

You acknowledge that your mobile service provider may charge for sending and receiving text messages on your Wireless Access Device (defined below). Message and data rates may apply. Check with your service provider for details on specific fees and charges that may apply. Supported carriers include: AT&T, Sprint PCS, T-Mobile, U.S. Cellular, and Verizon Wireless. The P2P Service is limited to accounts within the U.S. For help, text HELP to (678) 264-66407. To cancel text alerts, text STOP to (678) 264-66407 at any time or by replying STOP to any text message in connection this service.

**YOUR CONSENT TO RECEIVE SMS TEXT AND EMAIL MESSAGING:** By accepting these terms you expressly authorize us to send SMS text messages and emails to you regarding your accounts and financial transactions, in connection with the P2P Service. We may send these messages to any mobile phone or email address we have in our records for you or your account.

You can view our Privacy Policy at [www.fmb.com/privacy](http://www.fmb.com/privacy)

**ACCEPTANCE OF THIS ADDENDUM** - When you enroll in the Farmers & Merchants Bank of Long Beach P2P Service ("P2P Service"), and each time you use the P2P Service, you agree to be bound by the terms and conditions of this P2P Transfer Addendum ("Addendum"). This Addendum supplements the Online Banking Access Agreement & Electronic Fund Transfer Act Disclosure and, to the extent P2P transfers are facilitated through a debit card network, F&M Bank's Terms & Conditions (collectively, "Agreement"). Except to the extent otherwise defined herein, defined terms in this Addendum will have the meaning provided in the Agreement. The term "Online Banking" will refer to the online banking system and services provided by Farmers & Merchants Bank of Long Beach pursuant to the terms of the Agreement. The term "consumer account holder" will refer to account holders using the P2P Service to access their accounts at Farmers & Merchants Bank of Long Beach that are maintained primarily for personal, family or household purposes. The accounts that you access using the P2P Service is subject to the Agreement, as supplemented and modified by this Addendum. To the extent there are conflicts between the terms of this Addendum and the Agreement, this Addendum will control.

**The Online Banking Access Agreement & Electronic Fund Transfer Act Disclosure and the Terms & Conditions include important consumer account holder protection disclosures under the Electronic Fund Transfer Act which continue to apply with respect to the electronic fund transfers facilitated through the P2P Service.**

**DESCRIPTION OF P2P SERVICE** – The P2P Service provides access to your linked accounts ("Account(s)") to initiate nonrecurring fund transfers to third parties, including to accounts at other financial institutions. You will provide the recipient's email address or mobile phone number to facilitate the P2P Service transfer. P2P Service transfers may be initiated using your personal computer or your eligible wireless access device ("Wireless Access Device"). You must be 18 years or older to use the P2P Service. The recipient must accept your P2P Service transfers within 10 days, or the transfer will be cancelled and reversed. If the recipient successfully accepts your P2P Service transfer, funds will be sent to the recipient's designated financial institution for crediting. P2P Service transfers between parties at the same financial institution will be debited from the sending party's account and credited from the recipient's account, on the same business day as the sending party's successfully submitted request. If the party's accounts are not at the same institution, the receiving party must claim the funds within 10 days. We are not responsible for any failure by other financial institutions to timely credit their customer's account.

**DOLLAR LIMITATIONS** – You may transfer up to \$2,500 per P2P Service transaction. The dollar limit is based on the debit card limit associated with your linked account. We may establish a limit on the number and aggregate dollar amount of P2P Service transfers that may be attempted or completed in one day. You may send multiple P2P Service transfers each day; a separate fee, to the extent fees are imposed, may be charged for each transfer you send. We may modify the amount and frequency of P2P Service transfers at any time for security reasons or otherwise at our discretion. We will provide notice of modifications to the extent required by law.

**FREQUENCY LIMITATIONS** – For certain types of transactions/transfers from a money market or savings account, you are permitted to make no more than six transfers and withdrawals, or combination of them, during any monthly statement cycle (or each month if you have a quarterly statement cycle), to another account or to a third party by means of a preauthorized or automatic transfer, or telephonic (including data transmission) agreement, order or instruction, including by check, draft, debit card or similar order by you and payable to third parties. If you exceed these limits, we may impose a fee, close or convert your Account, limit your use of the P2P Services, or any combination of the foregoing.

**AVAILABLE FUNDS** – You will need to have sufficient available funds in your designated eligible Account to cover the amount of your P2P Service transfers and applicable fees. You can initiate P2P Service transfers up to the available funds in your eligible Account, plus any linked credit or other overdraft facility (as applicable). Depending on the method used to process your P2P Service transfer, your Account may not be debited on the payment processing date. Regardless of whether your Account is debited on the payment processing date or at a later time, you must continue to maintain sufficient available funds in your Account to cover the amount of the P2P Service transfer until it is ultimately debited from your Account.

**ACCOUNT AUTHORIZATION** – When we receive a P2P Service instruction from you, you authorize us to debit your eligible Account for the amount of any such instruction plus any related fees in effect at the time you initiate the instruction, and to remit funds on your behalf. You acknowledge and agree that any applicable fees will be charged when we receive a P2P Service instruction from you, regardless of whether the P2P Service transfer is ultimately completed. You also authorize us to credit your eligible Account for the receipt of P2P Service transfers, including but not limited to those payments returned to us from third parties to whom you sent P2P Service transfers and those payments that were cancelled and returned to you because the processing could not be completed. We will not be liable to you for crediting your eligible Account for incoming P2P Service transfers, regardless of whether you authorized the third party to send you the funds.

**INCONSISTENCIES** – If a beneficiary of a P2P Service transfer is identified by both name and account number, payment may be made by us and by any other financial institution based on the account number even if the name and the account number are not consistent or identify different parties. If an intermediary bank or a beneficiary's bank is identified on a P2P Service transfer by both name and identifying number, we and other financial institutions may rely on the identifying number even if the name and the identifying number are not consistent or identify different parties. You acknowledge and agree that P2P Service transfers will be completed using the email address or mobile phone number you enter even if it identifies a person different from your intended recipient.

**ERRONEOUS INFORMATION** – It is the responsibility of the sender and recipient of P2P Service transfers to provide accurate information. You assume sole responsibility for accurately describing transfer amounts, dates, accounts, recipient contact information, and any other information required for your input by the system. We are not responsible for confirming such information, or for identifying or refusing to process duplicate transfer instructions. If you give us a transfer instruction that is incorrect in any way, you agree that we may charge your account for the transfer whether or not the error could have been detected by us. We are not obligated to detect or correct errors in your transfer instructions.

**AUTHORIZATIONS/VERIFICATIONS** – You authorize the Bank to debit your account to complete the P2P Service transfer you request. If you are receiving funds, you authorize the crediting of your account using card networks or the ACH. You agree that you as sender are authorized to withdraw or as recipient are authorized to deposit funds into the Accounts whose numbers you provide or into the Accounts associated with the card number you are providing. As the recipient, by using the P2P Service you agree that you are the intended recipient of the email or text message and that you are the intended recipient of the funds. If you are not the person to whom the funds are intended then you agree to take no further action. You understand that it is a federal felony to use another person's identification with the intent to commit unlawful activity. You represent that the information you are providing is your true and correct information. If any information you provide is fraudulent, we reserve the right to recover all costs or losses from you, regardless of whether such costs or losses are incurred directly or indirectly.

You authorize us, directly or through third parties, to make any inquires considered necessary to validate your identity. This may include asking you for further information, requiring you to take steps to confirm ownership of your email address or financial accounts, ordering a credit report and verifying your information against third party databases or through other sources.

**RECIPIENT ACKNOWLEDGEMENT** – By using the P2P Service you as the recipient are confirming that you are the person to whom the sender intends to transfer funds. As the recipient, you will be asked to provide your debit card information that will be used to transfer funds to your debit card account. If you choose not to provide your debit card information or your institution does not participate, you will be asked to provide account information including account number and routing information for your financial institution. You acknowledge that the financial institution may make the deposit based on the account number or card number you provide even if those numbers do not correlate to the name that you provide. Retrieval of these funds will be the recipient's responsibility to work with the financial institution to which the funds were sent. You may lose all the funds that were transferred. The funds that are credited to the account cannot be recalled by us. If you suspect that you have entered information incorrectly or that you have received funds in error, call us immediately at (866)

437-0011 and we may attempt to cancel the transaction. We have no obligation to cancel the transfer or to reimburse funds that were transferred according to the recipient's instructions.

**RETURNED TRANSFERS** – In using the P2P Service, you understand that third parties may return payments to us for various reasons such as, but not limited to, the third party's email or mobile phone number is invalid; or the third party's account number is not valid. We will notify you of returned P2P Service transfers via the system.

**USE OF SERVICE PROVIDERS; USE OF INFORMATION** – We may use one or more service provider(s) to provide the P2P Service, and you understand that various financial intermediaries and their servicers may be involved in processing any one of your P2P Service transfers. These intermediaries may benefit from interest that accrues on P2P Service transfers between the time the originating account is debited and the receiving account is paid. Any information you provide may be used by us or any of these other parties to complete or otherwise deal with your transaction or comply with any laws, rules or regulations. If there is a dispute between you and us, or either of us and any other person (including any merchant, financial institution or other intended or actual recipient of any P2P Service transfer), you authorize us to obtain information regarding you, your accounts and your obligations (or the absence of them) from any party that was involved in the transaction or that might otherwise assist in the resolution of the dispute or problem. This may include financial and other information.

**PAYMENT METHODS** – We reserve the right to select the method in which P2P Service transfers are facilitated. These payment methods may include, but may not be limited to, an electronic transfer facilitated through the Automated Clearing House Network ("ACH") or a debit card network. We are not responsible for delays in the ACH network, debit card networks, or for any action or omission by a recipient/payee. You may only transfer funds within the United States.

**AMENDING/CANCELLING A TRANSFER** – Except to the extent this Addendum provides otherwise, you do not have the right to amend or cancel a P2P Service transfer instruction once we have received it. If we attempt to reverse a transaction at your request, we assume no liability for any interest or losses that result if the reversal is not effected. If we attempt to effect a change or cancellation, you agree to indemnify, defend, hold harmless and reimburse us for all expenses, losses, claims, actions, proceedings and damages we incur in effecting or attempting to effect any such change or cancellation. You assume sole responsibility to providing notice to the intended recipient that a reversal is being transmitted, as applicable, and the reason for the reversal no later than the settlement date of the reversing entry.

**COMPLIANCE** – In addition to your compliance obligations in the Agreement, you acknowledge that unauthorized use of these systems is strictly prohibited and is subject to prosecution under the Computer Fraud and Abuse Act of 1986 and Title 18, U.S. Code Sec. 1001 and 1030. We or our service providers may monitor and audit usage of this system. You are hereby notified that the use of this system constitutes consent to such monitoring and auditing.

To the extent electronic transfers are made through ACH they are subject to the rules of the ACH, and you agree to be bound by the Operating Rules of the ACH, including the rule making payment to the recipient provisional until receipt by the recipient's bank of final settlement of the credit transaction. If final settlement is not received, you will not be deemed to have paid the recipient the amount of the electronic transfer. You agree that any payment by us to you for any returned credit entry or credit reversal is provisional until receipt by us of final settlement for such entry. If final settlement is not received, we are entitled to a refund from you of the amount credited, and we may charge your account for the amount credited. We may refuse to permit the use of any amount credited for a credit reversal if we believe that there may not be sufficient funds in your account to cover charge back or return of such reversal.

**ACCESS AND USE OF P2P SERVICE** – Your access to the P2P Service is subject to our prior and ongoing approval. We may deny your access to all or any part of the P2P Service, at our sole discretion. To utilize the P2P Service, you must enroll through our Online Banking system. Once you have enrolled for the P2P Service, designated accounts linked to your Online Banking security codes will be accessible through your compatible Wireless Access Device. To access P2P Service and functions, your Wireless Access Device must be Internet enabled and connected to the Internet through your mobile communications service provider. In order to properly use the P2P Service, you should review and follow the instructions provided in our Online Banking system. You agree to accept responsibility for learning how to use the P2P Service in accordance with the online and mobile application instructions and agree that you will contact us directly if you have any problems with P2P Service. If you obtain a different Wireless Access Device, you will be required to download and install software, to that different Wireless Access Device, under the same terms set forth in this Addendum, as amended. You agree to delete all such software from your Wireless Access Device promptly if the licenses or this Addendum terminate for any reason. We reserve the right to change, add to, or terminate services with our third-party software providers, to

substitute different software providers, and to enter into or arrange for the provision P2P Service by other licensors and third-parties.

You agree to exercise due care in preserving the confidentiality of any user identification, password, or other code or authentication method provided by us or otherwise required for use of the P2P Service and shall further prevent the use of the P2P Service by unauthorized persons.

**SOFTWARE** – You acknowledge that your license to use any software that may be required for the P2P Service (“software”) is directly from the software provider, pursuant to the license agreement that appears when any such software is electronically accessed by you or otherwise provided to you. By enrolling in portions of the P2P Service relating to those software systems and programs, and by downloading and installing P2P Service software, you will be evidencing your acceptance of the terms and conditions of those licenses. We may also condition your use of the P2P Service upon you affirming such licenses by the use of "I Accept" or similar dialogue box acknowledgements, or by other affirmative or use-based acknowledgement and agreement systems.

**TEXT MESSAGES; EMAILS** – By using the P2P Service you, as the sender, authorize the sending of an email or text message instructing the recipient how to receive the funds that you are sending. You are further authorizing any recipient of the message to act on the instructions to receive the funds you are sending. You acknowledge that any party receiving the email message at the email address you provide or text message at the mobile phone number you provide may obtain the funds you are sending. If you suspect that you have entered information incorrectly, call us immediately at (866) 437-0011 and we may be able to cancel the particular P2P Service transfer. We have no obligation to cancel the transfer or to reimburse funds that were transferred according to the sender's instructions.

You acknowledge that P2P Service text messages will be automatically sent to the mobile phone number provided. You, as the recipient, assume all responsibility for the secure receipt of the text messages and acknowledge that they are not sent through a secure channel and may be intercepted or read by others. Receipt of text messages may be delayed, or prevented by factor(s) affecting your Internet service provider(s), phone operator(s), and other relevant entities. We do not guarantee the delivery of any text message. We will not be liable for losses or damages arising from non-delivery, delayed delivery, or wrong delivery of any text message.

**COOKIES, BROWSER INFORMATION AND RELATED ISSUES** – When you visit the P2P Service website (the “Site”), our third party service providers may receive certain standard information that your browser sends to every website you visit, such as the originating IP address, browser type and language, access times and referring website addresses, and other information. This data may be used, among other uses, to improve the operation of the Site and to improve the security of the Site and P2P Service by assisting in "authenticating" who you are when you access the Site or P2P Service, particularly if you register for the P2P Service and are issued or create a username and password.

Our service providers may also receive additional information about your visit to the Site, including the pages you view, the links you click and other actions you take in connection with the Site and the P2P Service. This data may be used, among other uses, to improve the operation of the Site and the P2P Service.

Like most websites, the Site also uses "cookies," which are small data files placed on your computer or other device by the web server when you visit the Site. Most such cookies are "session" cookies that are only used for a specific period during which you are on the Site, but a few are "persistent" cookies that stay on your hard drive and are read by the web server when you return to the Site (unless you erase them). The Site uses cookies to store your preferences and other information on your computer in order to save you time by eliminating the need to repeatedly enter the same information and to display your personalized content on your later visits to the Site. These cookies are linked to personal information about you, such as your email address. Most web browsers automatically accept cookies, but you can modify your browser setting to decline cookies if you prefer. However, if you choose to decline cookies, you may not be able to sign in or use other interactive features of the Site that depend on cookies.

You may encounter our service provider's cookies or pixel tags on websites that we do not control. For example, if you view a web page created by a third party or use an application developed by a third party, there may be a cookie or pixel tag placed by the web page or application.

**P2P SERVICE LIMITATIONS** – The availability, timeliness and proper functioning of the P2P Service depends on many factors, including your Wireless Access Device location, wireless network availability and signal strength, and the proper



functioning and configuration of hardware, software, and your Wireless Access Device. Neither we nor any of our service providers warrants that the P2P Service will operate without interruption, and neither we nor our service providers shall be liable for any loss or damage caused by any unavailability of the P2P Service, including service interruptions, delays, or loss of personalized settings. Neither we nor any of our service providers assumes responsibility for the operation, security, functionality or availability of any Wireless Access Device or mobile network which you utilize to access the P2P Service.

THE P2P SERVICE IS PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE OR MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR ANY OTHER WARRANTY AS TO PERFORMANCE, ACCURACY OR COMPLETENESS.

You agree to exercise caution when utilizing the P2P Service on your Wireless Access Device and use good judgment and discretion when obtaining or transmitting information.

**YOUR INDEMNIFICATION OBLIGATION** – In addition to any indemnification obligations you have under the Agreement, and except to the extent expressly prohibited by applicable law, you agree that you will indemnify and hold us harmless, including our licensors and providers of the P2P Service, and our respective directors, officers, shareholders, employees and agents, against any and all third party suits, proceedings, claims, demands, causes of action, damages, expenses (including reasonable attorneys' fees and other legal expenses), liabilities and other losses that result from or arise out of: (i) your wrongful acts or omissions, or any person acting on your behalf, in connection with your use of the P2P Service, including without limitation (a) the breach by you of any provision of this Addendum, (b) your negligence or willful misconduct (whether by act or omission) or any third party acting on your behalf, (c) any misuse of the P2P Service by you, or any third party within your control or on behalf of you, (d) your failure to comply with applicable state and federal laws and regulations, (ii) any act or omission of ours that is in accordance with this Addendum or instructions from you; (iii) actions by third parties, such as the introduction of a virus that delay, alter or corrupt the transmission of an Imaged Item to us; (iv) any loss or corruption of data in transit from you to us; or (v) any claims, loss or damage resulting from your breach of, or failure to perform in accordance with, the terms of this Addendum.

**OUR LIABILITY** – This Section is not intended to replace or supersede, and is hereby added to, any other exceptions to our liability that may be stated elsewhere in the Agreement and the Account Agreement. Except to the extent prohibited by applicable law or regulation, we will not be liable to you for any of the following: (i) any damages, costs or other consequences caused by or related to our actions that are based on information or instructions that you provide to us; (ii) any unauthorized actions initiated or caused by you or your agents; (iii) the failure of third persons or vendors to perform satisfactorily, other than persons to whom we have delegated the performance of specific obligations provided in this Addendum; (iv) you or any other party's lack of access to the Internet or inability to transmit or receive data; (v) failures or errors on the part of Internet service providers, telecommunications providers or any other party's own internal systems, or (vi) if you do not follow or comply with the representations or warranties set forth in this Addendum.

To the fullest extent allowed by law, and subject to our limitations on liability provided otherwise in this Addendum, we will only be liable for damages that are solely and proximately caused by our gross negligence or willful misconduct. Notwithstanding anything to the contrary in this Addendum, and except to the extent expressly prohibited by applicable law or regulation, our aggregate liability for claims related to this Addendum, whether for breach, negligence, infringement, in tort or otherwise, shall be limited to direct out-of-pocket damages of up to a maximum of \$500.

Except as otherwise specifically provided in this Addendum, in no event will either party be liable to the other for any consequential, indirect, incidental, special, exemplary or punitive damages, including without limitation any loss of use, under any theory of tort, contract, indemnity, warranty, strict liability or negligence, even if such party has been advised or should have known of the possibility of such damages. Without limiting the foregoing, we shall be excused from failing to act or delay in acting if such failure or delay is caused by legal constraint, interruption of transmission, or communication facilities, equipment failure, war, emergency conditions or other circumstances beyond our control. In addition, we shall be excused from failing to transmit or delay transmission if it would result in our having exceeded any limitation upon its intraday net funds position established pursuant to Federal Reserve guidelines or our otherwise violating any provision of any risk control program of the Federal Reserve or any rule or regulation of any other U.S. governmental regulatory authority.

In no event shall we or our affiliates or service providers or employees or contractors of the same be liable for any claim arising from or related to the P2P Service or the Site that are not stated in writing in a complaint filed in a court of competent jurisdiction within two years of the date that the event giving rise to the claim occurred.

You and we acknowledge and agree that the limitations of liability in this Section are a bargained for allocation of risk and liability, and agree to respect such allocation of risk and liability. Each party agrees and acknowledges that the other party would not enter into this Addendum without the limitations of liability set forth in this Section.

**RELATIONSHIP TO THIRD PARTY AGREEMENTS** – You agree that, when you use P2P Service, you remain subject to the terms and condition of your existing agreements with any unaffiliated service providers, including, but not limited to your mobile service provider. You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of the P2P Service (such as data usage or text messaging charges imposed on you by your mobile service provider), and you agree to be solely responsible for all such fees, limitations and restrictions. You also agree that only your mobile service provider is responsible for its products and services. Accordingly, you agree to resolve any problems pertaining to your Wireless Access Device or mobile services with your provider directly.

**SECURITY OF DATA TRANSMISSION AND STORAGE** – You expressly acknowledge that any wireless access to your accounts may not be secure and, as such, you assume the risk associated with unauthorized access to the P2P Service and any information contained therein, resulting from such wireless connectivity. You assume all risk that any information you download or otherwise stored on your Wireless Access Device may be accessed by unauthorized third parties. Without limiting the foregoing, you acknowledge that your Wireless Access Device may become subject to unauthorized tracking, "hacking" or other manipulation by spyware, viruses or other malicious code ("malware"). We are not responsible for advising you of the existence or potential effect of any malware. Your use of your hardware and software is at your own risk.

We are not responsible for the security and confidentiality of information when you: (i) use wireless connections to download your account information, in which case you acknowledge such connection may permit other persons to access the information being downloaded, or (ii) allow other persons access to your Wireless Access Device. You agree that any account information that you download is done at your own risk, and you are solely responsible for any damage that might occur to the electronic device to which you download any information, or any loss or corruption of data that might occur as a result of the downloading or its storage on an electronic device.

**YOU AGREE TO TERMINATE THE P2P SERVICE, OR DISABLE YOUR WIRELESS ACCESS DEVICE FROM THE P2P SERVICE IMMEDIATELY IN THE EVENT YOUR REGISTERED DEVICE BECOMES LOST, STOLEN OR IS NO LONGER IN USE BY YOU.**

**FEES** – At this time, we do not impose a fee for P2P Service transfers. However, we reserve the right to impose P2P Service fees in the future and to amend them from time to time.

**CONTACT IN EVENT OF UNAUTHORIZED TRANSFER** – If you believe that any part of your password, Wireless Access Device or other means to access your account has been lost or stolen or that someone may attempt to use the P2P Service without your consent, or has transferred money without your permission, notify us either through the Online Banking system, by calling (866) 437-0011, or writing us at Farmers & Merchants Bank Cash Management Services 1695 Adolfo Lopez Drive, Seal Beach, CA 90740. Refer to your Agreement for additional details regarding error resolution procedures.

**CHANGES, TERMINATION, AND REFUSALS** – You may cancel your participation in the P2P Service at any time either through the Online Banking system, or by calling (866) 437-0011. Unless otherwise restricted by applicable law, we reserve the right to: (i) change or cancel the P2P Service at any time without notice; and (ii) suspend your access to the P2P Service at any time without notice and for any reason, including, but not limited to your non-use of the P2P Service. Advance notice of termination or modification will be provided if required by law. To the extent permitted by law, such notice may be provided to you electronically. If you initiate any transaction, including accessing your account information, through the P2P Service after the effective date of a modification, you will be deemed to have effectively consented to the modification.

We reserve the right to refuse to make any transaction you request through the P2P Service.

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By clicking the **"I Accept"** button you represent that you agree to these terms and conditions. You may elect to select the **"I Do Not Accept"** button in which case your access to the P2P Service will not be activated.