

This Agreement and Disclosure is made in compliance with federal law regulating electronic fund transfer (EFT) services. Electronic fund transfers are electronically initiated transfers of money involving an account at Central Pacific Bank. The following disclosures set forth your and our rights and responsibilities concerning the electronic fund transfers. In this Agreement, the words "you" and "your" mean those who sign as applicants or any authorized user(s). The words "we," "us" and "our" mean Central Pacific Bank. The abbreviation "PIN" or word "code" means a personal identification number.

Business Days

For purposes of these electronic fund transfer disclosures, our business days are Monday through Friday. Holidays are not included.

Documentation

Periodic Statement

If you have Exceptional Savings, Personal Savings or Starter Savings accounts, you will get a quarterly statement. If there is an electronic fund transfer on your account, you will also get a statement for that particular month. For all other consumer savings and checking accounts, you will get a monthly statement. For time deposit accounts, you will get a year-end statement unless you have a Smart Saver CD, in which case you will get a monthly statement.

Direct Deposits

If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at the telephone number listed in the Contact Information to find out whether or not the deposit has been made.

Consumer Liability

Tell us AT ONCE if you believe your code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check.

Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your code, you can lose no more than \$50 if someone used your code without your permission.

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

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

Our Liability for Failure to Make Transfers

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will **NOT** be liable for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the money in your account is subject to legal process or other claim restricting such transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken.
- There may be other exceptions stated in our agreement with you.

In Case of Errors or Questions About Your Electronic Transfers

Telephone us or write us using the Contact Information listed below as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (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 ten (10) business days, we may not credit your account.

If a notice of error involves an electronic fund transfer that occurred within thirty (30) days after the first deposit to the account was made, the error involves a new account. For errors involving new accounts, point of sale debit card transactions, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

Confidentiality

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

- To complete transfers as necessary;
- To verify the existence and condition of your account upon the request of a third party, such as a credit bureau or merchant; or
- To comply with government agency or court orders; or
- If you give us your written permission.

Notices

All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Written notice from you is effective on the date that you mail the notice. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

Insufficient Funds

We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

Enforcement

In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any Account transaction, the prevailing party shall be entitled to reasonable attorneys' fees and costs, including fees on any appeal, subject to any limits under applicable law.

You or any other party to your account can terminate this Agreement by calling or writing to us at the telephone number or address listed in the Contact Information. Termination of service will be effective after we have

had a reasonable time to act on your notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

EFT TRANSACTIONS

You may access certain account(s) you maintain with us by EFT transaction types described below:

Electronic Check Conversion

You may authorize a merchant to use your check as a source of account information to initiate an electronic withdrawal from your account to pay for purchases or pay bills. Electronic check conversion is a payment process in which a merchant (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. This type of EFT transaction involving a consumer account is covered by the Electronic Fund Transfer Act and this disclosure. A description of the transaction will appear on your statement.

Re-presented Checks, Transactions and Fees

You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction if debited as an EFT from a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Fund Transfer Act and this disclosure. A description of the transaction will appear on your statement.

Telephone Banking (audio response, known as Infoline)

Types of Telephone Banking Services

You may access your deposit and loan accounts by using a separate personal identification number (PIN) assigned to you and your account number in our audio response system. At the present time you may use the system to:

- Transfer funds between your deposit accounts.
- Obtain tax information on interest earned or paid on your accounts.
- Obtain balance information on your deposit and loan accounts.
- Verify the last date and amount of your payroll deposit.
- Determine if a particular check has cleared your account.
- Transfer funds from your deposit accounts to your loan accounts.
- Transfer funds from your loan accounts that allow advances (according to your loan agreement).

Limitations on Frequency and Amount

- For checking and savings accounts, there are no limits on the number or dollar amount (except for your available account balance) of inquiries, transfers, or withdrawals you may make.
- Transfers cannot be made to or from time deposit and IRA accounts.

Personal Identification Number (PIN)

The Audio Response PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your Audio Response PIN available to anyone.

Fees and Charges for Audio Response Transactions

We do not charge for any Audio Response transactions.

Termination of Telephone Banking Services

You agree that we may terminate this Agreement and your use of the Audio Response services, if:

- You or any authorized user of your Audio Response PIN breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your Audio Response PIN;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement.

Preauthorized Electronic Fund Transfers

Types of Preauthorized Transfers

You may arrange for us to complete the following preauthorized transfers to or from your deposit accounts:

- Accept direct deposits from your employer or other financial institutions to your checking or savings account.
- Accept direct deposits from the U.S. Treasury Department to your checking or savings account.
- Pay certain recurring bills from your checking or savings account.

Limitations on Frequency and Amount

- For checking and savings accounts, there are no limits on the number or dollar amount (except for your available account balance) of transfers or withdrawals made from your account.

Fees and Charges

- We do not charge for any preauthorized EFTs.
- You will be charged a fee for each stop payment and renewal of a stop payment. Please refer to the Miscellaneous Fee Schedule for the current fee.

Stop Payment Rights

If you have told us in advance to make regular electronic fund transfers out of your account(s), you can stop any of these payments. Here's how: Call us or write to us at the telephone number or address listed in the Contact Information, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. Additional information on stop payments can be found in our Deposit Account Agreement & Disclosure.

Notice of Varying Amounts

If these regular payments may vary in amount, the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Liability for Failure to Stop Payment of Preauthorized Transfers

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Other Provisions

There may be a delay between the time a deposit is made and when it will be available for withdrawal. You should review our Funds Availability Policy to determine the availability of the funds.

CONTACT INFORMATION

EFT Errors or Questions

Central Pacific Bank
Attn: Electronic Banking Dept.
P.O. Box 3590
Honolulu, Hawaii 96811
Phone: 808-544-0500 Toll-free: 1-800-342-8422