

## ***Agreements and Disclosures***

***About Your Arrowhead***

***Credit Union Accounts***



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# YOUR TRUTH IN SAVINGS DISCLOSURE

*To open your account, complete the appropriate account card and return it to our Member Services Representative. Please read this brochure completely and retain it with your personal records.*

*All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Share "savings" accounts, share draft "checking" accounts and share certificate accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements.*

## INFORMATION REGARDING MEMBER IDENTIFICATION

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

**What this means for our Members:** When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying objects.

## GENERAL INFORMATION ABOUT ALL OF OUR ACCOUNTS

### MEMBER ENTRANCE FEE

The member entrance fee in the Arrowhead Credit Union is \$5.00.

### BYLAW REQUIREMENTS

A member shall be admitted to membership upon payment of the member entrance fee to be established from time to time by the Board of Directors.

A member who reduces his share balance below the required minimum regular share and does not increase the balance within 6 months of the reduction may be terminated from membership at the end of a dividend period.

The Credit Union reserves the right, at any time, to require members to give, in writing, not less than 7 days' and not more than 60 days' notice of intention to withdraw the whole or any part of the amounts deposited by them.

No member may withdraw funds on deposit that is pledged as required for security on loans.

### ACCRUAL OF DIVIDENDS

Dividends begin to accrue on the business day you deposit cash or non-cash items (e.g., checks) to your account if deposited before close of business.

### DIVIDEND RATES

The dividend rate and annual percentage yield on our savings, checking and share certificate accounts are stated on the Deposit Accounts Sheet accompanying this Disclosure.

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

### BALANCE INFORMATION

We compute the balance in our accounts to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

### DIVIDEND COMPOUNDING AND CREDITING

For all dividend earning accounts, dividends will be compounded monthly and will be credited monthly. For the share accounts, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period. The most recent dividend declaration date is reflected on the accompanying Deposit Accounts Sheet.

### CHANGES IN TERMS AND CONDITIONS

The use of an account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time. The Credit Union has the right to change the terms and conditions of this Agreement at any time, in any manner, and for any reason. We may delete or modify existing terms. We may add new terms without regard to whether

the matter is already addressed by this Agreement. We may offer new or different services at any time, and may convert an existing account or service into a new account or service. We will generally notify you in advance of changes by sending written notice to your address as it appears on our records. However, we may make changes without sending you advance notice, unless such notice is required by law. By continuing to use or keep your account open, you will be deemed to accept and agree to any such changes in terms.

#### **ZERO BALANCE ACCOUNT(S)**

Any account that has a zero (\$0.00) balance for a period of ninety (90) days or more is subject to closure.

#### **INACTIVE ACCOUNT(S)**

If you do not conduct a transaction on your account (i.e., a withdrawal, deposit, or transfer to or from your account, other than an automated transaction) for more than one (1) year, we may classify it as an "inactive" account. We will notify you in writing at your last known address if your account is classified as "inactive". An inactive account fee may be assessed monthly until you initiate a transaction (please refer to our Schedule of Fees). Once you initiate a transaction, either in person or in writing, we will reactive your account.

## **SAVINGS ACCOUNTS**

#### **RATE INFORMATION**

Our savings accounts are designated as variable rate accounts on the Deposit Accounts Sheet. This rate and yield may change at any time as determined by the Credit Union Board of Directors.

#### **TRANSACTION LIMITATIONS**

During any calendar month, no more than six (6) withdrawals or transfers made to another account at the Credit Union or to a third party by means of a pre-authorized, automatic transfer, online or telephonic order or instruction, whether initiated by check, draft, debit card, or similar order payable to a third party, may be made from each savings account or money market deposit account. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by calling the Credit Union or through the "CU Hear" Audio Response service must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when such transfers or withdrawals are made by mail, messenger, automated teller machine (ATM), or in person, or when such withdrawals are made by telephone (via check mailed payable to the Account Holder).

#### **→ *Regular Savings Account***

##### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Regular Savings Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield and to avoid closure.

#### **→ *Holiday Club Account***

##### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Holiday Club Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield and to avoid closure.

#### **ACCOUNT LIMITATIONS**

A recurring minimum monthly deposit as indicated on the Deposit Accounts Sheet must be made into the account by transfer from an ACU account or direct deposit in order to avoid closure.

#### **TRANSACTION LIMITATIONS**

Your Holiday Club Account may be opened at any time. Funds will be disbursed to you on or about November 1. Withdrawals may be made without being assessed a fee between November 1 and December 31 and during the first seven (7) days after the account is opened. If a withdrawal is necessary between January 1 and October 31, you will be assessed the service fee as stated on the Schedule of Fees. The account will be automatically reopened for your convenience.

#### **→ *Special Occasion Account***

##### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Special Occasion Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance stated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield and to avoid closure.

## **TRANSACTION LIMITATIONS**

The maximum number of withdrawals you make is one (1) within any calendar month. If you exceed the withdrawal limitation in any calendar month, you will be assessed the service fee as stated on the Schedule of Fees.

### **→ Kids Savings Account**

The Kids Savings Account is offered to eligible members between 0-12 years of age. Upon reaching 13 years of age, your Kids Savings Account will convert to a Teens Savings Account.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Kids Savings Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield.

### **→ Teens Savings Account**

The Teens Savings Account is offered to eligible members between 13-21 years of age. Upon reaching 21 years of age, your Teens Savings Account will convert to the Regular Savings Account.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Teens Savings Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield. You must maintain the minimum average daily balance to avoid the service fee as indicated on the Schedule of Fees.

#### **ACCOUNT LIMITATIONS**

An ATM Card is offered to members 18 years of age or older.

### **→ Money Market Account**

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Money Market Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield.

### **→ IRA Savings Accounts (Traditional and Roth)**

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your IRA Savings Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield.

#### **INCORPORATION OF IRA AGREEMENT AND DISCLOSURES**

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account Agreement and Disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union Agreement and Disclosure statement will be provided to you.

## **CHECKING ACCOUNTS**

### **→ Arrowhead Checking Account**

The Arrowhead Checking Account is a non-dividend earning account.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Arrowhead Checking Account is indicated on the Deposit Accounts Sheet. There is no minimum balance required to maintain the account. There is a monthly service fee as stated on the Schedule of Fees assessed to the account. The monthly service fee is waived if you elect to receive electronic statements (e-statements).

### **→ Dividend Checking Account**

#### **RATE INFORMATION**

The Dividend Checking Account is designated as a variable rate account on the Deposit Accounts Sheet. This rate and yield may change at any time as determined by the Credit Union Board of Directors.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Dividend Checking Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum average daily balance indicated on the Deposit Accounts Sheet to obtain the

Annual Percentage Yield. You must maintain the minimum average daily balance indicated on the Schedule of Fees to avoid the monthly service fee as stated on the Schedule of Fees.

### ➔ **Teen Debit Account**

The Teen Debit Account is offered to eligible members between 13-17 years of age. A parent or legal guardian must be a joint owner on the account. The Teen Debit Account is a non-dividend earning account.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Teen Debit Account is indicated on the Deposit Accounts Sheet.

#### **ACCOUNT LIMITATIONS**

Access to the Teen Debit Account is available only with a Debit Card. The Teen Debit Card will be issued in the minor's name.

## **SHARE CERTIFICATE ACCOUNTS**

#### **ANNUAL PERCENTAGE YIELD**

The Annual Percentage Yield is based on an assumption that funds will remain on deposit until maturity. If you make a withdrawal from your account, your earnings will be reduced.

#### **MATURITY**

Your account will mature as reflected on the Deposit Accounts Sheet. The maturity date will be stated on the certificate provided to you at the time of opening your account.

#### **RATE INFORMATION**

Our Share Certificates and IRA Share Certificates are designated as fixed accounts on the Deposit Accounts Sheet. You will be paid this rate and yield until maturity.

#### **RENEWAL OF ACCOUNT/GRACE PERIOD**

Your account will automatically renew at maturity for the same time period as the original term at the prevailing rate unless you withdraw all of the funds in your account at maturity or within a grace period of ten (10) days after maturity.

#### **ACCOUNT LIMITATIONS**

You may not make deposits into or withdrawals of principal from this account until the maturity date. See **Early Withdrawal Penalty** section. You may make withdrawals of dividends from your account at any time.

#### **EARLY WITHDRAWAL PENALTY**

We may impose a penalty if you withdraw principal from your account before the maturity date. The penalty imposed shall be:

- If the term of the account is less than twelve (12) months, the penalty will be forfeiture of an amount equal to ninety (90) days dividends on the principal amount withdrawn.
- If the term of the account is twelve (12) months or greater, the penalty will be forfeiture of an amount equal to one hundred-eighty (180) days dividends on the principal amount withdrawn.

**An early withdrawal could reduce your initial principal deposit.**

#### **EXCEPTIONS TO PENALTIES**

The penalties stated above will not apply if:

1. The withdrawal is made subsequent to the death of any owner of the share certificate account, or is made pursuant to the Credit Union's bylaws.
2. The share certificate account is part of a pension plan which qualifies or is qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 70 1/2 years of age, or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

#### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Regular Share Certificate or IRA Share Certificate Account is indicated on the Deposit Accounts Sheet. You must maintain the minimum balance indicated on the Deposit Accounts Sheet to obtain the Annual Percentage Yield and to avoid closure.

## INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account Agreement and Disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union Agreement and Disclosure statement will be provided to you.

# ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT

*This EFT Disclosure and Agreement as amended from time to time ("Agreement") sets forth the terms and conditions governing the use of the Arrowhead Credit Union electronic transfer services. Disclosure information that applies to all electronic services offered by Arrowhead Credit Union is given below, followed by specific disclosure information for each service. This Agreement takes the place of all prior agreements and disclosures governing the use of all electronic services. By retaining, using, or allowing others to use the electronic services offered by Arrowhead Credit Union, you are agreeing to be bound by the terms and conditions of this Agreement. In this Agreement, the term ("you") and ("your(s)") refer to the member, and the terms ("we,") ("us") and ("our(s)") refer to Arrowhead Credit Union.*

## PERSONAL IDENTIFICATION NUMBER

The Credit Union will issue you a Personal Identification Number ("PIN") that must be used with the ATM Card or Debit Card for transactions that require the use of a PIN. This number should be memorized-DO NOT write it on your ATM Card or Debit Card. After memorizing your PIN, you should destroy the notice disclosing your PIN. If you forget your PIN, contact the Credit Union and we will issue you a new one. You can also select your PIN or change your PIN at any of our branches.

## RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

You will get a monthly account statement reflecting all of your transactions unless there is no activity in a particular month. In any case you will get the statement at least quarterly. Depending on the terminal or if the transaction is \$15 or less, you may receive a receipt at the time you make a transaction at a terminal. If you do receive a receipt, retain the receipt to compare with your monthly statement from the Credit Union.

## YOUR LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS INVOLVING AUTOMATED TELLER MACHINE (ATM) CARDS

Tell us AT ONCE if you believe your ATM/POS Card and/or Personal Identification Number (PIN) has been lost or stolen, or if you believe that an electronic transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within two (2) business days, you can lose no more than \$50 if someone used your ATM/POS Card or PIN without your permission. If you DO NOT tell us within two (2) business days after you learn of the loss or theft of your ATM/POS Card or PIN, and we can prove that we could have stopped someone from using your ATM/POS Card or PIN without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. **If you have authorized someone else to use the ATM/POS Card and/or PIN, you are responsible for all transactions that person or persons initiates at any time, even if the amount or transactions exceed what you may have authorized.**

## YOUR LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS INVOLVING DEBIT CARDS

Tell us AT ONCE if you believe your Debit Card and/or Personal Identification Number (PIN) has been lost or stolen or if your statement shows an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within sixty (60) days of our sending your statement, you can lose no more than \$50 if someone used your debit card without your permission. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the close of the sixty (60) days and before notice to us. If your delay in notifying us was due to extenuating circumstances beyond your reasonable control, including extended travel, your or a member of your family's death or serious illness, hospitalization, permanent mental impairment or serious physical impairment, unless the circumstance did not reasonably contribute to your delay in notifying us within the sixty (60) day period, we will extend the sixty (60) day period by a reasonable period. **If you have authorized someone else to use the Debit Card and/or PIN, you are responsible for all transactions**

that person or persons initiates at any time, even if the amount or transactions exceed what you may have authorized.

#### **SPECIAL NOTICE TO VISA DEBIT CARDHOLDERS**

If there is an unauthorized use of your VISA Debit Card or an Interlink transaction, and the transaction takes place on the VISA network, then your liability will be zero (\$0.00). This provision limiting your liability does not apply to either VISA commercial cards, ATM cash disbursements, or non-VISA PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your account or card. In any case, to minimize your potential liability you should notify us of any unauthorized use no later than sixty (60) days after your statement was mailed to you.

#### **HOW TO NOTIFY THE CREDIT UNION IN THE EVENT OF AN UNAUTHORIZED TRANSACTION**

If you believe your ATM Card, Debit Card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us at 800.743.7228 or write to us at P.O. Box 735, San Bernardino, CA 92402-0735. You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.

#### **BUSINESS DAYS**

Our business days are Monday through Friday, excluding holidays.

#### **OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS**

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

- a) through no fault of ours, you do not have enough money in your account to make the transaction;
- b) the transaction would go over the credit limit on your credit line;
- c) the terminal where you were making the transaction did not have enough cash;
- d) the ATM or network system was not working properly and you were aware of the malfunction when you started the transaction;
- e) circumstances beyond our control (such as fire, flood, power failure, or computer down time) prevented the transaction, despite reasonable precautions that we have taken;
- f) the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- g) your ATM Card or Debit Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;
- h) your ATM Card, Debit Card or PIN has been reported lost or stolen and we have blocked the account; or
- i) the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

#### **IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS**

Telephone us at 800.743.7228 or write to us at P.O. Box 735, San Bernardino, CA 92402-0735 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

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

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

We will tell you the results of our investigation within ten (10)\* business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45)\*\* days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10)\* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.



If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation and any provisional credit issued to you will be reversed. You may ask for copies of the documents that we used in our investigation.

\* If you assert an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

\*\* If you give notice of an error within thirty (30) days after you make the first deposit to your account, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

#### **CHARGES**

In order to obtain the electronic services listed, you must open and maintain a savings or checking account. All charges associated with our electronic fund transactions are disclosed in our Schedule of Fees which accompanies this Disclosure and Agreement.

#### **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES**

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

- a) when it is necessary to complete the transaction;
- b) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c) in order to comply with government agency or court orders or other legal process; or
- d) if you give us your prior oral or written permission.

#### **ADDRESS CHANGE**

Keep the Credit Union informed of your current address to ensure correct mailing of monthly statements.

#### **AMENDMENTS**

The Credit Union may change the terms and conditions of this Agreement from time to time by mailing written notice to your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least twenty-one (21) days prior notice of the change. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of ATM Cards, Debit Cards or designated accounts.

#### **TERMINATION**

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of your ATM Card, Debit Card or PIN with or without cause. We may do so immediately if:

- a) you or any authorized user of your ATM Card, Debit Card, PIN or account breaches this or any other agreement with the Credit Union;
- b) we have reason to believe that there has been, or might be, an unauthorized use of your ATM Card, Debit Card, PIN or account; or
- c) you or any authorized user of your ATM Card, Debit Card, PIN or account request that we do so.

#### **ATTORNEY'S FEES**

You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

#### **ADDITIONAL BENEFITS/CARD ENHANCEMENTS**

The Credit Union may from time to time offer additional services to your Account. Some may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

#### **WAIVER OF RIGHTS**

The Credit Union can delay enforcing any of the provisions under this Agreement or the law any number of times without losing its right to enforce them at a later date.

#### **OTHER AGREEMENTS**

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

#### **SEVERABILITY**

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

## **WHO IS BOUND BY THIS AGREEMENT**

Each person who signs the Application agrees to be bound by the terms and conditions of this Agreement. If more than one person signs the application, all signers are jointly and severally liable. The Credit Union can waive or delay enforcement of its rights as to one signer without affecting its ability to enforce its rights as to the other signers. The Agreement is also binding upon your heirs, personal representatives and successors.

## **SIGNATURES**

By using your access to the system, or authorizing anyone else to use your access to the system, and/or by signing the application, you agree to be bound by the terms and conditions of this Agreement and Disclosure.

## **CONSUMER REPORTS**

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a savings or checking account or the issuance of an ATM Card, Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

## **➔ Additional Disclosures Applicable to ACH Services**

### **DOCUMENTATION OF DIRECT DEPOSIT**

If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at 800.369.7672 to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits or preauthorized deposits, you will get at least a quarterly statement from us.

### **DISCLOSURE OF RIGHT TO STOP PAYMENT**

- Right to stop payment and procedure for doing so.

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how: Call us at 800.743.7228 or write to us at P.O. Box 735, San Bernardino, CA 92402-0735, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.

- Notice of varying amounts.

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

### **TRANSACTIONS AVAILABLE**

You may use your ACH services to perform the following transactions:

- Make deposits to your savings or checking account;
- Make loan payments;
- Pay bills directly from your savings or checking account in the amounts and on the days you request;
- Authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay bills or pay for purchases; and
- Authorize a merchant or other payee to debit your checking account for returned check fees or returned debit entry fees.

All payments and deposits are subject to later verification by us.

## **➔ Additional Disclosures Applicable to "CU Hear" Audio Response Services**

### **TRANSACTIONS AVAILABLE**

You may use the CU Hear service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and pay off information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Request a check withdrawal from your savings or checking account;
- Access your Line of Credit Account to request loan advances by check;

- Transfer funds between your savings, checking and VISA Credit Card accounts;
- Transfer funds from your VISA Credit Card account to your savings or checking account; and
- Make loan payments.

All payments and deposits are subject to later verification by us.

#### **TRANSACTION LIMITATIONS**

The following are limitations to the use of the CU Hear service:

- During any calendar month, no more than six (6) withdrawals or transfers made to another account at the Credit Union or to a third party by means of a pre-authorized, automatic transfer, online or telephonic order or instruction, whether initiated by check, draft, debit card, or similar order payable to a third party, may be made from each savings account or money market deposit account. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by calling the Credit Union or through the "CU Hear" Audio Response service must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when such transfers or withdrawals are made by mail, messenger, automated teller machine (ATM), or in person, or when such withdrawals are made by telephone (via check mailed payable to the Account Holder).

#### **➔ Additional Disclosures Applicable to ATM and POS Services**

##### **RULES FOR USE**

By using your ATM Card or Debit Card with your personal identification number (PIN) at automated teller machines ("ATM's") or other electronic terminals operated by a participating institution, network system, or company (collectively "terminals"), you authorize us to effect the transactions from or to your savings or checking account(s) in accordance with the instructions given at the terminals. All ATM Card and Debit Card transactions are subject to the terms and conditions of your account agreements with us governing the affected accounts.

##### **ATM FEES**

When you use an ATM not owned by Arrowhead Credit Union, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer. A fee will not be imposed for use at an electronic terminal operated by Arrowhead Credit Union.

##### **TRANSACTIONS AVAILABLE FOR ATM CARDS**

You may use your ATM Card to perform the following transactions:

- Make deposits to your savings or checking account;
- Withdraw cash from your savings or checking and loan account;
- Transfer funds between your savings and checking and loan account;
- Make point-of-sale payments for goods and services to others from your checking account; and
- Make account balance inquiries.

Some of the transactions listed above may not be available at all terminals. All payments and deposits are subject to later verification by us.

##### **LIMITATIONS ON TRANSACTIONS FOR ATM CARDS**

You may make ATM cash withdrawals up to \$510 each twenty-four (24) hour period as long as your available balance will cover the transaction. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

##### **ELECTRONIC ACCESS CARD**

All ATM Cards and Debit Cards are non-transferable and belong to the Credit Union. The Credit Union may cancel, modify and restrict the use of any ATM Card or Debit Card upon proper notice or without notice if your account is overdrawn or where necessary to maintain or restore the security of accounts on the ATM system.

##### **ATM SAFETY**

An ATM provides a quick and convenient way to access your money. However, use caution and remember the following safety tips whenever you use an ATM:

- Be aware of the surroundings, particularly at night.
- Look for well lighted ATM's when transacting at night.
- If you notice anything suspicious when approaching the ATM, return later or use another ATM.

- Have your transaction ready before you go to the ATM. When you can, fill out any deposit or withdrawal slips/envelopes before leaving your vehicle.
- Have your ATM Card or Debit Card ready, to avoid going through your purse or searching through the contents of your wallet at the ATM site.
- If you notice anything suspicious while you are transacting business, immediately stop your transaction, put your ATM Card or Debit Card away and leave.
- Consider having another person accompany you to the ATM.
- Immediately report all crimes to the ATM operator and to local law enforcement officials.
- Stand close to the ATM and away from others in line to avoid detection of your PIN or other account information.
- Put your cash away as soon as the transaction is complete; count the cash later in the safety of your vehicle or home.
- Never give information to strangers at the ATM or to anyone over the phone. Be aware of fraud or people who pose as Credit Union employees who try to get information from you. This information should only be discussed in person by you at the Credit Union.
- Remember to keep your PIN a secret. Make sure not to write it on your ATM Card or Debit Card or anywhere else in your wallet; thieves can easily figure out the reason for "hidden" or "secret" numbers.

### ➔ **Additional Disclosures Applicable to VISA Debit Card Services**

#### **ISSUANCE OF CARD**

("Card") means the Arrowhead Credit Union VISA Debit Card and any duplicates, renewals or substitutions the Credit Union issues to you; ("Account") means the account designated on the application for your VISA Debit Card.

#### **RESPONSIBILITY FOR TRANSACTIONS**

You are responsible for all transactions you make with the Debit Card or that you authorize another person to make with the Debit Card. You understand that if you disclose your Debit Card PIN to anyone, they will have access to all accounts identified by your account number. If the Account is a joint account, all transactions involving the account are binding on all Account holders.

#### **MERCHANT DISPUTES**

For POS transactions directly accessing a line of credit, the Credit Union is not responsible for the refusal of any merchant or financial institution to honor the Debit Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Debit Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you or (b) your purchase cost more than \$50 and was made in your state or within one hundred (100) miles of your home.

#### **LIMITATIONS ON DOLLAR AMOUNTS AND FREQUENCY OF TRANSACTIONS**

Purchases made above the floor limit of the merchant will require an authorization number from VISA.

You may make ATM cash withdrawals up to \$510 or POS transactions up to \$2,500 each 24-hour period as long as your available balance will cover the transaction.

For Teen Debit Account holders, you may make ATM cash withdrawals or POS transactions up to \$200 each 24-hour period as long as your available balance will cover the transaction.

Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

#### **USE OF THE DEBIT CARD**

You may use the Debit Card and PIN to:

- Withdraw cash from your savings or checking account at ATMs, merchants, or financial institutions that accept VISA Debit Cards;
- Transfer funds between your savings, checking or loan account you have with the Credit Union; and
- Make deposits to your savings or checking account at the Credit Union.
- You may use the Debit Card without the PIN to:
- Purchase goods or services at places that accept VISA Debit Cards (these are point of sale or POS transactions);
- Order goods or services by mail or telephone from places that accept VISA Debit Cards;
- Order goods or services without a PIN by mail, online, or telephone at merchants who offer the payment transactions processed through the STAR, CO-OP, or any other Debit Card network; and

- Make automatic payments from your checking account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

Some of these services may not be available at all terminals.

Use of the Debit Card, the account number on the card, the PIN or any combination of the three for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor VISA Debit Cards is an order by you for the withdrawal of the amount of the transaction from your account. Each transaction with the Debit Card will be charged to your account on the date the transaction is posted to your account. When the Credit Union receives notification of a VISA Debit Card transaction, it will put a hold on an equivalent amount of funds in your checking account for three (3) days or until the day the transaction is charged to your account.

All Debit Card transactions covered by this agreement are subject to the terms and conditions of your account agreements with us governing the affected accounts, except as modified by this agreement. Any future changes to your account agreements may affect the use of the Debit Card.

#### **ILLEGAL USE OF VISA DEBIT CARD**

You agree that your VISA Debit Card Account will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under this Agreement. You agree that the Credit Union has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

#### **OVERDRAFTS**

You promise to pay the Credit Union immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. If you do not have overdraft privileges, the Credit Union may deduct the amount of any overdraft on your Account from any other account you have with the Credit Union, except an Individual Retirement Account.

#### **REFUSAL TO HONOR CARD**

The Credit Union is not liable for the refusal or inability of any electronic terminal to honor the Debit Card or to complete a withdrawal from your account, or for their retention of the card. The Credit Union is also not responsible for the refusal of any merchant or financial institution to honor the card or for their retention of the Debit Card.

#### **FOREIGN TRANSACTIONS**

**Foreign Transactions in Foreign Currency** - Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by VISA from a 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 in each instance, plus a one percentage point (1%) fee charged by the Issuer.

**Foreign Transactions in U.S. Currency** - Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. Transactions processed outside of the United States, in U.S. dollars, may be charged a foreign transaction fee of point eight percent (.8%), regardless of whether there is a currency conversion associated with the transaction.

#### **➔ Additional Disclosures Applicable to Online Banking Services**

##### **SYSTEM REQUIREMENTS**

Online Banking services allow convenient access to your account information twenty-four (24) hours a day. To use Online Banking, you must have a computer, modem, Internet Service, browser, your Account/Username and Password.

##### **TRANSACTIONS AVAILABLE**

You may use the Online Banking service to perform the following transactions:

- Obtain account/loan balance information;
- Obtain loan payment due date and payoff information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Transfer funds between your checking, savings, Money Market and Line of Credit accounts;
- Download transaction information to personal financial management software from checking and savings account;
- Access your Line of Credit for loan advancements by check;
- Request copies of prior statements;

- Change address, phone number and Password.
- Make loan payments;
- Pay bills through Bill Pay from checking;
- Transfer funds via Automated Clearing House (ACH) to your account at other financial institutions; and
- Transfer funds to other Arrowhead Credit Union member accounts.

#### **LIMITATIONS ON TRANSACTIONS**

- The following are limitations to the use of the Online Banking service:
- The maximum transaction amount is \$10,000 for ACH transactions during any 24-hour period.
- During any calendar month, no more than six (6) withdrawals or transfers made to another account at the Credit Union or to a third party by means of a pre-authorized, automatic transfer, online or telephonic order or instruction, whether initiated by check, draft, debit card, or similar order payable to a third party, may be made from each savings account or money market deposit account. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by calling the Credit Union or through the "CU Hear" Audio Response service must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when such transfers or withdrawals are made by mail, messenger, automated teller machine (ATM), or in person, or when such withdrawals are made by telephone (via check mailed payable to the Account Holder).

#### **➔ Additional Disclosures Applicable to Bill Payment Services**

##### **SYSTEM REQUIREMENTS**

To use the Bill Payment service, you must have a computer, modem, Internet Service, browser, your Account/Username and Password.

##### **RIGHT TO STOP PAYMENT OF PREAUTHORIZED TRANSFERS**

You may cancel any scheduled payment prior to the time the funds are withdrawn from your account by logging into the Online Banking system and selecting the "Cancel Payment" option. Electronic payments cannot be stopped once they are processed and the funds are withdrawn from your account.

You may also request to cancel a payment by: (i) calling us at 800.743.7228; (ii) writing to us at P.O. Box 735, San Bernardino, CA 92402-0735; or (iii) logging into the Online Banking system and sending us a Secured Message. We must receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.

##### **RIGHT TO RECEIVE NOTICE OF VARYING AMOUNTS**

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

##### **TRANSACTIONS AVAILABLE**

You may use the Bill Payment service to perform the following transactions:

- Add/Edit Payees: Payee refers to the entity to which you pay bills. The payee can be a company, organization, or individual. The Add/Edit Payee feature allows you to add payees to, delete payees from or edit payee information on your personal list of payees.
- Make nonrecurring payments from checking: This feature allows you to schedule one-time payments to payees. This feature enables you to specify the amount of the payment and the processing date.
- Make recurring payments from checking: This feature allows you to schedule recurring payments to payees.
- View History: View History permits you to see payments made over a specified time period.

#### **LIMITATIONS ON TRANSACTIONS**

The following are limitations to the use of the Bill Payment service:

- The maximum transaction amount is \$10,000 per payee;
- Bill payments can only be made from your checking account;
- If you close the designated Bill Payment checking account, all scheduled payments will be stopped;
- You cannot stop a payment if the payment has already been processed; and
- You can schedule payments twenty-four (24) hours a day, seven days a week, however, payments scheduled on a Friday, Saturday, Sunday, or holiday will be processed within one (1) to two (2) business days.

## **METHODS AND RESTRICTIONS**

Payments are made to your payee either electronically via the Automated Clearing House (ACH) or by check. The method of payment depends upon the processing method that can be accommodated by the payee or by our Bill Payment service provider.

It is important that you take into consideration what method of Bill Payment will be used when scheduling bill payments 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. If the payee does not accept electronic bill payment, the payment will be sent in a check form, and may take up to ten (10) business days to process.

## **MEMBER RESPONSIBILITIES**

You are responsible for:

- any late payment, late fees, interest payments, and service fees charged by payee(s);
- any overdraft, NSF or stop payment fees charged by the Credit Union as a result of these transactions;
- data input of payee information (payment amount(s), name, address and any other pertinent information);
- written notification to the Credit Union in the event you wish to cancel this service; and
- you must allow sufficient time for bill payments to be processed so that the funds can be delivered to the payee on or before the due date.

## **➔ Additional Disclosures Applicable to Mobile Banking Services**

Mobile Banking allows you convenient access to your account information twenty-four (24) hours a day.

## **SYSTEM REQUIREMENTS**

To use the Mobile Internet Banking service, you must be enrolled in the Online Banking service and have your Account/Username and Password. You must also have a mobile device with a service plan that includes data and Internet access with Secure Sockets Layer (SSL) capability. Third party fees may apply for data and Internet access. Contact your mobile device carrier for additional information.

## **TRANSACTIONS AVAILABLE**

You may use the Mobile Banking service to perform the following transactions:

- Obtain account/loan account balance information;
- View account/loan account history;
- Transfer funds between your savings, checking or Lines of Credit accounts; and
- Schedule Bill Payments.

## **LIMITATIONS ON TRANSACTIONS**

The following are limitations to the use of the Mobile Banking service:

- During any calendar month, no more than six (6) withdrawals or transfers made to another account at the Credit Union or to a third party by means of a pre-authorized, automatic transfer, online or telephonic order or instruction, whether initiated by check, draft, debit card, or similar order payable to a third party, may be made from each savings account or money market deposit account. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by calling the Credit Union or through the "CU Hear" Audio Response service must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when such transfers or withdrawals are made by mail, messenger, automated teller machine (ATM), or in person, or when such withdrawals are made by telephone (via check mailed payable to the Account Holder).

# **REGULATIONS RELATING TO WIRE FUND TRANSFERS**

## **APPLICABLE LAW**

This agreement and notice applies to funds transfers as defined in the Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System.

## **FUNDS TRANSFER CUT-OFF TIME**

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 will be at 12:00 p.m. on each weekday that the Credit Union is open excluding holidays. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.

## **SERVICE CHARGES/FEES**

The Credit Union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you 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. Please refer to our Schedule of Fees and Charges for current fees.

## **SECURITY PROCEDURES**

The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.

## **USE OF FEDWIRES**

If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.

## **IDENTIFICATION OF BENEFICIARY**

If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's bank on the basis of the identifying or bank account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identification number you provided the Credit Union.

## **IDENTIFICATION OF BENEFICIARY AND INTERMEDIARY BANK BY NUMBER**

If you 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 bank than the named bank. This means that you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

## **PROVISIONAL ACH PAYMENTS**

The Credit Union may at its discretion give you 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. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you 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 your account and you would be liable to repay the Credit Union.

## **NOTICE OF RECEIPT OF ACH FUNDS**

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 you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

## **RECEIPT OF INCOMING (NON-ACH) FUNDS TRANSFERS**

If the Credit Union receives a funds transfer for you or for other persons authorized to have access to your account, you agree that the Credit Union is not obligated to provide you with next day notice of the receipt of the funds transfer. The Credit Union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.

## **PAYMENT OF DIVIDENDS**

If the Credit Union becomes obligated under Article 4A to pay dividends to you, you agree that the rate of interest (or dividends) 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.

## **YOUR ABILITY TO WITHDRAW FUNDS**

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that day to



be the day of your deposit. However, if you make a deposit after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

#### **LONGER DELAYS MAY APPLY**

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7th business day after the day of your deposit.

#### **SPECIAL RULES FOR NEW ACCOUNTS**

If you are a new member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 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 your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the 11th business day after the day of your deposit.

#### **HOLDS ON OTHER FUNDS (CHECK CASHING)**

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

#### **DEPOSITS AT AUTOMATED TELLER MACHINES**

Funds from any deposits (cash or checks) made at automated teller machines (ATM's) we do not own or operate will not be available until the fifth business day after the day of your deposit. This rule does not apply at ATM's that we own or operate. All ATM's that we own or operate are identified as our machines.

#### **INITIAL DEPOSITS FOR ONLINE ACCOUNTS**

Funds from an initial deposit made by transfer from another financial institution through the Automated Clearing House (ACH) system may not be available until the seventh (7th) business day after the day of your deposit. In addition, funds from an initial deposit made with a debit or credit card may not be available until the seventh (7th) business day after the day of your deposit. You are solely responsible for any cash advance or other fees or penalties that may be assessed by your debit/credit card issuer.

## **UNCLAIMED PROPERTY LAW- IMPORTANT NOTICE ABOUT YOUR ACCOUNT(S) OR SAFE DEPOSIT (CALIFORNIA RESIDENTS)**

In accordance with California's Unclaimed Property Law, C.C.P. §1500, et seq., any funds held by the Credit Union (including, without limitation, funds in a savings, checking, certificate, or other account, sums for the payment of cashier's checks, teller's checks, etc.) may be transferred to the Unclaimed Property Division of the California State Controller's Office if no activity occurs in the account within the time period specified by state law. In addition, any property held in a Credit Union safe deposit box may be transferred upon the running of the time period specified by state law from the date any lease or rental period expires or any agreement for the safe deposit box terminates.

# GENERAL TERMS AND CONDITIONS OF YOUR CREDIT UNION ACCOUNTS

## DEFINITIONS

ACCOUNT AGREEMENT means any Savings, Checking, Share Certificate, Individual, Joint, Fiduciary, Living Trust, Totten Trust, Pay-on-Death ("POD") and Custodial ("UTMA") accounts.

TIS AGREEMENT means the Truth In Savings Agreement entitled, "Truth In Savings- About Your Arrowhead Credit Union Accounts."

## MEMBERSHIP & ACCOUNT APPLICATION

The terms, conditions and information contained in the Membership & Account Application, and all amendments thereto, are by this reference hereby incorporated in their entirety into this TIS Agreement and become an integral part of the General Terms and Conditions of the Credit Union Accounts.

## ACCOUNT OWNERSHIP

The ownership of Individual, Joint, Fiduciary, Living Trust, Totten Trust, Pay-on-Death ("POD") and Custodial ("UTMA") accounts shall be governed by the applicable Account Agreement. Unless otherwise specified in the Account Agreement, the parties who sign an Account Agreement agree with each other and with the Credit Union that all funds in the accounts shall be owned as follows:

**Individual Accounts:** The account or certificate is owned by the party named on the Account Agreement ("Account Holder"). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Agreement.

**Joint Accounts:** The account or certificate is owned by the parties named on the Account Agreement ("Account Holder"). Upon the death of any of them, ownership passes to the survivor(s). Upon the death of all of them, ownership passes to the named pay-on-death payee(s), designated as the beneficiary named on the Account Agreement.

## SPECIAL RULES FOR JOINT ACCOUNTS

**Withdrawals by and Liability of Joint Owners -** The Account Holders of an account agree with each other and with the Credit Union that all funds and all accumulations thereon are subject to the withdrawal or receipt by any of the Account Holders, and payment to any of them shall be valid and discharge the Credit Union from any and all liability for such payment. The Account Holders of an account expressly agree that each Account Holder is jointly and severally liable for any and all overdrafts, losses or charges to an account created by any Account Holder(s).

**Deposits –** The Credit Union may cash or deposit all checks payable to any signer when endorsed by any other signer.

**Disputes –** If there is a dispute about ownership or control of an account, the Credit Union may place a hold on the account and not release funds until the Credit Union receives either a court order or an instruction signed by all persons claiming an interest in the account.

## FIDUCIARY ACCOUNTS

In order to open your fiduciary account, you shall present to the Credit Union the court order appointing you as executor/executrix, administrator/administratrix, guardian or conservator. Immediately upon receipt or as otherwise required by the court, you shall present to the Credit Union any court order modifying your appointment or your powers to transact business on this Account.

In your capacity as executor/executrix, administrator/administratrix, guardian or conservator, you certify to the Credit Union that:

1. You have been appointed to act in the capacity of executor/executrix, administrator/administratrix, guardian or conservator.
2. You are authorized and empowered to transact any and all business on this account. Your authority shall continue in force until written notice to the contrary is received by the Credit Union.

## LIVING TRUST ACCOUNT

You understand and agree that this Living Trust Account will be governed by the terms and conditions of this Agreement. For a Revocable Living Trust at least one trustor of the trust must be a member of the Credit Union, and for an Irrevocable Living Trust either all of the Trustors or all of the Beneficiaries of the Trust must be members of the Credit Union. Regarding any transaction on this account, the Credit Union may ask the trustee to provide a certification of trust, and the Credit Union will not read, interpret or retain copies of the trust agreement. The trustee agrees to notify the Credit Union of any changes in the terms of the trust that would affect the trustee's authority to transact business on the Living Trust Account or status of the membership of the parties to the trust.

## TOTTEN TRUST ACCOUNTS

All shares in this Totten Trust Account and all dividends paid or credited thereon shall be held by the Trustee(s) in trust for the beneficiary(ies) named the Account Signature Card subject to the right of the Trustee(s) or any one of them from time to time and in their sole discretion to revoke the same to the extent of any withdrawal of funds from this Account. In the

case of multiple trustees, each trustee shall be considered the joint tenant of the other. Upon the death of the Trustee, (or if more than one, upon the death of the last surviving Trustee), the balance remaining in this Account shall be distributed to the beneficiaries in equal shares. If there are no surviving beneficiaries, the balance remaining in this Account shall be distributed to the estate of the last surviving Trustee.

The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the trustee or the last surviving trustee, payment on a Totten Trust Account will be made to the beneficiaries within a reasonable time. Until final payment is made, the Credit Union shall continue to operate the Account according to the terms of this Agreement. The terms of this Account may not be altered by will or other testamentary instrument.

#### **PAYABLE ON DEATH ACCOUNTS**

A pay on death account ("P.O.D. Account") is an account payable on request to one or more Account Owner(s) during their lifetime and on the death of all Account Owners to one or more pay on death beneficiaries. The pay on death beneficiaries are the person or persons designated as such on the Account Signature Card; you may modify the pay on death beneficiaries by completing a new Account Signature Card or completing a new designation of beneficiary on the form provided by the Credit Union. The pay on death beneficiary has no rights to the funds in the Account during the lifetime of any Account Owner.

Upon the death of the Trustee, (or if more than one, upon the death of the last surviving Trustee), the balance remaining in this Account shall be distributed to the beneficiaries in equal shares. If there are no surviving beneficiaries, the balance remaining in this Account shall be distributed to the estate of the last surviving Trustee.

The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the sole Account Owner or the last surviving Account Owner, payment on a P.O.D. Account will be made to the beneficiaries within a reasonable time. Until final payment is made, the Credit Union shall continue to operate the Account according to the terms of this Agreement. The terms of this Account may not be altered by will or other testamentary instrument.

#### **CUSTODIAL (UTMA) ACCOUNT**

This Custodial Account is established as a result of the transfer of the funds deposited in the Custodial Account for the benefit of the minor named as beneficiary on the Account Signature Card. This transfer is irrevocable and includes all earnings on this Account. Neither the donor of the funds nor the custodian is entitled to the use or benefit of the funds, except for the benefit of the minor as allowed by California Uniform Transfers to Minors Act. The Credit Union is authorized to act without further inquiry in accordance with writings bearing the signature of the custodian. The terms of the California Uniform Transfers to Minors Act, as amended, are hereby incorporated herein by this reference.

#### **NOTICE**

Notice to one Account Holder shall constitute notice to all persons authorized to have access to the account.

#### **ABILITY TO PLEDGE FUNDS**

Any or all of the joint Account Holders may pledge all or any part of the funds as security for a loan or loans with the Credit Union only.

#### **ENFORCEMENT OF LIENS**

All funds in an account remain subject to any and all liens, including but not limited to statutory liens and/or consensual liens, security interests, rights of set off and charges, notwithstanding the source of the contribution.

#### **NOTIFICATION OF CHANGES**

Each Account Holder agrees to promptly notify us in writing of any change in address(es). If you fail to do so, we may send notices, statements or other important information to the address shown in our records and you agree to release us from any liability for doing so. You also agree to notify us in writing of any change in ownership or authorized signers, or if an owner or authorized signer dies or is placed under legal guardianship or conservatorship. We may, at our option, require a new Account Agreement to be completed before any such change takes effect. Any such changes shall not affect transactions previously made.

#### **FINANCIAL ABUSE REPORTING**

Account Holder(s) understand(s) and agree(s) that the Credit Union may report known or suspected illegal or fraudulent activity including, but not limited to, the following:

- Financial abuse involving an elder or dependent adult;
- Where the ownership or collectability of funds are subject to dispute; or
- Misuse or abuse of account services;

to appropriate law enforcement or government entities, as required or permitted by law. In addition, the Credit Union reserves the right to suspend, restrict, deny or terminate account services and activity, including the placement of an administrative hold (freeze) on account proceeds, or take such other actions as deemed necessary under the circumstances. Account Holder(s) agree(s) to indemnify and hold the credit union harmless from and against all claims,

actions, damages, losses, and expenses, including attorneys' fees, as a result of any action or inaction taken in relation to the matters described here.

#### **WAIVER OF CERTAIN RIGHTS**

The Credit Union reserves the right to waive the enforcement of any of the provisions of this TIS Agreement with respect to any transaction or series of transactions. Any such waiver will not affect the right of the Credit Union to enforce any of its rights with respect to later transactions and is not sufficient to modify the terms and conditions of this TIS Agreement.

#### **CONSUMER REPORTS**

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a savings or checking account or the issuance of an ATM Card, Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

#### **NEGATIVE CREDIT REPORTING**

We may report information about your account to credit reporting agencies. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

#### **REPORTING INACCURATE INFORMATION**

If you believe the Credit Union is reporting inaccurate information to a credit reporting agency, please notify us at Arrowhead Credit Union, P.O. Box 735, San Bernardino, CA 92402-0735 so we can investigate.

#### **POST-DATED CHECKS**

The Credit Union will treat all checks as though the checks were written on the date presented.

#### **EXAMINATION OF STATEMENTS**

The Account Holder(s) to whom the periodic statement of account is sent agree(s) to exercise reasonable care and promptness in examining the statement to discover any errors or discrepancies, and to promptly notify the Credit Union after discovery thereof.

#### **LOST, STOLEN OR DESTROYED CASHIER'S CHECK OR TELLER CHECKS**

You may make a claim for a lost, stolen, or destroyed Credit Union issued cashier's check or teller check by notifying the Credit Union as soon as possible so as to afford the Credit Union a reasonable opportunity to act upon it before the check is paid. Your notice must describe the check with reasonable certainty and request payment of the amount of the check. The Credit Union will require you to provide identification and sign a written declaration under penalty of perjury stating the following:

1. You lost possession of the check;
2. You are the rightful owner of the check;
3. The check was not voluntarily transferred to a third party or lost through lawful seizure; and
4. You cannot reasonably obtain possession of the check because it was destroyed, its whereabouts are unknown, or it is in the wrongful possession of an unknown person or a person that cannot be found or is not amenable to service of process.

Your claim becomes enforceable at the time the claim has been made or ninety (90) days after the date the check was issued, whichever is later. The Credit Union may pay the check to a person entitled to enforce it at any point prior to that time without liability. Upon expiration of the ninety (90) day waiting period, if payment of the check has not been made to the person entitled to enforce it, the Credit Union will pay the amount of the check to you. However, if the check is later presented for payment by a holder in due course, and the Credit Union honors the check, you will be obligated to return the funds to the Credit Union.

#### **NON-CASH PAYMENTS**

Non-cash payments deposited into an account may be credited subject to final payment.

#### **FEES AND CHARGES**

All accounts shall be subject to service charges in accordance with a Schedule of Fees adopted by the Credit Union as amended from time to time.

#### **CREDIT UNION'S RIGHT TO OFFSET**

Account Holder(s) agrees that the Credit Union has the right to offset against any account of any Account Holder to cover any amount owing to the Credit Union for any reason. Account Holder(s) understand that this means that the Credit

Union has the right to impress and enforce a statutory lien against the Account Holder(s)'s savings and dividends in the event of the failure of the Account Holder(s) to satisfy any financial obligation due and payable to the Credit Union. Account Holder(s) understand that the Credit Union may enforce this right without further notice except Individual Retirement Accounts (IRA), Keogh Plan, Social Security/SSI, and as otherwise prohibited by law.

#### **ATTORNEYS' FEES AND OTHER FEES**

You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

#### **GOVERNING LAW**

This TIS Agreement shall be construed in accordance with the laws of the State of California, including the California Uniform Commercial Code (UCC).

#### **CO-OP SHARE BRANCHING®**

You may conduct transactions on your Arrowhead Credit Union account(s) at CO-OP Shared Branching locations. All transactions conducted at a CO-OP Share Branching location are subject to CO-OP's operating procedures, policies, and fees. Funds deposited at CO-OP Share Branching locations may not be available for immediate withdrawal. Check holds are the same as for similar checks deposited at an Arrowhead Credit Union proprietary branch. Check holds cannot be removed by a CO-OP Share Branching. Transactions are subject to our account terms and disclosures, and are subject to host credit union verification. Certain transactions at CO-OP Share Branching locations may be subject to our fee(s) as stated on the current Schedule of Fees.

#### **→ *Savings Account Agreement***

##### **TRANSFERS TO THIRD PARTIES**

During any calendar month, no more than six (6) withdrawals or transfers made to another account at the Credit Union or to a third party by means of a pre-authorized, automatic transfer, online or telephonic order or instruction, whether initiated by check, draft, debit card, or similar order payable to a third party, may be made from each savings account or money market deposit account. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by calling the Credit Union or through the "CU Hear" Audio Response service must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when such transfers or withdrawals are made by mail, messenger, automated teller machine (ATM), or in person, or when such withdrawals are made by telephone (via check mailed payable to the Account Holder).

##### **WITHDRAWALS, PRIOR NOTICE REQUIREMENT**

The Credit Union reserves the right to require prior written notice of intention to withdraw all or any part of shares not to exceed the notice requirement as set forth in the Credit Union's bylaws.

#### **→ *Checking Account Agreement***

##### **WITHDRAWALS, APPROVED METHODS**

Only checks and other methods approved by the Credit Union may be used to withdraw funds from a checking account.

##### **ELECTRONIC CHECK CONVERSION**

Upon prior notification from the merchant to the Account Holder, a purchase made with a check can be converted to a one-time electronic fund transfer (EFT) if authorized by the Account Holder. The Account Holder may also authorize merchants to electronically debit the account for returned check fees. It is agreed that the Account Holder authorizes the electronic funds transfers if the transaction is completed after being told (orally or by a notice posted) that the transfer may be processed electronically or if the Account Holder signs a written authorization.

##### **DEMAND CHECKS**

The Credit Union may pay and charge to the applicable checking account, checks drawn by and payable to any person, organization, association or corporation that has been authorized by an Account Holder to be paid, by the provision of MICR encoded information on the account. It is agreed that the Credit Union's rights in respect to such checks shall be the same as if it were a check drawn and signed by an Account Holder(s) personally. This authority shall remain in effect until revoked by an Account Holder in writing. It is agreed that the Credit Union shall be fully protected in honoring such checks. It is further agreed that if any such check is dishonored, whether with or without cause, and whether intentionally or inadvertently, the Credit Union shall incur no liability whatsoever, even though such dishonor results in the forfeit of insurance, loss or damage of any kind.

##### **SUBSTITUTE CHECKS AND YOUR RIGHTS**

###### **What Is a Substitute Check?**

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The

front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

### **What Are My Rights Regarding Substitute Checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than forty-five (45) calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **How Do I Make a Claim for a Refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at 800.743.7228 or write to us at P.O. Box 735, San Bernardino, CA 92402-0735. You must contact us within sixty (60) calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

### **OVERDRAFTS**

The Credit Union is under no obligation to pay a check which exceeds the balance in an account; the Credit Union may, however, pay such a check and recover or obtain a refund of the amount of the resulting overdraft plus a service charge from any of the Account Holders of this account, each of whom expressly agrees that each Account Holder is jointly and severally liable for any and all overdrafts of this account and any and all associated costs created by any Account Holder.

### **STALE-DATED CHECKS**

The Credit Union is under no obligation but may pay a check which is presented more than six (6) months after it is dated. The Credit Union may assess a special handling charge upon receipt of any such item in addition to a service charge upon the account in accordance with the Schedule of Fees adopted by the Credit Union and as amended from time to time.

### **STOP PAYMENTS**

Any Account Holder(s) of this account may stop payment of any item drawn against the account. The Stop Payment Order must describe the item with reasonable certainty and must be received in such time and manner as to afford the Credit Union a reasonable opportunity to act upon it. A Stop Payment Order is effective for six (6) months, but it lapses after fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that fourteen (14) day period. The Stop Payment Order may be renewed in writing for an additional six (6) month period.

### **TRUNCATION OF CHECKS**

The Account Holder(s) acknowledges that checks are truncated and hereby waives any and all rights to receive the items without prejudice to any of the Credit Union's defenses available under the California Uniform Commercial Code (UCC).

## LIABILITY OF CREDIT UNION

Except for its own lack of good faith or failure to exercise ordinary care, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a check, even if nonpayment results in the forfeit of insurance, loss or damage of any kind.

## CLOSURE OF ACCOUNT

The Credit Union may close a checking account at any time. Closure of a checking account will not affect the obligation to pay any outstanding balances or charges owed.

## FOR CHECKING ACCOUNTS WITH SAVINGS OVERDRAFT PROTECTION

If any Account Holder(s) writes a check that would result in this Checking Account being overdrawn, the Credit Union is authorized to charge the designated savings account(s), regardless of which party signed the item, in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor the check and to credit such charge to this Checking Account. No check overdraft may be paid by charging a savings account if, as a result of such charge, that savings account would be subject in any one month to more than six pre-authorized, automatic or telephonic transfers.

## FOR CHECKING ACCOUNTS WITH LOAN OVERDRAFT PROTECTION

If any Account Holder(s) writes a check which would result in this Checking Account being overdrawn, and if at that time any Account Holder(s) is eligible to receive loan advances from this Credit Union on a loan designated on the Overdraft Agreement, the Credit Union is authorized to make an advance from the designated loan account, and to credit the advance to this Checking Account in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor such check and any associated fees.

## → *Share Certificate Account Agreement*

### PLEDGING OF FUNDS

Share certificates may not be pledged, transferred, or assigned to any party other than the Credit Union unless otherwise provided by statute. Funds invested for an Individual Retirement Account (IRA) or Keogh Plan may not be pledged as security for any loan. The Credit Union reserves the right to offset this Share Certificate except as otherwise precluded by law. If the Credit Union offsets funds from this Share Certificate, the funds withdrawn are subject to the early withdrawal penalty.

