

## MECHANICS BANK

### Business Visa® Debit Card Agreement

Effective May 19, 2023

This Business Visa® Debit Card Agreement (“Agreement”) specifies the rights and obligations of Mechanics Bank (“Bank,” “we,” “our,” and “us”) and the owners and authorized signers of account(s) linked to the Card(s) issued pursuant to this Agreement and the person(s) authorized to use the debit card(s). Each debit card provided to you for use under this Agreement will be a debit card enhanced with the Visa® logo on the front of the card (collectively “Debit Card” or “Card”). “Company” means the business or organization that applied for the Debit Card. “You” and “your” mean the Company and anyone else authorized by Company to use the Debit Card. The Schedule of Fees and Charges are referred to as “Fee Schedule.”

By requesting, signing, or using the Debit Card or personal identification number (“PIN”) associated with the Debit Card you agree to be bound by this Agreement. The Debit Card may be used to access Company’s deposit account(s) held at Bank that are linked to the Card. Company’s application for the Debit Card must specify each deposit account that Company would like to link to the Card. Additional deposit accounts of Company may be linked to your Card by submitting a request to Bank in a manner and form as determined by Bank in its discretion from time to time. All deposit accounts are subject to the Bank’s approval. The Debit Card is not a credit card, which means payment of transactions may not be deferred.

In the event of a conflict between this Agreement and the agreements governing your deposit accounts (collectively “Business Account Agreement”), this Agreement will control with respect to transactions made using the Debit Cards.

YOU ACKNOWLEDGE AND AGREE THAT THE CARDS WILL NOT BE TREATED AS CONSUMER ACCESS DEVICES UNDER THE PROVISIONS OF THE ELECTRONIC FUNDS TRANSFER ACT OR ANY OTHER STATE OR FEDERAL LAW, FURTHER THAT NEITHER THE CARDS OR THE ACCOUNT LINKED TO YOUR CARD WILL BE USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES. We are under no obligation to monitor compliance with your commitment, and may process transactions identified or otherwise known to us to be for consumer purposes or otherwise known not to comply with use restrictions imposed by us on your Debit Card. Use of a Debit Card for prohibited consumer transactions will in no way relieve you of any liability to pay for, or any other obligations in connection with, such transactions. Because the Debit Card will be issued for your business use, neither the issuance, nor the use of your Debit Cards will be governed by the Electronic Fund Transfers Act, whether or not notices or disclosures required by that federal law for consumer Debit Cards or accounts are furnished to you.

1. **Access Device Issuance.** If you apply for and receive a Debit Card from us, you will be responsible for choosing or will be assigned a unique PIN. You may activate the

Debit Card by either calling the telephone number provided or by using the Debit Card for a PIN-based transaction. Activation may not be available for all PIN-based transactions, such as “pay-at-the-pump” transactions. You will not be able to use your Debit Card until the Debit Card is activated.

Each Debit Card will be issued in the Company’s name and that of the person designated by Company as an authorized user (a “Cardholder”). Company may from time to time apply for additional or replacement Debit Cards to be issued, or to retire any outstanding issued Debit Cards. Bank reserves the right to dictate the manner in which Company may apply for additional or replacement Debit Cards to be issued or to retire a Debit Card.

You warrant that you will not redistribute the Card(s) among individuals not named on the Card. You specifically assume any risk associated with the fact that you may distribute, and redistribute the Card(s) among various individuals, and to decide whether and to whom PIN information will be provided. You further assume any risk associated with disclosing PIN information to others, including, but not limited to, risks of loss associated with theft or embezzlement.

2. **Transaction Types.** Debit Cards provided in connection with this Agreement may be used to obtain the following services:

- (a) Withdraw cash from accounts linked to your Card at participating ATMs.
- (b) Make deposits at one of our ATMs.
- (c) Transfer funds between checking and savings accounts linked to your Card.
- (d) Obtain balance information about accounts linked to your Card.
- (e) Purchase goods and services at merchant locations that display the Visa® logo, and the logos of certain affiliate networks.
- (f) Obtain a cash advance at financial institutions that accept debit cards with the Visa® logo.

Some of the above services may not be available at all terminals, ATMs, cash dispensers or merchant locations. Bank is not responsible for the refusal of any merchant to accept or honor a Debit Card.

3. **Limitations on frequency of transfers.** Certain types of transactions and transfers from a money market account are limited, as described in the Business Account Agreement governing the money market account. You agree that, in addition to Bank’s rights described in the Business Account Agreement, if the applicable limits are exceeded that Bank may deactivate your Debit Card and/or impose an excessive transaction fee (as described in the Fee Schedule) for each transfer that exceeded these limits.

For security reasons, there may be limits on the number of transfers you can make at ATMs and Point-of-Sale (POS) terminals.

The standard limit for daily transactions with a Visa Business Debit Card is 25 transactions per day. The standard limit for daily transactions with a Visa Business Employee Deposit Only card is 5 transactions per day.

4. **Limitations on dollar amounts of transfers.** We reserve the right to impose dollar limitations on your Card transactions or on specific services. We can do so at any time, with or without notice to you and with or without cause. Access is not available to any line of credit associated with your accounts. Subject to any Overdraft services applicable to your Debit Card or accounts linked to your Card, your available account balance must be sufficient to cover all withdrawal(s) and other transactions. Different dollar limitations may apply to different ATM Cards, Debit Cards or Services; dollar limitations may vary across nonproprietary network ATMs, POS terminals, or merchant locations (if applicable).

The standard for daily transaction limits with a Visa Business Debit Card are \$525 for ATM withdrawals and \$2,500 for POS transactions, including contactless, PIN, and Signature transactions. The standard limit for daily transaction limits with a Visa Business Employee Deposit Only card is \$0.00 for ATM withdrawals and \$0.00 for POS transactions, including contactless, PIN, and Signature transactions.

5. **Transaction Cutoff Times.** For purposes of determining when you have reached your daily transaction and/or dollar limit, a day ends at 12:00 midnight Pacific Time. Notwithstanding the foregoing, for transaction posting purposes, transactions conducted after 6:30 p.m. Pacific Time, or on any day other than a business day, will be added together and treated as occurring on the next business day. We reserve the right to change these cutoff times from time to time. For security purposes, we may place other limits on these accounts. Different limitations may apply at network ATMs maintained by other banks which have been programmed to accept your Card.
6. **PIN-less Transactions Outside of Visa®.** In addition to transactions processed through a Visa® network, the Debit Card is enabled to allow certain Visa® affiliated network transaction processing. Not all Visa® affiliate network transactions require a PIN to authenticate transactions. Examples of the types of actions in which you may be required to initiate a transaction on an Visa® affiliate network include: (i) initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations); (ii) responding to a logo displayed at a payment site and choosing to direct payment through that network; and (iii) having your identity verified using known information derived from an existing relationship with you instead of through the use of a PIN. Please be advised that the terms and conditions of this Agreement relating only to Visa® and its affiliate network transactions do not apply to debit transactions through networks unaffiliated with Visa®.

7. **Currency Conversion and International Transactions.**

- (a) When you use your VISA® Check (Debit) Card at a merchant that settles in

currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either: (a) a rate selected by Visa® from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa® itself receives, or (b) the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date.

- (b) We pass on to you any international transaction fees charged by Visa®, including the international service assessment fee. An international transaction is a transaction where the country of the merchant is outside of the United States. For avoidance of doubt, transactions that originate in U.S. territories are considered international transactions and are subject to the fees identified in this section. You can call us at 1.800.797.6324 for more information concerning these fees.

8. **Statements.** You assume full responsibility for monitoring and reviewing your account activity. You agree to notify us promptly if you think there is an error or an unauthorized transaction shown on your statement, including, forgeries, alterations or unauthorized items. If you fail to notify us promptly, but no later than thirty (30) days following the statement mailing date or the date we make the statement available to you, then you agree that you cannot assert any error, problem or unauthorized transaction or forged, altered or unauthorized item against us and you may become responsible for the losses resulting from such failure. Please see the 'Statements' section of your Business Account Agreement for full details.

9. **Liability.**

- (a) *Your Liability.* You are liable for all unauthorized transactions made with your Debit Card, or the PIN associated with your Debit Card, that occur prior to the time you notify us to cancel your Debit Card due to an unauthorized transaction or lost or stolen Card or PIN.

For transactions processed through the VISA® system or for transactions processed through Plus, you will have no liability for unauthorized transactions (that is, your liability will not exceed zero dollars) if you report the unauthorized transaction to us within the required timeframe. This special zero liability limit will not apply if we determine that you were grossly negligent or fraudulent in the handling of your account or your VISA® Check Card.

If you notify us of a loss of funds due to an unauthorized transaction that was processed through VISA® or Plus using your VISA® Check Card, we will give you provisional credit of the money within five business days of your notice to us. We may require written confirmation from you before providing provisional credit, to the extent allowed under applicable law or governing rule.

Use of the Debit Card or PIN is controlled by you and Bank has no obligation

or responsibility to limit use of your Debit Card to individuals specified as “authorized signers” on a signature card for any Account or to other individuals specifically identified by you as authorized to use a Debit Card or corresponding PIN. All use of a Debit Card bearing your name will be and is deemed to be an act of you and your responsibility, whether or not the Debit Card is or is not a valid Card. For avoidance of doubt, you will be liable for all transactions made using a Debit Card, PIN or Debit Card number contemplated under this Agreement.

You shall be responsible for unauthorized transactions, regardless of whether such transactions were effectuated: (i) by or on behalf of any authorized individual, by a business co-owner, or any other person with an interest in or authority to transact on the account, or for any authorized purpose, or by an unauthorized person or in conflict with any usage limitation established by Company; (ii) using a valid PIN; or (iii) in accordance with any rules or regulations of Visa<sup>®</sup>, its affiliated networks, Bank or any merchant. Without limiting the foregoing, Company is responsible for any and all transactions of any type processed through an authorized system if Bank receives transaction data identifying a Debit Card, PIN or other access device as one issued to Company. For purposes of this Agreement, an authorized system is any system that will process transaction data for valid Debit Cards (including Visa<sup>®</sup> and any other POS and ATM system shown as a logo on any Debit Card).

You understand that issuance of the Debit Card(s) provided pursuant to this Agreement creates an inherent risk of unauthorized use. Authorization for use of the Debit Cards and any PIN(s) is not dependent upon or limited to either those individuals specified on the signature card for an account linked to your Card, or other individuals specifically authorized by Company to use a Debit Card or PIN (such as Cardholders). Authorization for use of a Debit Card and corresponding PIN(s) will not be subject to review by Bank. You assume the risk of loss associated with unauthorized use of the access provided herein, including but not limited to theft and embezzlement of a valid Debit Card and the creation or forgery of a debit card.

You specifically assume any risk associated with the fact that Debit Cards may be distributed or redistributed among various individuals. You further assume any risk associated with disclosing PIN information to others, including, but not limited to, risks of loss associated with theft or embezzlement.

You agree to pay Bank for all transactions for which you are liable under this Agreement, and authorize Bank to charge any account of Company at Bank for the same (including all accounts linked to your Card). Company’s liability for all transactions under this Agreement will continue until the later of the time that all Debit Cards are returned to Bank, or Company instructs Bank to cancel all Debit Cards and Bank has had a reasonable opportunity to cancel all Debit Cards. You understand that loss or theft of a Debit Card, or any unauthorized use of a Debit Card, is no basis for you to avoid liability for any Debit Card

transaction, whether before or after Company informs Bank of loss or theft of the Debit Card. Bank may require closure of an account linked to your Card and re-issuance of one or more Debit Cards as a means of preventing further losses, and Company agrees to bear all costs associated with the same.

- (b) *Bank's Liability.* Without limiting the "Your Liability" subsection above, to the extent applicable, Bank will not be liable for failure to detect or prevent any unauthorized use of a Debit Card or for invalid transactions using fraudulent Debit Cards. Bank will not be responsible for monitoring Debit Card use or usage patterns. BANK WILL NOT BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER ARISING UNDER ANY CLAIM IN CONTRACT OR TORT OR OTHERWISE, EVEN IF BANK OR ITS AGENTS MAY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Without limiting the foregoing, Bank will not be liable for failure to complete any transaction in the following situations:

- (i) If, through no fault of ours, you do not have enough money in the applicable account linked to your Card to complete the transaction.
- (ii) If the terminal or system was not working properly.
- (iii) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (iv) If the funds in an account linked to your Card are subject to legal process, an uncollected funds hold, or are otherwise not available for withdrawal.
- (v) If we have reason to believe the transaction may not be authorized by you.
- (vi) If the transaction cannot be completed because your Debit Card is damaged.
- (vii) There may be other exceptions stated in the Business Account Agreement or other agreements we may have with you.

**10. Contact in Event of Unauthorized Transfer or Lost or Stolen Debit Card or PIN.** If you know or suspect that a Card, PIN or account number has been lost or stolen, or that someone has transferred or may transfer money from any of your accounts without your permission, call us at 1.800.797.6324.

**11. Fees.** The Fee Schedule may describe fees related to transactions conducted using your Debit Card. We reserve the right to modify the fees described in the Fee Schedule in connection with the services contemplated under this Agreement, upon notice to you. You agree to pay for all such fees or charges as they may change from



time to time. We may impose a fee for a replacement Card for one that is lost, stolen or destroyed. Refer to our current Fee Schedule for replacement costs.

12. **ATM Fees:** When you use an ATM not operated or owned by us, you may be charged a fee by the ATM operator or any network used, (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). When you use an ATM not operated or owned by us, we may charge a fee. For avoidance of doubt, you may be charged a fee by both the ATM operator and Mechanics Bank if you use a non-Mechanics Bank ATM. Refer to our current Fee Schedule for our current Non-Mechanics Bank ATM Fee.
13. **Business Days.** For purposes of these disclosures, every day is a business day, except Saturdays, Sundays, and federal holidays.
14. **Illegal Transactions.** Your Debit Card may not be used for any illegal transactions (for example, funding any account that is set up to facilitate internet gambling). You agree to take steps to ensure your Debit Card will not be used for any transaction that is illegal under the laws governing your account linked to your Card. Further, you agree and acknowledge that if we determine in our sole discretion that we must block or prevent a Debit Card transaction (including credits and debits by means of card systems) to or from an account linked to your Card pursuant to the Unlawful Internet Gambling Enforcement Act of 2006 and its implementing Regulation GG, then we may do so without being liable to you for any damages. We may also block or prevent Debit Card transactions that are reasonably determined by us to present the possibility of an illegal transaction or to present security or fraud risks unacceptable to us, and may do so without being liable to you for any damages. You agree that none of the foregoing will be deemed to be wrongful dishonor by us.
15. **Hold on Funds; Security Interest.** When you use a Card, a hold will be placed on the account linked to your Card. The hold may be for the amount of the transaction, for a pre-established amount in excess of individual transactions (for example, hotel or car reservations), or less than the transaction (for example, purchase of gas at the pump). The held funds may not be available for other account purposes, and we have the right to return checks or other items drawn against your account to maintain sufficient funds to pay for any previously authorized Card transactions. The hold will be released on or before the date that the Card transaction is settled through the applicable network, and you agree to maintain sufficient available funds on deposit in the affected account to cover all previously authorized transactions. The hold may continue even if you do not purchase any goods or services for which authorization was obtained. If checks are returned, you agree to pay all applicable Returned Item fees. We reserve the right to assess a fee or charge your account for paying an ATM or one-time Debit Card transaction against insufficient funds in your account.

You grant to us a security interest in all accounts of yours with us, and in all funds in such accounts, to secure your obligations to us under this Agreement.

16. **Merchant Disputes.** If you have a dispute with a merchant regarding goods or services purchased with your Debit Card, you may need to resolve your dispute with

the merchant. At our discretion, we may assist you with a merchant dispute for charges you authorized. We may require that you send us your request for assistance in writing along with any supporting documentation relating to the dispute. If a merchant misrepresents the quality, price, or warranty of goods or services you pay for by using the Debit Card, we are not responsible for any damage or liability that result from the misrepresentation.

17. **Indemnification**. In addition to such other rights as Bank may otherwise have under this Agreement, and except to the extent expressly prohibited under applicable law or the Visa® Rules, you will defend, indemnify and hold harmless Bank and its officers, directors, agents and employees, from and against any and all actions, costs, claims, losses, damages or expenses, including attorneys' fees and expenses, resulting from or arising out of the use of: (a) the Debit Card, PIN or the signature of any person previously authorized to use the Debit Card; (b) from your actions or inactions under this Agreement; (c) as a result of Bank's receipt of any transaction data naming, identifying or otherwise associated with you, the Debit Card, any user of the Debit Card, any PIN or any other access device relating to the foregoing.
18. **Attorney's Fees; Costs; Interest Fees; Fines**. In the event the Bank takes any legal action under the Agreement to collect overdrafts on the account linked to your Card or any other amounts Company owes Bank or because Company breaks any other promise under this Agreement, or if Bank becomes involved in any other litigation or proceeding initiated by a third party, including, but not limited to, our responding to an attachment, garnishment, or levy with respect to any of Company's accounts, Company agrees to reimburse Bank for any cost and expenses we incur, including, but not limited to, our reasonable attorneys' fees (whether in-house or external), together with interest at the maximum interest rate allowed by law, and Company further agrees that Bank may charge those amounts against Company's accounts without prior notice to Company. Company will also reimburse Bank for any fines or penalties (and any associated costs, including reasonable attorneys' fees and costs) imposed on or assessed against us by Visa®, any card payment system, state or federal regulatory agency or other U.S. or foreign governmental body, or party having oversight or rulemaking authority over debit card transactions, when the fine, penalty or other expense is caused by or related to Company's or Cardholder's use of the Debit Cards. Such amounts shall be immediately due and payable by Company to Bank.
19. **Company's Representation and Warranties**. You represent and warrant to us each of the following:
  - (a) You have all requisite power and authority to enter into this Agreement. The entering of the Agreement, and execution of the corresponding application incorporating the same, has been duly and validly authorized by all necessary action. Further, the individual or individuals who execute the application for the Debit Card on your behalf is each duly authorized by Company to do so.
  - (b) You will provide us with such financial and other information as we may request from time to time. All financial and other information which you provide



to us from time to time is, and will continue to be, true and accurate. You will inform us promptly in writing of any material changes in this information or your financial condition.

- (c) Debit Cards and PINs issued to Cardholders will only be used to purchase goods and services and/or to obtain cash advances exclusively for business purposes and only in strict compliance with the terms and conditions of this Agreement. Debit Cards may not be used for any illegal purposes, including but not limited to illegal internet gambling.
- (d) No action or proceeding is pending against you which might result in any material or adverse change in your business operations or financial condition. You have not violated, and will not in the future violate, any applicable federal, state or other laws or regulations, which may materially and adversely affect your business operations or financial condition.
- (e) All formalities will be followed with respect to each transfer of funds, including but not limited to, proper authorization of individual transactions and any record-keeping requirements with respect thereto.
- (f) A copy of this Agreement will be delivered to each Cardholder before a Cardholder is permitted by you to use a Debit Card and you will require each Cardholder to sign the Debit Card delivered by you for Cardholder's use before using the Debit Card.
- (g) A copy of any updates or amendments to this Agreement will be delivered to each Cardholder and you will require each Cardholder to agree to the updates or amendments, if applicable.

20. **Debit Cards.** Debit Cards are the property of Bank. You agree to immediately surrender all Debit Cards to us upon request.

21. **Debit Card and PIN Safety Tips**

- (a) Sign the back of your Debit Card immediately.
- (b) Never let anyone use your Debit Card.
- (c) Never tell anyone your PIN.
- (d) Memorize your PIN. Do not write it on your Debit card or on anything that you carry with your Debit Card.
- (e) Notify us at once if your Debit Card or PIN is lost or stolen.

22. **ATM Safety Tips.** As with all financial transactions, please exercise discretion when using an ATM. For your own safety, be careful. The following suggestions may be helpful:

- (a) Be aware of your surroundings when you approach or leave the ATM.
- (b) Use ATMs that are in plain sight and well-lit at night.
- (c) Use ATMs with surveillance cameras.
- (d) When you enter or exit an ATM in an enclosed area, be sure you close the entry door completely.
- (e) Do not open locked ATM vestibule doors for others or allow any unknown persons to enter the ATM area while you are making your transactions.
- (f) Inspect the ATM before use, and ensure no tampering has taken place.
- (g) Shield the ATM keypad with your hand or body while entering your PIN.
- (h) Secure your card and cash after completing your transactions and before exiting the ATM area.
- (i) Don't leave your ATM receipt at the ATM.
- (j) Count your cash later in the safety of your locked car or home.
- (k) Your ATM card is like cash, so keep it in a safe place.
- (l) When using a drive-up ATM, stay in the car, keep the engine running and doors locked.

23. **Assignment and/or Successors.** You may not assign to anyone your rights under this Agreement, including without limitation, to any of your successors-in-interest, whether by merger, sale or acquisition, if applicable, or otherwise. This Agreement shall be binding upon your successors, administrators, agents, and personal representatives.

24. **Termination.** You may terminate this Agreement upon providing notification to Bank in the form and manner as may be required by Bank from time to time. Closure of an account linked to your Card will not relieve you of your obligations regarding Debit Cards associated with that account. You agree to pay Bank for Debit Card transactions made before the closure of an account or cancellation of the Debit Card. We reserve the right to terminate this Agreement or close a Debit Card immediately, with or without cause and with or without advance notice of such termination to you unless otherwise required by law. Any termination of this Agreement shall not affect any of your obligations related to this Agreement arising prior to such termination.

25. **Change in Terms.** We may add to, delete, amend or otherwise change the terms of this Agreement, including but not limited to, the amount of fees or charges, at any time by sending you notice of the change. If we make such a change, you agree that we may provide notice by any reasonable method, such as by including a message

on or with your Account Statement. Any such changes by us will be effective upon the date of the notice, unless advance notice is required by law. Your continued use of the Debit Card on or after the effective date of the change is your acceptance of the change.

26. **Force Majeure.** Except as may be limited or required by applicable law, we will not be liable for our inability to perform our obligations under the Agreement, when such inability arises from causes beyond our reasonable control, including, without limitation, any act of God, natural disaster, pandemic, accident, equipment failure, system failure, labor dispute, governmental action prohibiting or impeding any party from performing its respective obligations, or the failure of any third party to provide any electronic or telecommunications service used in connection with the acceptance and processing of Card transactions.
27. **Notices.** We may provide notice to you under this Agreement by mailing the notice to your current address in our records, or otherwise making the written or electronic notice available to you. Notice by Bank to you will be effective as noted in the Change in Terms section of this Agreement. Any notice you provide to us pursuant to the Agreement must be in writing and sent to us at the address listed on your account statement, or at Mechanics Bank, PO Box 8070, Walnut Creek, CA 94596.
28. **Miscellaneous.** In the event of a conflict between this Agreement and the Business Account Agreement, or other agreement you have with us, this Agreement will control with respect to transactions made using the Debit Cards. You understand and agree that the Debit Cards may only access accounts linked to your Card. This Agreement will be governed by the laws of the state of California (excluding choice of law principles), except to the extent preempted by federal law. Your obligations under this Agreement relating to transactions that occur before termination shall survive termination of this Agreement. Without limiting the foregoing, your obligations under this Agreement relating to transactions that occur before termination shall survive termination of this Agreement.