



FINANCE FACTORS

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Member FDIC

ELECTRONIC FUND TRANSFER AGREEMENT

Since some of your transactions with **Finance Factors, Limited** may involve electronic deposits and payments, known as “electronic transfers,” we are providing you with this Agreement to explain our mutual responsibilities and liabilities, as well as some other aspects of these transactions. This Agreement applies to all electronic transfers that you authorize a third party to make into your account(s) with us, and to all electronic transfers that you authorize us to make from your account(s) with us. In this Agreement, “you” and “your” refer to each person using electronic transfers and “we,” “us,” “our,” and “bank” refer to Finance Factors, Limited.

By using our electronic transfer services, you agree to the terms and conditions contained in this Agreement. We agree to complete your authorized Electronic Fund Transfers, which are governed by the Electronic Fund Transfer Act, under the terms and conditions of this Agreement. Certain other electronic transfers, often referred to as “wire transfers”, through the Federal Reserve Communications System or other similar networks, are governed by Article 4A of the Uniform Commercial Code and Section 490:4A-101, et seq, HRS, and will be accepted for processing or change only at our discretion.

1. CONSUMER LIABILITY

You must tell us AT ONCE if you believe that an electronic transfer has been or will be made without your permission. Telephoning is the best way of keeping your possible losses down.

If your statement shows an Electronic Fund Transfer that you did not make, you must notify us AT ONCE. If you do not notify us within 60 days after the statement was mailed to you, you may not recover any money you lost after this 60-day period if we can show that we could have prevented the loss if you had notified us in

time. If a good reason, such as a long trip or a hospital stay, kept you from telling us, we may extend the time period.

In all cases involving unauthorized wire transfers, you must notify us within 14 days after your statement showing the unauthorized transfer was sent to you or you may not be able to recover any loss, including interest, from us. No extensions of this 14 day period are available.

2. CONTACT IN THE EVENT OF UNAUTHORIZED TRANSFER

If you believe a transfer has been or will be made without your permission, immediately call our EFT Division at (808) 522-2000 or toll-free at 1-800-648-7136. Or, you may write to us at Finance Factors, Ltd., Attn: EFT Division, P. O. Box 3979, Honolulu, Hawaii 96812-9979.

3. BUSINESS DAYS

Our business days are Monday through Friday, except for bank holidays.

4. ELECTRONIC TRANSFER SERVICES

Electronic Fund Transfer services are available with our savings accounts but not our time deposit accounts. Wire transfers are not limited by account type but will be accepted for processing or change only at our discretion.

5. RESTRICTED TRANSACTIONS

Restricted transactions as defined by Federal Reserve Regulation GG are prohibited from being processed through your account(s) or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful internet gambling.

6. LIMITATIONS ON FREQUENCY OF TRANSFERS

You may make up to six (6) Electronic Fund Transfers per month from your savings account with us for the purpose of making payments or transferring funds to another account.

7. FEES

We will only charge you for your use of electronic transfers in accordance with our current Fee Schedule (see separate Fee Schedule, which is subject to change from time to time). We will also charge you for any stop payment, dishonor, or overdraft resulting from your electronic payment and for other standard charges described in your account agreement.

8. DOCUMENTATION

You will receive a statement for each month in which an electronic transfer other than a wire transfer affects your account. Otherwise you will receive the normal quarterly savings account statement. We are not obligated to notify you of your electronic transfers in any other manner.

9. PREAUTHORIZED DEPOSITS; PREAUTHORIZED PAYMENTS; STOP PAYMENTS

- a. **PREAUTHORIZED DEPOSITS.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same third party, you can call us at the number listed in paragraph 2 above to find out whether or not the deposit has been made. These deposits will appear on your periodic statement. We are not required to accept an electronic deposit to your account resulting from a wire transfer. In the event we accept a wire transfer deposit, we will not be responsible for any loss, including interest or attorney's fees, you may claim relating to your late receipt of notice of deposit. For electronic deposits involving the Automated Clearing House, such transfers are not considered final until we receive final settlement of the deposit. We have the right to reserve these deposits from your account if we do not receive this final settlement.
- b. **PREAUTHORIZED PAYMENTS.** If you arranged with a third party for regular electronic payments to be made from your account with us, these payments will appear on your periodic statement. If these regular payments may vary in amount, the third party must notify you, at least 10 days before each payment date, when the payment will be made and how much it will be. You may choose instead to receive this notice only when the electronic payment differs by more than a certain amount from the previous one, or when the amount falls outside a certain range of amounts specified by you. If a wire transfer we initiate is rejected, we will send you notice of rejection no later than the business day following our notification of the rejection. We will not be responsible for any loss, including interest or attorney's fees, you may claim resulting from your late receipt of a rejection notice.
- c. **STOP PAYMENTS.** If you have authorized us in advance to make regular electronic payments from your account, you can stop these payments by notifying us at least 3 business days before the payment is scheduled to be made. You may call us at the number listed in paragraph 2 above, but we may also require you to put your request in writing and deliver it to us at the address listed in paragraph 2 above within 14 days

after you call. If you order us to stop any preauthorized payment at least 3 business days before the payment is scheduled, and we do not do so, we may be liable for your losses or damages. We are not required to accept any stop payment or change requests relating to wire transfers. We may, in our discretion, use reasonable efforts to stop a payment or change your authorized wire transfer. If we do so, we will not be liable for any loss, including interest or attorney's fees, you may claim resulting from our failure to stop a payment or change your request in a timely manner.

10. OUR LIABILITY

If we do not complete an electronic transfer to or from your account on time or in the correct amount, according to your authorization, we may be liable for your losses or damages. However, we will not be liable under the following circumstances:

- a.** Through no fault of ours, you do not have enough funds in your account to complete the transaction;
- b.** Through no fault of ours, we have not actually received enough funds to cover the electronic deposit from the third party;
- c.** If the funds in your account are subject to legal process or other encumbrance restricting the electronic transfer;
- d.** If our processing system was not working properly and you knew about the problem when you started the electronic transfer;
- e.** If circumstances beyond our control (such as flood or fire or acts of God) prevent the electronic transfer from being completed, despite reasonable precautions that we have taken;
- f.** If this Agreement is terminated;
- g.** If the authorization for your electronic transfer is revoked or suspended by law or court order, or
- h.** Other exceptions may be provided in other agreements we have with you or by applicable law.

11. CONFIDENTIALITY

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

- a.** Where it is necessary for completing an electronic transfer or resolving an error related to your electronic transfer;

- b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c. In order to comply with government agency or court orders;
or
- d. If you give us your permission.

12. RELIANCE

We will rely on the identifying numbers and other information you provide us in processing your electronic transfers. We will not be responsible for any conflict between these numbers and the identities of the parties or accounts involved.

If we agree to accept your request to initiate, change, or stop a wire transfer, then you must follow security procedures to verify the authenticity of and detect any errors in the transfer. We will not be responsible for any losses or damages if we followed the applicable security procedures in processing the unauthorized wire transfer.

13. IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

You must telephone us at (808) 522-2000 or toll free at 1-800-648-7136 or write us at Finance Factors, Limited, Attn: EFT Division, P. O. Box 3979, Honolulu, Hawaii 96812-9979, as soon as you can, if you think your statement is wrong or if you need more information about an Electronic Fund Transfer listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. When reporting an error or requesting more information:

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 also send us your complaint or question in writing within 10 business days. We will tell you the results of our investigation 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 re-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 re-credit your account.

We will tell you the results within 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.

If your request relates to a wire transfer or is a routine inquiry, such as a request for the balance in your account or for documents for tax purposes, we will not treat your request as relating to an error and our response may take longer than the periods described above and will not involve any re-crediting.

14. OTHER AGREEMENTS

This agreement governs electronic transfers from and into your account(s) with us. These accounts are also governed by the account agreement applicable to each account.

15. AMENDING THIS AGREEMENT

We have the right to terminate or amend this agreement at any time. We will notify you at least 30 days before an amendment will take effect if it will increase your fees or liability, limit your ability to make electronic transfers, or adversely affect your account in any way. We do not have to notify you in advance if a change is necessary for security reasons.

16. APPLICABLE LAW

The laws of the State of Hawaii will govern this Agreement.

