; if such a request is not made within that time period, the arbitration award shall become final and binding. On appeal, the arbitrators shall review the award de novo, meaning that they shall reach their own findings of fact and conclusions of law rather than deferring in any manner to the original arbitrator. Appeal of an arbitration award shall be pursuant to the rules of the Administrator; if the Administrator has no such rules, then the JAMS arbitration appellate rules shall apply. To request information on how to submit an arbitration claim, or to request a copy of an Administrator's rules or fee schedule, please contact the Administrators as follows: JAMS: 1920 Main St., Suite 300, Irvine, CA 92614, Phone: (949) 224-1810, Fax: (949) 224-1818, Email: info@jamsadr.com, Website: www.jamsadr.com; NAF: National Arbitration Forum, P.O. Box 50191, Minneapolis, MN 55405-0191, Phone (800) 474-2371, Email: info@adrforum.com, Website: www.adrforum.com. Arbitration under this provision concerns a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 et seq. If the terms of this Subsection 2 vary from the Administrator's rules, this Subsection 2 shall control.

3. **Survival.** This Disputes Section shall survive any termination, amendment, or expiration of this Flex-Line Agreement, or any other relationship between the parties.
4. **Reliance.** Each party (1) certifies that no one has represented to such party that the other party would not seek to enforce a jury waiver, class action waiver or arbitration provision in the event of suit, and (2) acknowledges that it and the other party have been induced to enter into this Flex-Line Agreement by, among other things, material reliance upon the mutual waivers, agreements, and certifications in this Disputes Section.

**(u) Interpretation, Effect, Changes –**

- (i) **Duration.** Except for your right to obtain an Advance from your Flex-Line Account as mentioned above (which right expires when your Flex-Line Account is closed), all other provisions of this Flex-Line Agreement shall remain in full force and effect until your Flex-Line Account is closed and all amounts owing in conjunction with your Flex-Line Account are paid in full.
- (ii) **Headings.** The titles, headings, captions, and formatting used in this Flex-Line Agreement are for convenience only and do not govern the interpretation of any Flex-Line Agreement's terms and conditions.
- (iii) **Changing this agreement.** You agree that the Bank may change the terms of this Flex-Line Agreement, including without limitation any term pertaining to the interest charges, at any time upon written notice to you. Except with regard to increases or decreases or freezes in your credit limit or closure of your Flex-Line Account, the Bank will send you notice of any such change at least 45 days in advance. If you do not agree to the change, you must deliver written notice to the Bank before the effective date of the change, and the Bank may close your Flex-Line Account. Otherwise, you shall be deemed to have agreed to the change described in the Bank's notice. Use of the Flex-Line Account after the effective date of the change shall be deemed to be your acceptance of the new terms.
- (iv) **Assignment and binding effect.** The Bank may sell, assign, or transfer the Flex-Line Agreement or your Flex-Line Account or any portion thereof without notice to you. Subject to the foregoing, the Flex-Line Agreement shall be binding upon the heirs, representatives, successors, and assigns of the parties hereto. You have no right to assign or delegate any of your rights or duties hereunder.

**(v) Billing Error Rights – Keep This Notice for Future Use**

This notice contains important information about your rights and the Bank's responsibilities under the Fair Credit Billing Act.

What to do if you think your Monthly Statement contains an error, or if you need more information about a transaction that appears on your Monthly Statement:

*Write to the Bank (on a separate sheet of paper) at:*

P.O. Box 1507

Salt Lake City, UT 84110-1507

(this address is also listed on your Monthly Statement)

*In your letter, provide the following information:*

- Account Information: Your name and account number.
- Dollar Amount: The dollar amount of the suspected error.
- Description of error/problem: Describe what you believe is wrong and why you believe it is an error.

*You must contact us:*

- Within 60 days after the error first appeared on the Monthly Statement.
- Within 3 business days before an automated payment is scheduled if you want to stop payment on the amount you think is wrong.

You must notify the Bank in writing. You can telephone the Bank but doing so will not preserve your rights and we are not required to investigate any potential errors and you may have to pay the amount in question.

***What will happen after we receive your letter:***

When we receive your letter, the Bank must do the following:

- Within 30 days of receipt of your letter, acknowledge that we received your letter, unless we have corrected the error by then.
- Within 90 days of receipt of your letter, we must either correct the error or explain why we believe there is no error.

While we investigate whether or not there is an error:

- We cannot try to collect any amount you question or report you as delinquent on that amount.
- We can continue to bill you for the amount you question, including interest charges.
- While you do not have to pay the amount in question, you are still obligated to pay those parts of your Monthly Statement that are not in question.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- *If we made a mistake:* You will not have to pay the amount in question or any interest charges related to that amount.
- *If we do not believe there was a mistake:* You will have to pay the amount in question along with any interest and fees. We will send you a notification of the amount you owe and the date that it is due. If you fail to pay the amount that the Bank thinks you owe, the Bank may report you as delinquent.

If you receive our explanation and you still believe your bill is wrong, you must write to us within 10 days stating that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you're questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all the rules above, you do not have to pay the first \$50.00 of the questioned amount, even if the amount is correct.