



# **Account Agreement and Truth-In-Savings Disclosure**

Effective May, 2022

**IMPORTANT DOCUMENTS  
PLEASE KEEP FOR YOUR RECORDS**

10 SOUTH MUROC DRIVE  
EDWARDS AFB, CA 93524-8002

39963 10th STREET WEST  
PALMDALE, CA 93551

661.952.5945  
TOLL-FREE 877.256.3300

[WWW.EDWARDSFCU.ORG](http://WWW.EDWARDSFCU.ORG)



## TABLE OF CONTENTS

### PART I – PAYMENT OF DIVIDENDS

|                      | Page |
|----------------------|------|
| Payment of Dividends | 2    |

### PART II – TERMS AND CONDITIONS

#### *Terms and Conditions Applicable to:*

|                                     |    |
|-------------------------------------|----|
| All Accounts                        | 3  |
| Individual and Joint Accounts       | 9  |
| Pay-on-Death (POD) Designations     | 10 |
| Living Trust Accounts               | 10 |
| Uniform Transfer to Minors Accounts | 10 |
| Youth Accounts                      | 10 |
| Fiduciary Accounts                  | 11 |
| Savings Accounts                    | 12 |
| Checking Accounts                   | 18 |
| Money Market Accounts               | 18 |
| Term Share (Certificate) Accounts   | 18 |
| Individual Retirement Accounts      | 19 |

### PART III

|                                      |    |
|--------------------------------------|----|
| Funds Transfers Agreement and Notice | 20 |
|--------------------------------------|----|

### PART IV

|                             |    |
|-----------------------------|----|
| Overdraft Privilege Program | 22 |
|-----------------------------|----|

### PART V

|                               |    |
|-------------------------------|----|
| Limitation of Services Policy | 24 |
|-------------------------------|----|

### PART VI

|   |    |
|---|----|
| (A) Disclosure of Funds Availability For Accounts<br>Other Than Term Share (Certificate) Accounts | 26 |
| (B) Special Notice Regarding Endorsement Standards  | 27 |

### PART VII

|  |    |
|--|----|
| Electronic Services Disclosure and Agreement | 27 |
|--|----|

### PART VIII

|                        |          |
|------------------------|----------|
| Rate and Fee Schedules | [Insert] |
|------------------------|----------|

## ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

In the following Agreement and Disclosure, the words "I," "me," "mine," "my," "myself," "we," "us," and "our" mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing an Account Signature Card or opening one or more account(s) with you. The words "you," "your," "yours," and "Credit Union" mean Edwards Federal Credit Union. I understand and agree, for myself (and any person or entity I represent if I sign as a representative of another person or entity) to the terms of this Agreement and Disclosure and the enclosed Rate and Fee Schedules.

I understand and agree that this Agreement and Disclosure, along with any other documents you give me pertaining to my account(s), is a binding contract between the Credit Union and me, whether in my individual or representative capacity, or both, that establishes the rules that control my account(s) with you and which sets forth my rights, obligations, and responsibilities and the rights and obligations of the Credit Union. When I sign a Signature Card or open or continue to use an account, I agree to follow these rules.

The purpose of this Agreement and Disclosure is to:

1. Explain some laws that apply to common transactions;
2. Establish rules to cover transactions or events that the law does not regulate;
3. Establish rules for certain transactions or events that the law regulates but for which it permits variations by agreement; and
4. Provide disclosures of some Credit Union policies to which I am subject or in which I might be interested.

I understand and agree that neither this Agreement nor applicable law address every situation or scenario that may arise regarding accounts established at the Credit Union and the services provided by the Credit Union. As a result, I agree that if any situation or scenario arises that, in the Credit Union's judgment, is ambiguous or not definitively addressed either in this Agreement nor under applicable law, I will abide by the Credit Union's reasonable decisions with respect to any such situation or scenario and I agree to fully cooperate with the Credit Union in connection therewith.

I understand and agree that if any provision of this Agreement and Disclosure is found to be unenforceable according to its terms, all remaining provisions will remain in full force and effect. You may permit some variations from this Agreement and Disclosure, but you will only agree to do so in writing and such permitted variation will be in effect only as to the particular transaction(s) described in such writing.

### **I. PAYMENT OF DIVIDENDS**

**Dividend Rates.** The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Bylaws of this Credit Union, applicable state law, and the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

For all accounts that pay dividends except Term Share Certificate Accounts and IRA Share Certificate Accounts, the Dividend Rate and Annual Percentage Yield (APY) may change at any time as determined by the Credit Union's Board of Directors. For specific dividend rate(s) for each type of dividend bearing account, I will refer to the attached Rate Schedule, which is incorporated by this reference.

**Dividend Compounding and Crediting.** For all dividend accruing accounts except Term Share Certificate Accounts, IRA Share Certificate Accounts, and Holiday Accounts, dividends will be compounded monthly and will be credited monthly. The dividend period is also monthly, for example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period, and for the example is January 31.

For Term Share Certificate Accounts and IRA Share Certificate Accounts, dividends will be compounded quarterly and will be credited quarterly and on the maturity date. The dividend period is also quarterly, for example, the

beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period, and for the example is March 31.

For Holiday Accounts, dividends will not be compounded and will be credited annually on October 31. The dividend period is also annually. The beginning date of the first dividend period of the year is November 1 and the ending date of such dividend period is October 31 of the following year. The dividend declaration date is October 31 of each year.

For all accounts, if I close my account before dividends are credited, I will not receive the accrued dividends (if any).

**Balance Computation Methods.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the daily balance in the account each day.

Dividends will begin to accrue on the business day I deposit cash or non-cash items (e.g., checks) to my Account.

## II. TERMS AND CONDITIONS

### Terms and Conditions Applicable to All Accounts

1. I must deposit the par value of at least one (1) share into a Share Savings Account to become a member and maintain accounts with you. The par value of a share is currently \$1.00. If I fail to complete the purchase of one (1) share within one (1) day of my admission to membership or within six (6) months from the increase in the par value in shares, or if I reduce my Account balance below the par value of one (1) share and I do not increase the balance to at least the par value of one (1) share within ninety (90) days of the reduction, I may be terminated from membership at the end of a dividend period. I must be and remain a member in good standing to maintain any account. I must maintain the par value of a share in my primary Share Savings Account to open other accounts. The maximum amount of shares that may be held by any member may be established from time to time by the Board of Directors.
2. All accounts (except checking accounts) are not transferable except as defined in 12 CFR Part 204. For all accounts except checking accounts, during any statement period, I may not make more than six (6) withdrawals or transfers to another account of mine at the Credit Union or to a third party using any combination of preauthorized or automatic transfers or telephonic orders or instructions. If I exceed the transfer limitations set forth above in any statement period, a fee may be imposed as set forth in your Fee Schedule and my account may be closed.
3. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit you from enforcing such terms and conditions at a later date.
4. You reserve the right, upon thirty (30) days written notice, to change, add to, delete from, or modify any provision of, or to establish new provisions within, this Agreement and Disclosure. My continued use or maintenance of any of my account(s) or if I open any new accounts after the effective date of such change, addition, deletion, modification, or establishment of any new provision shall constitute my acceptance thereof.
5. You may refuse to follow any of my instructions that, in your sole judgment, are illegal or could expose you to potential liability. Alternatively, you may require adequate security or invoke other security measures to protect you from all losses and expenses incurred if you follow my instructions. I agree to reimburse you for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys' fees) that you incur in connection with my account if you take an action in accordance with, or what purports to be, my oral, written, or electronic instructions.
6. You reserve the right to refuse to open any account or to provide any service or to accept additional deposits to an existing account.
7. You may endorse and/or collect items deposited to my account without my endorsement, but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorers to be present or to have their endorsements guaranteed before you accept the item.

8. I authorize you to accept items payable to any account owner for deposit to such account from any source without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by me.
9. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.
10. You will mail all statements and other notices only to the person whose signature appears first on the Account Signature Card. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment including, but not limited to, an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if: (1) you suffer a loss on the item because of my failure or (2) you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you. Except as otherwise set forth in this Agreement and Disclosure or with respect to errors involving electronic fund transfers (including, but not limited to, ATM transactions, point-of-sale transactions, direct deposits or withdrawals of funds, transfers initiated by telephone, and transfers resulting from debt card transactions, whether or not initiated through an electronic terminal), notification must be made within thirty (30) days of the date of the statement. I will see your Electronic Services Disclosure and Agreement in Part VII for information about procedures for resolving errors involving electronic fund transfers. If I fail to uphold my duties, but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item one (1) year or more after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.
11. You or I may terminate an account at any time. I understand and agree, however, that your authority to effectuate transactions as requested by accountholder(s) may not be changed or terminated except by written notice to you which will not affect prior transactions. Moreover, if you receive conflicting claims to funds in an account you hold, you may, at your discretion, restrict the account and deny access to all; close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address; interplead all or any portion of the funds from an account to the court; or hold (i.e., freeze) the funds, without liability to anyone, pending resolution of the claim to your satisfaction. I also understand and agree that you may, at your discretion, freeze the funds in an account you hold, without liability to anyone, if, under the circumstances, you have reason to believe that doing so is necessary or prudent to avoid incurring potential liability, costs, or expenses, or to avoid potential loss of such funds, until the situation is resolved to your satisfaction or until you receive an order of a court instructing you concerning the disposition of such funds. I agree to indemnify and hold you harmless from and against all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.
12. In addition, you reserve the right to close any accounts should you discover that any of my accounts or any other accounts with you have been deliberately manipulated by me to your detriment, any other account holder's detriment, and/or to any other member's detriment. "Manipulation" includes, but is not limited to, making unauthorized withdrawals or other transactions, kiting, and/or repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to your detriment.
13. I acknowledge that you are obligated to report cases of actual or suspected financial abuse of elders or dependent care adults to the proper authorities empowered to investigate such cases. If you suspect such financial abuse, I understand and agree that, in addition to reporting such abuse as may be required under law, you have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that you deem appropriate under the circumstances, including providing relevant information and documentation concerning my accounts and other transactions to the proper authorities empowered to investigate such cases.

I agree to indemnify and hold you harmless from and against all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.

14. You may recognize the signature of anyone who signed an Account Signature Card as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure, any Term Share (Certificate) Account Agreement and Disclosure, the Account Signature Card, and/or any other writing signed by me shall be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash, or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.
15. You reserve the right to require me to give not less than seven (7) and up to sixty (60) days written notice of my intention to withdraw funds from any account except checking accounts.
16. I understand and agree that Individual, Joint, and Pay-on-Death accounts may be subject to the Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
17. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent Account Signature Card or other document(s) evidencing such account(s). A different form of ownership may be established by executing a new Signature Card(s) and a new account number will be assigned. The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties.
18. I am required to keep you informed of my current address. I agree to notify you promptly of any change of address. I may notify you in person at your office, send a secured message through online banking or send a written and signed notice to

Edwards Federal Credit Union  
39963 10th Street West  
Palmdale, CA 93551

You may require further verification prior to processing the change.

In the event that I fail to do this, you may continue to utilize my address on file with you without liability until you receive a change of address notification from me. You may charge my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address.

19. I agree to notify you immediately of the death or court-declared incompetence of any owner of my account. I agree to inform each owner of my account to notify you of such an event as well. If I fail to provide such notice or if I die or am declared legally incompetent, you can continue to accept and collect items deposited to my account until you know of my death or adjudication of incompetency and have a reasonable opportunity to act.
20. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks, savings, or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy for further details.
21. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned check. You may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but you are not required to do so. If you choose to re-present the check, you may do so without telling me the check was not paid or that you are presenting it again. You may charge a fee for each deposited or cashed

check charged back to my account. For the sake of clarity, if the same item is returned for insufficient funds multiple times, I may be charged multiple NSF Fees on the same item. You may, at your option, notify me, by telephone or in writing, if a check has been returned unpaid and the fee charged.

22. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by me or a prior endorser.
23. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If I cash or deposit an item or write a check with such notation, I agree that, except as otherwise set forth in any agreement with you or in applicable law, it applies only between me and the payee or maker, the notation will have no effect on you, and I agree to accept responsibility for payment of the item. In the event that I deposit any item or check to any of my accounts with you using your mobile or remote deposit capture services, I agree to conform to the terms and conditions set forth in your Remote Deposit Capture Disclosure and Agreement and I agree to endorse the item or check and make a notation on the back of the item or check indicating that it is "for mobile deposit only at Edwards Federal Credit Union." I agree to indemnify and hold you harmless from any claim or alleged loss of any maker, payee, or financial institution involving such notations or deposits, including my failure to endorse and/or make the notation set forth herein, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
24. You reserve the right to reverse any credit for any deposited item or charge my account for cashed items should they become lost while in the process of collection. If you do not reverse a credit, I agree to assist you in collecting the amount of any lost item by providing you with such information and other assistance as you may request. You may charge my account when a photocopy of a check I have written is presented to you for payment in place of a lost original, unless a stop payment order is in effect for that check.
25. I acknowledge and agree that I will not use my account to cash checks for others who are not well known to me. I agree to indemnify you for any loss or claim occasioned by my attempting to, or cashing, such checks.
26. Although you may make funds provisionally available to me and may take steps to determine whether a check will be paid, I am responsible for any loss that occurs if the check is returned to you for any reason (e.g., because it is counterfeit). Your employees cannot promise that checks drawn on or issued by other institutions, including cashier's checks, will be paid.
27. You are under no obligation to pay a check that is presented more than six (6) months after its date, but you may do so at your discretion and charge my account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. I agree that you are not required to identify stale dated checks or seek my permission to pay them.
28. All accounts are subject to your Schedule of Fees and Charges, which accompany this Agreement and Disclosure and which are incorporated by this reference. I agree to pay any additional reasonable charges for services I request that are not covered by this Agreement and Disclosure should you decide to honor my request. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Accounts. Only fees related to an IRA Account will be debited from an IRA Account. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.

I agree that I am individually liable and, for joint accounts, the joint accountholders are jointly and severally liable, for any account shortage resulting from charges or overdrafts whether caused by me or by another person or entity with access to the account(s). This liability shall be due immediately and can be deducted directly from account balances whenever sufficient funds are available. I understand and agree that I have no right to defer payment of this liability regardless of whether or not I signed the item or benefitted from the charge or overdraft. I also understand and agree that I will also be liable for your costs to collect any deficit as well as for your reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving my account(s).

including, but not limited to, disputes between me and another joint owner, between me and an authorized signer, or between me and a third party claiming an interest in my account(s).

29. California law states that inactive account balances in savings, checking, and matured Term Share (Certificate) accounts must escheat to the state after a period of three (3) years since the last time I:
- Increased or decreased the amount of funds on deposit with you or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you; or
  - Corresponded in writing or electronically with you concerning the funds on deposit; or
  - Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with you.

My deposit account will not escheat to the state, however, if, during the previous three (3) years, I have owned another deposit account with the Credit Union and, with respect to that deposit account, I have done any of the acts described in paragraphs (a), (b), or (c) above, and, with regard to the deposit account that would otherwise escheat, you have "communicated" (i.e., sent account statements or statements of interest paid for federal and state income tax purposes) electronically or in writing with me at the address to which communications regarding the other deposit account are regularly sent.

You may charge a fee for mailing an escheat notice and/or a service charge for money orders escheated to the state.

To recover funds turned over to the state, I must file a claim with the state.

30. You may, but are not obligated to, transfer funds from my savings, checking, or loan accounts on my written, oral, or electronic request. I understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days." If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer will not be reattempted even if sufficient funds become available.
31. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
32. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records for the time frame required by law will be available to me. I agree that the determination of which records I am entitled to shall be determined solely by you, if not otherwise specifically described under applicable law. I agree to pay applicable fees for those copies.
33. You may comply with any writ of attachment, execution, garnishment, tax levy, restraining order, subpoena, warrant, or other legal process which you believe (correctly or otherwise) to be valid. You may notify me of such process by telephone, electronically, or in writing, unless you are prohibited by law from notifying me. If you are not fully reimbursed for your record research, photocopying, and handling costs by the party that served the process, you may charge such costs to any account I have with you, in addition to your minimum legal process fee, unless you are prohibited from doing so under applicable law. I agree to reimburse you for any cost or expense, including attorneys' fees, which you may incur in responding to legal process related to my accounts.
34. In the event that a cashier's, teller's, or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Lost or Stolen Cashier's or Corporate Check and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Lost or Stolen Cashier's or Corporate Check and/or affidavit is not enforceable until the later of (i) the time the Declaration of Lost or Stolen Cashier's or Corporate Check and/or affidavit is properly delivered to you or (ii) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to, or stopping, payment on such check.



35. I authorize you to gather whatever credit, checking account, and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account and/or in connection with making future credit opportunities available to me. I authorize you to give information concerning your experiences with me to others.
36. Except as otherwise set forth in this Agreement or under applicable law, you are not responsible for any loss or damage that results from my negligence, including, without limitation, my failure to adequately safeguard my blank checks or other personal information or means of access to my account.
37. Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number. For additional information on this requirement, I will read "INSTRUCTIONS TO PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION (IRS FORM W-9)." These instructions will be provided to me by the Credit Union upon request. If I am not a U.S. Person, I will use the appropriate Form W-8 or Form 8233, Exemption From Withholding on Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual.
38. In the event that a negative balance is created in my account (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) or I have other outstanding financial obligations of any kind owed to you, which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the negative account balance or withdraw funds to offset the outstanding financial obligation which is in default.

In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of offset for any liabilities, obligations, or other amounts owed to you by me (e.g., overdrafts and any permissible fees and charges) unless otherwise prohibited by law and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, I knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as Social Security and other public benefit funds) deposited in my account to the fullest extent permissible under applicable law.

39. Pursuant to federal law, the Credit Union must verify the identity of any person seeking to open or add a joint owner or signer to any account and must maintain records of the information used to verify the person's identity. For the purposes of this paragraph, "account" means "each formal banking or business relationship established to provide ongoing services, dealings, or other financial transactions." For example, a share account, a transaction or asset account, and a credit account or other extension of credit would each constitute an "account" for these purposes.
40. I understand and agree that telephone conversations with the Credit Union are not confidential and may be randomly monitored by Credit Union personnel. I also understand, consent, and agree that my telephone conversations with Credit Union personnel may be recorded by the Credit Union.
41. I understand that you may report information about my account to credit bureaus. Late payments, missed payments, negative balances, and other defaults on my account(s) may be reflected in my credit report.
42. Member accounts in this Credit Union are federally-insured by the National Credit Union Share Insurance Fund.
43. An action or proceeding by me to enforce an obligation, duty, or right arising under this Agreement and Disclosure or by law with respect to my account must be commenced within one (1) year after the cause of action occurs.
44. I agree to indemnify, defend, and hold you and your employees and volunteers harmless from and against every claim, demand, action, cost, loss, liability, and expense including, without limitation, attorneys' fees, which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.

45. My account will be governed by California law, to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules shall not be applied if that would result in the application of non-California law.
46. **NOTICE OF BINDING ARBITRATION AGREEMENT:** You and I agree to attempt to informally settle any disputes affecting my Accounts that might arise under this Agreement and Disclosure. If that cannot be done, you and I agree that any dispute affecting my Accounts and arising out of or relating to this Agreement and Disclosure will be resolved by BINDING ARBITRATION administered by the American Arbitration Association in accordance with its Commercial Dispute Resolution Procedures and Supplementary Procedures for Consumer-Related Disputes. I, thus, GIVE UP MY RIGHT TO GO TO COURT to assert or defend my rights under this Agreement and Disclosure or at law or in equity (EXCEPT for matters that may be taken to SMALL CLAIMS COURT). FURTHER, I GIVE UP MY RIGHT TO ASSERT CLAIMS AGAINST THE CREDIT UNION ON A CLASS ACTION OR COLLECTIVE ARBITRATION BASIS. My rights will be determined by a NEUTRAL ARBITRATOR and NOT a judge or jury. I am entitled to a FAIR HEARING, BUT the arbitration procedures are SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT. Arbitrator decisions are as enforceable as any court order and are subject to VERY LIMITED REVIEW BY A COURT. The place of arbitration shall be Los Angeles County, California. FOR MORE DETAILS, check the American Arbitration Association's website, [www.adr.org](http://www.adr.org), OR call the American Arbitration Association's Customer Service telephone number at (800) 778-7879. Please note that any debt or loan obligation I may have with you is not subject to this arbitration agreement.
47. I acknowledge that if I give anyone access to my account (such as, for example, providing any person with my debit card, ATM card, ATM or online banking PIN, or granting any person power to act as my agent under a power of attorney or trustee for a trust account), I understand that any transaction completed by such person shall be considered authorized by me.

#### **Terms and Conditions Applicable to All Individual and Joint Accounts**

1. If there is more than one owner, all agree with each other and with you that all sums now paid in or hereafter paid in by anyone or by any account owner(s), including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship, and shall be subject to withdrawal or receipt by any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of funds.
4. Being a joint owner of a member's account does not constitute credit union membership for the joint owner. Joint owners may be nonmembers.
5. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to your then-current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us. I may not withdraw funds that are pledged as security on loan(s) without the written approval of the credit committee or a loan officer, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am cosigner, endorser, or guarantor are delinquent, without the written approval of the credit committee or a loan officer.
6. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

## **Terms and Conditions Applicable to Pay-On-Death (P.O.D.) Designations**

1. If I have made a Pay-On-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and, upon my death, first to you to the extent of any outstanding matured or unmatured debts owed to you by me and second to my designated P.O.D. payee(s). If the account is jointly owned, all sums are payable to one or more account owner(s) during their lives and, on the death of all of them, first to you to the extent of any outstanding matured or unmatured debts owed to you by any of us and second to one or more payees then surviving in equal and individual shares, unless a different distribution percentage is set forth on the account Signature Card. If a P.O.D. payee dies before all of the account owner(s), then, upon the death of all of the owner(s), all sums are payable first to you to the extent of any outstanding matured or unmatured debts owed to you by any of us and the remaining funds shall be divided equally among the surviving P.O.D. payees, if any.
2. A Pay-On-Death designation cannot be changed by a will.

## **Terms and Conditions Applicable to Living Trust Accounts**

1. If I am a trustor/trustee and want to establish an account in connection with a written trust, you may require me to provide you with a notarized trust certification confirming my power as a trustee prior to opening the account.
2. You are not required to know, understand, interpret, or enforce the terms of the Trust Instrument.
3. I acknowledge that the account is governed by the applicable terms and conditions set forth in this Agreement and Disclosure and by the terms and conditions set forth in my "Edwards Federal Credit Union Application for Membership and Agreement for Credit Union Account in the Name of Trustee(s)."
4. Living trust accounts are not subject to the California Multiple Party Accounts Law.

## **Terms and Conditions Applicable to Uniform Transfers to Minors Act Accounts**

1. The transferor/custodian is opening an account as custodian for the minor named on the Account Signature Card under the Uniform Transfers to Minors Act. The transfer of money to the minor named on the Account Signature Card, which transfer shall be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.
2. I acknowledge that by signing the Account Signature Card, I have received the funds deposited to the account as custodian for the minor named therein under the Uniform Transfers to Minors Act and I agree to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions of the Account Signature Card.
3. The successor custodian named on the Account Signature Card shall serve if I should be unable to act as custodian because I resign, die, or become legally incapacitated.
4. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
5. Custodial accounts are not subject to the California Multiple Party Accounts Law.

## **Terms and Conditions Applicable to Youth Accounts**

1. Youth Accounts are available to members between 13 and 17 years of age. Youth Accounts are owned by the minor jointly with a parent or legal guardian. The minor must provide a valid form of identification, such as a school-issued identification card, government-issued passport, or a state-issued driver's license or identification card.
2. A parent or legal guardian is required as a joint owner on a Youth Account. The joint owner must qualify for membership in the Credit Union, must be and maintain "in good standing" status, and must open a separate Membership Account(s) in his or her own name.

3. The parent/legal guardian understands and agrees that he/she is responsible and legally liable for any and all transactions on the Youth Account and agrees to indemnify and defend the Credit Union for and against: (1) any withdrawals on the Youth Account made by Debit Card, ATM, Audio Response, Online Banking, ACH, or otherwise; (2) any overdrafts or negative balances on the Youth Account created by any means; and (3) any claims by third parties upon the Youth Account, the Youth Account funds, and/or any other matter related to Youth Account transactions(s) by the minor for as long as the Account is open, even after the minor reaches the age of eighteen. The parent/legal guardian understands and agrees that he/she must be a joint owner on the Youth Account for as long as it is open.
4. The parent/legal guardian may request the Credit Union to issue a Debit Card to the minor in connection with opening a Youth Checking Account. Proof of authorization by the parent/legal guardian may be required by the Credit Union and, if required, must be signed by the parent/legal guardian. The transaction limit of the Youth Checking Account Debit Card shall not exceed \$250.00. See our Electronic Services Disclosure and Agreement for additional terms and conditions.
5. The parent/legal guardian understands and agrees that the Credit Union has the right, but it is not required, to transfer available funds from any of the parent's/legal guardian's accounts with the Credit Union (excluding IRA accounts), including account(s) upon which the parent/legal guardian is a joint owner, to cover an overdraft and to pay applicable fees. The parent/legal guardian agrees that overdrafts paid by a transfer from any of his/her accounts with the Credit Union in excess of funds available in such accounts are payable on demand, and, if not promptly paid, may result in the closure of the parent's/legal guardian's account(s). Items that are returned unpaid because of insufficient clear funds will be subject to a Non-Sufficient Funds (NSF) Fee.
6. Overdraft protection (such as a personal line of credit) and the Credit Union's Overdraft Privilege service are not available on Youth Accounts. Each item(s) returned unpaid because of insufficient clear funds in the Youth Account will be subject to nonsufficient fund fees (NSF). Each joint account owner is jointly and severally responsible for paying any overdrafts created by the other account owner(s), whether or not the joint account owner participated in the transaction or benefitted from its proceeds.
8. Upon reaching the age of eighteen, the minor is eligible to close the Youth Account and to apply for a different account with the Credit Union.

### **Terms and Conditions Applicable to Fiduciary Accounts**

1. I am duly appointed and acting in the capacity of Executor/Executrix, Administrator/ Administratrix, Guardian, or Conservator. By the authority vested in me, I, acting individually or jointly, am authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you.
2. If the account is blocked, I understand and agree that I shall file with the court a written receipt, including an agreement with you that the funds in the account, including any dividends, shall not be withdrawn or pledged except upon court order.
3. For guardianship or conservatorship accounts, I agree to notify you immediately upon the death of the ward or conservatee. If the guardianship or conservatorship was established under California law, I understand and agree that the guardianship or conservatorship terminates upon the death of the ward or conservatee. However, because the guardian or conservator continues to have the duty of custody and conservation of the estate after the death of the ward or conservatee pending the delivery of the estate to the personal representative or other disposition according to law, I may transact on the account in order to exercise my duty of custody and conservation of the estate until the Credit Union is presented with Letters Testamentary appointing a personal representative of the estate of the decedent or in accordance with another disposition of the account and funds therein according to law. If the guardianship or conservatorship was established under the laws of a state other than California, I agree that you may freeze the account and that I will not be permitted to transact thereon unless and until I provide you with a court order or other legal authority (which you believe, in your sole discretion, to be sufficient) to enable me to transact on the account after the death of the ward or conservatee.

4. In the event that you are presented with Letters Testamentary, the account shall be closed and the funds therein shall be transferred to a new account in the name of the decedent's estate which shall be subject to the control of the personal representative of the estate of the decedent.
5. In the event that the account is a checking account, the ward's or conservatee's death shall not revoke your authority to accept, pay, or collect a check or to account for proceeds of its collection until you have been presented with evidence of the fact of death and have the reasonable opportunity to act on it. Even with knowledge, you may, for ten (10) days after the date of death, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account, which you believe is made in good faith.
6. I agree that the Credit Union shall have no liability resulting from the Credit Union's compliance with my instructions relating to the account or the Credit Union's processing of any transactions that I may request or authorize. In addition, I agree to indemnify, defend, and hold the Credit Union harmless from and against any and all claims, suits, actions, damages, judgments, costs, charges, and expenses, including court costs and attorneys' fees, whatsoever that the Credit Union shall or may sustain resulting from or related to the account and/or the Credit Union's compliance with my instructions related thereto.
7. I may not pledge any or all funds on deposit in the account as security for any loan(s).
8. Fiduciary accounts are not subject to the California Multiple Party Accounts Law.

#### **Terms and Conditions Applicable to Sole Proprietorship Accounts**

1. I affirm that I am the sole proprietor of the sole proprietorship named on the Account Signature Card. You may pay out funds with my signature. You may accept and/or endorse checks made payable to me or the sole proprietorship named on the Account Signature Card which you receive for deposit. Funds received are not withdrawable until collected.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
3. Sole proprietorship accounts are not subject to the California Multiple Party Accounts Law.

#### **Terms and Conditions Applicable to All Corporate, Partnership, and Unincorporated Association Accounts**

1. The person(s) named on the Account Signature Card, duly authorized to make the certification, certify that, at a regularly held meeting, the person(s) named were elected or appointed officers of said corporation or organization or are duly-acting partners of said partnership, and that, by virtue of the authority vested in me by the bylaws or otherwise, any one (1) of the signators, as named on the Account Signature Card, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Account Signature Card are the genuine signature(s) of said authorized person(s) and that my authority shall continue in force until written notice to the contrary is received by you.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
3. Corporate, partnership, and unincorporated association accounts are not subject to the California Multiple Party Accounts Law.

#### **Terms and Conditions Applicable to Share Savings Accounts**

1. The minimum deposit required to open and maintain a Share Savings Account is set forth on the Rate Schedule. I must maintain a minimum daily balance of at least \$1 in my primary Share Savings Account in order to avoid closure of this Account and closure of my other accounts with you.
2. I must maintain the minimum daily balance in this Account as set forth on your Rate Schedule to avoid a monthly service fee. If, during any statement cycle, my Account balance falls below the required minimum daily balance, my Account will be subject to a monthly service fee as set forth on your Fee Schedule for that statement cycle.

3. I must maintain a minimum daily balance in this Account as set forth on the Rate Schedule to obtain the Annual Percentage Yield (APY) set forth on the Rate Schedule.
4. The dividend rate and Annual Percentage Yield may change at any time, as determined by the Credit Union's Board of Directors. The dividend rate and Annual Percentage Yield for this Account as of the last dividend declaration date are set forth in your Rate Schedule.

#### **Terms and Conditions Applicable to Holiday Accounts**

1. The minimum deposit required to open this Account is \$25.00.
2. There is no minimum balance required to avoid a monthly service fee.
3. I must maintain a minimum daily balance of \$5.00 in this Account each day to obtain the disclosed Annual Percentage Yield (APY). If the balance in this Account falls below \$1 during any day, the Account will be subject to closure.
4. A Holiday Club Account may be opened between January 1st and December 31st in any given year. The full balance in the Account will be disbursed to me on or about October 31 of each year. If a withdrawal is necessary before October 31 in any given year, the full balance must be withdrawn and the Account will be closed. The Account will be automatically renewed after October 31 of each year, unless the Account was previously closed or I provide contrary instructions on or before October 31.

#### **Terms and Conditions Applicable Youth Accounts**

1. The minimum deposit required to open and maintain a Youth Account is set forth on the Rate Schedule. If the balance in this Account falls below \$1 during any day, the Account will be subject to closure.
2. There is no minimum balance required to avoid a monthly service fee.
3. I must maintain a minimum daily balance in this Account as set forth on the Rate Schedule to obtain the Annual Percentage Yield (APY) set forth on the Rate Schedule.
4. The dividend rate and Annual Percentage Yield may change at any time, as determined by the Credit Union's Board of Directors. The dividend rate and Annual Percentage Yield for this Account as of the last dividend declaration date are set forth in your Rate Schedule.

#### **Terms and Conditions Applicable Dividend Earning Organizational Accounts**

1. The minimum deposit required to open and maintain a Dividend Earning Organizational Account is set forth on the Rate Schedule. If the balance in this Account falls below \$1 during any day, the Account will be subject to closure.
2. I must maintain the minimum daily balance in this Account as set forth on your Rate Schedule to avoid a monthly service fee. If, during any statement cycle, my Account balance falls below the required minimum daily balance, my Account will be subject to a monthly service fee as set forth on your Fee Schedule for that statement cycle.
3. I must maintain a minimum daily balance in this Account as set forth on the Rate Schedule to obtain the Annual Percentage Yield (APY) set forth on the Rate Schedule.
4. The dividend rate and Annual Percentage Yield may change at any time, as determined by the Credit Union's Board of Directors. The dividend rate and Annual Percentage Yield for this Account as of the last dividend declaration date are set forth in your Rate Schedule.

#### **Terms and Conditions Applicable Non-Dividend Earning Organizational Accounts**

1. The minimum deposit required to open and maintain a Non-Dividend Earning Organizational Account is set forth on the Rate Schedule. If the balance in this Account falls below \$1 during any day, the Account will be subject to closure.

2. I must maintain the minimum daily balance in this Account as set forth on your Rate Schedule to avoid a monthly service fee. If, during any statement cycle, my Account balance falls below the required minimum daily balance, my Account will be subject to a monthly service fee as set forth on your Fee Schedule for that statement cycle.
3. This Account does not earn dividends.

#### **Terms and Conditions Applicable to IRA Share Savings Accounts**

1. The minimum deposit required to open this account is set forth on your Rate Schedule. Additional deposits are permitted to contributory IRAs only.
2. The minimum average daily balance required to obtain the disclosed Annual Percentage Yield (APY) is set forth on your Rate Schedule.
3. There is no minimum balance required to avoid a monthly service fee.
4. The dividend rate and Annual Percentage Yield for this account as of the last dividend declaration date are set forth in your Rate Schedule.
5. I may choose to have dividends from this account paid to me or credited to another account at the Credit Union rather than credited to this account.
6. This account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions set forth in the IRA Account Agreement and Disclosure Statement, which will be provided to me in accordance with applicable law.
7. Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
8. Funds in an Individual Retirement Account will escheat to the state, if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:
  - a. Increased or decreased principal;
  - b. Accepted payment of principal or income (dividends);
  - c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.
9. I may not pledge any of the funds on deposit in the account as security for any loan(s).

#### **Terms and Conditions Applicable to All Checking Accounts**

1. You may, at your discretion, but are not obligated to nor shall you be liable for refusal to, pay funds from this account:
  - a. When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts");
  - b. If drawn by means not authorized in advance by you; or
  - c. Against checks presented over six (6) months past their dates.
2. You may pay and charge to my applicable account checks drawn by and payable to any person, organization, association, or corporation whom I have authorized by providing sample MICR-encoded information identifying my account, provided there are sufficient funds in my account to pay such checks. I agree that your rights in respect to such checks shall be the same as if it were a check drawn and signed by me personally. This authority shall remain in effect until revoked by me in writing (to you and to the agency to whom the sample MICR writing was provided) and you have had a reasonable opportunity to act on it. I agree that you shall be fully protected in honoring such checks. I further agree that if any such check is dishonored, whether with or without cause, and whether intentional or inadvertent, you shall be under no liability whatsoever, even though such dishonor results in the forfeiture of insurance, loss, or damage to me of any kind.

3. If you have made a good-faith payment to a holder, you may charge my account according to:
  - a. The original terms of my check; or
  - b. The terms of my completed check unless you have notice that any such completion is improper.
4. Except as otherwise set forth below, I, or any other person authorized to draw on the account, may request a stop payment of any check (including a line of credit check) payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. My stop payment must include the account number, check number, exact amount, check date, and name of payee. You will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. I agree to indemnify, defend, and hold you harmless for all claims, actions, and damages related to or arising from your action in stopping payment of any check pursuant to my request. A stop payment fee will be assessed for each stop payment request. If I give a stop payment request orally, the request shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written requests shall be valid no longer than six (6) months, but may be renewed for additional six (6) month periods by written notice given during the time that the stop payment request was effective. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request.

I may not stop payment on completed electronic point-of-sale transactions, cashier's checks, certified checks, or checks issued or guaranteed by you.
5. Death, dissolution, or incompetence of me (or any of us) shall not revoke your authority to accept, pay, or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have the reasonable opportunity to act on it. Even with knowledge, you may, for ten (10) days after the date of death, dissolution, or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account, which you believe is made in good faith. We shall notify you if any of us die, become incapacitated, or our organization is dissolved.
6. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of:
  - a. Any holder in due course on the check against the drawer or maker;
  - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
  - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
7. Except as otherwise set forth herein, you may, without liability, accept, pay, guarantee, or charge checks to the account in any order convenient to you.
8. In the event of wrongful dishonor that occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any check, share draft, or other debit on my account, your determination of whether sufficient funds exist in my account may be made at any time between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft, or other debit.
9. I agree that, in the event I draw a check on my account with you, I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser or any person to whom I have provided access, either purposely or inadvertently, that obscure any depository endorsement placed by you or your agent.



10. I understand that you may authorize transactions covered by this Agreement and Disclosure that would cause my account(s) to have a negative (or further negative) balance (determined by reference to my available balance) using any combination of the following overdraft programs:
- a. **Transfer from Other Accounts:** I understand and agree that you have the right, but you are not required, to transfer available funds from any of my accounts with you (excluding IRA accounts), including account(s) upon which I am a joint owner, to cover an overdraft and to pay applicable fees. I agree that overdrafts paid by a transfer from any of my accounts with you in excess of funds available in such accounts are payable on demand, and, if not promptly paid, may result in the closure of my account(s). Items that are returned unpaid because of insufficient clear funds will be subject to a Non-Sufficient Funds (NSF) Fee.
  - b. **Written Request:** I understand and agree that I may authorize overdraft transactions to be cleared by executing a written request specifying the source of funds to be used to cover overdrafts. If, pursuant to such written request, overdrafts are to be covered by a transfer of funds from another checking account, my savings account(s), or from a line of credit account, such transfer(s) will generally be made only if there are sufficient clear funds on deposit or sufficient available credit at the time of transfer. I agree that overdrafts paid pursuant to such written request in excess of funds in any designated overdraft source are payable on demand, and, if not promptly paid, may result in the closure of my account(s). I understand that a transfer fee will be assessed if such a transfer is completed by the core system and that items that are returned unpaid because of insufficient clear funds will be subject to a Non-Sufficient Funds (NSF) Fee.
  - c. **Overdraft Privilege Program:** I understand and agree that you may, but you are not required to, pay items without sufficient available funds in my account(s) in accordance with the terms and conditions of your Overdraft Privilege Program. Such overdrafts will be subject to your Overdraft Privilege Fee. I will see your Overdraft Privilege Agreement in Section IV for more information.
  - d. **Exception for ATM and One-Time Debit Card Transactions:** I understand and agree that you will not charge me an NSF Fee and pay overdrafts occurring as a result of ATM or one-time Debit Card transactions unless I expressly consent (opt-in) to pay a fee in connection with and allow you to cover such transactions in accordance with applicable law.
11. You may recognize the signature of anyone who signed the Account Signature Card as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts and endorsement of checks payable to any signer of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by us whether or not we participate in the transaction or benefit from its proceeds.
12. If the Account Signature Card is signed by more than one person, we hereby appoint each other as agents and attorneys-in-fact to overdraft from any of our savings or loan accounts (including accounts on which we are joint owners, except IRA accounts).
13. I may not pledge any or all of the funds on deposit in a checking account as security for any loan(s).
14. I will notify you immediately if my checks are lost or stolen. I agree that I will be responsible for losses caused by a delay in my notification to you. You recommend that I close any checking account for which checks are lost or stolen or if there have been (or there is reasonable cause to believe that there may be) unauthorized transactions on my account and open a new checking account. If I refuse to do so despite this recommendation, you shall have no liability for subsequent losses on the account due to unauthorized transactions to the extent permitted by law.
15. If this is an organization account (i.e., corporate, partnership, LLC, or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account.

16. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to me in care of you. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the Rate and Fee Schedules. I am responsible for verifying the accuracy of all information shown on my checks whether I order them through you or elsewhere.
17. This is a truncated checking account. Checks are provided with carbonless copies and are not returned with statements. Checks are imaged on both sides and stored for seven years from date of posting. I may request and you will provide me with a photocopy of a requested item within a reasonable time. In accordance with California law, you will not charge me for copies of the first two (2) items I request appearing on any statement. If I have not ordered my Credit Union checks through your approved check vendors, I understand and agree that you are not responsible for the quality of any check copy that I request from you.
18. If a transaction involves a remotely-created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely-created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely-created check which I have deposited into my account is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand. For purposes of this Agreement and Disclosure, the term "remotely-created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.
19. You may charge against my account a postdated check even though payment is made before the date of the check. However, if I notify you within a reasonable time to permit you to act and identify the check with reasonable certainty, you will not pay the check until the due date. My notice to you must be written or oral and it must include the exact amount, account number, check number, date of check, and name of payee. If oral, the notice shall be valid for fourteen (14) days. If written, the notice shall be valid for up to six (6) months, and can be renewed within six (6) months for another successive six (6) month period. A fee may be assessed for this service.
20. All checks written on my account must be drawn in U.S. dollars.
21. Checking accounts with no activity for ninety (90) days will be considered inactive and may be closed by the Credit Union.
22. I agree to pursue all rights I may have under any applicable insurance coverage before making a claim against you in connection with any account transaction and to provide you with all reasonable information about my insurance coverage. Your liability, if any, shall be reduced by the amount of all insurance proceeds I receive or am entitled to receive.
23. Except as otherwise required by applicable law, I agree that you shall have a reasonable period of time to investigate the facts and circumstances surrounding any claimed loss and that you have no obligation to provisionally credit my account.
24. When handling an item, your maximum liability for your failure to exercise ordinary care in handling such item shall not exceed the amount of the item. In any other case (including forgery, alteration, or other unauthorized withdrawal), your maximum liability is the lower of my actual damages proved or the amount of the forgery, forgery, alteration, or other unauthorized withdrawal. In either case, your liability for damages shall be reduced by the amount of damages that would not have been realized if I had used ordinary care. **IN NO EVENT SHALL YOU BE LIABLE FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS AND/OR OPPORTUNITY, AND YOU SHALL NOT BE LIABLE FOR MY ATTORNEYS' FEES.**

### **Terms and Conditions Applicable to Checking Accounts**

1. The minimum deposit required to open and maintain a Checking Account is set forth on your Schedule of Fees and Charges.
2. There may be a monthly service charge for all Checking Accounts except Teen Checking. You may avoid this fee in multiple ways outline in your Schedule of Fees and Charges.
3. This Account does not earn dividends.

### **Terms and Conditions Applicable to Money Market Accounts**

1. The minimum deposit required to open and maintain this Account is set forth on your Rate Schedule. If, during any statement cycle, my Account balance falls below the required minimum daily balance, my Account will be subject to closure.
2. There is no minimum balance required to avoid a monthly service fee.
3. This is a tiered-rate Account. A "tier" is a range of balances – different rates and APYs apply to different tiers. When the Account balance increases or decreases to a different tier, the Account balance will be subject to the rate and APY applicable to that tier for the time the balance is at the higher or lower level. This means that if my Account balance goes below or above a certain tier level even for one day, the Account balance will be subject to that tier for that day. The minimum balance requirements for each tier and the corresponding dividend rates and Annual Percentage Yields (APYs) are set forth on the Rate Schedule. I must maintain the minimum daily balance shown on the Rate Schedule in my Account to obtain the disclosed APY for the applicable tier.
4. The dividend rate and Annual Percentage Yield may change at any time, as determined by the Credit Union's Board of Directors. The dividend rate and Annual Percentage Yield for this account as of the last dividend declaration date are set forth in your Rate Schedule.
5. I may not pledge any of the funds on deposit in the account as security for any loan(s).

### **Terms and Conditions Applicable to All Term Share Certificate Accounts**

1. The Credit Union offers two (2) varieties of Term Share Certificate Accounts: Regular Term Share Certificate Accounts and IRA Term Share Certificate Accounts. Additional information about our Regular Term Share Certificate Accounts and IRA Term Share Certificate Accounts is provided in the Sections below entitled, "Terms and Conditions Applicable to Regular Term Share Certificate Accounts" and "Terms and Conditions Applicable to IRA Term Share Certificate Accounts," respectively.
2. Credited dividends may be withdrawn or transferred at any time without early withdrawal penalty imposed by the Credit Union. The Annual Percentage Yield is based on an assumption that dividends will remain in the account until maturity. An early withdrawal will reduce earnings. Early withdrawals from an IRA Term Share Certificate may be subject to state and federal penalties.
3. The Account will mature on the Maturity Date set forth in the Certificate Receipt. The Credit Union will impose a penalty if a withdrawal of principal is made prior to the Maturity Date of 50% of dividends earned.
4. In accordance with Federal Reserve Board Regulations, the Credit Union may charge an early withdrawal penalty of seven (7) days dividends on amounts withdrawn within the first six (6) days after deposit or automatic renewal.
5. Early withdrawal penalties shall not apply if:
  - (a) The withdrawal is made subsequent to the death of any owner of the account or is made pursuant to the Credit Union's Bylaws;
  - (b) The account is part of a retirement plan which qualifies or is qualified to receive specific tax treatment under Internal Revenue Code Sections 401(d) or 408 and withdrawal is made to effect distribution of the funds following the participant's death or disability or upon attaining not less than 70 ½ years of age; or

- (c) The withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union.
6. This Account will automatically renew upon the Maturity Date and on the Maturity Date of any renewal term, unless (1) you provide notice, at least thirty (30) days in advance of the Maturity Date, that the Account will not automatically renew; (2) I withdraw all funds in the Account prior to the Maturity Date or during the grace period; or (3) you or I close the Account. If automatically renewed, the Account will be renewed for a term equal or closest to that of the initial term and at the dividend rate and Annual Percentage Yield in effect at that time for such a term. If automatically renewed, all funds in the Account as of the renewal date are considered to be principal. There is a grace period of ten (10) days after the Maturity Date to withdraw funds in the account without being charged an early withdrawal penalty.
  7. The owner(s) may pledge any or all of the principal on deposit in this Account as security for any loan(s) subject to the Credit Union's then-current loan policies. Further, a pledge of funds in this Account by any owner shall be binding on all owners

#### **Terms and Conditions Applicable to Regular Term Share Certificate Accounts**

1. The minimum deposit required to open this Account is set forth on your Rate Schedule.
2. The minimum average daily balance required to obtain the disclosed Annual Percentage Yield (APY) is set forth on your Rate Schedule.
3. There is no minimum balance required to avoid a monthly service fee.
4. The dividend rate and Annual Percentage Yield for this Account as of the last dividend declaration date are set forth in your Rate Schedule.
5. I may choose to have dividends from this account paid to me or credited to another account at the Credit Union rather than credited to this Account.
6. I may not pledge any of the funds on deposit in the account as security for any loan(s).

#### **Terms and Conditions Applicable to IRA Term Share Certificate Accounts**

1. The minimum deposit required to open this Account is set forth on your Rate Schedule. Additional deposits are permitted to contributory IRAs only.
2. The minimum average daily balance required to obtain the disclosed Annual Percentage Yield (APY) is set forth on your Rate Schedule.
3. There is no minimum balance required to avoid a monthly service fee.
4. The dividend rate and Annual Percentage Yield for this Account as of the last dividend declaration date are set forth in your Rate Schedule.
5. I may choose to have dividends from this Account paid to me or credited to another account at the Credit Union rather than credited to this Account.
6. This Account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions set forth in the IRA Account Agreement and Disclosure Statement, which will be provided to me in accordance with applicable law.
7. Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
8. Funds in an Individual Retirement Account will escheat to the state, if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:
  - a. Increased or decreased principal;
  - b. Accepted payment of principal or income (dividends);
  - c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.

9. I may not pledge any of the funds on deposit in the account as security for any loan(s).

### III. FUNDS TRANSFERS AGREEMENT AND NOTICE

The State of California has adopted as law Article 4A of the Uniform Commercial Code and the Board of Governors of the Federal Reserve has amended Subpart B of Regulation J, both of which cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits, and some book transfers on the Credit Union's records.

The law is intended to establish a comprehensive legal framework covering the duties, responsibilities, and liabilities of all parties involved in a funds transfer. This Funds Transfers Agreement ("Agreement") contains several notices which you are required to provide to me and establishes other terms of agreement which will apply to all funds transfers which involve me and the Credit Union. Using the Credit Union to send or receive funds transfers shall constitute my acceptance of all of the terms and conditions contained in this Agreement.

To the extent that the terms contained in this Agreement are different than those in any other agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account.

1. This Agreement applies to Funds Transfers as defined in Article 4A of the Uniform Commercial Code (Division 11 of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve.
2. The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time for wire transfers will be at 2 p.m. (Pacific Standard Time) for Domestic Wires and 1:30 p.m. PST for International Wires on each weekday that the Credit Union is open that is not a federal holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next following business day and processed accordingly.
3. ACH funds received by the Credit Union on my behalf as a same-day ACH credit payment in accordance with NACHA Operating Rules will be available by 5:00 p.m. on the day that they are received. If the Credit Union initiates (sends) a same-day ACH debit payment to a third party on my behalf, such payment must be initiated before the cut-off time for same-day ACH debit payments, which is 1:45 p.m. (Pacific Time) on each weekday that the Credit Union is open that is not a federal holiday, with settlement occurring at 2:00 p.m. (Pacific Time) on the same day. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next following business day and processed accordingly. I understand that I will be charged and agree to pay the processing fee for same-day ACH debit payments set forth on your Fee Schedule. International payments and amounts of payments in excess of \$100,000 are ineligible for same-day ACH processing and will be processed on the next business day.
4. The Credit Union may charge my account for the amount of any funds transfer initiated by me or by any person authorized by me as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made.
5. The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. I will be notified of the security procedure, if any, to be used to verify payment orders issued by me or for which my account will be liable. I agree that the authenticity of payment orders may be verified using that security procedure unless I notify the Credit Union in writing that I do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from me or other authorized parties on the account until I and the Credit Union agree, in writing, on an alternate security procedure.
6. If I send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that each of our rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J and this Agreement.

7. If I give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different than the named beneficiary. This means that I will be responsible to the Credit Union if the funds transfer is completed on the basis of the identifying account number I provided the Credit Union.
8. If I give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person or institution than the named bank. This means that I will be responsible for any loss or expense incurred by a receiving bank that executes or attempts to execute the payment order in reliance on the identifying number I provided.
9. The Credit Union may give me credit for Automated Clearing House (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. I am hereby notified and agree that, if the Credit Union does not receive such final settlement, it is entitled to a refund from me of the amount credited to me in connection with that ACH entry. This means that the Credit Union may provide me with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on my account and I will be liable to repay the Credit Union.
10. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide me with next day notice of receipt of ACH credit transfers to my account. I will continue to receive notices of receipt of ACH items in the periodic account statements that you provide.
11. If the Credit Union received a funds transfer for me or for other persons authorized to have access to my account, I agree that the Credit Union is not obligated to provide me with next day notice of the receipt of the funds transfer. The Credit Union will provide me with notification of the receipt of all funds transfers by including such items in the periodic account statements which the Credit Union provides. I may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.
12. If the Credit Union becomes obligated under Article 4A (Division II of the California Uniform Commercial Code) to pay interest to me, I agree that the rate of interest to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.
13. The Credit Union may, in its sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in my designated account(s); (2) is not authenticated to the Credit Union's satisfaction or which the Credit Union reasonably believes may not be authorized by me; (3) contains incorrect, incomplete, or ambiguous information; (4) involves funds subject to a lien, hold, dispute, or legal process pending their withdrawal; or (5) involves a transfer that is prohibited under applicable law, rule, or regulation. I understand and agree that the Credit Union shall incur no liability for any loss occasioned by the Credit Union's refusal to accept any funds transfer order.
14. The Credit Union shall have the right to charge the amount of any funds transfer request to any of my accounts at the Credit Union in the event that no account is designated or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request, or reject such request. The Credit Union may charge a service charge for services relating to the sending or receiving of the funds transfer request. Such charge(s) are set forth in the Credit Union's Fee Schedule, which is incorporated by this reference.
15. If I initiate a funds transfer request denominated in United States dollars for transfer to a foreign country, the Credit Union may transfer payment in the currency of the beneficiary bank's country at the Credit Union's buying rate of exchange to United States dollars. If the transfer is returned for any reason, I agree to accept the refund in United States dollars in the amount of the foreign money credit, based on the then-current buying rate of the bank converting the currency to United States dollars at the date of refund, less any charges and expenses incurred by the Credit Union.

16. Except as expressly prohibited by applicable state and federal laws and regulations, I understand and agree that the Credit Union will not be liable for any loss or liability arising from: (1) any unauthorized transfer or interest thereon (including, but not limited to, fraudulent transfers and/or a transfer which the Credit Union failed to abide by the agreed upon security procedures) which I fail to report to the Credit Union within thirty (30) days after my receipt of notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within the Credit Union's reasonable control, including, but not limited to, the failure of other financial institutions to provide accurate or timely information; (3) the failure of other financial institutions to accept a funds transfer order; (4) my negligent or intentional action or inaction and/or breach of this Agreement; (5) any ambiguity or inaccuracy in any instruction given to the Credit Union by me or my authorized agent; (6) any error, failure, or delay in execution of any funds transfer instruction, cancellation, or amendment caused by circumstances beyond the Credit Union's reasonable control, including, but not limited to, any computer or communication facilities malfunction; or (7) the Credit Union's good faith determination not to comply with any funds transfer request.

Except as otherwise provided by applicable state or federal laws or regulations, the Credit Union's liability for any negligent or intentional action or inaction in connection with any funds transfer request shall be limited to my direct loss and payment of interest. **UNDER NO CIRCUMSTANCES SHALL THE CREDIT UNION BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES WHICH I MAY SUFFER IN CONNECTION WITH THIS AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST.**

17. Subject to applicable state and federal laws and regulations, the Credit Union may change, add to, delete from, modify, or establish new provisions for the terms of this Agreement at any time. By thereafter using or continuing to use the Credit Union's funds transfer services, I agree to such changes, additions, deletions, modifications, and new provisions, if any.
18. Except as otherwise expressly provided by applicable state and federal laws and regulations, this Agreement and all transactions initiated hereunder shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict of laws doctrines of such state to the contrary.

#### IV. OVERDRAFT PRIVILEGE AGREEMENT

In this Overdraft Privilege Agreement ("Agreement"), the word "overdraft" includes a negative balance in my Checking Account that may occur for various reasons, including, but not limited to: (1) the payment of checks, electronic transfers, telephone-initiated transfers, preauthorized payments under your Bill Pay Service, or other withdrawal requests authorized by me including, but not limited to, ATM transactions, VISA Debit Card® transactions, Point of Sale transactions, ACH transactions, and other preauthorized transfers, for which funds are insufficient; (2) the return (unpaid) of items deposited by me; (3) the imposition of service charges by you; or (4) the deposit of items which are treated as not yet "available" according to your Funds Availability Policy. The Overdraft Privilege Service ("Service") shall not be applied to ATM transactions or one-time Debit Card or POS transactions unless I specifically opt-in to have Overdraft Privilege cover such transactions.

Pursuant to your commitment to provide valued service and benefits, you may pay my overdrafts that would cause my eligible checking account ("Checking Account") to have a negative (or further negative) balance (determined by reference to my available balance), pursuant to the terms and conditions of this Agreement up to the amount of my Overdraft Privilege Limit (including fees). The limit varies between \$500 and \$750 for members in good standing, as follows: If I maintain direct deposit into my Checking Account, my limit may be as high as \$750. If I do not maintain direct deposit into my Checking Account, my limit may not exceed \$500. My "available balance" is defined as the funds immediately available to me and not subject to any hold or waiting period under your Funds Availability Policy or otherwise. Note that check holds, merchant authorizations, pending debit or ACH transactions, and similar situations may cause my available balance to be less than my actual balance and may result in funds that are present but "unavailable" for transactions.

This Service is not a credit product and requires no application or credit approval process. The Service will only be applied to my Checking Account if:

1. My Checking Account must have been opened for at least 60 days;

2. I maintain my membership with you in good standing, which means that:
  - a. I make regular deposits sufficient to cover transactions;
  - b. I have no legal orders outstanding on my accounts;
  - c. I do not have any loans with you that are more than 10 days past due;
  - d. My accounts do not have a derogatory history; and
  - e. My accounts do not have questionable transactions (as determined by you in your sole discretion); and
3. I have a FICO score of at least 650 based on periodic credit pulls performed by the Credit Union (I authorize the Credit Union to obtain my credit report for this purpose and I understand that such periodic credit pulls may negatively impact my credit score).

ANY OVERDRAFT PRIVILEGE SERVICE PAYMENT WILL BE MADE ON A CASE-BY-CASE BASIS, IN YOUR SOLE AND ABSOLUTE DISCRETION.

You will not pay more than ten (10) checks or other items/transactions through the Service during any given month. I will be notified by mail of any nonsufficient funds checks, items, or other transactions that have been paid or returned; however, I understand that you have no obligation to notify me before you pay or return any check, item, or other transaction. You may refuse to pay any overdrafts without first notifying me even though my account is in good standing and even if you have paid previous overdrafts.

The total of the overdraft (negative) balance in my Checking Account, including any and all permitted fees and charges, is due and payable upon demand, and I am required to immediately deposit with you sufficient funds to cover the overdraft paid by you and pay any permissible fees. I understand that items other than ACH transactions presented for payment on the same day will be paid chronologically, in the order in which they were received by you, until all items received on the same day are paid or until my Overdraft Privilege Limit is reached, whichever occurs first. ACH transactions are received in "batches," which means that that numerous ACH items may be received at the same time in a single batch. ACH batches may be received at various times throughout the day. ACH items are paid when received, except that ACH items within a single batch are paid chronologically, in the order in which they are presented to you in the batch. The order of payment described above means that items may not be processed in the order in which they actually occurred. I understand that the order in which items are processed can affect the total amount of fees that may be assessed against my Checking Account.

An Overdraft Privilege Service Fee as set forth in your Fee Schedule will be charged to my Checking Account for each overdraft that is cleared on my Checking Account through the Overdraft Privilege Service, except that the Credit Union will not charge an Overdraft Privilege Service Fee for overdrafts due to ATM transactions or one-time Debit Card transactions unless I opt-in to have my ATM and one-time Debt Card overdrafts paid through this Service.

More than one Overdraft Privilege Service Fee may be assessed against my Checking Account per day depending upon the number of overdrafts paid through the Overdraft Privilege Service. For the sake of clarity, if the same item is returned for insufficient funds multiple times, I may be charged multiple Overdraft Privilege Service Fees on the same item. I understand that my Overdraft Privilege Limit shall be reduced by the amount of each overdraft paid by you through the Overdraft Privilege Service and the amount of the related Overdraft Privilege Service Fee imposed until such amounts are repaid by me as set forth herein at which time you may replenish my Overdraft Privilege Limit by the amount of the repayment. The Overdraft Privilege Service Fee is the same as your NSF Fee charged for each "nonsufficient funds" item presented for payment and returned unpaid on a Checking Account. If you choose not to pay the overdrawn check or other item/transaction under the Overdraft Privilege Service, I may be subject to an NSF Fee of as set forth in your Fee Schedule for each such item as permissible by applicable law.

I also agree that you have the right to transfer available funds from my other accounts I may have with you to cover the overdraft and pay permissible fees. I understand and agree that you may transfer funds to my Checking Account from any of my other account(s) with you (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the overdraft which you may pay according to the terms and conditions of this Agreement and to pay the permissible fees. In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of off-set for any liabilities, obligations, or other amounts owed to you



by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless I opt-out of the Overdraft Privilege Service (see below), I consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid. Each person who causes an overdraft, which is paid by you, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement. You reserve the right to limit, in your sole discretion, Overdraft Privilege Service to one (1) account per household or member without notice of reason or cause.

I will be in default under the terms of this Agreement if I fail to live up to any of the terms and conditions of this Agreement or I am in default on any loan obligation with you and/or a negative balance exists in any other deposit account with you on which I am an owner. If I am in default, in addition to any other rights you may have, you may temporarily suspend overdraft privileges or terminate the Overdraft Privilege Service or close my Checking Account and demand immediate payment of the entire unpaid negative balance. I also agree to pay any collection costs, attorneys' fees, and court costs which you or I shall or may incur as a result of my default.

You may terminate or suspend the Overdraft Privilege Service at any time without prior notice. In no event shall any termination relieve me of my obligation to repay such sums already overdrafted, overdraft fees, collection costs, and attorneys' fees, if any. You can delay enforcing any of your rights under this Agreement without losing them.

If I prefer not to have the Overdraft Privilege Service, I will send a written request for removal to Edwards Federal Credit Union, 10 South Muroc Drive Edwards, CA 93524, or call you at 661-952-5945 Monday through Friday, 8:30 a.m. to 5:30 p.m. PST, and you will remove the Overdraft Privilege Service from my Checking Account.

I understand that if I have opted-out, I may ask for my Overdraft Privilege Services to be re-established and by doing so, I thereby consent to my account being evaluated for eligibility prior to the Credit Union re-establishing Overdraft Privilege Services and receiving an Overdraft Privilege limit. I also understand that if I had previously opted-in to have ATM transactions or one-time Debit Card transactions paid, Overdraft Privilege Services will not automatically be enabled for ATM and one-time Debit Card transactions if you re-establish my Overdraft Privileges, which means that I must expressly request to opt-in again (using a form that I may obtain from you) in order for you to pay ATM transactions and one-time Debit Card transactions using the Overdraft Privilege Service.

## **V. LIMITATION OF SERVICES POLICY**

Edwards Federal Credit Union is committed to treating its employees, volunteers, and members with respect and to maintaining a workplace free from abusive conduct. Accordingly, the Credit Union has adopted the following Limitation of Services Policy to address standards of member conduct and to protect its employees, volunteers, any person on Credit Union premises (a Credit Union "invitee"), and members from abuse, harassment, and intimidation.

In the event that any member or non-member engages in any type of abusive conduct towards the Credit Union or a Credit Union employee, volunteer, invitee, or member, the CEO (or his/her designee) is authorized to apply appropriate remedial measures, in his/her sole discretion, against such individual. Any such remedial measure taken in response to abusive conduct shall be reported to the Board of Directors as the next regularly-scheduled meeting of the Board.

The remedial measures that may be imposed under this Policy shall comply with applicable law and may include the following:

1. Denial of services other than the right to maintain a share account and the right to vote at annual member meetings and special member meetings;
2. Preclusion from personal contacts with Credit Union employees or volunteers such that Credit Union services may be provided only by remote means and that communications may be limited to communication through the mail only;
3. Preclusion from access to Credit Union premises; and

4. Taking any other action deemed appropriate under the circumstances that does not violate state or federal law.

Threats of bodily harm, actual bodily harm, or any other illegal activity against any Credit Union employee, volunteer, invitee, or member will be reported to appropriate local or federal authorities. The Credit Union reserves the right to seek a restraining order against any individual who violates this Policy as permissible under applicable law.

For the purposes of this Policy, “abusive conduct” shall include, but shall not be limited to, any of the following conduct:

1. Any threats of or actual bodily harm or illegal activity against another member or a Credit Union employee, volunteer, or invitee;
2. Any form of action that may constitute harassment. For example:
  - a. Any type of harassment, including age, sexual, ethnic, or racial harassment; making racial or ethnic slurs; engaging in sexual conduct; making sexual overtures;
  - b. Inappropriate or unwanted touching;
  - c. Making sexual flirtations, advances, or propositions; engaging in verbal abuse of a sexual, racial, or ethnic nature; making graphic or degrading comments about an individual or his or her appearance;
  - d. Displaying sexually suggestive objects or pictures.
3. Fighting, kicking, or other physical harm or attempted harm towards a Credit Union member, employee, volunteer, or invitee;
4. Making false, vicious, or malicious statements about the Credit Union or its services, operations, policies, practices, or management, or any Credit Union employee, volunteer, member, or invitee;
5. Cursing or using other abusive, intimidating, profane, or vulgar language while on Credit Union premises or directed towards any Credit Union employee, volunteer, member, or invitee;
6. Bringing or possessing firearms or weapons of any type on Credit Union premises;
7. Possession, sale, or use of or being under the influence of an unlawful or unauthorized substance while on Credit Union premises;
8. Attempting to coerce or interfere with a Credit Union employee or volunteer in the performance of his/her duties at any time;
9. Engaging in immoral or uncivil conduct or failure to maintain business-like relationships with Credit Union employees and volunteers, other Credit Union members, or invitees;
10. Conducting or attempting to conduct any fraudulent, dishonest, or deceptive activity of any kind involving the Credit Union;
11. Engaging in any activity that causes a monetary loss to the Credit Union;
12. Any posting, defacing, or removing or any notices or signs on Credit Union premises;
13. Appropriation or misappropriation of Credit Union or member funds or property; or
14. Any other act that endangers the safety, health, or well being of any Credit Union employee, volunteer, member, or invitee, or engaging in any other conduct that causes a disruption of business at the Credit Union.

The Credit Union may also suspend or deny services to any member (other than the right to maintain a share account and the right to vote at annual member meetings and special member meetings) who is not in “good standing,” which includes any member who:

1. Violates the Credit Union’s Limitation of Services Policy;
2. Is delinquent on any obligation owed to the Credit Union;

3. Has a primary Share Account balance of less than \$1.00;
4. Has an unresolved deposited returned check;
5. Has any unpaid and/or uncollected fees owed to the Credit Union;
6. Has a negative balance on an account; or
7. Has failed to comply with applicable law and/or the Credit Union's then-existing Bylaws.

## **VI. (A) DISCLOSURE OF YOUR ABILITY TO WITHDRAW FUNDS OTHER THAN TERM SHARE (CERTIFICATE) ACCOUNTS**

### **My Ability To Withdraw Funds**

Your policy is to make funds from my cash and check deposits available to me on the first business day after the day you receive my deposit. Electronic direct deposits will be available on the day you receive the deposit. Once they are available, I can withdraw the funds in cash and you will use the funds to pay checks that I have written. For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If I make a deposit in person at either the Palmdale or Edwards branch locations before 5:00 p.m. PST or 3:00 p.m. PST at proprietary and non-proprietary ATMs and Shared Branch locations on a business day that you are open, you will consider that day to be the day of my deposit. However, if I make a deposit after 5:00 p.m. PST in branch or after 3:00 p.m. PST at proprietary and non-proprietary ATMs or Shared Branch locations, or on a day you are not open, you will consider that the deposit was made on the next business day you are open. Shared Branch locations are branches of other credit unions in the CU Service Center Network© that are not identified as our branches.

### **Longer Delays May Apply**

In some cases, you will not make all of the funds that I deposit by check available to me on the first business day after the day of my deposit. Depending on the type of check that I deposit, funds may not be available until the fifth business day after the day of my deposit. The first \$225 of my deposits, however, may be available on the first business day after the day of deposit.

If you are not going to make all of the funds from my deposit available on the first business day, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees, or if you decide to take this action after I have left the premises, you will mail me the notice by the day after you receive my deposit. If I will need the funds from a deposit right away, I should ask you when the funds will be available.

- You believe a check I deposit will not be paid.
- I deposit checks totaling more than \$5,525 on any one day.
- I redeposit a check that has been returned unpaid.
- I have overdrawn my account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

You will notify me if you delay my ability to withdraw funds for any of these reasons, and you will tell me when the funds will be available. They will generally be available no later than the seventh business day after the day of my deposit.

### **Check Cashing**

If you cash a check for me that is drawn on another financial institution, you may withhold availability of a corresponding amount of funds that are already in my account. Those funds will be available at the time funds from the check you cashed would have been available if I had deposited it.

### **Holds on Other Funds**

If you accept for deposit a check that is drawn on another financial institution, you may make funds from the deposit available for withdrawal immediately, but delay my availability to withdraw a corresponding amount of funds that I have on deposit in another account with you. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check I deposited.

## **Special Rules for New Accounts**

If I am a new member, the following special rules will apply during the first 30 days my account is open.

Funds from electronic direct deposits to my account will be available on the day you receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of my deposit if the deposit meets certain conditions. For example, the checks must be payable to me (and I may have to use a special deposit slip). The excess over \$5,525 will be available on the seventh business day after the day of my deposit. If my deposit of these checks (other than a U.S. Treasury check) is not made in person to one of your employees, the first \$5,525 will not be available until the second business day after the day of my deposit.

Funds from all other check deposits will be available on the seventh business day after the day of my deposit.

## **Deposits at Automated Teller Machines (ATMs)**

Funds from any deposits (cash or checks) made payable at ATMs you own or operate will be available generally on the second business day after the day of my deposit.

Funds from any deposits (cash or checks) made at ATMs you do not own or operate will be available on the fifth business day after the day of my deposit.

All ATMs that you own or operate are identified as your machines.

## **Cash Withdrawal Limitation**

You place certain limitations on withdrawals in cash. In general, \$225 of a deposit is available for withdrawal in cash on the first business day after the day of deposit. In addition, a total \$450 of other funds becoming available on a given day is available for withdrawal in cash at or after 5:00p.m. (Pacific Time). Any remaining funds will be available for withdrawal in cash on the following business day.

## **(B) SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS**

The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing my deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing me) can be used by me for endorsements or any other markings.

You will not be responsible for any damages incurred in the event I deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by me or a prior endorser on the back of the check.

In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.

## **VII. ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT**

In this Electronic Services Disclosure and Agreement ("Disclosure and Agreement"), the words "I," "me," "my," "us," and "our" mean each and all of those who apply for and/or use any of the electronic services described in this Disclosure and Agreement. The words "you," "your," "yours," and "Credit Union" mean Edwards Federal Credit Union. My acceptance, retention, activation, or use of an ATM Card, Debit Card, VISA Credit Card, or other electronic funds transaction hereunder constitutes an agreement between you and me as described below.

I understand and agree, for myself (and any person or entity I represent if I sign as a representative of another person or entity) to the terms of this Disclosure and Agreement and your Fee Schedule.

I understand and agree that this Disclosure and Agreement, along with any other documents you give me pertaining to my account(s), is a binding contract between the Credit Union and me, whether in my individual or representative

capacity, or both, that establishes the rules that control my account(s) with you and which sets forth my rights, obligations, and responsibilities and the rights and obligations of the Credit Union. When I accept, retain, activate, or use an ATM Card, Debit Card, VISA Credit Card, or conduct other electronic funds transactions hereunder, I agree to follow these rules.

The purpose of this Disclosure and Agreement is to:

1. Explain some laws that apply to common transactions;
2. Establish rules to cover transactions or events that the law does not regulate;
3. Establish rules for certain transactions or events that the law regulates but for which it permits variations by agreement; and
4. Provide disclosures of some Credit Union policies to which I am subject or in which I might be interested.

I understand and agree that if any provision of this Disclosure and Agreement is found to be unenforceable, all remaining provisions will remain in full force and effect. You may permit some variations from this Disclosure and Agreement, but you will only agree to do so in writing and such permitted variation will be in effect only as to the particular transaction(s) described in such writing.

This Disclosure and Agreement is given by you in compliance with the Electronic Funds Transfer Act (15 U.S.C. Section 1693, et seq.) and Regulation E (12 CFR 1005, et seq.) to inform me of certain terms and conditions of the electronic funds transfer services I have requested.

At the present time, you provide several types of services that may be accomplished by electronic transfer: preauthorized deposits of net paycheck; payroll deductions; preauthorized deposits of pension checks and Federal Recurring Payments (for example, Social Security payments); preauthorized withdrawals for bill payments and other recurring payments; Automated Teller Machine (ATM) electronic fund transfer services at Credit Union owned ("Proprietary") ATMs and on "Shared Network" ATMs such as the CO-OP Network, Star®, Cirrus®, and VISA® and such other systems as may be added from time to time; Audio Response Electronic Telephone Banking; Online Banking; Bill Pay; Electronic Check Transactions; and Point of Sale (POS) Transactions. Disclosure information applicable to all electronic services offered by you is given below, with certain specific disclosure information for each service following in separate sections. I understand that the agreements, terms, conditions, rules, and regulations applicable to my savings account(s), money market account(s), checking account(s), VISA Credit Card, personal line of credit, and any other applicable accounts, remain in full force and effect and continue to be applicable, except as specifically modified by this Disclosure and Agreement.

## **GENERAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC SERVICES**

**Business Day Disclosure.** Your business days are Monday through Friday, except holidays. ATMs, POS terminals, the Audio Response Electronic Telephone Banking System, and Online Banking are generally open, but not always accessible, 24 hours a day, 7 days a week. Online Banking may be temporarily unavailable due to Credit Union system maintenance or technical difficulties including those of the Internet Service Provider and Internet software.

**Disclosure of Account Information to Third Parties.** You will disclose information to third parties about my account or transfers I make:

- (1) When it is necessary to complete an electronic transaction;
- (2) In order to verify the existence and condition of my account for a third party, such as a credit bureau or merchant;
- (3) In order to comply with a government agency or Court order, or any legal process;
- (4) If I give you written permission; or
- (5) As otherwise permissible under applicable law.

## **In Case of Errors or Questions About My Electronic Services Transactions.**

Telephone you at: (661) 952-5945

or write you at: Edwards Federal Credit Union  
10 SOUTH MUROC DRIVE  
EDWARDS AFB, CA 93524  
ATTENTION: Member Solutions Department

or e-mail you at: EMEMBERSERVICE@EDWARDSFCU.ORG

as soon as I can, if I think my statement or receipt is wrong or if I need more information about a transaction listed on the statement or receipt. You must hear from me no later than sixty (60) days after you send me the FIRST statement on which the problem or error appeared. I must:

- (1) Tell you my name and account number;
- (2) Describe the error or the transaction I am unsure about and explain as clearly as I can why I believe it is an error or why I need more information; and
- (3) Tell you the dollar amount of the suspected error.

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

You will determine whether an error occurred within ten (10) business days after you hear from me and will correct any error promptly. If you need more time, however, you may take up to forty five (45) days to investigate my complaint or question. If you decide to do this, you will credit my account within ten (10) business days for the amount I think is in error, so that I will have the use of the money during the time it takes you to complete your investigation. If you ask me to put my complaint or question in writing and you do not receive it within ten (10) business days, you may not credit my account.

In accordance with VISA Operating Rules and Regulations, I will receive provisional credit for VISA Debit Card losses for unauthorized use within five (5) business days after I have notified you of the loss.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, you may take up to ninety (90) days to investigate my complaint or question. For new accounts, you may take up to twenty (20) business days to credit my account for the amount I think is in error.

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

**Your Liability for Failure to Make or Complete Electronic Funds Transactions.** If you do not properly complete an electronic funds transaction to my account on time or in the correct amount according to your agreement with me, you may be liable for my losses and damages. However, there are some exceptions. You will not be liable, for instance, if:

- (1) Circumstances beyond your control (such as fire, flood, earthquake, electronic failure, or malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions;
- (2) Through no fault of yours, I do not have enough money in my account (or sufficient collected funds) to make a transaction;
- (3) The funds in my account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;
- (4) You have received incorrect or incomplete information from me or from third parties (e.g., the U. S. Treasury, an automated clearing house, or a terminal owner);
- (5) The ATM, POS terminal, Audio Response System, Online Banking, or other electronic services system contemplated hereunder was not working properly and I knew about this breakdown when I started the transaction;
- (6) The ATM where I was making the transaction did not have enough cash, or cash in the denominations I requested;

- (7) My ATM Card, VISA® Debit Card, VISA Credit Card, or check(s) has been reported lost or stolen, or my Card has expired, is damaged so that the terminal cannot read the encoding strip or chip, has not been activated, is inactive due to non-use, is retained by you at my request, or because my Card, Audio Response, or Online Banking PIN has been reported lost or stolen or repeatedly entered incorrectly;
- (8) The transaction would exceed my Line of Credit limit or VISA Credit Card limit;
- (9) Your failure to complete the transaction is done to protect the security of my account and/or the electronic terminal system;
- (10) There may be other exceptions.

**Overdrafts:** I understand that you may authorize transactions covered by this Disclosure and Agreement that would cause my account(s) to have a negative (or further negative) balance (determined by reference to my available balance) using any combination of your overdraft protection programs as stated in Part II of this disclosure (see paragraph 10 under “**Terms and Conditions Applicable to All Checking Accounts**”).

**Email Communications:** I may communicate with you via unsecured electronic mail (email); however, I may only email you general questions and not account information questions. You may not respond to account information-related questions sent to you via unsecured email. Also, I should not send you any confidential account or other information via unsecured email. I understand that I may not perform transactions on my account via unsecured email. I cannot request a stop payment or report an unauthorized transaction via unsecured email. Given that these types of requests/transactions require expeditious handling, I must make these requests by calling or mailing a letter to you as noted in this Disclosure and Agreement or by sending a secured message via Online Banking. I agree that you may take a reasonable amount of time to act on any unsecured email you actually receive from me. I agree that you are not responsible for any deficiencies in the accuracy, completeness, availability, or timeliness of information contained in any unsecured email communication or any decision I make using such information. You will only respond to unsecured emails from the email address you have on file for me. If I change my email address, I will notify you in writing or via the Online Banking portal.

**Fees and Charges for Electronic Funds Transaction Services.** All fees and charges associated with my electronic funds transactions are disclosed in your Fee Schedule, which accompanies this Disclosure and Agreement. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in your Fee Schedule for each stop payment order I give. There may also be a charge assessed if I overdraw my Checking Account by the use of a VISA® Debit Card. If I request a copy of the documentation relative to an ATM or POS transaction (except if the documentation is for resolution of a billing error), a fee equal to your reasonable cost of reproduction will be charged. Any fees charged will be deducted from my savings account, money market account, or checking account.

**Change in Terms.** You may change the terms and charges for the services indicated in this Electronic Services Disclosure and Agreement and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. If I have an account with you through which electronic transactions are being processed, I will receive written notice at least twenty-one (21) days prior to the effective date of the change(s), or as otherwise provided by law and I will be deemed to have accepted such changes unless I cease utilizing your Electronic Services subsequent to receiving such notice and before the effective date of such changes.

**Disclosure of Delayed Funds Availability.** You may place a hold for uncollected funds on an item I deposit. This could delay my ability to withdraw such funds. For further details, I will see your “Disclosure of Funds Availability Policy” or contact a Credit Union officer.

**Termination of Electronic Funds Transaction Services.** I may, by written request, terminate any of the electronic services provided for in this Disclosure and Agreement. You may terminate my right to make electronic funds transactions at any time upon written notice and may reinstate such services at your discretion. If I ask you to terminate my account or the use of an ATM Card, or any other access device, I will remain liable for subsequent authorized transactions occurring prior to or after such termination.

**Account Access.** My Account, the Card(s), or any other access device or method (including automated clearing house (ACH) and Electronic Check Transactions) may not be used for any illegal activity or transaction. I understand that I may not utilize my Account, the Card(s), or any other access device or method for the purchase of any goods or services on the Internet that involve online gambling of any sort. Prohibited activity and transactions include, but are not limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. You may deny authorization of any transactions identified as gambling or that you reasonably suspect may involve gambling activity. However, in the event that a transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

**Collections.** I agree that you shall be entitled to recover any money owed by me to you as a result of my use of, or the use of anyone I have provided access to, any of your electronic services, and I agree to repay any amounts that create an overdrawn balance immediately upon demand. I may be charged an overdraft fee, as disclosed in your Fee Schedule, if permissible under applicable law. I grant you a security interest in my present and future shares on deposit and you have the right to apply such shares against any amounts owed to you by me (e.g., overdrafts and any related fees and charges). If any legal action is required to collect amounts I owe, I agree to pay all costs of collection, including reasonable attorneys' fees, court costs, and other charges incurred by enforcing your rights under this Disclosure and Agreement.

**Indemnification.** To the extent permitted by law, I agree to indemnify, defend, and hold you and your directors, officers, employees, and agents harmless from and against any damage, expense, loss, or liability of any kind that you may incur, including, but not limited to, attorneys' fees and court costs that result, directly or indirectly, in whole or in part, from my use of any electronic service governed by this Disclosure and Agreement.

**Relationship to Other Disclosures.** The information in this Disclosure and Agreement applies only to the electronic service transactions described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the account involved.

**Governing Law.** I understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. I also agree to submit to the personal jurisdiction of the courts of the State of California.

**Notice of Binding Arbitration Agreement:** You and I agree to attempt to informally settle any disputes concerning my Accounts or the Services described under this Agreement and Disclosure. If that cannot be done, you and I agree that any dispute concerning my Accounts or the Services described hereunder and arising out of or relating to this Agreement and Disclosure will be resolved by BINDING ARBITRATION administered by the American Arbitration Association in accordance with its Commercial Dispute Resolution Procedures and Supplementary Procedures for Consumer-Related Disputes. I, thus, GIVE UP MY RIGHT TO GO TO COURT to assert or defend my rights under this Agreement and Disclosure or at law or in equity (EXCEPT for matters that may be taken to SMALL CLAIMS COURT). FURTHER, I GIVE UP MY RIGHT TO ASSERT CLAIMS AGAINST THE CREDIT UNION ON A CLASS ACTION OR COLLECTIVE ARBITRATION BASIS. My rights will be determined by a NEUTRAL ARBITRATOR and NOT a judge or jury. I am entitled to a FAIR HEARING, BUT the arbitration procedures are SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT. Arbitrator decisions are as enforceable as any court order and are subject to VERY LIMITED REVIEW BY A COURT. The place of arbitration shall be Los Angeles County, California. FOR MORE DETAILS, check the American Arbitration Association's website, [www.adr.org](http://www.adr.org), OR call the American Arbitration Association's Customer Service telephone number at (800) 778-7879. Please note that any debt or loan obligation I may have with you is not subject to this arbitration agreement.

**Copy Received.** I acknowledge receipt of a copy of this Disclosure and Agreement.



## **ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED DEPOSIT OF NET PAYCHECK, PAYROLL DEDUCTIONS, PENSION CHECKS, AND FEDERAL RECURRING PAYMENTS**

If I have arranged to have preauthorized electronic deposits of my net paycheck (if available from my employer), payroll deductions, pension checks, or Federal Recurring Payments (for example, Social Security payments), the following applies to me.

**Account Access.** Preauthorized deposits may be made to my savings account(s) or checking account(s).

**Notification of Preauthorized Deposits.** If I have arranged with a third party (for example, the Social Security Administration) to make preauthorized deposits to my account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify me every time the party sends you money to deposit to my account. If I have not made such an arrangement, I may telephone you at (661) 952-5945 and you will advise me whether or not the preauthorized deposit has been made.

**Documentation of Preauthorized Deposits.** Generally, I will receive a monthly account statement for each month in which a preauthorized deposit is made, but at least quarterly if no preauthorized deposits are made. However, if the only electronic fund transaction service I have with you is preauthorized deposits, then you reserve the right to send me a quarterly statement only.

## **ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED PAYMENT SERVICES**

If I have requested a preauthorized payment to a third party from my checking account with you, the following applies to me.

**Account Access.** Preauthorized payments may be made from my checking account only.

### **Right to Receive Documentation of Preauthorized Payment:**

**Initial Authorization.** I can get copies of the preauthorized payment documentation from the third party being paid at the time I give them the initial authorization.

**Notice of Varying Amounts.** If my preauthorized payment may vary in amount, the party who will receive the payment is required to tell me ten (10) days before such payment when it will be made and how much it will be. I may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that I set.

**Periodic Statement.** I will receive a monthly account statement for each month in which a transfer is made, but at least a quarterly statement if no transfers are made.

**Right to Stop Preauthorized Payment.** If I want to stop any of the preauthorized payments or revoke a preauthorized payment authorization, I must call you at: (661) 952-5945 or write you at Edwards Federal Credit Union, 10 SOUTH MUROC DRIVE, EDWARDS AFB, CA 93524, ATTENTION: Electronic Funds Transfer Department, in time for you to receive my stop request no less than three (3) business days or more before the next payment is scheduled to be made. If I call, you may also require me to put confirmation of my request in writing at the above address and get it to you within fourteen (14) calendar days after I call. An oral request ceases to be binding after fourteen (14) calendar days if I have not provided you with my required written confirmation of my request. You will charge me for each stop payment or revocation request I give pursuant to your current Fee Schedule. If I have given you a request to revoke this entire preauthorized payment authorization, I understand and agree that I must also promptly contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide you with a copy of my written revocation notice to the third party.

**Your Liability for Failure to Stop Payment.** If I order you to stop one of my preauthorized payments no less than three (3) business days or more before the transfer is scheduled, and you do not do so, you will be liable for my losses or damages, to the extent provided by law. I agree to pay you a Stop Payment Fee in accordance with your Fee Schedule for each stop payment order I give.

**Liability for Unauthorized Electronic Payments.** I may be liable for unauthorized transfers made from my account by a third party. If I believe such transfer has occurred, I must follow the procedures outlined in the "General Disclosures Applicable to All Electronic Services" section for resolving errors. Please also refer to the section entitled "Additional Disclosures Applicable to ATM Electronic Funds Transactions, Point of Sale Transactions, Audio Response Electronic Telephone Banking Transactions, Online Banking Transactions, Bill Pay, and Electronic Check Transactions."

## **ADDITIONAL DISCLOSURES APPLICABLE TO AUDIO RESPONSE ELECTRONIC TELEPHONE BANKING**

Audio Response Electronic Telephone Banking (also known as "Joy") is a telephone banking service which will allow me to perform monetary transactions and account balance inquiries without assistance from your staff. I will actually "talk" directly with your computer. Before I can use Audio Response Electronic Telephone Banking, I must enroll in the service and select a unique PIN identifier for access to your Audio Response Electronic Telephone Banking System.

**Types of Available Transactions.** I may use my Audio Response PIN to:

- (1) Make withdrawals from my savings account(s) (except from IRAs or from the principal of a certificate account) or checking account(s) or advances on my personal line of credit by Credit Union check issued in the name of the member appearing first on the account signature card mailed to my address of record;
- (2) Transfer funds between my savings account(s), checking account(s), and loan account(s);
- (3) Obtain loan payment due date and pay-off information;
- (4) Obtain last dividend posted, date, and amount (via Account History);
- (5) Obtain last 5 deposit amounts;
- (6) Access my Line of Credit Account to request advances;
- (7) Transfer funds from my Line of Credit to my Checking or Savings Accounts;
- (8) Transfer funds between accounts (with cross-account authorization);
- (9) Make loan payments by transferring the amount of the payment from my savings account(s) or my checking account(s);
- (10) Make account balance inquiries on my savings account(s), checking account(s), or loan account(s); and
- (11) Find out if a check written within the past three (3) months has cleared.

You may offer additional services in the future and, if so, I will be notified of them.

## **Limitations on Frequency and Dollar Amount of Transactions.**

- (1) Account withdrawals by check through your Audio Response Electronic Telephone Banking System are limited to the extent of collected funds available in my account.
- (2) For security reasons, any amount may be subject to verification.
- (3) In the event my Audio Response PIN is lost or stolen, there may be restrictions on transactions I can make on the Audio Response Electronic Telephone Banking System.

**Audio Response Personal Identification Number (PIN).** I understand that I cannot use the Audio Response Electronic Telephone Banking System without an identification number, which you refer to as an Audio Response PIN that I select at the time of enrollment. I am responsible for the safekeeping of my Audio Response PIN and for all transactions made by use of the Audio Response Electronic Telephone Banking System.

I will notify you immediately and send written confirmation if my Audio Response PIN is disclosed to anyone. I understand and agree that I must change the PIN immediately to prevent transactions on my account if anyone not authorized by me has access to the Audio Response PIN. If I intentionally

disclose my Audio Response PIN to anyone, however, I understand that I have given them access to my account via the Audio Response Electronic Telephone Banking System and that I am responsible for any such transactions.

I further understand that my Audio Response PIN is not transferable and I will not disclose the Audio Response PIN or permit any unauthorized use thereof.

### **ADDITIONAL DISCLOSURES APPLICABLE TO ONLINE BANKING AND BILL PAY SERVICES**

Online Banking is your computer banking service (the "Service") that allows access to my accounts without assistance from your staff by using the Credit Union website and my own selected Online Banking Password.

**I UNDERSTAND THAT THE CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE, OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY, OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL, OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.**

**Account Access.** Online Banking is available for my savings account(s) and money market account(s) (with the exception of IRA accounts), checking account(s), and personal line of credit accounts and loan account(s) using my Online Banking Password.

**Types of Available Transactions.** I may use my Online Banking Password for:

- (1) Balance inquiries;
- (2) Account history for up to the last ninety (90) days;
- (3) Last dividend date and amount;
- (4) Check information, including clearance of specific checks;
- (5) Requesting check withdrawals from my Checking or Savings Accounts;
- (6) Transfer of funds among and between my accounts;
- (7) Transfers to other members' accounts with prior written authorization;
- (8) Withdrawals from my savings and money market account(s) (except from IRAs or from the principal of a certificate account) or checking account(s) or advances on my personal line of credit made by Credit Union check issued in the name of the member appearing first on the account signature card mailed to my address of record;
- (9) Loan payment due date and pay-off information;
- (10) Loan payments by transfers from my savings account(s), checking account(s), or money market account(s);
- (11) Requesting advances from my Line of Credit by check;
- (12) Order checks;
- (13) To apply for a loan;
- (14) View account history or download account history; and
- (15) Utilize the Bill Pay service from my designated checking account.

You may offer additional services in the future and, if so, I will be notified of them.

**Balance Inquiries.** Balance information available through Online Banking may not be accurate because the balance information may not reflect all recent transactions that have not yet posted to my account. For accurate balance information, contact the Credit Union at (661) 952-5945.

## **Limitations on Frequency and Dollar Amount of Transactions.**

- (1) Withdrawals from my savings account(s), money market account(s), or checking account(s) or loan advances on my personal line of credit, whether by check or transfer to other accounts, are not limited in terms of minimum or maximum dollar amounts per transaction except as listed below.
- (2) All withdrawals and transfers from a savings account, money market account, or checking account are limited to the extent of clear funds available in the account.
- (3) All loan advances are limited to the amount available from my personal line of credit.
- (4) Bill Payments are limited in terms of the maximum dollar amount to \$10,000 per payment or \$20,000 in total daily payments.
- (5) There is no charge for Online Banking.

**Authorization.** I authorize you to charge my designated checking account(s) for any transactions accomplished through the use of the Service, including the amount of any recurring payment that I make, and all charges as shown in the Fee Schedule associated with the Service. I authorize you to transfer funds electronically between my designated checking account(s) according to my instructions initiated through Online Banking.

**Eligibility.** I understand that in order to use Online Banking, I must have an account in good standing and have an Online Banking Password with you.

**Online Banking Password.** I understand that I cannot use Online Banking without an Online Banking Password. I AGREE THAT THE USE OF THE PASSWORD CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION.

I am responsible for the safekeeping of my Online Banking Password and for all transactions made by use of the Online Banking Service. I will notify you immediately by phone and send written confirmation if my Online Banking Password is disclosed to anyone other than the joint owner of my account or to another third party to whom I intentionally disclosed it. If I disclose my Online Banking Password to anyone (including, without limitation, an account aggregate service provider), however, I understand and agree that I have given them access to my account via Online Banking and I am responsible for any such transaction. I understand and agree that I must change the Online Banking Password immediately to prevent transactions on my account if anyone not authorized by me has access to my Online Banking Password. I further understand and agree that my Online Banking Password is not transferable and I will not disclose it or permit any unauthorized use thereof.

If I voluntarily subscribe to a third party account aggregation service where my selected Credit Union deposit and loan account(s) as well as my accounts at other financial/investment institutions may be accessed on a website, I may be requested to give my Online Banking Password to the aggregate service provider. I understand that by doing so, I am providing the aggregate service provider access to my account(s) at the Credit Union.

You recommend that I change my password regularly and that my passwords contain at least eight (8) characters including numbers and letters and that I do not use passwords that could be easily guessed, such as my birthdate, last name, or other information that may be publicly available. You are entitled to act on instructions received under my password. For security purposes, I must keep my password and account information confidential. This means that I should memorize my password and not write it down. If, through my own negligence or otherwise, I make my password available to an unauthorized third party, I agree to notify you immediately. In such a case, I understand that you may terminate my access to the Service to protect the security of the Service and my Account.

The Credit Union will never contact me and ask me to provide my PINs or passwords. If I am contacted by anyone claiming to be a representative of the Credit Union who asks me to provide any PIN or password, I understand that I should not provide my PIN or password and I will contact you at (661) 952-5945 immediately to report the incident.

The Credit Union recommends that I purchase and utilize anti-malware software as a defense against keyloggers and certain forms of attacks by unauthorized third parties seeking access to or control over my account. Anti-malware is a term that is commonly used to describe various software products that may also be referred to as anti-virus or anti-spyware.

Anti-malware software is used to attempt to prevent, detect, block, and remove adware, spyware, and other forms of malware such as keyloggers.

The Credit Union recommends that commercial (business) Online Banking users should perform an internal internet banking risk assessment and controls evaluation periodically.

**Joint Accounts.** If I utilize the Online Banking Service to access my accounts that are jointly owned, transactions performed on any such account by electronic means where my Online Banking Password is utilized shall be considered authorized by me.

**Bill Pay Services Agreement.** In addition to the other terms and conditions in this Disclosure and Agreement that are applicable to the Bill Pay Service, the following additional terms and conditions apply.

**Transactions Available:** I may use the Bill Pay Service to perform the following transactions:

1. **Add/Edit Payees:** The term “payee” refers to the entity you may pay using the Service. The payee may be a company, organization, or individual. The Add/Edit payee feature allows me to add payees to, delete payees from, or edit payee information on my list of payees.
2. **Make Non-Recurring Payments from My Checking Account:** This feature allows me to schedule one-time payments to payees and to specify the amount of the payment and the processing date.
3. **Make Recurring Payments from My Checking Account:** This feature allows me to schedule recurring payments to payees.
4. **View History:** This feature permits me to see payments made over a period of time.

**Limitations on Transactions:** The following limitations apply to the Bill Pay Service:

1. Bill payments may be made from my Checking Account;
2. Payments cannot be made (a) to a federal, state, or local government or tax unit; (b) for court-ordered payments; (c) to payees outside of the United States; or (d) to other categories of payees that you may establish from time to time;
3. If I close the designated Bill Pay Checking Account, all scheduled payments will be stopped;
4. I cannot stop a payment that has already been processed;
5. I can schedule payments 24 hours a day, 7 days a week; however, payments cannot be made on a Saturday, Sunday, or holiday and, in such a case, the payment will be made on the next business day;
6. Each payee must appear on the payee list I create with you and the account I am paying must be in my name; and
7. Any payee I wish to pay through the Bill Pay Service must be payable in U.S. Dollars.

**Using the Service:** To use the Bill Pay Service, I must have access to Online Banking and be listed as an owner of an eligible checking account with you. Once an eligible checking account is added and approved through Bill Pay, a confirmation email will be sent to me. All payments made through the Bill Pay Service will be deducted from my designated checking account.

I must allow sufficient time for the payee to receive and process the payment before the payment due date (the due date shown on my invoice or provided in my agreement with payee, not taking into account any grace period provided by payee). If I do not allow sufficient time, I will assume full responsibility for all late charges, finance charges, or other actions taken by payee.

**IMPORTANT:** Payments are made to my payees either electronically via ACH or by check or laser draft. The method of payment depends upon the processing method that can be accommodated by the payee or by your Bill Pay Service Provider. I will take into consideration what method of bill payment will be used when scheduling bill payments through the Service to ensure payment deadlines are met. If the payee accepts electronic bill payment, the payment may take up to four (4) business days to process, exceptions may apply. If the

payee does not accept electronic bill payment, the payment will be sent in a check form. The timing of the payee's receipt of a payment check is dependent upon multiple factors, including, but not limited to, mail delivery times; however, a payee's receipt of a payment check should ordinarily not take more than ten (10) business days.

The Credit Union is not liable for any service or late charges levied against me. I may make arrangements to pay certain recurring bills from my designated checking account.

The Bill Pay Service Provider is responsible only for exercising ordinary care in making payments upon my authorization and for mailing or sending a payment to the designated merchant in accordance with this Agreement. The Credit Union and the Bill Pay Service Provider are not liable for any damages I incur if I do not have sufficient funds in my designated checking account to make the payment on the processing date, if the estimated time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to credit the account correctly for the payment in a timely manner, or for any other circumstances beyond the control of the Credit Union or the Bill Pay Service Provider.

You may, but are not required, to cover overdraft transactions using any combination of the overdraft protection programs you offer if there are not sufficient funds in my designated checking account to cover the Bill Pay Service transaction. Overdraft transactions that are covered by you in excess of my available funds are payable on demand and, if not paid promptly, may result in the closure of my account(s).

An electronic notice will be sent to me of transactions you are unable (or choose not) to process because of insufficient available funds. In all cases, I am responsible for either making alternate arrangements for the payment or rescheduling the payment through the Bill Pay Service. Insufficient available funds will prevent you from making more payments until resolved. I authorize you, and any third-party acting on your behalf, to choose the most effective method to process my payments. I will receive an email confirmation for each properly instructed payment. Unless I receive an email confirmation, you shall not be liable for any failure to make a payment.

You may charge my designated checking account on the day that a check or other transaction is presented to you directly or electronically for payment. The Credit Union reserves the right to refuse to make any payments, but you will notify me of any such refusal within three (3) business days following receipt of my process date.

You will automatically deduct any applicable fees from my designated checking account. All applicable fees will be charged as set forth in the Fee Schedule.

Under some circumstances, I may stop or modify some authorized payments. Payments designated as "today" transactions cannot be stopped, canceled, or changed once my Bill Pay session is terminated. In order to request a stop payment or change a Bill Pay transaction, I must contact the Bill Pay Service Provider at (661) 952-5945.

If I wish to cancel my Bill Pay Service feature, I must notify you in writing at:

Edwards Federal Credit Union  
10 SOUTH MUROC DRIVE  
EDWARDS AFB, CA 93524

I will be responsible for all payment instructions made prior to termination and for all other applicable charges and fees. I will cancel all outstanding payment orders with the payee(s) before notifying you to terminate this service feature.

This Agreement, any user's manual, and the applicable fees and charges may be amended by you in the future. In the event of amendment, you shall send notice to me either by mail to my last known address or transmit such notice of the amendment through the Bill Pay Service. My use of the Bill Pay Service feature following the receipt of such notice constitutes acceptance of such amendment.

## ADDITIONAL DISCLOSURES APPLICABLE TO ATM ELECTRONIC FUNDS TRANSACTIONS

If I requested that you issue me an ATM Card or VISA Debit Card to be used to transact business at any of your proprietary ATMs or any ATM displaying the Star® or Cirrus® Logo and belonging to the CO-OP® Shared Network System of ATMs or activated a VISA Credit Card to obtain advances at ATMs bearing the VISA® logo, then the information below applies to me. Access to ATMs is through the use of a Card and a Personal Identification Number (PIN), which you will provide to me.

**Types of Available Transactions and Limits on Transactions.** The types of currently-available transactions are listed below. Transaction types and services may be limited on certain ATMs on the systems that are not owned by you (non-proprietary ATMs), such as, for example, withdrawal limits. If a transaction or service type is not available, the attempted transaction will generally be refused as an “invalid transaction.”

**Account Access.** The ATM services that you make available to me are:

- (1) Deposits to my savings account(s), money market account(s), and checking account(s) at your proprietary ATM(s) and designated CO-OP Network ATMs;
- (2) Withdrawals from my savings account(s), money market account(s), and checking account(s) at your proprietary ATM(s) or Star®, Cirrus®, or CO-OP® ATMs;
- (3) Transfers from my savings account(s) and money market account(s) to my checking account within the same account number at your proprietary ATM(s) (and some shared network ATMs);
- (4) Loan payments (except for Visa Credit Cards) made by cash, check, or by transfer of funds from my savings account(s), money market account(s), or checking account(s) at your proprietary ATM(s) (and some shared network ATMs);
- (5) Advances on my personal line of credit account at your proprietary ATM(s) only;
- (6) Advances on my VISA Credit Card up to my available Credit Limit using a VISA Credit Card at ATMs displaying the VISA® logo.
- (7) Balance inquiries at your proprietary ATM(s) and other Shared Network ATMs;

You may offer additional services in the future and, if so, I will be notified of them.

Unless otherwise noted, the above services are generally available at ATMs on the Star®, Cirrus®, and CO-OP® Shared Network Systems. Services, however, may be restricted on certain ATMs on the systems that are not owned by you. In such case, an attempted transaction may be refused by the Shared Network ATMs.

I understand and agree that you accept funds deposited at ATMs subject to your verification and collection, and receipts issued by an ATM are binding only after verification. Funds deposited by check may be unavailable for withdrawal until collected by you. The delay will depend on your policies as permitted by law, and I will refer to your Disclosure of Funds Availability Policy for details.

By using my ATM Card or VISA Debit Card in conjunction with my PIN at an ATM, I authorize you to provide account balance information or to make withdrawals and transfers into or from my accounts with you, in accordance with the instructions given to the ATM. Furthermore, I authorize you to make advances on my line of credit account.

If I authorize you to issue an ATM Card or VISA Debit Card (or any other access device) to any third party, or if I permit any person to use my Card, I understand that I, thereby, authorize that person to withdraw funds from any account (including my line of credit account) which can be accessed using the ATM Card or VISA Debit Card.

**Balance Inquiries.** Balance information available through the ATM may not be accurate because the balance information may not reflect all recent transactions. For accurate balance information, contact the Credit Union at (661) 952-5945

**ATM Fees.** You may charge an ATM Foreign Transaction Fee for any transactions at ATMs not owned by you or the CO-OP® Network. In addition, when I use an ATM not owned by you, I may be charged a fee by the ATM operator and/or any network used (and I may be charged a fee for a balance inquiry even if I do not complete a fund transfer).

**Limitations on Frequency and Dollar Amount of Transactions.**

- (1) Withdrawals from most ATMs are limited to a maximum of \$500 per transaction and \$505 per day. Note, however, that withdrawal limitations may vary between networks and individual machines. In addition, you reserve the right to adjust my maximum per day cash disbursement levels, from time to time, in your sole discretion.
- (2) Minimum withdrawal amounts and increment amounts may vary depending on the system or machine I access. For example, the minimum withdrawal and increment amount at Shared Network machines is generally \$20.00.
- (3) For security reasons, in the event my ATM Card, VISA Debit Card, or VISA Credit Card or the PIN is lost or stolen, there may be restrictions on transactions I can make on the ATM System.

My ATM Card and/or VISA Debit Card. Both an ATM Card and/or VISA Debit Card and a Personal Identification Number (PIN) will be used each time I use an ATM. The following conditions must be observed for both the privacy and protection of my account and the system:

- (1) I MUST KEEP MY CARD IN A SAFE PLACE AND PERMIT NO UNAUTHORIZED PERSON TO USE IT;
- (2) I MUST NOT (A) TELL ANY UNAUTHORIZED PERSON MY PIN, (B) WRITE MY PIN ON MY CARD, (C) WRITE MY PIN ON A SEPARATE PIECE OF PAPER AND KEEP IT IN MY PURSE OR WALLET WITH MY CARD, OR (D) OTHERWISE MAKE IT AVAILABLE (THROUGH THEFT, MY OWN NEGLIGENCE, OR OTHERWISE) TO ANYONE ELSE;
- (3) I MUST TELL YOU IMMEDIATELY OF ANY LOSS OR THEFT OF MY CARD AND/OR PIN.
- (4) IF I AUTHORIZE YOU TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, I AUTHORIZE THAT INDIVIDUAL TO WITHDRAW FUNDS FROM ANY ACCOUNT WHICH CAN BE ACCESSED BY THE CARD, REGARDLESS OF WHETHER THAT INDIVIDUAL IS AUTHORIZED TO WITHDRAW MONEY FROM THE ACCOUNT BY ANY MEANS OTHER THAN BY USE OF THE CARD. IF I GIVE MY CARD OR PIN TO ANYONE, ANY WITHDRAWAL OR TRANSFER BY THAT PERSON WILL BE CONSIDERED TO BE AUTHORIZED BY ME.

**Safety at the ATM.** I understand that I should use caution at all times when using an ATM or POS terminal. Some precautions I can take are: avoid ATMs that are obstructed from view or unlit at night; observe the area for anything unusual or suspicious; when possible, bring a companion along, especially at night; lock my vehicle when I leave it; have my Card in my hand as I approach the machine; avoid reaching in my wallet or purse in front of the machine; avoid counting my cash at the machine; lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up machine. If I feel unsafe for any reason, I should leave the area immediately. If someone follows me after using the ATM, I should quickly go to a safe area that is well-populated and well-lit. I should report any incident to the police as soon as possible.

**Personal Identification Number.** I agree to memorize my PIN and will not write it on the Card(s) or make it accessible by anyone through theft or otherwise. If I forget the number, I may contact you and you will issue a duplicate at the charge set forth in your current Fee Schedule.

**Ownership of an ATM Card or VISA Debit Card.** The Card(s) remains your property and I agree to surrender the Card(s) to you upon demand. You may cancel, modify, or restrict the use of any Card (1) upon proper notice or (2) without notice if: (a) my account is overdrawn; (b) if you are aware that I have violated any term of this Disclosure and Agreement, whether or not you suffer a loss; or (c) where you deem it to be necessary or prudent to maintain or restore the security of my account(s) or the ATM or POS system. You also reserve the right to recall the Card(s) through retrieval by any of the ATMs.

**Making Electronic Fund Transactions.** I agree to follow the instructions posted or otherwise given by you or any ATM Network or POS terminal concerning use of the machines.



## **ADDITIONAL DISCLOSURES APPLICABLE TO ATM CARDS OR VISA DEBIT CARDS WHEN USED FOR POINT OF SALE TRANSACTIONS**

**Types of Available Transactions and Limits on Transactions.** By use of my ATM Card or VISA Debit Card at a point-of-sale terminal, I authorize you to make withdrawals from my designated checking account for cash advances and/or purchases.

**Account Access.** I may use my Card to withdraw cash from my designated checking account by way of a cash advance and/or to pay for purchases from merchants, financial institutions, or others who honor the Card(s).

When I use my VISA Debit Card to pay for goods or services at a merchant or point-of-sale terminal, or to obtain cash, I use it as a debit card and it works like a check written on my account. My VISA Debit Card is not a credit card, which means that I cannot defer payment of my VISA Debit Card transactions.

I must follow the merchant's, financial institution's, or other person or entity who honors the card's rules and instructions and I may be asked to enter my PIN or sign a sales slip. Some merchants may impose a fee for VISA Debit Card use and you will not be liable for that fee or if the merchant, financial institution, or other person or entity refuses to accept my VISA Debit Card or VISA Debit Card number.

I understand that some participating merchants (such as hotels, car rental companies, restaurants, or gas stations) may initiate electronic notices seeking validation of the Card and/or approval of the anticipated purchase amount. Such an anticipated purchase amount may exceed the amount of the actual purchase transaction. You may place a hold against my designated checking account for the anticipated amount. The hold may remain in effect from the time the notice is received by you up to the time the merchant draft or other item is presented. The amount of the actual purchase transaction is then deducted from my designated checking account.

I may not stop payment on a VISA Debit Card transaction. Furthermore, in the event of a dispute, I may have to settle directly with the merchant, financial institution, or other person or entity that honored the Card. If the merchant misrepresents the quality, price, or warranty of the goods or services which I paid for with my VISA Debit Card, I agree to indemnify you from and against any and all damages, costs, liabilities, and expenses (including attorneys' fees and expenses) which may result, directly or indirectly, from such misrepresentation. If I breach or do not fulfill the terms of this Disclosure and Agreement with you, I also agree to indemnify you from and against any and all damages, costs, liabilities, and expenses (including attorneys' fees and expenses) which may result, directly or indirectly, therefrom.

**Limitations on Frequency and Dollar Amounts of Transactions.** I may make cash advances and purchases only to the extent that I have available funds in my designated checking account plus available funds in my designated overdraft sources. Purchase transactions with a VISA Debit Card are limited to \$1,500.00 daily, and resets at midnight. For security reasons, there may be limits on the number of these transactions that may be authorized.

**Returns and Adjustments (VISA Debit Cards).** Merchants and others who honor VISA Debit Cards may give credit for returns or adjustments, and they will do so by sending you a credit slip that you will post to my designated checking account.

**Foreign Transactions (VISA Debit Cards).** Purchases, cash advances, and credits made in foreign currencies will be billed to my Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with VISA operating regulations for international transactions. The exchange rate between the transaction currency and the billing currency used for processing international transactions is 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 the government-mandated rate in effect for the applicable central processing date, plus a Foreign Transactions Fee of one percent (1%) of the transaction. The conversion rate may be different than the rate on the day of the transaction or date of the posting of the account. When a credit to the account does not fully offset a charge to the account due to changes in the rate, I am responsible for the difference.

**Notice Regarding Non-VISA Pinless Debit Card Transactions:** You allow non-VISA debit transaction processing. This means I may use my VISA Debit Card on a PIN-Debit Network\* (a non-VISAnetwork) without using a PIN to authenticate my transactions.

The non-VISA debit networks for which such transactions are allowed is CO-OP, Star, and CIRRUS systems. Examples of the types of actions I may be required to make to initiate a transaction on a Pin-Debit Network include initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having my 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 my agreement with you relating to VISAdebit transactions do not apply to non-VISA debit transactions. For example, the additional limits on liability (sometimes referred to as VISA's zero-liability program) and the streamlined error resolution procedures offered on VISA Debit Card transactions are not applicable to transactions processed on a PIN-Debit Network. If I have any questions about non-VISA debit transactions, I will call you at (661) 952-5945.

\*VISA rules generally define PIN-Debit Network as a non-VISA debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card program.

## **ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS**

If I have authorized a one-time transfer of funds from my account via automated clearing house (ACH) where I have provided a paper check or check information to a merchant or other payee in person or by telephone to capture the routing, account, and serial numbers to electronically initiate the transfer (an "Electronic Check Transaction"), the following applies to me:

**Types of Available Transactions.** I may authorize a merchant or other payee to make a one-time Electronic Check Transaction from my checking account using information from my check to (1) pay for purchases or (2) pay bills. I may also authorize a merchant or other payee to debit my checking account for returned check fees or returned debit entry fees.

I may make such a payment via ACH where I have provided a paper check to enable the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; whether the check is retained by the consumer, the merchant, other payee, or the payee's financial institution; or I have provided the merchant or payee with the routing, account, and serial numbers by telephone to make a payment or a purchase.

**Account Access.** Electronic Check Transactions may be made from my checking account only.

**Limitations on Dollar Amounts of Transactions.** I may make Electronic Check Transactions only to the extent that I have available clear funds in my checking account plus available funds in my designated overdraft sources.

**Remotely-Created Checks.** If the Electronic Check Transaction involves a remotely-created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely-created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely-created check, which I have deposited into my account, is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand. For purposes of this Disclosure and Agreement, the term "remotely-created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

## **ADDITIONAL DISCLOSURES APPLICABLE TO ATM ELECTRONIC FUNDS TRANSACTIONS, POINT OF SALE TRANSACTIONS, AUDIO RESPONSE ELECTRONIC TELEPHONE BANKING TRANSACTIONS, ONLINE BANKING TRANSACTIONS, BILL PAY, AND ELECTRONIC CHECK TRANSACTIONS**

## **Right to Receive Documentation of Transactions.**

- (1) Transaction Receipt. I will receive a receipt at the time I make any transfer to or from my account using one of the ATMs or when I make a purchase using a POS terminal. I should retain this receipt to compare with my statement from you.
- (2) Periodic Statement. I will receive a monthly statement (unless there are no transfers in a particular month), for the account(s) which I have accessed using an Electronic Check Transaction, the ATMs, POS terminals, Audio Response Electronic Telephone Banking System, Online Banking, or Bill Pay Service, which will show the calendar date that I initiated the transfer, the type of transfer and the type of account(s) accessed by the transfer, and the amount of transfers occurring in that statement period. I will get a statement at least quarterly.
- (3) Online Banking or Bill Pay Transaction. I may print a record of any individual transaction conducted through the Service at any time after the transaction is completed. I may also subsequently contact you to request a paper receipt for any such transaction provided it is no more than three (3) months old. A fee may be charged for such paper copy, subject to your Fee Schedule.

**My Liability for Unauthorized Transactions and Advisability of Prompt Reporting.** I must tell you AT ONCE if I believe my checks, ATM Card, VISA Debit Card, VISA Credit Card, or my Audio Response PIN, Online Banking Password, ATM Card PIN, VISA Debit Card, or VISA Credit Card PIN (collectively "check(s), Card(s) and/or PIN(s)") has been lost or stolen or if I believe that an electronic fund transfer has been made without my permission using information from my check. Telephoning is the best way of keeping my possible losses down. A written notification to you should follow my telephone call. I could lose all the money in my account (plus my maximum overdraft line of credit). However, if I believe my check(s), Card(s) and/or PIN(s) has been lost or stolen, and I tell you within two (2) business days after I learn of the loss or theft, I can lose no more than \$50.00 if someone used my check(s) (in an Electronic Check Transaction), my Card(s), and/or PIN(s) without my permission.

If I do NOT tell you within two (2) business days after I learn of the loss or theft of my check(s), Card(s), and/or PIN(s) and you can prove you could have stopped someone from using my check(s), in an Electronic Check Transaction, and/or my Card(s) and/or PIN(s) without my permission if I had told you, I could lose as much as \$500.00.

If I am using a VISA consumer card, including credit or Debit Card, for transactions that take place on the VISA network system, I understand that VISA Operating Rules and Regulations provide for \$0 liability for losses from unauthorized (fraudulent) activity. This does not apply to VISA commercial cards, ATM transactions using a PIN, or non-VISA PIN-Debit Network transactions.

Also, if my statement shows transfers that I did not make, including those made by Card, PIN, or other means, I must tell you at once. If I do NOT tell you within sixty (60) days after the statement was mailed to me, I may not get back any money I lost after the sixty (60) days if you can prove that you could have stopped someone from taking the money if I had told you in time.

If I can document a good reason (such as a long trip or hospital stay) kept me from telling you, you will extend the time period.

**Telephone Number and Address to be Notified in Event of an Unauthorized Transaction.** If I believe my Card(s), PIN(s), or check(s) has been lost or stolen or that someone will or may use it to transfer money from my account(s) without my permission, I must telephone you at: (661) 952-5945 or write you at:

Edwards Federal Credit Union  
10 SOUTH MUROC DRIVE  
EDWARDS AFB, CA 93524  
ATTENTION: Electronic Funds Transfer Department

I should also call the number or write to the address listed above if I believe a transfer has been made using the information from my check without my permission.

**Regulation “D” Restrictions on Electronic Funds Transfers.** Any combination of pre-authorized, automatic, or telephone withdrawals or transfers from savings accounts and money market accounts are limited to no more than six (6) transfers in each statement period. If such limit is exceeded, you have the right to reverse or prevent such withdrawals or transfers, to impose a fee upon excess transfer requests, to reclassify the account, and/or to close the account and mail me a check for the account balance or to transfer the funds into a share savings account.

However, I may make an unlimited number of withdrawals from or transfers among my own savings accounts or money market accounts by mail, messenger, or in person at the Credit Union or at an ATM. I may also make an unlimited number of withdrawals from my savings accounts or money market accounts through the Credit Union’s Audio Response Electronic Telephone Banking System, Online Banking System, or by telephone if I request that you send me a check. Transfers or withdrawals in excess of the above limitations will not be honored.

**Verification.** All transactions affected by use of the ATMs, POS terminals, Electronic Check Transaction, Audio Response Electronic Telephone Banking System, Online Banking, or other electronic transaction contemplated hereunder which would otherwise require my “wet” signature, or other authorization, shall be valid and effective as if “wet” signed by me when accomplished by use of an Electronic Check Transaction, Card(s), and/or PIN(s) or as otherwise authorized under this Disclosure and Agreement. Deposits at an ATM are subject to verification by you and may only be credited or withdrawn in accordance with your “Delayed Funds Availability Policy.” Transactions accomplished after the close of normal business each day shall be deemed to have occurred on your next business day. You are not responsible for delays in a deposit due to improper identification on the deposit envelope or improper keying of my transaction. Information accompanying a deposit should include my name, your name, my member number, and where I want my deposit to go. If I make a deposit to my checking account with you, the checking account deposit slip should be included.

VIII. RATE SCHEDULE AND FEE SCHEDULE





Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

**NCUA**

National Credit Union Administration, a U.S. Government Agency