

# Pomelo Account Holder Agreement

Issuer: Coastal Community Bank

As of: [April 1, 2024]

## Rates and Fees Table

Payment Information	
Annual Percentage Rate (APR)	Not Applicable – The previous cycle’s balance is required to be paid in full each month.
APR for Cash Advances	Not Applicable
Penalty APR and When it Applies	Not Applicable
For Credit Card Tips from the Consumer Financial Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at <a href="http://www.consumerfinance.gov/learnmore">http://www.consumerfinance.gov/learnmore</a> .
<b>All charges made on this charge card are due and payable when you receive your periodic statement,</b>	

Fees	
Initiation Fee	No Fee
Annual Membership Fee	No Fee
Transaction Fees	No Fees
Penalty Fees <ul style="list-style-type: none"><li>Late Payment</li></ul>	Up to \$39. If you do not pay for two consecutive billing cycles, your fee will be \$39 or 3% of the past due amount, whichever is greater.

## Account Holder Agreement

### How Your Pomelo Account Works

#### Introduction

#### Application

When you apply for the Pomelo Mastercard issued by Coastal Community Bank, Member FDIC, pursuant to a license from Mastercard International you may be offered either a secured or unsecured Pomelo Mastercard. This determination is based upon your credit worthiness and our current credit policies at the time.

#### Changing the Agreement

We may change this Agreement, subject to applicable law. We may do this in response to the business, legal or competitive environment. This written Agreement is a final expression of the agreement governing the Account. The written Agreement may not be contradicted by any alleged oral agreement. Changes to some terms may require 45 days advance notice, and we will tell you in the notice if you have the right to reject a change.

## Words we use in the Agreement

**We, us,** and **our** mean Coastal Community Bank. **You** and **your** mean the person who applied for this Account and for whom we opened the Account. You and your also mean anyone who agrees to pay for this Account. You are the **Account Holder**. You may request a card for a **Non-Responsible Authorized User (NRAU)**.

**Card** means any card or other device that we issue to access your Account. A **charge** is any amount added to your Account, such as purchases, fees and charges. A **purchase** is a charge for goods, services, or person-to-person transactions. To **pay** by a certain date means to send your payment so that we receive it and credit it to your Account by that date (see *About your payments* in Part 2).

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## Using the card

You may use the card to make purchases.

We decide whether to approve a charge, based on how you spend and pay on this Account and other accounts you have with us and our Affiliates. We also consider your credit history and your personal resources that we know about.

You may arrange for certain merchants and third parties to store your card number and expiration date, so that, for example:

- the merchant may charge your account at regular intervals; or
- you may make charges using that stored card information

We may (but are not required to) tell these merchants and third parties if your expiration date or card number changes or if your account status is updated, including if your account is canceled. If you do not want us to share your updated account information, please contact us using the Pomelo app.

Keep your card safe and don't let anyone else use it. If your card is lost or stolen or your Account is being used without your permission, contact us right away. You may not use your Account for illegal activities.

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## Promise to pay

You promise to pay all charges, including:

- charges you make, even if you do not present your card or sign for the transaction,
- charges that other people make if you let them use your Account, and
- charges that Additional NRAUs make or permit others to make.

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## Declined Transactions

We may decline to authorize a charge. Reasons we may do this include suspected fraud and our assessment of your creditworthiness. This may occur even if your Account is not in default. We are not responsible for any losses you incur if we do not authorize a charge. And we are not responsible if any merchant refuses to accept the card.

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## About your payments

### When you must pay

You must pay the Amount Due, or Minimum Payment Due, if applicable, no later than the Payment Due Date shown on your billing statement to avoid a late payment fee. Each billing statement also states the time and manner by which you must make your payment for it to be credited as of the same day it is received. For your payment to be considered on time, we must receive it in such time and manner by the Payment Due Date shown on your billing statement. Each billing statement also shows a Closing Date. The Closing Date is the last day of the billing period covered by the billing statement. Each Closing Date is about 30 days after the previous billing statement's Closing Date.

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**How to make payments**

Make payments to us in U.S. dollars with:

- an electronic payment that can be cleared through the U.S. banking system. (for example: connecting your checking or savings account via Plaid and authorize Pomelo to draw designated amounts)

If your payment meets the above requirements, we will credit it to your Account as of the day we receive it, as long as we receive it by the time disclosed in your billing statement. If we receive it after that the day after we receive it.

If your payment does not meet the above requirements, there may be a delay in crediting your Account. This may result in late fees (see the *Rates and Fees Table*).

We will not accept a payment made in a foreign currency or a payment drawn on an account at a bank located outside of the U.S.

If we process a late payment, a partial payment, or a payment marked with any restrictive language, that will have no effect on our rights and will not change this Agreement.

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**Additional Information**

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**Secured Deposit**

If you are approved for the Pomelo Secured Mastercard, a security deposit will be required. The security deposit is used as collateral against your credit line. The security deposit is refundable if you close your account and pay your balance in full. If your account is deemed eligible for an unsecured card at a later date, we will return your security deposit to you as a statement credit.

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**Security Interest**

If you are approved for the Pomelo Secured Mastercard, you agree to assign a security interest in the Collateral Account/Security Deposit and in all renewals, additions and proceeds of the Collateral Account. You agree that this security interest, pledge, and assignment includes and gives the Bank the right to redeem, collect and withdraw any part or the full amount of the Collateral Account upon any default or in the event your secured credit card account is terminated for any reason. You acknowledge and agree that this security interest, pledge, and assignment means that the bank has exclusive control over the Collateral Account. You may not make any withdrawals from the Collateral Account while it secures your credit card. The Secured Card Collateral Account is a non-interest bearing account; therefore, no interest will be paid to you on this account. This security interest, pledge, and assignment is given as security for any and all amounts you may owe, including but not limited to fees and charges which may accrue under your secured credit card account. You agree that if the secured credit card account is closed for any reason, the bank may apply funds in the Collateral Account to pay off any balance on the credit card account.

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**Military Lending Act**

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 (other than certain participation fees for a credit card account). To listen to this statement, as well as a description of your payment obligation for this Account, call us at (888) 404-2729. If you are a covered borrower, the Claims Resolution section of this Agreement will not apply to you in connection with this Account. Instead, the *Claims Resolution for Covered Borrowers* section will apply.

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<b>About Additional Non-Responsible Authorized Users (NRAU)</b>	<p>At your request, we may issue cards to up to three Additional NRAUs. They do not have accounts with us, but they can use your Account subject to the terms of this Agreement. You are responsible for all use of your Account by Additional NRAUs and anyone they allow to use your Account. You must pay for all charges they make.</p> <p>If you want to cancel an Additional NRAU's right to use your Account (and cancel their card) you must tell us.</p>
<b>Converting charges made in a foreign currency</b>	<p>If you make a charge in a foreign currency, Mastercard will convert it into U.S. dollars on the date we process it in order for us to bill you for the charge in U.S. dollars based. Unless a particular rate is required by law, Mastercard will choose a conversion rate that is acceptable to us for that date. The rate Mastercard uses is directly related to the highest official rate published by a government agency or the highest interbank rate Mastercard identifies from customary banking sources on the conversion date or the prior business day. This rate may differ from rates that are in effect on the date of your charge.</p>
<b>Changing your billing address</b>	<p>You must notify us immediately if you change the mailing address where we send billing statements or the e-mail address to which we send notice that your information billing statements are available on the Pomelo App.</p>
<b>Express Card Delivery</b>	<p>Card delivery may be expedited at your request for an added fee. Please contact us at <a href="mailto:support@pomelo.com">support@pomelo.com</a> to inquire.</p>
<b>Closing your Account</b>	<p>You may close your Account by calling us at (888) 404-2729 or writing to Pomelo, PO Box 193425, San Francisco CA 94119</p>
<b>Canceling or suspending your Account</b>	<p>We may:</p> <ul style="list-style-type: none"><li>• cancel your Account,</li><li>• suspend the ability to make charges,</li><li>• cancel or suspend any feature on your Account, and</li><li>• notify merchants that your Account has been canceled or suspended.</li></ul> <p>If we do any of these, you must still pay us for all charges under the terms of this Agreement. We may do any of these things at our discretion, even if you pay on time and your Account is not in default.</p> <p>If your Account is canceled permanently, you must destroy your cards.</p> <p>We may agree to reinstate your Account after a cancellation. If we do this, we may:</p> <ul style="list-style-type: none"><li>• reinstate any additional cards issued on your Account,</li><li>• charge you any applicable fees and charge you a fee for reinstating the Account.</li></ul>
<b>About default</b>	<p>We may consider your Account to be in default if:</p> <ul style="list-style-type: none"><li>• you violate a provision of this Agreement,</li><li>• you give us false information,</li><li>• you file for bankruptcy,</li><li>• you become incapacitated or die, or</li><li>• we believe you are unable or unwilling to pay your debts when due.</li></ul> <p>If we consider your Account in default, we may, to the extent permitted by federal and applicable state law:</p> <ul style="list-style-type: none"><li>• suspend your ability to make charges,</li><li>• cancel or suspend any feature on your Account, or</li><li>• require you to pay your Account balance immediately.</li></ul>

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<b>Collection costs</b>	You agree to pay all reasonable costs, including attorneys' fees, that we incur to collect amounts you owe.
<b>Credit reports</b>	<p>You agree that we will obtain credit reports about you, investigate your ability to pay, and obtain information about you from other sources including information to verify and re-verify your employment and income. And you agree that we will use such information for any purposes (for example, marketing to you or evaluating you for a new account), subject to applicable law. Upon acceptance of the Pomelo Card, this will appear as a "hard" inquiry.</p> <p>You agree that we will give information about the Account to credit reporting agencies. We will tell a credit reporting agency if you fail to comply with any term of this Agreement. This may have a negative impact on your credit report.</p> <p>If you believe information we have given to a credit reporting agency is incorrect, write to us at: Pomelo, PO Box 193425, San Francisco CA 94119. When you write to us, tell us the specific information you believe is incorrect.</p>
<b>Sending you notices</b>	We provide you notices through the agreed-to methods designated within the E-Sign agreement. Any notice that we send you this way is deemed to be given when the digital file is either posted in the Pomelo App or sent from our servers to your email/mobile phone.
<b>We may contact you</b>	<p><b>Servicing and Collections</b></p> <p>If we need to contact you to service your account or to collect amounts you owe, you authorize us (and our affiliates, agents and contractors, such as debt collection agencies and service providers) to contact you at any phone number or email address you provide, from which you contact us, or at which we believe we can reach you. We may contact you in any way, such as calling, texting, emailing, sending mobile application push notifications or using any other method of communication permitted by law. We may contact you using an automated dialer or prerecorded messages. We may contact you on a mobile, wireless or similar device, even if you are charged for it.</p> <p><b>Call monitoring</b></p> <p>We may monitor and record any calls between you and us.</p>
<b>How we handle electronic debits from your checking account</b>	<p>When you pay us by check, you authorize us to electronically deduct the amount from your bank or other asset account. We may process the check electronically by transmitting to your financial institution:</p> <ul style="list-style-type: none"><li>• the amount,</li><li>• the routing number,</li><li>• the account number, and the check serial number.</li></ul> <p>If we do this, your payment may be deducted from your bank or other asset account on the same day we receive your check. Also, you will not receive that cancelled check with your bank or asset account billing statement. If we cannot collect the funds electronically, we may issue a draft against your bank or other asset account for the amount of the check.</p>
<b>Privacy Act of 1974 notice</b>	Some federal agencies may accept the card under authority of statute. When you make charges at these agencies, we collect certain charge information. That information may be put to routine uses such as processing, billing and collections. It may also be aggregated for reporting, analysis and marketing use. Other routine uses by agencies may be published in the Federal Register.

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<b>Changing benefits</b>	We have the right to add, modify or delete any benefit or service of your Account at our discretion.
<b>Assigning the Agreement</b>	We may sell, transfer or assign this Agreement and your Account. We may do so at any time without notifying you. You may not sell, assign or transfer your Account or any of your obligations under this Agreement.
<b>Assigning claims</b>	If you dispute a charge with a merchant, we may credit against the Account for all or part of the disputed charge. If we must do so, you assign and transfer to us all rights (excluding tort claims) against the merchant. You agree that you will not pursue any claim against the merchant for the credited amount. And you agree to fully cooperate with us.
<b>We do not waive our rights</b>	We may choose to delay enforcing or to not exercise rights under this Agreement. If we do this, we do not waive our rights to exercise or enforce them on any other occasion.
<b>Governing law</b>	Washington State law and federal law govern this Agreement and your Account. They govern without regard to internal principles of conflicts of law. We are located in Washington State. We hold your Account in Washington State. We entered into this Agreement with you in Washington State.

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## **Claims Resolution**

Most customer concerns can be resolved by calling our Customer Service Department at the number listed on the back of your card. In the event Customer Service is unable to resolve a complaint to your satisfaction, this section explains how claims can be resolved through mediation, arbitration or litigation. It includes an arbitration provision. You may reject the arbitration provision by sending us written notice within 45 days after your first card purchase. See Your Right to Reject Arbitration below.

For this section, "you" and "us" includes any corporate parents, subsidiaries, affiliates or related persons or entities. Claim means any current or future claim, dispute or controversy relating to your Account(s), this Agreement, or any agreement or relationship you have or had with us, except for the validity, enforceability or scope of the Arbitration provision. Claim includes but is not limited to: (1) initial claims, counterclaims, crossclaims and third-party claims; (2) claims based upon contract, tort, fraud, statute, regulation, common law and equity; (3) claims by or against any third party using or providing any product, service or benefit in connection with any account; and (4) claims that arise from or relate to (a) any account created under any of the agreements, or any balances on any such account, (b) advertisements, promotions or statements related to any accounts, goods or services financed under any accounts or terms of financing, (c) benefits and services related to card membership (including fee-based or no-cost benefit programs, enrollment services and rewards programs) and (d) your application for any account. You may not sell, assign or transfer a claim.

## **Sending a Claim Notice**

Before beginning a lawsuit, mediation or arbitration, you and we agree to send a written notice (a claim notice) to each party against whom a claim is asserted, in order to provide an opportunity to resolve the claim informally or through mediation. The claim notice must describe the claim and state the specific relief demanded. Notice to you may be provided by your billing statement. Notice to us must include your name, address and Account number and be sent to Pomelo, PO Box 193425, San Francisco CA 94119.

## **Mediation**

In mediation, a neutral mediator helps parties resolve a claim. The mediator does not decide the claim but helps parties reach agreement. Before beginning mediation, you or we must first send a claim notice. Within 30 days after sending or receiving a claim notice, you or we may submit the claim to JAMS (1-800-352-5267, jamsadr.com) or the American Arbitration Association ("AAA") (1-800-778-7879, adr.org) for mediation. We will pay the fees of the mediator. All mediation-related communications are confidential, inadmissible in court and not subject to discovery. All applicable statutes of limitation will be tolled from the date you or we send the claim notice until termination of the mediation. Either you or we may terminate the mediation at any time. The submission or failure to submit a claim to mediation will not affect your or our right to elect arbitration.

## **Arbitration**

You or we may elect to resolve any claim by individual arbitration. Claims are decided by a neutral arbitrator. If arbitration is chosen by any party, neither you nor we will have the right to litigate that claim in court or have a jury trial on that claim. Further, you and we will not have the right to participate in a representative capacity or as a member of any class pertaining to any claim subject to arbitration. Arbitration procedures are generally simpler than the rules that apply in court, and discovery is more limited. The arbitrator's authority is limited to claims between you and us alone. Claims may not be joined or consolidated unless you and we agree in writing. An arbitration award and any judgment confirming it will apply only to the specific case and cannot be used in any other case except to enforce the award. The arbitrator's decisions are as enforceable as any court order and are subject to very limited review by a court. Except as set forth below, the arbitrator's decision will be final and binding. Other rights you or we would have in court may also not be available in arbitration.

**Initiating Arbitration:** Before beginning arbitration, you or we must first send a claim notice. Claims will be referred to either JAMS or AAA, as selected by the party electing arbitration. Claims will be resolved pursuant to this Arbitration provision and the selected organization's rules in effect when the claim is filed, except where those rules conflict with this Agreement. If we choose the organization, you may select the other within 30 days after receiving notice of our selection. Contact JAMS or AAA to begin an arbitration or for other information. Claims also may be referred to another arbitration organization if you and we agree in writing or to an arbitrator appointed pursuant to section 5 of the Federal Arbitration Act, 9 U.S.C. sec. 1-16 (FAA). We will not elect arbitration for any claim you file in small claims court, so long as the claim is individual and pending only in that court. You or we may otherwise elect to arbitrate any claim at any time unless it has been filed in court and trial has begun or final judgment has been entered. Either you or we may delay enforcing or not exercise rights under this Arbitration provision, including the right to arbitrate a claim, without waiving the right to exercise or enforce those rights.

**Limitations on Arbitration:** If either party elects to resolve a claim by arbitration, that claim will be arbitrated on an individual basis. There will be no right or authority for any claims to be arbitrated on a class action basis or on bases involving claims brought in a purported representative capacity on behalf of the general public, other Account Holders or other persons similarly situated. Notwithstanding any other provision and without waiving the right to appeal such decision, if any portion of these Limitations on Arbitration is deemed invalid or unenforceable, then the entire Arbitration provision (other than this sentence) will not apply.

**Arbitration Procedures:** This Arbitration provision is governed by the FAA. The arbitrator will apply applicable substantive law, statutes of limitations and privileges. The arbitrator will not apply any federal or state rules of civil procedure or evidence in matters relating to evidence or discovery. Subject to the Limitations on Arbitration, the arbitrator may otherwise award any relief available in court. You and we agree that the arbitration will be confidential. You and we agree that we will not disclose the content of the arbitration proceeding or its outcome to anyone, but you or we may notify any government authority of the claim as permitted or required by law. If your claim is for \$10,000 or less, you may choose whether the arbitration will be conducted solely on the basis of documents, through a telephonic hearing, or by an in-person hearing. At any party's request, the arbitrator will provide a brief written explanation of the award. The arbitrator's award will be final and binding, subject to each party's right to appeal as stated in this section and/or to challenge or appeal an arbitration award pursuant to the FAA. To initiate an appeal, a party must notify the arbitration organization and all parties in writing within 35 days after the arbitrator's award is issued. The arbitration organization will appoint a three-arbitrator panel to decide anew, by majority vote based on written submissions, any aspect of the decision objected to. The appeal will otherwise proceed pursuant to the arbitration organization's appellate rules. Judgment upon any award may be entered in any court having jurisdiction. At your election, arbitration hearings will take place in the federal judicial district of your residence.

**Arbitration Fees and Costs:** You will be responsible for paying your share of any arbitration fees (including filing, administrative, hearing or other fees), but only up to the amount of the filing fees you would have incurred if you had brought a claim in court. We will be responsible for any additional arbitration fees. At your written request, we will consider in good faith making a temporary advance of your share of any arbitration fees or paying for the reasonable fees of an expert appointed by the arbitrator for good cause.

**Additional Arbitration Awards:** If the arbitrator rules in your favor for an amount greater than any final offer we made before the final hearing in arbitration, the arbitrator's award will include:

(1) any money to which you are entitled, but in no case less than \$5,000; and (2) any reasonable attorneys' fees, costs and expert and other witness fees.

**Your Right to Reject Arbitration** You may reject this Arbitration provision by sending a written rejection notice to us at: Pomelo, PO Box 193425, San Francisco CA 94119. Your rejection notice must be mailed



within 45 days after your first card purchase. Your rejection notice must state that you reject the Arbitration provision and include your name, address, Account number and personal signature. No one else may sign the rejection notice. If your rejection notice complies with these requirements, this Arbitration provision and any other arbitration provisions in the account holder agreements for any other currently open Pomelo accounts you have will not apply to you, and any claims subject to pending litigation or arbitration at the time you send your rejection notice. Rejection of this Arbitration provision will not affect your other rights or responsibilities under this Claims Resolution section or the Agreement. Rejecting this Arbitration provision will not affect your ability to use your card or any other benefit, product or service you may have with your Account.

### **Continuation**

This section will survive termination of your Account, voluntary payment of your Account balance, any legal proceeding to collect a debt, any bankruptcy and any sale of your Account (in the case of a sale, its terms will apply to the buyer of your Account). If any portion of this Claims Resolution section, except as otherwise provided in the Limitations on Arbitration subsection, is deemed invalid or unenforceable, it will not invalidate the remaining portions of this Claims Resolution section.

### **Sending a Claim Notice**

Before beginning a lawsuit, arbitration or nonbinding mediation, you may send a notice. The claim notice should describe the claim and state the specific relief demanded. We may also request that we resolve a claim by mediation or arbitration, but you are not required to accept our request. We may include our request with your billing statement or mail it to your home address. Notice to us must include your name, address and Account number and be sent to Pomelo, PO Box 193425, San Francisco CA 94119. If the claim proceeds to litigation, mediation or arbitration, the amount of any relief demanded in a claim notice will not be disclosed. You are not required to resolve your claim through mediation or arbitration. You may decline our request to resolve a claim through mediation or arbitration. You may elect to resolve your claim through litigation.

### **What To Do If You Think You Find A Mistake On Your Statement**

If you think there is an error on your statement, write to us at:

Pomelo, Inc.

PO Box 193425, San Francisco CA 94119.

You may also contact us on the Web: [support@pomelo.com](mailto:support@pomelo.com)

In your letter, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of Problem: If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors in writing [or electronically]. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

### **Your Rights If You Are Dissatisfied With Your Credit Card Purchases**

If you are dissatisfied with the goods or services that you have purchased with your credit card, and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the purchase.

To use this right, all of the following must be true:

1. The purchase must have been made in your home state or within 100 miles of your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these is necessary if your purchase was based on an advertisement we mailed to you, or if we own the company that sold you the goods or services.)
2. You must have used your credit card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses your credit card account do not qualify.
3. You must not yet have fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing [or electronically] at:

Pomelo, Inc.

PO Box 193425, San Francisco CA 94119

support@pomelo.com

While we investigate, the same rules apply to the disputed amount as discussed above. After we finish our investigation, we will tell you our decision. At that point, if we think you owe an amount and you do not pay we may report you as delinquent.