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AGREEMENTS AND DISCLOSURES

Share Accounts
Truth in Savings
Electronic Services

Effective:
February 1, 2025

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

NCUA

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

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FOREWORD

The purpose of this booklet is to disclose information, terms, conditions, and the various laws and regulations relating to your accounts to help you better understand your rights and obligations as a member of Kinecta Federal Credit Union.

This Agreements and Disclosures booklet is effective February 1, 2025, and supersedes any conflicting terms and conditions contained in any prior versions or amendments. Throughout this booklet, the booklet is referred to as the “Agreement.”

Throughout this Agreement, the words “you,” “your,” and “yours” mean each and all of those (whether one or more persons) who are subject to the Agreement as a result of signing a Membership Application or a Signature Card for each respective account. The words “we,” “us,” or “Credit Union” mean Kinecta Federal Credit Union.

PART I – ARBITRATION AND WAIVER OF CLASS ACTION

You and we agree to attempt to informally settle any disputes arising out of, affecting, or relating to your accounts or the products or services the Credit Union has provided, will provide, or has offered to provide to you, and/or any aspect of your relationship with us (hereafter referred to as the "Claims"). If that cannot be done, then you agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Waiver of Class Action provision ("Arbitration Agreement"), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either you or us, be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in accordance with its applicable rules and procedures for consumer disputes ("Rules"), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at www.adr.org; or a copy of the Rules can be obtained at any Credit Union branch upon request. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the claim by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS AGREEMENT (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT). This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf.

1. **Selection of Arbitrator.** The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the forum for the resolution of the Claims.

2. **Effective Date.** This Arbitration Agreement is effective upon the 61st day after we provide it to you ("Effective Date"), unless you opt-out in accordance with the requirements of the RIGHT TO OPT-OUT provision below.

3. **Claims Arising Prior to Effective Date. THIS ARBITRATION AGREEMENT APPLIES TO ALL CLAIMS THAT ARE FILED OR INITIATED AFTER THE EFFECTIVE DATE, EVEN IF THE CLAIM ARISES OUT OF, AFFECTS, OR RELATES TO CONDUCT THAT OCCURRED PRIOR TO THE EFFECTIVE DATE.** If a Claim is filed or initiated prior to the

Effective Date, this Arbitration Agreement will not apply to such Claim.

4. **Arbitration Proceedings.** The arbitration shall be conducted within fifty (50) miles of your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted through arbitration. The arbitrator shall be entitled to award the same remedies that a court can award, including public injunctive relief under the California Unfair Competition Law and Consumer Legal Remedies Act. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes, the arbitrator's award is not subject to review by the court, and it cannot be appealed. The Credit Union shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA. However, you will be responsible for your own attorney's fees, unless you prevail on your Claim in the arbitration, in which case, we will pay your attorney's fees. However, if the Credit Union prevails, then you will not be required to pay our attorneys' fees and cost.
Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.

5. **Class Action Waiver.** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

6. **Severability.** In the event that the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions will remain enforceable.

7. **Survival.** This Arbitration Agreement will survive termination of the Agreement.

8. **Right of Opt-Out.** You have the right to opt-out of this Arbitration Agreement, provided that you notify us of your intent to opt-out within sixty (60) days after it is provided to you. Your opt-out is only effective if you notify us in writing at KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, CA 90266 within such sixty (60) day time period. If you fail to opt-out within this sixty (60) day time period, you will be deemed to have consented to the resolution of your Claims through binding arbitration. In the event you opt-out, it shall not affect other terms and conditions of your Agreement or your relationship with the Credit Union.

9. FOR MORE DETAILS or if you have questions, you may call us at (800) 854-9846 or visit a branch. If you have questions about AAA procedures, you should check AAA's website, www.adr.org, OR call AAA at (800) 778-7879.

Part II – SHARE ACCOUNT AGREEMENT AND TRUTH IN SAVINGS DISCLOSURE

Section 1. General Terms and Conditions Applicable to All Accounts

Opening and Maintaining Accounts

1. You must be and remain a member in good standing to maintain any account.

2. In order to become a member of the Credit Union, you must deposit a minimum of $5.00 in a Regular Share Account, which may be an individual or joint account. The par value of a share in this Credit Union is $5.00. Each member must maintain such par value. If you fail to complete the purchase of one (1) share within six (6) months of your admission to membership, or within six (6) months from the increase in the par value in shares, or if you reduce your Regular Share Account balance below the par value of one (1) share and do not increase the balance to at least the par value of one (1) share within six (6) months of the reduction, you may be terminated from membership at the end of a dividend period.

3. As required by law, the identity of each person seeking to open an account (including joint owners) must be verified, and we must maintain records of the information used to verify each person's identity. The law requires that we also verify the identities of certain beneficial owners or controlling parties for accounts; you agree to provide us with any information requested regarding beneficial owners of accounts and certify their accuracy upon request by us. We may deny membership, decline to open an account, or close an account if we are prohibited from doing so under applicable law or if we are unable to satisfactorily verify any account owner or beneficiary's identity.

4. In addition to providing us with your name, residential address, phone number and date of birth, we will require you to provide us with current government issued picture identification and a Social Security Number (SSN) or Employer Identification Number (EIN) (generically referred to as a Taxpayer Identification Number or TIN). We will further require you to certify (confirm) for IRS reporting purposes that the SSN or EIN matches the name and address, and indicate whether you are currently subject to backup withholding and whether you are a U.S. citizen or U.S. person. If we are unable to validate your SSN and/or EIN (TIN) for Customer Identification Purposes, we may close your account. If the IRS indicates that there is a problem with the name and number provided by you for the account or otherwise notifies us, your account may become subject to backup withholding, which will require us to withhold and pay a portion of the dividends, interest, or other payment to the IRS. Upon the death of the primary owner, we must be provided with the estate's or successor's TIN or we may either refuse to pay dividends earned on the account since the date of the death or withhold a portion of the dividends that have been earned on the account since the date of the death.

5. Our relationship with you concerning your account is that of debtor and creditor; no fiduciary, quasi-fiduciary, or special relationship exists between us and you.

6. We reserve the right to refuse to open any account, to provide any service in connection with an account, or to accept additional deposits to an existing account.

7. Except as otherwise provided herein, we reserve the right to change any provision of or establish new provisions to this Agreement upon thirty (30) days written notice.

The Funds Availability Policy in Part III is subject to change upon thirty (30) days written notice.

If you have an account with us through which electronic funds transfers (EFTs) are being processed, we may provide notice of a change in terms regarding the processing of or operations regarding EFTs at least thirty (30) days prior to the effective date of the change(s), or as otherwise provided by law. Further, we may, from time to time, revise or update the electronic services, electronic programs, and/or related material(s) rendering prior provisions of this Agreement regarding EFTs obsolete. Consequently, we reserve the right to terminate any such programs, electronic services, and/or related material(s) and limit access to our older/more obsolete versions and updates.

8. All accounts are subject to our *Schedule of Fees and Charges*, which accompanies this Agreement and is incorporated by this reference. We will debit such charges against any account you own (including accounts on which you are a joint owner), except your IRA, without prior notice to you. Only fees related to an IRA will be deducted from an IRA. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.

Operation of Accounts

9. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

10. No accounts are transferable.

11. You may be required to request changes to your accounts in writing. We are not required to act upon instructions received by facsimile, and we have the right to require additional information from you before we act on any request. We shall have no liability or responsibility to you or to your heirs, executors, assignees, or representatives when acting upon the reasonable interpretation of your requests.

We may refuse to follow any of your instructions, accept any deposit, or process any transaction that in our sole judgment are illegal, fraudulent, or inconsistent with our policies (or those of any of our third-party processors) or would expose us to potential liability. Alternatively, we may require adequate security or invoke other security measures to protect us from all losses and expenses incurred if we follow your instructions. You agree to reimburse us for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys' fees) that we incur in connection with your account if we take an action in accordance with your, or what purports to be your, oral, written, or electronic instructions.

12. If there is a dispute between any person and/or private or government organization over your account or the funds in any of your accounts, or we are uncertain who is entitled to access an account or the funds in any of your accounts, including, but not limited to, disputes between or relating to joint owners, payees, trust account beneficiaries, or a payable on death account, you agree that we may, without liability to you or your beneficiaries and in our sole and absolute discretion, take one or more of the following actions: (1) restrict the account and deny access to all until such time as the conflicting claims are resolved to our satisfaction; (2) close the account and send the funds to the owner or owners of the account, according to our records, at the statement mailing address; (3) interplead all or any portion of the funds from an account into an appropriate court for resolution; or

(4) restrict access to the account until our receipt of either written instructions as to the distribution of funds signed by all affected parties or an order from a court of proper jurisdiction authorizing or directing us to distribute the funds. We may charge your account for expenses (including attorneys' fees and expenses) and fees we incur.

13. We may recognize the signature of anyone who signed a Membership Application or Signature Card as authorized to transact business on that account. Any payment made on your account by us in good faith and in reliance on the terms and conditions of this Agreement, the Membership Application, and/or a Signature Card will be valid and discharge us from liability. Without limitation to the foregoing, we may honor checks drawn against your account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. We have no duty to investigate or question withdrawals or the application of funds. In addition, if we receive written notice from any account owner that withdrawals, in accordance with the terms of the account, should not be permitted, we may refuse, without liability, to pay any sums on deposit pending determination of the rights of the owners. Such written notice(s) will become effective only upon receipt and after we have had a reasonable opportunity to act thereon; however, our release of amounts to an account owner in contravention to any instructions from another account owner shall not in result in liability for us.

14. We may, without prior notice and when permitted by law, exercise our right of setoff against any of the funds in any of your accounts against any debt (whether or not matured, due, payable, in default or accelerated) or obligation that you owe us, now or in the future, by any of you having the right of withdrawal.

This right of setoff does not apply if prohibited by law. For example, we will not exercise our right of setoff: (1) against an Individual Retirement Account (IRA) or similar tax-deferred account, or (2) if the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest). We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against your account. You agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees) arising out of or relating to the exercise of our right of setoff.

We will also have the right to place an administrative hold on such funds pending setoff. We may apply all funds in a joint account to satisfy a debt owed to us by any one or more of the joint owners. In addition, we may, after the death of any account owner, setoff against a joint account or an account with payable-on-death beneficiaries the debts and obligations of the deceased account owner, up to the full amount in the account at the time of the account owner's death.

Moreover, you knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as Social Security and other public benefit funds) deposited in your account for deposit-account-related disputes to the maximum extent permitted by applicable state and federal law.

Notifications and Records

15. You can contact us about your accounts and services at the addresses and numbers listed in this paragraph:

- Change of Address: Notify us in person at any of our offices or by sending a written and signed notice to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266, or sign into Kinecta Direct Online Banking at www.kinecta.org.
- Opt-Out of Arbitration per Part I Paragraph 12: Notify us in writing at KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266.
- Revoke Consent to Contact you on your "mobile/cellular telephone number" through the use of an "Automatic Telephone Dialing System" and/ or a "Prerecorded/ Artificial Voice Message": Notify us in person at any of our offices, by sending a written and signed notice to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266, sign into Kinecta Direct Online Banking at www.kinecta.org, or call us at 800.854.9846. Please include/provide the mobile/cellular telephone number you wish to remove from the automated contact list.
- Lost or Stolen Checks: Call 800.854.9846
- Lost or Stolen Access Code/PIN: Call 800.854.9846
- Lost or Stolen Cards: Call 800-854-9846, OR write us at: KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266
- Questions about Electronic Services: Call us at 800.854.9846 for errors or questions.
- Courtesy Pay Opt-Out: (1) call 800.854.9846; (2) visit any branch and speak with a Personal Financial Advocate; or (3) send a request via regular mail to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266.
- Select Accept Opt-Out or Opt-In: (1) call 800.854.9846; (2) log in to Kinecta Direct Online Banking at www.kinecta.org; (3) visit any branch and speak with a Personal Financial Advocate; or (4) mail an opt-in consent form to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266.
- General Account Information/Opening and Closing Accounts:
  (1) call 800.854.9846; (2) log in to Kinecta Direct Online Banking at www.kinecta.org; (3) visit any branch and speak with a Personal Financial Advocate; or (4) Write to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266.

Except as expressly provided otherwise in this Agreement, we will mail, send electronically, or otherwise make available to you, your periodic statements, notices, and other information regarding your account (collectively "account-related information") to the postal or electronic address of the owner as reflected in our records for your account. If there is more than one owner on your account, we may send account-related information to any one of them. If your account is in a combined statement, your statement will be sent to the address associated with the savings account in the combined statement. Mailed

account-related information will be deemed to have been delivered the second business day following the day it was mailed. Account-related information made available electronically will be deemed to have been delivered when we make it available to you.

You will exercise reasonable care and promptness in examining your statements. You must promptly notify us of, and reimburse us for, any erroneous credit to your account. Within sixty (60) days after we mail or otherwise make statements available to you, you must notify us of any claim for credit or refund due to an unauthorized transaction (unless the unauthorized transaction is the result of an electronic fund transfer, then the provisions of the Electronic Services Agreement and Disclosure included at Part V of this Agreement will apply). For purposes of this Agreement, an unauthorized transaction is a transaction that was not authorized by you, including but not limited to an erroneous or unauthorized debit. It might include a missing signature, an unauthorized signature, an alteration, or otherwise a transaction that was not authorized by you. If you fail to uphold these duties, you understand and agree that you are precluded from asserting the error or unauthorized payment against us if: (1) we suffer a loss on the item because of your failure; or (2) we pay on another item presented by the same wrongdoer if the payment was made before you properly notified us.

- In order for us to service your account or to collect any amounts you owe, you agree that we may from time to time make calls and/or send text messages to you at any telephone number(s) associated with your account, including wireless telephone numbers that could result in charges to you. The manner in which these calls or text messages are made to you may include, but is not limited to, the use of prerecorded/artificial voice messages and/or an automatic telephone dialing system. You further agree that, in order for us to service your account or to collect any amounts you owe, we may send e-mails to you at any e-mail address you provide to us. You may revoke this consent at any time by (1) calling us at 800.854.9846; (2) visiting any branch and speaking with a Personal Financial Advocate; (3) mailing a request to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, California 90266 (4) submitting your request online through online banking at www.kinecta.org.

16. Unless otherwise prohibited by the laws governing your account, if two or more account-related information documents are returned, or, in the case of online statement email notifications the email notice is returned undeliverable we may classify your account as “inactive.” This means we may discontinue sending and may destroy account-related information sent to you until you provide a valid postal or electronic address to us.

17. Any written notice you give to us is effective when it is actually received by us. Any written notice we give to you is effective on the date we deposit such notice in the U.S. Mail, postage prepaid, and addressed to you at your statement mailing address, or, if you have agreed to receive notices from us in an electronic format, any notice we give to you is effective on the date we make the notice available to you in electronic format. Notice to any one account owner is considered notice to all owners of the account.

18. You agree to notify us promptly of any change of address. You agree to notify us immediately of the death or court declared incompetence of any owner of your account. You agree to inform each owner of your account of the obligation to notify us of such an event as well. If you die or are declared legally incompetent, we can continue to accept and collect items deposited to your account until we know of your death or adjudication of incompetency and have a reasonable opportunity to act.

You understand and agree that we must comply if we are served with any notice of garnishment or of attachment, tax levy, withholding order, injunction, restraining order, search warrant, government agency request for information, forfeiture, seizure, subpoena, or other legal process relating to your account that we know or otherwise believe in good faith is valid, whether served in person, by mail, or by electronic notification, at any Credit Union branch. You direct us not to contest any such notice of legal process and understand that we are under no obligation to notify you of the legal process and will not notify you if prohibited by law. You agree that you must contest any such legal process or our compliance with it directly with the third party issuing the legal process, and not with us.

You understand and agree that if a subpoena or legal process requires us to release information about an owner on an account, we must comply with such request and the information released pursuant to such subpoena or legal process may include information about other owners on the account, even if their information was not expressly requested by the subpoena or legal process. If we are not fully reimbursed for our record research, photocopying, and handling costs by the party that served any legal process, we may charge such costs to your account. You understand and agree that funds we hold or set aside in response to legal process will not earn dividends. You agree to indemnify, defend, and hold us harmless from all actions, claims, liabilities, losses, costs, and damages associated with our compliance with any process that we know or otherwise believe in good faith to be valid.

19. You authorize us to gather whatever credit, checking account and employment information we consider appropriate from time to time, including obtaining your credit report for legitimate business purposes. You understand that this will assist us, for example, in determining your initial and ongoing eligibility for your account and/or in connection with making future credit opportunities available to you. You authorize us to give information concerning our experiences with you to others.

20. You acknowledge and agree that we may, at our option, create and retain electronic copies of original account records and any other records, and thereafter dispose of the originals. You further agree that electronically scanned and stored images of records will have the same effect as the original records.

21. We agree to retain and furnish to you, if requested, photocopies of certain records pertaining to your account and that these records will be available to you for the time period required by law. You agree to pay applicable fees as listed in our Schedule of Fees and Charges.

We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy. We may treat all or any joint account owners, pay on death beneficiaries after the death of all account owners, successor trustees, or administrator of the estate of an individual who died while an

account owner as an Owner for the purposes for accessing historical information (including statements and transaction information) about your accounts. We will disclose information to third parties about your account or transfers you make in the following circumstances:

a. When it is necessary to complete a transaction, including an electronic transaction; or
b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
c. In order to comply with a government agency, court order, or any legal process; or
d. If you give us permission in writing.

22. Any joint owner or authorized signer on any of the sub-accounts opened under the same primary member's account number may have access to information on all of the sub-accounts under that same primary member's account number.

Closing Accounts, Disputes, and Restrictions on Services

We or you may close any of your account(s) at any time. If you would like to close any of your accounts with us, you must (1) call 800.854.9846; (2) log in to Kinecta Direct Online Banking at www.kinecta.org; (3) visit any branch and speak with a Personal Financial Advocate; or (4) write to KINECTA FEDERAL CREDIT UNION, P.O. Box 10003, Manhattan Beach, CA 90266. If an account is closed, we may send the collected balance on deposit in your account by regular mail to your most recent address shown in our records. Items presented for payment after the account is closed may be dishonored. We may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in your account; (4) any checks are lost or stolen; or (5) we deem it necessary in order to prevent a loss to us.

23. You understand and agree that we may terminate account products at our option without written notice to you. We may also suspend offering account products from time to time at our discretion without notice to you. We may, at our discretion, convert your discontinued product to another like or similar product or transfer the balance of your account to your primary share account.

24. You agree that you will not use your accounts or our services to conduct any illegal transaction or engage in any activity which is illegal under local, state, or federal law. Restricted transactions are prohibited from being processed through your account or banking relationship with us. "Restricted transactions" are transactions involving the knowing transmittal or receipt of credit, funds, checks, instruments or other proceeds to or from another person engaged in the business of wagering or betting in connection with unlawful Internet gambling. If you do engage in an Internet gambling business and open a new account with us, we will ask that you provide evidence of your legal capacity to do so.

25. All business types and industries are subject to approval for membership by us. A membership will not be established for a business type or industry that has not been approved by us. You agree that consumer accounts you open will only be used

for consumer, household, and/or personal purposes, and that no business or commercial transactions or uses will be made on your consumer accounts.

26. You understand and agree that if you are not a member in good standing, we may limit your access to member services and products. Additional information regarding limitations to services is found in Part VII: Member Conduct and Limitation of Services Policy.

Additional General Terms

27. You agree that your telephone communications with us may be monitored and recorded to improve member service and security.

28. You understand that you may elect from time to time to use Credit Union or other parties' social media tools and sources; that there is no claim of privacy or privilege regarding information you share or information discernible from such use or sharing; and the use of such information by us does not violate your privacy or other rights.

29. Our delay in enforcing any of the terms and conditions of this Agreement will not prohibit us from enforcing such terms and conditions at a later date. Any waiver by us shall not be deemed a waiver of other rights or of the same rights at another time. You hereby waive diligence, demand, presentment, protest, and notice of every kind, except as set forth in this Agreement.

30. If a disaster occurs there may be an unforeseen delay in our ability to make funds available and to process deposits or otherwise perform under this Agreement. In addition to natural disasters, the failure of communication or computer systems can also cause unforeseen delays.

31. An action or proceeding by you to enforce an obligation, duty, or right arising under this Agreement or by law with respect to your account must be commenced within one (1) year after the cause of action occurs. If you have failed to examine your statement and report any unauthorized item one (1) year or more after your statement or the item has been made available to you, you cannot recover from us even if we failed to exercise ordinary care in paying the item.

32. Except as otherwise provided above in Part I: Binding Arbitration Consent and Agreement, if any of the provisions of this Agreement are determined to be void or invalid, the remainder of the Agreement shall remain in full force and effect.

33. You agree to pay our costs of collection, including reasonable attorneys' fees and court costs, with regard to any check drawn on us by you or any item you deposit with us that causes us to incur a loss.

You acknowledge that we may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If we suspect such financial abuse, you understand and agree that, in addition to reporting such abuse as may be required by applicable law, we have the right to restrict access to the account, refuse to complete transactions on the account, or to take any other action(s) that we deem appropriate under the circumstances. You agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees), arising out of or related to any action or inaction related to the matters described in this paragraph.

34. You agree to indemnify, defend, and hold the Credit Union, its affiliates, officers, directors, employees, consultants, agents, service providers, and licensors, harmless from and against any and all claims, demands, actions, costs, losses, liability, expenses and fees (including, without limitation reasonable attorneys' fees, collection costs, skip-tracing fees, and outside services fees) which we incur by acting in accordance with this Agreement or as a result of your failure to abide by its terms, including but not limited to those arising from:

a. A third-party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us;
b. Any fraud, manipulation, or other breach of this Agreement by you;
c. Your violation of any law or rights of a third party; or
d. Your provision of access to your account(s), services, or electronic services to any third party.

35. We reserve the right, at our own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by you, in which event you will cooperate with us in asserting any available defenses. You will not settle any action or claims on our behalf without our prior written consent. This indemnification is provided without regard to whether the Credit Union's claim for indemnification is due to the use of accounts or the electronic services by you or a joint account owner or other authorized person.

36. **YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT, REGARDLESS OF WHETHER YOU HAVE ADVISED US OF THE POSSIBILITY THAT YOU MAY INCUR SUCH DAMAGES.**

37. You understand and agree that accounts and electronic services are provided "as-is." Except as otherwise provided in this Agreement or as required by law, the Credit Union assumes no responsibility for the timeliness, deletion, mis-delivery, or failure to store any communications, personalization, or electronic settings. You understand and expressly agree that the use of electronic services is at your sole risk, and that any material and/or data downloaded or otherwise obtained through the use of electronic services is downloaded or obtained at your own discretion and risk, and that you will be solely responsible for any damages, including without limitation damage to your computer system or mobile device or loss of data that results from the download or the obtaining of such material and/or data.

Except as expressly set forth in this Agreement, the Credit Union disclaims all warranties of any kind, express or implied, including without limitation any warranty of merchantability, fitness for a particular purpose, or non-infringement of intellectual property or third-party rights, regarding its services, including electronic services. The Credit Union makes no warranty or representation regarding the results that may be obtained from the use of electronic services, the accuracy or reliability of any information obtained through electronic services, the accuracy of any information retrieved by you from the accounts or that the electronic services will meet any user's requirements, be uninterrupted, timely, secure, or error free.

38. In the event of wrongful dishonor that occurs by mistake, our liability shall be limited to actual damages. The measure of damages for failure to exercise ordinary care in handling a check is the amount of the item reduced by an amount that could not have been realized by the use of ordinary care.

39. You may not assign this Agreement to any other party. The Credit Union may assign this Agreement at any time in its sole discretion. The Credit Union may also assign or delegate any of its rights and responsibilities under this Agreement to independent contractors or other third parties.

40. Headings in this Agreement are for convenience only and will not control or affect the meaning or construction of any of the provisions of this Agreement.

41. This Agreement as well as all of your deposit accounts will be interpreted and subject to applicable federal law and the laws of the State of California, without resort to California's conflicts of law rules and to the extent that California law is not inconsistent with federal law.

42. State law establishes procedures under which unclaimed property must be surrendered to the state. For example, in the State of California, funds in your account are considered unclaimed if a period of three (3) years has elapsed since the last time you:

a. Increased or decreased the amount of funds on deposit with us or presented an appropriate record for crediting of dividends or cashed a dividend check from any of your accounts with us; or

b. Corresponded in writing or electronically with us concerning the funds on deposit; or

c. Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with us.

The funds in your deposit account will not be surrendered to the state, however, if, during the previous three (3) years, you have owned another deposit account (or individual retirement or similar account) with us and, with respect to that deposit account, you have done any of the acts described in paragraphs (a), (b), or (c) above (or, with respect to an individual retirement or similar account, you have increased or decreased the principal, accepted payment of principal or income, or corresponded electronically or in writing concerning the property or otherwise indicated an interest), and, with regard to the funds in the deposit account that would otherwise be surrendered to the state, we have "communicated" (i.e., sent account statements or statements of interest paid for federal and state income tax purposes) electronically or in writing with you at the address to which communications regarding the other deposit account are regularly sent.

If you are mailed a notice regarding your unclaimed property, in order to recover funds turned over to the state, you must file a claim with the state. Once funds are surrendered to the state, we no longer have any liability or responsibility with respect to the funds.

43. This Agreement covers your rights and responsibilities concerning your accounts and the rights and responsibilities of the Credit Union. Any other agreement that you entered into with the Credit Union, including but not limited to any loan agreement or online services terms of use agreement, or any other services agreement (including but not limited to investment or insurance

agreements offered through us, our affiliates, or through referrals from us), or any policy of the Credit Union, is hereby incorporated into this Agreement, such that a violation of such other agreements and/or policies will constitute a violation of this Agreement.

Section 2. General Terms Regarding Account Ownership, Agents, and Beneficiary Designation for All Accounts

1. These rules apply to your accounts depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We may also refuse to open an account for any reason. We make no representations as to the appropriateness or effect of the ownership and beneficiary designation, except as they determine to whom we pay the account funds. You may open an account either by yourself, referred to as an "individual account," or with another person or persons, referred to as a "multiple-party account" or a "joint account." For purposes of this Agreement, we will use the term "joint account."

2. We may rely solely on our records to determine the form of ownership of your account. We may presume that any person named in addition to you in our records for your account owns the funds in your account with you as a joint owner, unless our records indicate that the person has some other relationship to the account. Ownership for all accounts will be established and determined by the most recent Membership Application, signature card, or other document(s) evidencing such account(s). Any joint owners, authorized agents, or other persons authorized to access any account under an account number can access any information about any other account under that account number, and by opening a new account under any existing account number evidences your consent to such access and transactions by such joint owners or agents. A different form of ownership may be established by executing a new Membership Application or signature card and a new account number will be assigned.

If you want to change your account in any way, you must properly complete additional forms provided by us, which shall not be effective until delivered to and accepted by us. We are authorized to rely solely on the documentation we have in our possession. On behalf of yourself, your beneficiaries, and your heirs, you hereby agree to indemnify us and hold us harmless from any and all liability upon our reliance on such documentation.

3. The word "owner(s)" on a Membership Application or Signature Card or in this Agreement means the owner in the case of an individual account, and it means the owners (both as an individual and as a group) in the case of a joint account.

4. **Individual Account.** An individual account is an account owned by you alone, which you as the account owner use during your lifetime.

5. **Joint Account.** A joint account is an account owned by two or more persons. All joint owners agree with each other and with us that all sums now paid in or hereafter paid in by any one or all account owner(s), including all dividends thereon, if any, are and will be owned by all account owner(s) jointly and equally undivided regardless of their net contributions with a right of survivorship and will be subject to withdrawal or receipt by any one of the account owner(s) or the survivor(s) of any of the account owner(s). A right of survivorship arising from the

express terms of a joint account cannot be changed by a will. We are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions. Being a joint owner of an account at the Credit Union will automatically cause all joint owners to be members provided that each member qualifies and maintains a par value share as provided herein. Each such member will have membership rights under this Agreement. Joint owners who use an account or otherwise request or use services with regard to an account agree to the terms, responsibilities, and accompanying liabilities of this Agreement.

If they do not qualify for membership, joint owners may be non-members. However, any non-member joint owner who uses an account, requests or uses a service, and/or signs a Membership Application, agrees to the terms, responsibilities, and accompanying liabilities of this Agreement.

Unless otherwise agreed in writing between you and us, each joint owner, without the consent of any other joint owner, may, and hereby is authorized by every other joint owner, to conduct any transaction permitted under this Agreement, including without limitation: (1) to withdraw all or any part of the account funds; (2) to pledge the account funds as collateral to us for any obligation, whether that of one or more joint owners; (3) to endorse and deposit checks and other items payable to any joint owner; (4) to give stop payment orders on any check or item, whether drawn by that joint owner, or not; (5) to consent to or revoke consent to payment of service charges on overdrafts that result from ATM transactions or one-time debit card transactions under the Courtesy Pay Select Accept Service; and (6) to close the account, with the disbursement of account proceeds as instructed by the joint owner. While any owner may change, add, or close a joint account and/or a service acting alone, we may require all joint owners to consent in writing to the addition or removal of any owner to or from the account. All owners agree that we have no duty to notify the owners of the account of any transaction, change, addition or closure of an account or service by any owner acting alone. All communications regarding an account may be made only to one joint owner except where required by law.

All account owners, jointly and severally, are liable for all transactions, changes, additions or closure of an account or service, and for any charges, fees, losses or liabilities incurred for any transaction, change, addition or closure of an account or service regardless of which owner conducted or benefited from the transaction, change, addition, or closure. If any owner owes us money for any reason, we may enforce our right of setoff against all funds in any account on which that person is an owner, regardless of which owner deposited the funds in the account.

Payable-on-Death Designation. A payable-on-death (POD) account designation is an instruction to the Credit Union that an account so designated is payable to the owner or owners during their lifetime, and upon the death of the last account owner, payable first to us to the extent of any outstanding matured or unmatured debts owed to us by you, and second, to your designated POD payee(s). You can designate multiple primary POD beneficiaries and multiple contingent POD beneficiaries in the Beneficiary Designation form you complete, as well as the applicable percentage of funds on deposit in the account

upon the death of the last account owner; if you fail to designate percentages payable to POD beneficiaries, or if the percentages you designate fail to add up to 100%, you will be deemed to have chosen to pay the funds on deposit in equal percentages to all surviving POD beneficiaries. Upon the death of the last account owner, all funds on deposit in the account will be paid to all of the surviving primary POD beneficiaries in the percentage amount you state on the Beneficiary Designation form; however, if all primary POD beneficiaries are deceased as of the time of the last account owner's death, the funds on deposit will instead be paid to all surviving contingent beneficiaries according to the percentages you state on the Beneficiary Designation form.

If the account is a joint account, all sums are payable to one or more account owner(s) during their lives and on the death of all of them, first to us to the extent of any outstanding matured or unmatured debts owed to us by any of you, and second, to one or more POD payees then surviving. Accounts payable to more than one surviving beneficiary are owned jointly by such beneficiaries without rights of survivorship and disbursement will be made in equal shares or according to the percentages you state on the Beneficiary Designation form. POD designation(s) will not apply to Individual Retirement Accounts (IRAs) which are governed by a separate beneficiary designation process. The Credit Union does not have any obligation whatsoever to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account. You understand that it is your responsibility (and not ours) to inform any person or organization that he, she or it is a POD beneficiary on your account(s). If a POD beneficiary on the account dies before you, it is your responsibility to notify us and update your POD designation(s) accordingly.

6. Rights at Death.

a. **Individual Account Without Payable-on-Death Designation.** Upon your death, the funds in the account will go to your estate and can be claimed by your legal representative or claimant subject to the terms of this Agreement. You understand that it is your responsibility (and not ours) to inform your legal representative(s) about your account(s) with us.

b. **Individual Account with Payable-on-Death Designation.** Upon your death, the POD beneficiary will be entitled to the funds in the account (subject to the terms of this Agreement) upon proof of your death and the POD beneficiary's identification. If you designate more than one POD beneficiary on the account, each will be entitled to his or her (or its) 1) equal share of the funds in the account, which will be determined by dividing the amount of the funds in the account by the number of POD beneficiaries designated on the account and will own those funds without right of survivorship or
2) According to the percentages you state on the Beneficiary Designation form.

c. **Joint Account without Payable-on-Death Designation.** When one owner dies, his or her interest in the account and the funds in the account are owned by the surviving owner or owners of the account, subject to the terms of this Agreement. Upon the death of the final owner the funds in the account belong to that owner's estate and can be claimed by that owner's legal

representative or claimant subject to the terms of this Agreement. You understand that it is your responsibility (and not ours) to inform your legal representative(s) about your account(s) with us.

d. **Joint Account with Payable-on-Death Designation.** Upon the final owner's death, the POD beneficiary will be entitled to the funds in the account (subject to the terms of this Agreement) upon proof of death and the POD beneficiary's identification. If you designate more than one POD beneficiary on the account, each will be entitled to his or her (or its) equal share of the funds in the account, which will either 1) Be determined by dividing the amount of the funds in the account by the number of POD beneficiaries designated on the account and will own those funds without right of survivorship or 2) According to the percentages you state on the Beneficiary Designation form.

7. For joint accounts, a surviving owner's ownership interest is subject to the Credit Union's right of setoff for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

8. **POA**. If you choose to appoint an attorney-in-fact or agent to act on your behalf pursuant to a power of attorney ("POA"), we may rely on instructions provided by the attorney-in-fact or agent and will have no liability or responsibility to verify the transactions. The POA must be properly executed, facially valid under applicable law and the form of appointment must be acceptable to us. In accordance with the terms of the POA, the attorney-in-fact or agent you designate to act on your behalf will be authorized to transact business on your account(s) pursuant to the terms of such POA.

Notwithstanding the foregoing, we reserve the right to contact you as the principal under the POA, to verify your intent, prior to acting under the authority of the POA. You further agree that unless prohibited by law, we may refuse, with or without cause, to accept or otherwise act under a POA, which you grant to others.

If we choose to accept the POA, you understand and agree that we may act under the terms of such POA and to the extent permitted by law; revocation of the POA will not become effective until we have received written notification thereof. You agree to indemnify and hold us harmless for any claims that may arise against us because of our reliance on a POA.

We are not liable for any transactions by an attorney-in-fact or agent for a deceased or incompetent account owner, unless we have written notice provided in accordance with applicable law that you, as the principal under the POA are deceased, have revoked the powers of the attorney-in-fact or agent, or you are adjudicated totally or partially incapacitated by a court of competent jurisdiction, and we have had time to act on that notice.

9. **Terms and Conditions Applicable to Trust Accounts.** You may open an account to hold the funds of your trust and be named as trustee on our Trust Account Application and Agreement. A person named as a trustee on the Trust Membership Application has the same rights, responsibilities and liabilities as an owner of an account under this Agreement to open, change, add or close an account or service. Each trustee

understands that any trustee acting alone may change, add or close the account and/or a service, and that his or her signature on the Trust Membership Application or continued use of an account or service confirms his or her agreement to any later change, addition or closure of an account and/or service by any other trustee on the account. While any trustee may change, add or close the account and/or a service acting alone, we may require all trustees to consent in writing to the addition or removal of any trustee to or from the account. All trustees agree that we have no duty to notify the trustees of the account of any transaction, change, addition or closure of an account or service by any trustee acting alone.

a. Trustee(s) affirm that the successor trustee(s) are bound under the Trust Instrument to serve and are authorized and fully qualified to act as trustee(s) in the event that all of the trustee(s) named in the Certification of Trust Agreement resign, die, become incapacitated, or otherwise become unable to act as trustee(s) of the Trust. The Certification of Trust Agreement will not be approved unless successor trustee(s) are designated.

b. We may require you to provide us with a notarized certification of trust confirming your power as a trustee prior to opening the account or making changes to the account.

c. We are not required to know, understand, interpret, or enforce the terms of your written trust instrument. The Credit Union is not required to keep any Trust Instrument in its files and is not liable for the contents of a Trust Instrument. THE CREDIT UNION HAS NOT RECEIVED A COPY OF THE TRUST INSTRUMENT AND SHALL IN NO EVENT BE LIABLE FOR ITS CONTENTS.

d. You acknowledge that the account is governed by the applicable terms and conditions set forth in this Agreement and by the terms and conditions set forth in the Certification of Trust Agreement that you will be asked to sign when the account is opened.

e. Trust accounts are not subject to the Multiple Party Accounts law.

10. **Terms and Conditions Applicable to Fiduciary Accounts.**

a. Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. This account may be opened and maintained by a person or persons named as a trustee/successor trustee under a written trust agreement or as an executor, administrator, conservator, or guardian under court orders. By the authority vested in you as a fiduciary, you, acting individually or jointly, are authorized and empowered to transact business of any character in connection with this account. Your authority will continue in force until written notice to the contrary is received by us.

b. If the account is opened as a court-ordered blocked account, you understand and agree that you will file with the court appropriate documentation confirming an agreement with us that the funds in the account, including any dividends, may not be withdrawn or pledged except upon court order.

c. Funds in a fiduciary account may not be pledged as security for any loan(s).

d. Fiduciary accounts are not subject to the Multiple Party Accounts law.

11. **Terms and Conditions Applicable to All Sole Proprietorship Accounts.**

a. You affirm that you are the sole proprietor of the sole proprietorship named on the Business Membership Application. We may pay out funds with your signature, or the signature of any other signers designated by you. We may accept and/or endorse checks made payable to you or to the sole proprietorship named on the Business Membership Application that we receive for deposit.

b. You may pledge any or all of the funds on deposit in the account as collateral security to any loan(s) subject to then current loan policies.

c. Sole proprietorship accounts are not subject to the Multiple Party Accounts Law.

12. **Terms and Conditions Applicable to All Corporate, Partnership, and Unincorporated Association (Club) Accounts.**

a. The persons named on the Business Membership Application duly authorized to make the certifications contained therein certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in them by the constitution, bylaws, or otherwise, anyone (1) of the signatories, as named on the Business Membership Application, is authorized and empowered to transact business of any character whatsoever in connection with the account. You certify that the signature(s) appearing on the Business Membership Application are the genuine signature(s) of said authorized person(s), and that their authority shall continue in force until we receive written notice to the contrary.

b. Any two authorized persons may pledge any or all of the funds on deposit in the account as collateral security to any loan(s) subject to our then current loan policies. Further, a pledge of savings by any one of you shall be binding on all authorized signers, as well as the corporation, organization, or partnership.

c. Corporate, Partnership, and Unincorporated Association (Club) Accounts are not subject to the Multiple Party Accounts Law.

13. **Terms and Conditions Applicable to All Youth Accounts.**

a. Any type of account, except an IRA account, is offered to eligible members up to eighteen (18) years of age. The terms and conditions applicable under Sections 4, 5, and 6 below will continue to apply, in addition to any terms designated for “Youth” accounts under those Sections or elsewhere in this Agreement.

b. Upon your reaching eighteen (18) years of age, any “Youth” account will convert into a regular version of the same type of account.

c. Upon your reaching eighteen (18) years of age, we may in our discretion require you to execute a new membership application, issue you a new account or member number, and/or confirm ownership of the account.

d. A person who is eighteen (18) years of age or older is required to be a joint account owner on Youth checking accounts. However, Youth share savings accounts and other eligible accounts do not require a joint account owner over the age of eighteen (18) unless the minor is under the age of fourteen (14) years old.

e. The minor owner's Social Security Number/Tax Identification Number is used for the Backup Withholding Certification on Youth accounts.

14. **Terms and Conditions Applicable to All Custodial Accounts.**

a. The transferor/custodian is opening an account as custodian for the minor named on the CUTMA/UTMA signature card under the California Uniform Transfer to Minors ACT (CUTMA)/Uniform Transfers to Minors Act (UTMA). The transfer of money to the minor named on the CUTMA/UTMA signature card, which transfer will be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the California Uniform Transfer to Minors Act (CUTMA)/ Uniform Transfers to Minors Act now in effect or hereinafter amended.

b. You acknowledge that by signing the CUTMA/UTMA signature card, you have received the funds deposited to the account as custodian for the minor named therein under the California Uniform Transfer to Minors Act/ Uniform Transfers to Minors Act and you agree to the applicable terms and conditions set forth in this Agreement as well as the terms and conditions of the CUTMA/UTMA signature card. You acknowledge and agree that 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 the California Uniform Transfer to Minors Act/Uniform Transfers to Minors Act. You also acknowledge and agree that we have no duty whatsoever to monitor or ensure that the acts of the custodian (or successor custodian) are for the minor's benefit.

c. For this type of account, the minor's Social Security Number/Tax Identification Number is used for the Backup Withholding Certification.

d. Funds in an CUTMA/UTMA may not be pledged as security for any loan(s).

e. The successor custodian named on the CUTMA/UTMA signature card will serve if you should be unable to act as custodian because you resign, die, or become legally incapacitated.

f. Custodial accounts are not subject to the Multiple Party Accounts law.

g. You, as custodian, agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees) we may suffer or incur arising out of any action or claim by any beneficiary with respect

to the authority or actions taken by you in handling or dealing with the account.

h. Upon the minor reaching the age of eighteen (18), or other age stipulated in any applicable court order, you, as custodian, have the responsibility of transferring the money in the account to the minor or to the minor's estate and closing the account. If you fail to transfer the money in the account to the minor or to the minor's estate within a reasonable time after the minor reaches the age of eighteen (18), or other age stipulated in any applicable court order, we may pay the funds on deposit in the account to the minor in accordance with the custodian's duty without waiting for instructions from the custodian. You agree to indemnify and hold us harmless for any failure to transfer the money in the account to the minor or the minor's estate upon the minor reaching the age of eighteen (18) or other age stipulated in an any applicable court order.

Section 3. General Terms Regarding Access, Transactions, Withdrawals, and Deposits to All Accounts

1. You may make deposits to or withdraw from your accounts only in accordance with Credit Union policy.

Withdrawals

2. You understand and agree that we have the right to restrict the amount of cash each member may transfer or withdraw in a 24-hour period.

3. We reserve the right to require you to give not less than seven (7) and up to sixty (60) days written notice of your intention to withdraw funds from any account except checking accounts.

4. For the safety of both staff and members, the Credit Union does not keep large amounts of cash at branch locations. Arrangements for large cash withdrawals may be made with the Branch Manager at the branch location of our choice. Large cash withdrawal requests may require up to seven (7) business days advance notice to process. You understand and agree that you will be responsible for all fees that may be assessed by a third party on the Credit Union in connection with your request (e.g., cash delivery charges). In addition, you may be asked to sign a form releasing us from any liability.

Deposits

5. You authorize us to accept deposits to your account at any time, from any party, made in any manner, without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by you. The Credit Union reserves the right, however, to refuse to accept all or any part of any deposit.

6. We are not responsible for delays in a deposit due to improper identification on the deposit envelope or improper keying of your transaction. Information accompanying a deposit should include your name, your account number, and where you want your deposit to go.

7. You understand and agree that it is our policy not to accept for deposit checks payable to anyone other than an Owner on the account (third party checks).

8. All deposits are subject to verification. You agree that if our count differs from yours, our determination of the amount of a deposit will be considered the correct one.

9.Deposits will be made available for withdrawal by you or to cover other payments in accordance with Part III below regarding Funds Availability.

10. You agree that we will not be responsible for any damages you incur in the event you deposit an item with us, and it is subsequently returned unpaid by the paying bank and that return is “late” due to markings on the back of the item caused by you or a prior endorser.

11. All payees listed on a check must sign the check that is deposited or cashed, and must be a joint owner on the account, present a valid government-issued identification or have their endorsements guaranteed by another financial institution. All multiple party checks without proper identification are subject to being returned. Notwithstanding the foregoing, you authorize us, in our discretion, to accept checks and other items for deposit into any of your accounts (collectively, “item”) if they are made payable to, or to the order of, any one or more joint owners on the account, whether or not they are endorsed by all payees. You authorize us to supply missing endorsements of any account owners on any item that we take for collection, payment, or deposit to your account (which we may supply in our sole discretion). You also authorize us to collect any unendorsed item that is made payable to you without first supplying your endorsement, provided the item was deposited to your account. If you deposit items which bear the endorsement of more than one person or persons that are not known to us or that require endorsement of more than one payee, we may refuse the item or require all endorsers to be present, have valid identification, or to have their endorsements guaranteed before we accept the item.

12. You understand and agree that we use automated means to process checks and other items written on or deposited to your account. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and endorsed, or to determine if it contains any information other than what is encoded in the Magnetic Ink Character Recognition (MICR) line at the bottom of the check or item which contains your account number, amount of check and check number. Although we may manually review checks or other items drawn on your account, you understand and agree reasonable commercial standards do not require us to do so. Our use of automated means to process checks and other items prevents us from inspecting or looking for special instructions or “restrictive legends” on checks (e.g., “Void after 6 months,” “Void over $50,” “Payment in Full,” and the like), whether on the front or back, in any form or format. For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restrictions. If you cash or deposit an item or write a check with such notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you agree to accept responsibility for payment of the item. You agree to indemnify and hold us harmless from any claim or alleged loss of any maker or payee involving such notations, whether you are the maker or payee, or the funds are otherwise deposited into an account in which you have an interest.

13. We may refuse to accept for deposit or collection an item that is payable in currency other than U.S. dollars or an item that is not drawn on a financial institution chartered in the U.S. (each, a “non-U.S. item”). If we accept a non-U.S. item for deposit or collection, you accept all risks associated with foreign currency fluctuation (exchange rate risk) and with any late return of the item and pay any fees disclosed in advance or noted on the Schedule of Fees and Charges. You agree that we may use our current buying and selling rate, as applicable when processing a non-U.S. item and we may recover from any account you maintain with us any loss incurred by us as a result of our processing such an item for you. We reserve the right to place longer holds on non-U.S. items than the time frames specified in our Funds Availability Policy.

14. We have the right to charge back to or otherwise debit any account you maintain with us for any deposited item that is returned (and assess any associated fees and to reverse or recover any associated interest that may have accrued or been paid), even if you have made withdrawals against it. This right of charge back or debit is not affected by the expiration of any applicable midnight deadline, provided we do not have actual knowledge that such deadline has expired or, having such knowledge, we conclude that: (a) the deposited item is returned in accordance with the laws governing your account or rule (including a clearing house rule); and/or (b) we have received a breach of warranty claim in connection with the deposited item. We have the right to pursue collection of such deposited item, even to the extent of allowing the payor bank to hold the deposited item beyond the midnight deadline in an attempt to recover payment. We may, without notice to you, redeposit a returned deposited item and represent it for payment by any means (including electronic means), unless we have received instructions from you not to redeposit such deposited item. We will have no liability for taking or failing to take any action to recover payment of a returned deposited item. If one of your deposited items is returned with a claim that there is a breach of warranty (for example, a claim that it bears a forged endorsement or is altered in any way), we may debit your account for the amount of the item (plus any associated fees) and pay the amount to the claiming party. We are under no duty to question the truth of the facts that are being asserted, to assess the timeliness of the claim, or to assert any defense. We need not give you any prior notification of our actions with respect to the claim. We may create substitute checks from your deposited items to facilitate the forward collection of such items. You agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys’ fees) arising out of or in any way connected with such substitute check, including without limitation, any claim based on the image quality of such substitute check. 15. In processing items you have deposited to your account, we act only as a collecting agent, and we do not assume any responsibility beyond the exercise of ordinary care. Any deposit that we accept and credit to your account is provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of the deposit and impose a Returned Deposited Item Fee as set forth in the Schedule of Fees and Charges. We are not responsible for any deposit sent by mail or made at an unstaffed facility (for example, an automated teller machine that

is not at a branch) until we actually receive the deposited item or money. We are not liable for the negligence or default of any third party we use for the collection of items, including responsibility for lost items. You agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees) arising out of or relating to an item placed for collection.

Checks and Other Items or Access Devices

16. You acknowledge that we do not sell checks. As a convenience to you, we will submit your initial check order and any reorders for personalized checks ordered through us to our approved check vendor. If the check vendor accepts the initial order and any re-orders, the check vendor will mail the checks either directly to you or to you in care of us. You authorize us to charge your checking account for the cost of checks ordered through us, plus applicable sales tax and shipping costs. You are responsible for verifying the accuracy of all information shown on your checks, whether you order them through us or elsewhere. You agree to imprint only those names of authorized owners on your checks. If you have not ordered checks through our approved check vendor, we are not responsible for the quality of any check copy that you request. In addition, we are not responsible for any checks not paid as a result of quality or printing errors.

17. We may provide you with temporary checks that include the exact MICR line, including routing number and account number, necessary for the proper processing of your checks. You are responsible for ensuring that any checks you use to draw on your account include this same MICR encoding. You understand that it is your responsibility to ensure that checks you order from any third party printer are printed in accordance with applicable standards set by the American National Standards Institute (ANSI) for font, paper, toner, and positioning. You understand that if checks you write do not have the correct routing number, they may not be properly posted, and that if any other part of the encoding is incorrect, posting of the checks may be delayed.

18. We may pay and charge to your applicable account, checks or other debit items ("items") drawn by and payable to any person, organization, association, or corporation whom you have authorized by providing sample MICR encoded information identifying your account, provided there are sufficient funds in your account to pay such items. You agree that our rights in respect to such items will be the same as if it were an item drawn and signed by you personally. This authority will remain in effect until revoked by you in writing (to us and to the agency to which the sample MICR writing was provided) and we have had a reasonable opportunity to act on it. You agree that we will be fully protected in honoring such items. You further agree that if any such item is dishonored, whether with or without cause, and whether intentional or inadvertent, we will have no liability whatsoever, even though such dishonor results in the forfeiture of insurance, or other loss or damage to you of any kind.

19. You, or any joint owner on the account, may request a stop payment of any check payable against your account, provided your request is timely and affords us a reasonable opportunity to act upon it under our rules. You may request a stop payment through our automated telephone banking system, our online banking system, or you may ask us orally. Your stop payment

request must include sufficient information to identify the check with reasonable certainty, including for example, the account number, check number, exact amount, check date, and name of payee. This information must be exact because stop payment orders are processed using automated means. We will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. A stop payment fee will be assessed for each stop payment as set forth in our *Schedule of Fees and Charges*. Stop Payment requests will be valid no longer than six (6) months but may be renewed for additional one six (6) month periods by written or oral notice given during the time that the stop payment order is in effect. We are not obligated to notify you when a stop payment order will or has expired. You have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order. You agree to indemnify, defend, and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees) arising out of or relating to our action in stopping payment of any check pursuant to your request.

20. We are not liable if we pay a check which you have requested us to stop payment on as long as we act in good faith and exercise ordinary care. In any event, any damages that we might otherwise be liable for shall not exceed the amount of the involved check. If we do pay a check for which you have requested stop payment and as a result any other item is returned unpaid by us due to nonsufficient funds, we are not liable for any consequences resulting from such action.

21. Your death or incompetence will not revoke our authority to accept, pay or collect a check or to account for proceeds of its collection until we know of the fact of death or adjudication of incompetence and have a reasonable opportunity to act on it. Even with knowledge, we may, for ten (10) days after the date of death or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by us. We must be notified if any of you dies or becomes incapacitated.

22. We are neither given notice, nor otherwise affected by, a restrictive endorsement of any person or entity.

23. "Remotely created checks" are created when an account holder authorizes a payee to draw a check on the account, but instead of the account holder's actual signature, the check identifies that the account holder authorized the check. If you deposit a remotely created check, you guarantee it was authorized by the account holder for payment in the amount it shows.

24. We may pay a check bearing any form of facsimile or computer-generated signature. If you use a facsimile or computer-generated signature, or if you authorize us to accept any such signature, you will be solely responsible for any check bearing a similar signature, regardless of your negligence or whether the signature was the same one you previously used.

25. If we have paid a check under circumstances giving a you basis for objection, we shall be subrogated to the rights of: (a) Any holder in due course on the check against the drawer or maker; (b) The payee or any other holder of the check against the drawer or maker, either on the item or under the transaction

out of which the item arose; and (c) The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose. 26. You authorize us to accept and pay any check without regard to the date of the check. You understand that post-dating a check will have no effect on whether or not it is honored prior to or after the date of any such check. In addition, we are under no obligation to pay a check which is presented more than six (6) months after its date (a stale-dated check). You agree that we are not required to identify post-dated or stale-dated checks or seek your permission to pay them. We may pay or refuse to pay any post-dated or stale-dated check or other item presented for payment on your account without any liability.

27. All checks written on your account must be drawn in U.S. dollars.

28. Our measure of damages for failure to exercise ordinary care in handling a check will not exceed the amount of the item.

29. You will notify us immediately if your checks are lost or stolen. You agree that you will be responsible for losses caused by a delay in your notification to us.

30. It is your responsibility to protect the account numbers and electronic access devices (e.g., a debit card) we provide you for your account(s). You agree not to disclose your account number(s) to anyone unless you are willing to give them full use of your money. If you disclose your account number(s) or provide your access device to another person (a family member or friend, for example) in connection with granting authority to that person to conduct funds transfers, and that person then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically withdraw money from your account. For example, if you provide your account number to an online merchant to purchase a service or merchandise, funds can be electronically withdrawn from your account. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. We are not responsible for any loss or damage which results from your negligence, including without limitation, your failure to adequately safeguard your blank checks or other personal information or means of access to your account.

31. The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing your deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing you) can be used by you for endorsements or any other markings. In the event that you draw a check on your checking or loan account with us, you are responsible for any delay or misrouting of the check caused by markings placed on the check by you that obscure any depository endorsements placed by us or our agent and you agree to hold us harmless and indemnify us from any liability due to such delay or misrouting.

32. Access to your account(s) through electronic means or Cards is dictated by the provisions related to electronic funds transfers contained in Part V.

Corrections, Disputes, and Additional Terms Regarding Transactions

33. If a deposit or other credit is made in error to your account that you are not entitled to (whether by check, cash, automated clearing house transfer, wire transfer or otherwise), you understand that we may debit your account for the amount of the erroneous deposit, and may do so without notice to you, regardless of when the original deposit took place. If you withdraw any or all of the funds erroneously deposited to your account, you agree that you are obligated to reimburse us for the amount of the erroneous deposit or credit, and any costs and fees as stated in this Agreement and the Schedule of Fees and Charges. Your withdrawal of erroneously deposited funds may result in an overdraft of your account.

34. You agree to pay our costs of collection, including reasonable attorneys' fees and court costs, with regard to any check drawn on us by you or any item you deposit with us that causes us to incur a loss.

35. You agree that if a depositor (e.g., a government agency) demands we return any sums directly deposited to your account during the month of or after the death of any account holder on your account, we must honor such a demand and may debit your account for all amounts returned to the depositor.

36. We agree to investigate any transaction you have reported to us as unauthorized (a "claim of unauthorized transaction"). You agree to: (1) submit your claim of unauthorized transaction in writing to us by completing a declaration under penalty of perjury describing your claim of unauthorized transaction (in an affidavit form approved by us, if so requested); (2) file a police report; (3) complete and return to us any documents requested of you; and (4) in all respects, cooperate fully with us in our investigation of your claim of unauthorized transaction.

We reserve the right to reverse any credit made to your account if you fail to sign such documents, cooperate fully with our investigation of your claim of unauthorized transaction, or if we determine that the transaction that gave rise to your claim of unauthorized transaction was proper.

37. You understand and agree that you are not permitted to place a stop payment on a cashier's, teller, or certified check unless such check is lost, stolen or destroyed. In the event that a cashier's, teller, or certified check is lost, stolen, or destroyed, in order to effectuate a stop payment, you must execute and deliver to us a written Declaration of Loss and Claim for Reimbursement ("Declaration of Loss") and/or affidavit in a form acceptable to us and in time for us to have a reasonable time to act on it. You further understand and agree that the Declaration of Loss is not immediately enforceable upon your submission. Specifically, you understand and agree that we will not process your stop payment request until the later of (1) the time the Declaration of Loss form is properly delivered to us by you, or (2) the 90th day following the date of the cashier's, teller, or certified check. We may, however, in our sole and absolute discretion, process your stop payment request sooner. You agree to indemnify and hold us harmless from and against any and all claims, damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees) arising out of or relating to our attempt to, or stopping payment on, such cashier's, teller, or certified check.

Section 4. Payment of Dividends

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

2. For all accounts except Term Share Certificate Accounts, the dividend rate and Annual Percentage Yield (APY) may change daily. We may change the dividend rates for accounts as determined by the Credit Union's Board of Directors. Current rate information is set forth in the *Dividend Rate Sheet.* You may also obtain current rate information by calling the Credit Union or visiting our website.

3. **Compounding and Crediting for all Accounts.** For Regular Share and Contributory IRA Share Accounts, dividends will accrue daily and will be credited and compounded quarterly. For Pledged Share Accounts, dividends will accrue daily and will be credited and transferred to your Regular Share Account quarterly. For all these account types, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The final dividend declaration date follows the ending date of a dividend period, but dividends will be posted on the last day of the quarter, based on intended dividend rate declared by the Board of Directors. For ProtectPlus™ Checking and Money Market share accounts, dividends will accrue daily and will be credited and compounded monthly. For these account types, 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 of such dividend period is January 31. All other dividend periods follow this same pattern. The final dividend declaration date follows the ending date of a dividend period, but dividends will be posted on the last day of the month, based on the intended dividend rate declared by the Board of Directors. For all dividend-bearing accounts, the average monthly balance is determined prior to the posting of dividends.

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

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

If you close any of your dividend earning accounts before dividends are credited the accrued dividends will be paid at the time of closure.

Section 5. Terms and Conditions Applicable to Checking Accounts

1. We offer (2) types of consumer checking accounts: Classic Checking and ProtectPlus Checking. You can select the type of checking account you desire, but if you do not select a plan, we will make the selection on your behalf.

2. Checking Account(s) with no activity for ninety (90) days or more and an average monthly balance of less than $500 will be considered inactive and may incur a monthly fee as stated in the *Schedule of Fees and Charges*, except if primary member being 17 and under. If the balance of your account is greater than $0, but

less than the inactive fee due, we reserve the right to assess the fee and overdraw the account for the full amount of the inactive fee.

3. If you are under the age of eighteen (18) years old and we allow you to open a checking account, your parent or legal guardian will have to be a joint owner of your account. A minor must still be at least eight (8) years of age to open a checking account at the Credit Union.

4. We may close your Checking Account at any time due to inactivity, fraud, or other reason we deem appropriate.

Classic Checking

5. Classic Checking accounts do not earn dividends. Classic Checking accounts carry a monthly service fee as disclosed in the Schedule of Fees and Charges, if you do not maintain one of the following: (1) aggregated direct deposit or mobile check deposit in the amount of $250 per month, (2) $1,500 average monthly balance, (3) 10 or more debit card purchases per month posted to account, (4) an active* Kinecta credit card in good standing, (5) an auto or mortgage loan in good standing, (6) the primary owner is either age 26 and under or is age 62 and over, (7) primary owner on the account is an active member of the United States military, or (8) during the first three months of a new account. If the balance of your account is greater than $0, but less than the monthly fee due, we reserve the right to assess the fee and overdraw the account for the full amount of the service fee.

*Use of your Kinecta Credit Card one or more times during the last billing cycle, or carried a portion of your Kinecta Credit Card balance into the next billing cycle

6. The minimum balance required to open a new Classic Checking account is disclosed in the *Dividend Rate Sheet*. No minimum deposit is required to maintain your Classic Checking Account in an open status.

ProtectPlus Checking

7. ProtectPlus Checking accounts carry a monthly service charge if you do not maintain the average monthly balance in the ProtectPlus Checking account. The amount of the monthly service charge and average monthly balance to avoid the monthly service fee are disclosed in the *Schedule of Fees and Charges*.

8. ProtectPlus Checking accounts are dividend bearing accounts. For the current dividends and corresponding APY, refer to the *Dividend Rate Sheet*. The minimum deposit required to open a ProtectPlus Checking account is disclosed in the *Dividend Rate Sheet*. No minimum balance is required to maintain your ProtectPlus Checking account in an open status. If the balance of your account is greater than $0, but less than the monthly fee due, we reserve the right to assess the fee and overdraw the account for the full amount of the service fee. However, only general membership and revocable trusts are able to open and maintain a ProtectPlus Checking account. The following types of general membership accounts are not eligible to open or maintain a ProtectPlus Checking account: (a) an account if the primary owner is deceased; (b) minor accounts; (c) conservatorship accounts; (d) guardianship accounts; (e) CUTMA/UTMA accounts; (f) UGMA accounts; (g) irrevocable trust accounts; (h) custodial (non-UTMA) accounts; (i) child artist (Coogan) accounts; (j) estate accounts; (k) representative payee accounts;

(l) accounts in the process of escheatment; and (m) accounts with both a bad email address and bad mailing address.

9. There is no minimum balance required to earn the disclosed annual percentage yield for ProtectPlus Checking accounts.

10. ProtectPlus Checking account benefits include the following:

    a. We will increase the dividend rate paid on new certificates opened or existing certificates that renew under the same membership after enrollment in the ProtectPlus account by ten (10) basis points. Excludes all other promotions including, but not limited to, promotional certificates.

    b. Fee waivers:
    - Cashiers check fees (unlimited)
    - Digital Investing: one automated and one self-directed transaction fee waived monthly
    - Up to three (3) notary fees per month, provided that they are not mortgage related
    - 1 Domestic Wire fee
    - Up to one (1) NSF fee per month; and
    - The Credit Union's out of network ATM fee.

    Value Added Benefits:
    - Identity Theft Monitoring and Resolution Service[1]
    - Cell Phone Protection[2]
    - Roadside Assistance Service[2]
    - RideShare Protection[2]
    - Telehealth[3]*
    - Fuel Savings[4]
    - Travel and Leisure Discounts*

You may view your benefits via digital banking.

* Registration/activation required. Available via mobile and web only.

[1] Benefits are available to personal checking account owner(s) and their joint account owners subject to the terms and conditions for the applicable Benefits. Some Benefits require authentication, registration and/or activation. Benefits are available to non-publicly traded businesses and their business owner(s) listed on the account but are not available to employees or authorized signers who are not owners. Benefits are not available to a "signer" on the account who is not an account owner or to clubs, organizations and/or churches and their members, schools and their employees/students. For revocable grantor trusts, Benefits are available only when a grantor is serving as a trustee and covers the grantor trustee(s). For all other fiduciary accounts, Benefits are available to the beneficiary, who must be the primary member (Fiduciary is not covered).

[2] Special Program Notes: The descriptions herein are summaries only and do not include all terms, conditions and exclusions of the Benefits described. Please refer to the actual Guide to Benefit for complete details of coverage and exclusions. Coverage is provided through the company named in the Guide to Benefit. Guide to Benefit can be found online through your Kinecta Online Banking, Mobile app, or protectplus.kinecta.org. Insurance Products are not insured by the NCUA or any Federal Government Agency; not a deposit of or guaranteed by the credit union or any credit union affiliate.

[3] Available for the account holder and their spouse/domestic partner and up to six (6) dependent children age 2 and older. This is not insurance.

[4] Restrictions apply. See your Kinecta Online Banking, Mobile

app or protectplus.kinecta.org for details.

General Terms and Conditions Applicable to all Checking Accounts

11. Funds in checking accounts may not be pledged as security for any loan(s).

12. We may, at our discretion, pay funds from this account, without obligation or liability for refusal to pay:

a. When such payment would draw the account below the minimum balance for the account we establish from time to time.

b. If drawn by means not authorized in advance by us.

c. Against checks or electronic debits presented over six (6) months past their issue dates.

13. All checking accounts are truncated checking accounts. Check copies are not returned with statements. Both sides of checks are imaged and stored for seven (7) years from date of posting. Upon request, we will provide you with a photocopy of a requested item within a reasonable time. We will not charge for copies of the first two (2) items you request appearing on any one (1) statement period. Additional copies will be subject to a fee as disclosed in the *Schedule of Fees and Charges.*

Section 6. Terms and Conditions Applicable to Savings Accounts

1. **Rate Information**. Dividends rates and annual percentage yields may change daily as determined by the Credit Union Board of Directors.

Regular Share Accounts

2. A minimum deposit equal to the par value of a share is required to open a Regular Share (Savings) Account(s) and become a member of the Credit Union. If the balance of your Regular Share Account(s) is subsequently reduced to less than the par value and remains so after six (6) months, we may close the account(s).

3. You must maintain a minimum daily balance equal to the par value of a share in your account each day in order to maintain your membership with the Credit Union.

4. The minimum balance required to obtain the disclosed annual percentage yield on a Regular Share Account is equal to the par value of a share.

5. If your Regular Share Account balance is reduced to less than the par value of a share, we may transfer enough funds from any other share account you may have with us in order to bring your account balance up to the par value of a share.

6. Your Regular Share Account carries a monthly service fee, as disclosed in the Schedule of Fees and Charges, if you do not maintain one of the following: (1) primary owner is age 26 or under, (2) multiple accounts under the same member number, (3) an average monthly balance of at least $250, or (4) the primary owner is an active member of the United States military, or (5) during the first three months of a new account.

Share Secured Accounts

7. A minimum deposit in the amount of your Share Secured Credit Card credit limit is required to open a Share Secured Account. Your balance must always be equal to your Share Secured Credit Card credit limit.

8. A minimum deposit in the amount of $500.00 is required to open your Share Secured Credit Card. Your deposit amount will always be equal to your Share Secured Credit Card credit limit.

9. The minimum balance required to obtain the disclosed annual percentage yield is disclosed in the Dividend Rate Sheet.

10. We will automatically transfer dividends credited to your Share Secured Account to your Regular Share Account.

11. Pledged funds on deposit will be distributed only after meeting the following conditions: a) the outstanding balance on your Share Secured Credit Card Account is paid in full; b) your Share Secured Credit Card Account is closed; c) a period of thirty (30) days has expired after the closure of such Account; and d) any charges and advances posted to the Share Secured Credit Card Account during those thirty (30) days have been paid in full.

Health Savings Accounts (HSAs)

12. Your Health Savings Account Application provides more information about your account, and a copy will be provided to you at the time you open a Health Savings Account.

13. The minimum opening balance and the balance required to earn dividends on your account are disclosed on the Dividend Rate Sheet.

14. None of the funds on deposit in this account may be pledged.

15. At your direction, direct deposits and/or automatic deductions via ACH can be established in this account.

16. This account cannot be used as a source of funds for overdraft purposes.

17. Initiating a transaction which, if processed, would overdraw (as defined in Part IV) your Health Savings Account may result in the closure of your account, in addition to fees as provided under Part IV and our *Schedule of Fees and Charges.*

18. You must contact your employer directly to make arrangements for any applicable company-matching benefits afforded to you and deposited into this account.

19. Your Health Savings Account cannot be linked to any other debit card other than your Health Savings Account (HSA) debit card. Your Health Savings Account cannot be accessed through any shared branching service.

20. Certain federal (IRS) and state rules and penalties apply to Health Savings Accounts, including but not limited to contribution limits and permissible expenditures. These are set forth in the Health Savings Account agreement and disclosures and applicable federal and state laws and regulations and are incorporated herein by reference.

Contributory IRA Share Accounts

21. The minimum opening deposit requirement of a Contributory Share IRA Account is disclosed in the *Dividend Rate Sheet*. Additional qualifying deposits are permitted.

22. There is no minimum balance required to keep the account open or earn the disclosed APY.

23. None of the funds on deposit in this account may be pledged as security for any loan(s).

24. IRS and State Law Penalties: Certain federal and state penalties may apply to early withdrawals from Contributory Share IRA Accounts. These are set forth in applicable federal and state law and regulations which are incorporated herein by reference.

High-Yield Money Market and IRA Money Market Share Accounts

25. High-Yield Money Market and IRA Money Market Share Accounts are all "Money Market Accounts" for the purposes of this Agreement. Money Market accounts are non-transferable.

26. The minimum opening deposit for High-Yield Money Market and IRA Money Market Share Accounts are disclosed in the *Dividend Rate Sheet.*

27. Once a Money Market Account is open, there is no minimum balance requirement to maintain the account.

28. Federal and state penalties may apply to withdrawals from an IRA Money Market Share Account.

29. Money Market Accounts are tiered-rate accounts with multiple tiers, as disclosed in the *Dividend Rate Sheet.* The number of tiers available to you is at the discretion of the Credit Union.

30. The minimum balances applicable to each tier, and the associated dividend rates and minimums to earn the disclosed annual percentage yields appear on the *Dividend Rate Sheet.*

31. Accounts, including Money Market and High-Yield Money Market Accounts and Certificates are non-transferable. There is a limit on the number of withdrawal transactions for the High-Yield Money Market Share Account. During any statement period, I may not make more than six (6) withdrawals or transfers to another Credit Union account of mine or to a third party by means of preauthorized or automatic transfer, telephone order or instruction, internet, bill pay, online or mobile banking transfers, or automated overdraft transfers. No more than six (6) transfers per month may be made by check, draft, debit card if applicable, or similar order to a third party. Transfers or withdrawals in excess of these limitations may not be honored.

Section 7. Terms and Conditions Applicable to Certificates

1. Unless otherwise specified for a specific type of Share Certificate below, these general terms and conditions shall apply to all Share Certificate Accounts.

2. **Rate Information.** Share Certificate Accounts are fixed-rate accounts and are non-negotiable and non-transferable. For current APY, refer to the *Dividend Rate Sheet*; we may change dividend rates and APYs offered for new Share Certificate Accounts. The dividend rate, APY, term, and Maturity Date for your Share Certificate Account will be set forth in a written communication we will provide to you when you open such account (the "*Certificate*"); except that dividend rates and APY for College Saver Share Certificate Accounts will not be disclosed on the certificate but will be determined as discussed below. You may also call the Credit Union to obtain current rate information. You will be paid the rates and yields until maturity.

3. **Minimum Balance and Deposit Requirements.** The minimum balance required to open and maintain a Share Certificate Account is set forth on the *Dividend Rate Sheet.* You must maintain this minimum daily balance in your Share Certificate Account each day to obtain the disclosed APY and to avoid account closure. If during any day your Share Certificate Account balance falls below the required minimum, your Share Certificate Account will be subject to closure. Although credited dividends may be withdrawn or transferred at any time without the assessment of an early withdrawal penalty, the disclosed

APY assumes that dividends will remain in the Share Certificate Account until the Maturity Date. An early withdrawal will reduce earnings.

4. **Dividends.** Dividends will be compounded monthly and will be credited on the last day of each month and/or upon the Maturity Date. Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day non-cash items (e.g., checks) are deposited to the Share Certificate Account. If the Share Certificate Account is closed before dividends are credited, dividends accrued through the prior business day will be paid, subject to any early withdrawal penalty.

5. From time to time the Credit Union may offer certain promotional Certificate Accounts that have higher minimum balance requirements and different dividend rates.

6. **Transaction Limitations.** Once your Share Certificate Account is established, you may not make deposits into the account until the Maturity Date. All withdrawals of principal before the Maturity Date are subject to early withdrawal penalties, except during the grace period described herein.

7. **Early Withdrawal Penalties.** The Share Certificate Account will mature on the Maturity Date set forth in the Certificate. The Credit Union will terminate the Term Share Certificate Account and impose a penalty on the amount of withdrawal from the account if a withdrawal of principal is made prior to the Maturity Date. If the Term Share Certificate has a term to maturity equal to or less than one (1) year, the penalty imposed will equal ninety (90) days of dividends. If the Term Share Certificate has a term to maturity greater than one (1) year, the penalty imposed will equal one-hundred eighty (180) days of dividends.

In accordance with Federal Reserve Board Regulations, the Credit Union may charge an early withdrawal penalty of seven (7) days dividends on amounts withdrawn within the first six (6) days after deposit.

Early withdrawal penalties will not apply to:

a. Withdrawals of credited dividends.

b. Withdrawals of certificate funds during the seven (7) day grace period following the automatic renewal of the certificate.

c. Withdrawals made subsequent to the death or disability of any owner of any Share Certificate Account. We may limit the number of waivers per account at our discretion.

d. Withdrawals made subsequent to account closure and termination of membership by Kinecta.

e. Withdrawals made as a result of the voluntary or involuntary liquidation of this Credit Union.

f. Withdrawal made to affect a required distribution of funds from accounts which are part of a pension plan that qualifies or qualified for specific tax treatment under Section 401 or from accounts qualifying under Section 408 of the Internal Revenue Service code.

g. Withdrawal in accordance with any special terms contained in the *Certificate*.

8. **Maturity and Renewal.** Your Share Certificate Account will automatically renew upon the Maturity Date and on the Maturity Date of any renewal term unless you prevent renewal by withdrawing all of the funds in your Share Certificate Account

or otherwise providing us instructions on a Share Certificate Renewal/Maturity Request.

The renewal term will be for the same regular term, or if not opened as regular term share certificate, into the nearest lower regular term share certificate. You may instruct us in person or in writing prior to the expiration of a seven (7) day grace period following maturity to renew or close the certificate on a date of your choosing within the grace period. Funds will continue to earn dividends but at the rate of a new certificate for the same term in effect on the Maturity Date until such date of closure or renewal. If automatically renewed, all funds in a Share Certificate Account as of the renewal date are considered to be principal. If the certificate is no longer offered at the time of renewal the funds will be transferred to a similar share account type.

9. Regular Terms for Share Certificate Accounts are: 3 months, 6 months, 12 months, 2 years, 3 years, 4 years and 5 years.

10. Notice. As a courtesy we may, but are not required to, send you a written maturity notice at least thirty (30) days in advance of the Maturity Date of your Share Certificate.

11. Share Certificate accounts that are subject to unclaimed property laws may not be automatically renewed and may be surrendered to the applicable state in accordance with state laws.

12. Subject to our lending policies, amounts on deposit in Share Certificate Accounts (except IRA Share Certificate Accounts) may be pledged as collateral security to loans.

13. **Jumbo Certificates.** Jumbo Certificates are subject to a three (3) month minimum term and a five (5) year maximum term. The minimum opening deposit requirements are disclosed in the *Dividend Rate Sheet*.

Special Share Certificate Account Features and Options

14. **Bump Up Features.** Unless you instruct us otherwise in person or in writing before the end of the grace period, we will renew any Share Certificate with a Bump Up feature noted on the *Certificate* automatically into the nearest lower term, Regular Term share certificate (without the Bump Up feature).

15. **Liquid Certificates.**

a. The terms and minimum opening deposit requirements for Liquid Certificates are disclosed in the *Dividend Rate Sheet*.

b. Additional deposits are permitted at any time prior to maturity.

c. Liquid Certificates allow for penalty-free withdrawals of up to 50% of the start of day balance as of 12:00 AM on a daily basis. Withdrawals exceeding 50% of the start of day balance are subject to penalties. For account balances of $1.00 or less, penalty-free withdrawals are not allowed.

16. **College Saver Share Certificates Accounts.** This account is only available to members who are under the age of eighteen (18).

a. The minimum qualifying deposit for the College Saver Share Certificate is disclosed in the Dividend Rate Sheet.

b. Additional deposits are permitted at any time prior to maturity.

c. The dividend rate and annual percentage yield may change monthly. The dividend rate for your account will be the same as paid on a two (2) year Regular Term

Share Certificate Account (rate in effect on the last day of the previous month).

d. Your College Saver Share Certificate Account will mature on the date of your eighteenth (18th) birthday and cannot be renewed. Upon maturity, unless you provide alternative withdrawal instructions, amounts on deposit in your College Saver Share Certificate Account will be transferred to your Regular Share Account.

IRA Share Certificate Accounts

17. IRA Share Certificates are subject to a three (3) month minimum and a five (5) year maximum term. The minimum qualifying deposit for such an account is disclosed in the *Dividend Rate Sheet*.

18. None of the funds on deposit in this account may be pledged.

19. Upon maturity, IRA Share Certificates will renew automatically for the same Regular Term (except as indicated below), or if not opened as a Regular Term IRA share certificate, into the nearest lower term Regular Term IRA Share Certificate. The renewal will be effective on the maturity date, and the rate will be the same as your rate for opening a new certificate of like term on the renewal date.

20. IRA Share Certificate Accounts will not be subject to the early withdrawal penalty of seven (7) days' interest on amounts withdrawn within the first six (6) days after deposit or any partial withdrawal made prior to the date of maturity.

21. IRS and State Law Penalties: In addition to the stated penalties, certain federal and state penalties may apply to early withdrawals from IRA Share Certificate Accounts. These are set forth in applicable federal and state law and regulations which are incorporated herein by reference.

Youth Club Certificate Accounts

22. Youth Club Certificate Accounts are only available to members who are under the age of eighteen (18). A minor must be at least fourteen (14) years of age to open a Youth Club Certificate Account without a joint account owner who is over the age of eighteen (18). Youth Club Certificate Accounts are subject to a ninety (90) day minimum and a four-(4) year maximum term. The minimum qualifying deposit for such an account is disclosed on the *Dividend Rate Sheet*.

23. The term for a Youth Club Certificate is as stated on the Certificate with a seven (7) day grace period following the maturity date.

24. Unless you provide alternative instructions, upon maturity Youth Club Share Certificates will renew automatically for the same Regular Term, or if the initial term was not a Regular Term, into the nearest lower term Regular Term share certificate.
If upon maturity you are no longer eligible for a Youth Club Certificate Account, amounts in your Youth Club Certificate Account will be transferred to a Regular Term Share Certificate Account with the same Regular Term, or if the initial term was not a Regular Term, into the nearest lower term Regular Term share certificate. The renewal will be effective on the maturity date, and the rate will be the same as the rate for a new certificate of like term on the renewal date.

Part III – Funds Availability

1. Our policy is to make funds from your cash and check deposits available to you on the first (1st) business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth (5th) business day after the day of your deposit. This rule does not apply at ATMs that we own or operate (proprietary ATMs). All ATMs that we own or operate are identified as our machines. Funds from any deposits (cash or checks) made at proprietary ATMs may not be available until the second (2nd) business day after the day of your deposit.

2. Once deposited funds are available, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written.

3. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit on a business day that we are open during business hours or before the last pickup time posted on a QuickDrop/Night Depository Box where available, we will consider that day to be the day of your deposit. However, if you make a deposit on a day we are not open, on a Saturday, Sunday, federal holiday, after business hours, or after the last pickup time posted on a QuickDrop/Night Depository box where available, we will consider that the deposit was made on the next business day we are open.

4. **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 (1st) business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth (5th) business day after the day of your deposit. However, the first $225 of your deposits will be available on the first (1st) business day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the first (1st) business day after the day of your deposit, 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 or electronically deliver the notice, if you have agreed to receive notices from us in an electronic format, by the business day after we receive your deposit or balance the ATM at which the deposit was made.

If you will need the funds from a deposit immediately, 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:

a. We believe a check you deposit will not be paid.

b. You deposit checks totaling more than $5,525 on any one day.

c. You redeposit a check that has been returned unpaid.

d. You have overdrawn your account repeatedly in the last six (6) months.

e. There is an emergency, such as failure of communications or computer equipment.

5. 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 seventh (7th) business day after the day of your deposit.

6. **Special Rules for New Accounts:** If you are a new member, the following special rules will apply during the first thirty (30) days your account is open.

a. Funds from electronic direct deposits to your account will generally be available on the same business day we receive the deposit.

b. Funds from deposits of cash, wire transfers, and the first $5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will generally be available on the first (1st) business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over $5,525 will be available on the eighth (8th) 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 $5,525 will not be available until the second (2nd) business day after the day of your deposit.

c. Funds from all other check deposits will be available on the eighth (8th) business day after the day of your deposit.

Part IV – Account Balances and Liability for Overdrafts

Section 1: General.

1. You are responsible for keeping track of the funds in your account that are available for you to use before you write a check, make a cash withdrawal at an ATM, or use your debit card for a transaction. Among other things, you should keep a running balance that reflects all of your transactions. It is imperative that you keep track of the transactions you may have authorized (such as outstanding checks or automatic bill payments you have authorized), as your available balance (discussed in more detail below) will not reflect these transactions until they are paid from your account.

2. "Overdrawing" your account means that there are not sufficient available funds in your account to pay for a transaction, but the transaction is paid under either an optional overdraft protection plan or the Courtesy Pay Service or Select Accept Service, which results in a negative "overdrawn" balance. Some transactions that can result in an overdraft in your checking account include, but are not limited to:

(1) the payment of checks, electronic fund transfers, telephone-initiated transfers, preauthorized payments under our Bill Payer Service, or other withdrawal requests authorized by you; (2) the return (unpaid) of items deposited by you; (3) the assessment of service charges by us; or (4) the deposit of items that are treated as not yet "available" according to our Funds Availability Policy.

3. This Part IV discusses in Section 2 how to determine and manage your account balances. Section 3 then discusses how we will post transactions to your account. Based on these policies, your transactions can result in transaction(s) being presented for processing when your account's available balance is insufficient to pay the transaction(s). Sections 4 and 5 discuss the two kinds of services the Credit Union offers to allow for the payment of these transactions.

Section 2: Your Checking Account Balance

1. Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, at a Credit Union-owned ATM, by phone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time. This section explains actual and available balances and how they work.

2. Your actual balance is the amount of money that is actually in your account at any given time, but not all funds included in the actual balance are considered available for transactions on your account. The actual balance is also referred to as: (a) your "current balance" on Credit Union ATM screens and in online and mobile banking; and (b) your actual balance when you use our automated telephone banking system. Your actual balance reflects transactions that have posted to your account, but not transactions that have been authorized and are pending or pending deposits that are subject to holds under our Funds Availability Policy. While the term "actual" may sound as though the number you see is an up-to-date indication of what is in your account that you can spend, that is not always the case. Your actual balance will not reflect any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted. For example, if you have a $50 actual balance, but you just wrote a check for $40, then your actual balance is $50, but it will not reflect the pending check transaction. At that point, you would have an actual balance of $50, of which you would have already spent $40.

3. Your available balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. The available balance takes into account factors such as holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account. For example, assume you have an actual balance of $50 and an available balance of $50. If you were to use your debit card at a restaurant to buy lunch for $20, then that merchant could ask us to pre-authorize the payment in that amount (or even a different amount). Under this example, if the merchant requested preauthorization in the amount of $20, we will place a "hold" on your account for $20 (referred to as an "authorization hold"). Your actual balance would still be $50 because this transaction has not yet posted, but your available balance would be $30 because of the restaurant's preauthorization request that resulted in an authorization hold on $20 in your account. When the restaurant submits its bill for payment (which could be a few days later and for a different amount than the amount of the authorization hold), we will post the transaction to your account and your actual balance will be reduced by the amount of the posted transaction.

4. We use your available balance at the time a transaction posts to determine when your account is overdrawn. Your account is considered overdrawn when the available balance in your account is negative (less than $0).

5. Your available balance may not reflect all of your debit card transactions. We use your available balance at the time a transaction posts to determine when your account is overdrawn and whether fees will be assessed. For debit card transactions involving merchant authorization holds, we look at the available balance at the time a transaction posts to determine whether the

transaction results in an overdraft and potential related fees. In making this determination, we check your available balance at two separate times—first, at the time a merchant authorization request is received, and second, when the transaction "settles" and posts to your account. If your available balance is insufficient to pay the preauthorization amount requested by a merchant and you have not opted into the Select Accept Service, we will decline the request. If your available balance is sufficient to cover a merchant's authorization request, the authorization request will be approved and an authorization hold will be placed on your account in the amount of the merchant's authorization request. If the transaction later "settles" and posts to your account at a time when the available balance is insufficient to pay the posted transaction without causing the account to have a negative balance (less than $0), we will charge a Courtesy Pay Fee on that transaction even though the available balance was sufficient to cover it at the time the transaction was authorized. Your account is considered overdrawn when the available balance in your account is negative (less than $0).

The following example illustrates how this works:

Assume your actual and available balance are both $50, and you use your debit card at a restaurant for $20. If the restaurant requests preauthorization in the amount of $20, an authorization hold is placed on $20 in your account, so your available balance is only $30. Your actual balance would remain $50. Before the restaurant charge is sent to us for payment, a check that you wrote for $40 clears. Because your available balance is only $30 (due to the authorization hold of $20), your account will be overdrawn by $10, even though your actual balance is $50. In this case, if we pay the $40 check under the Courtesy Pay Service, we will charge you a Courtesy Pay Fee as disclosed in our *Schedule of Fees and Charges*, which will be deducted from your account, further increasing the overdrawn amount. In addition, when the restaurant charge is finally submitted to us for payment, we will release the authorization hold and pay the transaction amount (which may be $20 or even a different amount, for example, if you added a tip) to the restaurant. Because the amount of the restaurant charge exceeded your available balance at the time the restaurant charge "settled" (i.e., posted to your account), we will charge you a Courtesy Pay fee as disclosed in our *Schedule of Fees and Charges*, even though the restaurant transaction was authorized and approved with a sufficient available balance.

6. **YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE.** This is because your available balance may not reflect all your outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not yet been paid from your account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from your account.

7. Also, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions, including but not limited to car

rental transactions and international transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released, which generally occurs when the transaction has been received by us and paid from your account. Refer to the section entitled “Authorization Holds for Debit Card Transactions” below for information about how authorization holds affect your available balance.

8. Finally, your available balance may not reflect the most recent deposits to your account. Refer to Part III Funds Availability for information regarding the availability for withdrawal of your deposits. You should not assume that you can avoid overdrafting your account by making a deposit before a check or other item is presented for payment because your deposit may not be immediately available for withdrawal.

Authorization Holds for Debit Card Transactions.

9. When you use your debit card to pay for goods or services, the merchant may seek preauthorization from us for the transaction. When we preauthorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the account linked to your debit card, based on the amount of the preauthorization request from the merchant. We refer to this temporary hold as an “authorization hold,” and the amount of the authorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day. Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted, as discussed below, or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to you for other purposes. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your account as they are received.

10. The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, this can happen in connection with transactions where your debit card is swiped before your actual transaction amount is known, such as at a restaurant or gas station (e.g., at a restaurant, you may choose to add a tip to the transaction amount). For these types of transactions, there may be no authorization hold, or the amount of the authorization hold may be different from the transaction amount. In some other cases we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment

11. We are permitted to place an authorization hold on your account for up to three (3) business days (or for up to thirty (30) business days for certain types of debit card transactions) from the time of the authorization or until the transaction is paid from your account. However, if the transaction is not submitted

for payment, we will release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and finally posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account.

12. In certain instances, when the amount of the authorization hold is either more or less than the amount of the actual transaction, we may maintain the authorization hold even after the purchase amount is actually paid from your account. However, in these instances, we will not maintain an authorization hold for longer than three (3) business days (or for up thirty (30) business days for certain transactions).

Section 3: How Transactions Are Posted to Your Account.

1. There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

2. We can receive credit and debit transactions in different forms at various times each business day. We reserve the right to determine the timing and order in which such transactions are posted to your account to the extent permitted by law. We determine the order in which we process and post credits and debits to your account based on a number of factors.

3. We may pay or authorize some transactions, and decline or return others, in any order we deem appropriate to the extent permitted by law. When the available balance in your account is not sufficient to cover all of the transactions presented that day, some posting orders can result in more returned items and more overdraft and returned item fees than other posting orders.

4. Some items are received by us individually and others are received in batches at various times each business day. Items that we currently receive individually include ATM withdrawals, point-of-sale (POS) transactions, and teller transactions. These individual items are generally posted to your account as they are received by us each business day. Items that we currently receive in batches include checks drawn on your account presented by other financial institutions, “on us” checks, and ACH and debit card transactions. If multiple checks are presented on any given day in a single batch, they are cleared in the order of receipt, regardless of the check number sequence. We generally post batched transactions as they are received throughout each business day (subject to certain exceptions). For non-check batched transactions, we receive at the same time on a particular business day, we will generally post those non-check batched transactions from lowest dollar amount to highest dollar amount.

The order in which items are posted to your account will depend on a number of factors. For example, in connection with our item posting process, we reserve the right to: (i) establish different categories of items, (ii) establish a posting order for each category of item(s), (iii) establish different posting orders for items within each category, and (iv) change the timing of when items are posted during the day and whether they are posted individually or in batches. Except to the extent limited by applicable law, we have the right to change any of the factors described in (i), (ii), (iii) and (iv) listed above at any time without

notice to you. 5. The foregoing is a general description of how certain types of transactions are posted. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.

Section 4: Payment of Overdrafts.

1. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we pay a transaction that overdraws your account, we are not obligated to continue paying such transactions in the future. We may pay all, some, or none of your overdrafts, without notice to you. If we do not authorize and do not pay an overdraft, then we decline or return the transaction unpaid. The *Consumer Schedule of Fees and Charges* ("Schedule of Fees and Charges") for your account explains when we charge you fees for overdraft and for declined or returned items and the dollar amount of the fees. Please review your *Schedule of Fees and Charges* for your account carefully. You are liable to us to repay any overdrafts on your account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for our costs of collection. We may close, without notice, any account with excessive insufficient funds activity, and report the account to a consumer reporting agency.

2. We assess a fee for each item that we either pay, which results in an overdraft, or do not pay, which would have resulted in an overdraft had we paid it. If we pay an item in accordance with our Courtesy Pay Service or Select Accept Service (described in more detail below), we will charge a Courtesy Pay Fee as disclosed in the *Schedule of Fees and Charges.*

3. We limit both the number of overdraft fees for paid items, and Non-sufficient Funds (NSF) fees for unpaid items, we charge in a business day. We will not charge a fee if your ending account balance is overdrawn by $5 or less and we pay the item. The maximum number of overdrafts due to insufficient or unavailable funds that will be subject to overdraft charges in one day is three (3).

4. We recommend that you enroll in one of the optional overdraft protection plans described below. These plans can help you avoid overdrafts and returned items.

5. **Transfers to Cover Overdrafts.** You understand and agree that we have the right to transfer available funds to your checking account from any of your other account(s) with us (excluding IRAs and certificate accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdraft and related fees.

6. If we pay an item drawn against insufficient funds on an account with more than one (1) member on the signature card, each member, and agent if applicable, drawing or presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts including Courtesy Pay or NSF fees (if any).

7. **NSF Transactions.** We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we do not authorize and do not pay an overdraft, then we decline or return the transaction or item unpaid and charge a related NSF Fee as stated in our *Schedule of Fees and Charges*. You are responsible for ensuring that your account includes sufficient available funds to pay the transactions you initiate or authorize when they are processed for payment from your account, and you also acknowledge that the timing of when

merchants or payees submit transactions to us for payment may vary.

If your account does not have sufficient available funds when a transaction or item is presented to us for payment and, as a result, returned unpaid, the merchant or payee of your transaction or item may choose to resubmit the same transaction, and may do so multiple times. In the event a transaction or item is resubmitted for payment at a time when your account lacks sufficient available funds to pay it and we decline it, we will charge a related NSF Fee for each such resubmitted item each time that same transaction is presented and returned unpaid (per presentment).

Optional Overdraft Protection Plans.

8. We offer optional overdraft protection plans that you may apply for, such as a Personal Line of Credit loan account where your line of credit is used for overdraft protection, and an Overdraft Protection Service where funds from a linked liquid account are used for overdraft protection. If you qualify for these optional services, we will look first to these services for overdraft protection before applying our discretionary Courtesy Pay Service when your account is overdrawn. You may set up overdraft protection from any liquid account or line of credit loan to any checking share within the same membership or a different membership as long as the signers are the same on both shares or loan and share. A Personal Line of Credit and the Overdraft Protection Service plan may save you money on the total fees you pay us for overdraft protection.

- **Personal Line of Credit.** This is a revolving line of credit, which is available to members meeting certain credit requirements. With this plan, you authorize us to automatically advance the exact amount of your overdraft from your Personal Line of Credit (linked to your checking account) to cover your overdraft, up to your credit limit. You must repay what you have borrowed in full or in minimum monthly payments (in addition to any late charges and finance charges). If you are approved for a Personal Line of Credit, you will be provided with separate terms and conditions applicable to the Personal Line of Credit.
- **Overdraft Protection Service.** With this service, you authorize us to make transfers of available funds automatically from your eligible liquid account to cover overdrafts in your checking account. Transfers from your liquid account are made in the exact amount of the overdraft. You must request to enroll in this service.

9. If you do not have sufficient available credit on your Personal Line of Credit or the funds in your liquid account are not sufficient to pay the overdraft on your checking account, then you understand that the overdraft may be paid by our Courtesy Pay Service or Select Accept Service, subject to the terms and conditions of the Courtesy Pay Service Section below, if you are eligible for the Courtesy Pay Service or Select Accept Service. If you are not eligible for the Courtesy Pay Service or Select Accept Service, then the item causing the overdraft will be returned or the transaction denied. If you decline to utilize any of the optional overdraft protection plans and you are not eligible for our Courtesy Pay Service or Select Accept Service, and there are insufficient funds in your checking account to pay an item, your items will not be paid, they will be returned, and an NSF Fee will

be charged for each item returned. Transfers will appear on your periodic statements for each applicable account.

10. **Limits on Overdraft Protection.** We will not transfer more than the available account balance in a linked liquid account or the available credit (as of the end of the previous business day) on a Personal Line of Credit account, even if the amount of the overdraft is more than the available amount. If the available balance in a linked liquid account or the available credit on a Personal Line of Credit account is not enough to pay the transactions you have initiated on any day plus the Overdraft Transfer Fee, we will transfer enough funds to pay one or more transactions, plus the fee. Any transactions that are not paid by the transfer will either be paid or returned, and Overdraft Transfer Fees or NSF Fees will be charged as if you did not have overdraft protection.

11. **Termination of Optional Overdraft Protection Plans.** We may terminate optional overdraft protection services at any time with or without notice. Any owner of the checking account, any owner of a linked liquid account used for overdraft protection, or any borrower on a Personal Line of Credit account used for overdraft protection may cancel overdraft protection in person or in writing. Cancellation will be effective after we have received notice and have had a reasonable time to act on it.

Section 5: Courtesy Pay Service (Including Select Accept)

1. In accordance with our commitment to provide valued service and benefits, we may, at our discretion, pay your overdrafts that would cause your eligible checking account to have a negative balance. We refer to this service as our Courtesy Pay Service (hereinafter referred to as the “Service”). The Service is different than the Personal Line of Credit and the Overdraft Protection Service plans. The Service is a backup to your existing overdraft protection plans and will only be activated if funds are not available from those plans. This Courtesy Pay Section sets forth the terms and conditions applicable to the Service.

2. **What Overdraft Transactions are Covered?** The Service is available only for the payment of checks, electronic transfers, over-the-counter transactions or teller window transactions, recurring Debit Card transactions, and ACH drafts and debits. The Service is not available at all for ATM transactions. The Service is not available for one-time debit card transactions, unless you opt-in to the Select Accept service, as described in the next section below.

3. **Optional Overdraft Transactions.** If you would like to include one-time debit card transactions in the Service, you are required to “opt-in” to the Select Accept service (in other words, you must provide us with your affirmative consent). Choosing not to opt in may result in these transactions being declined.

You understand and agree that we do not require you to authorize the Service for your one-time debit card transactions as a condition of us providing the Service to you for the other types of transactions subject to this Courtesy Pay Service Section. If you want the Credit Union to authorize and pay overdrafts for one-time debit card transactions, you must provide us with your consent by contacting us as provided in Part II Section 1 Paragraph 16.

You may revoke your authorization to have us pay your one-time debit card transactions at any time. Your decision to opt in does not guarantee that we will always pay your one-time debit card

transactions when there are insufficient available funds in your account to cover the transaction.

4. **Eligibility for the Service.** The Service is not a credit product and requires no application or credit approval process; it is a feature that is automatically included with eligible checking accounts (unless you Opt-Out of the Service entirely as described below). Eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. The Service is available for checking accounts for which the primary checking account owner is eighteen (18) years of age or older, is in good standing, and the checking account has been open for at least thirty (30) days with the applicable minimum balance requirement.

We reserve the right to limit the Service to one (1) account per household or member. We may suspend or permanently revoke the Service from your checking account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You are not making regular deposits into your checking account;
- You do not bring your checking account to a positive balance for at least one full business day within a thirty (30) day period;
- Your membership is not in good standing;
- You are more than thirty-one (31) days past due or are in default in any other respect on any loan or other obligation to us;
- You have an outstanding balance due on an overdraft repayment plan;
- Your checking account is subject to any legal or administrative orders or levies;
- You have insufficient credit or negative credit history;
- You are a party to a bankruptcy proceeding;
- Any or all of your account(s) with us are being reviewed for improper activity or transactions;
- Your checking account is classified as inactive;
- You use the Service to pay items written to check cashing agencies;
- You have had excessive number of items returned for non-sufficient funds in a calendar year;
- You have an unresolved prior loss with us;
- We do not have a valid mailing or email address for you; or
- We believe you are not managing your checking account in a responsible manner which may harm you or us.

5. **The Service is a benefit. Any payment made by us under the Service will be made on a case-by-case basis, in our sole and absolute discretion. The Service does not constitute an actual or implied agreement between you and the Credit Union, nor does it constitute an actual or implied obligation of the Credit Union. The Service is a privilege that the Credit Union provides from time to time, and which may be withdrawn, limited, or withheld by the Credit Union at any time, without prior notice, reason or cause.**

6. **Limits to Your Use.** The negative balance to which you can overdraw your account by using the Service is determined by us in our sole and absolute discretion. We may pay your overdrafts at our discretion, including fees; however, you acknowledge and

agree that we reserve the right to further limit the number and amount of checks or other items/transactions that may be paid by us through the Service during any given month.

7. **How the Service is Administered.** At our sole discretion, we may notify you by mail, or, if you have agreed to receive notices from us in an electronic format, you may be notified electronically, of any nonsufficient funds checks, items or other transactions that have been paid or returned; however, we are not required to so notify you. You also acknowledge and agree that we have no obligation to notify you before we pay or return any check, item or other transaction. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

8. **When is the overdraft payment due?** The total of the overdraft (negative) balance in your checking account, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit sufficient funds to cover the overdraft paid by us and pay the related fees.

9. **Courtesy Pay Fees.** A Courtesy Pay Fee will be charged to your checking account, in accordance with our *Schedule of Fees and Charges*, for each overdraft that is authorized and paid through the Service. This means that more than one Courtesy Pay Fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through the Service. You understand that your Courtesy Pay Limit will be reduced by the amount of each overdraft paid by us through the Service and the amount of the related Courtesy Pay Fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your Courtesy Pay Limit by the amount of the repayment. If we choose not to pay the item/transaction under the Service, you are subject to an NSF Fee for each such item in accordance with our Schedule of Fees and Charges. Your periodic statement will itemize Courtesy Pay Fees and NSF Fees for each cycle, as well as the year-to-date total of fees.

10. **Optional Overdraft Protection Plans.** As discussed in more detail above, we also offer optional overdraft protection plans, such as a link to a liquid account or a Personal Line of Credit account, which may be less expensive than our Courtesy Pay Service. To learn more, please ask us about these plans.

11. **Your Right to Opt-Out of the Service.** If you prefer not to have the Service, contact us as described in Part II Section 1 Paragraph 16, and we will remove the Service from your checking account. If you Opt-Out of the Service, you will still be charged our NSF Fee for each item returned.

12. **Default.** You will be in default under the terms of this Part IV if you fail to live up to any of the terms and conditions set forth herein or you are in default on any loan obligation with us and/or a negative balance exists in any deposit account with us on which you are an owner. If you are in default, in addition to any other rights we may have, we may temporarily suspend overdraft or Courtesy Pay privileges, terminate the Service or close your checking account and demand immediate payment of the entire unpaid negative balance.

13. **Termination; Suspension.** We may terminate or suspend the Service at any time without prior notice. In no event will any termination relieve you of your other obligations under this Agreement, including your obligations to repay any negative

account balance, overdraft fees, collection costs, and attorneys' fees, if any.

Section 6: An Additional Note Regarding Overdraft, Courtesy Pay, and Select Accept Programs

1. The best way to know how much money you have and avoid paying overdraft fees is to record and track all of your transactions closely.

2. IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS PART IV, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT (800) 854-9846 (U.S. Only), OUTSIDE THE UNITED STATES 310.643.5400, MONDAY THROUGH FRIDAY,5:00 AM TO 6:00 PM OR SATURDAY 6:00 AM TO 3:00 PM PACIFIC STANDARD TIME.

Part V – EFT

This Part V of the Agreement sets forth the terms and conditions governing electronic fund transfers. Electronic fund transfers ("EFTs") are electronically initiated transfers of money involving a deposit account at the Credit Union and multiple access options, such as online account access, direct deposits, automated teller machines (ATMs), debit card and automated telephone banking. Your acceptance, retention, or use of a debit card, Personal Identification Number (PIN) or other EFT hereunder constitutes an agreement between us and you to be bound by the additional terms and conditions contained in this Part V. Where not in conflict with the terms of this Part V, the general terms and conditions elsewhere in this Agreement, or such other agreements under which electronic services may be provided remain in full force and effect and continue to be applicable, except as specifically modified by this Part V.

These disclosures are given by us in compliance with the Electronic Fund Transfer Act (15 USC § 1693 et seq.) and Regulation E (12 CFR Part 1005) to inform you of certain terms and conditions for use of the electronic services described in this Agreement.

We offer the following electronic services:

- Preauthorized deposits of net paycheck;
- Payroll deductions;
- Preauthorized deposits of pension checks and federal recurring payments (for example, Social Security payments);
- Preauthorized withdrawals for bill payments and other recurring payments;
- Automated Teller Machine (ATM) EFT services at Credit Union-owned (proprietary) ATMs and on Shared Network ATMs such as the CO-OP Network, STAR and Plus, and such other systems as may be added from time to time;
- Automated Telephone Banking;
- Online Banking;
- Bill Payer Service;
- Kinecta Debit Card;
- Electronic Check Transactions;
- Transactions at a Point-of-Sale (POS) terminal whether or not an access device is used;
- Mobile Banking; and
- Mobile Deposit.

General disclosures applicable to all electronic services offered by us are given below, with certain specific disclosure information for each service following in separate sections.

Section 1: General Disclosures Applicable to All Electronic Services

1. The Electronic Access Systems are the electronic methods by which you may access certain account information as provided in the Electronic Access System Additional Disclosures in Part V Section 3. These may consist of the Automated Voice Response system, Kinecta Direct, Bill Payment, or other methods we may add from time to time.

2. “Card” means the Kinecta Debit Card. “Access Code” means a password or identification number used to access your account(s) or Electronic Access Systems. “PIN” means a personal identification number; you may be issued a PIN for access to your Card(s) or any other Electronic Access Systems.

3. Your use of the electronic services is subject to our approval.

4. **Business Day Disclosure:** Our business days are Monday through Friday, except federal holidays. Extended hours and weekends may be available through the CU Service Centers® Shared Branch Network. Hours and branch locations are subject to change without prior notice. Branch hours and holiday schedules may be obtained through our website or by calling our General Information telephone number at 800-854-9846. Our proprietary ATMs are generally available 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties; however, ATMs and POS terminals at some locations may not always be accessible or open only during specified hours. The Electronic Access Systems are generally available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties, including those of the Internet service provider and Internet software.

5. **Right to Receive Documentation of Transactions:**

   a. **Terminal Transfers.** In most cases, you will receive a receipt at the time you make any transfer to or from your account using an ATM or when you make a purchase using a POS terminal. You should retain this receipt to compare with your statement from us. Federal law provides that for certain small dollar transactions at merchant locations, you may not receive a receipt.

   b. **Periodic Statements.** You will receive a monthly account statement for each month in which an EFT is made (but at least a quarterly statement if no transfers are made). You agree to immediately review each periodic statement mailed or otherwise made available to you to ensure that each and every transaction has been authorized by you. Your failure to promptly report any allegedly unauthorized transaction may result in future allegedly unauthorized transactions to be considered authorized.

   c. **Online Banking Transactions.** You may print a record of any individual transaction conducted through online banking at any time for up to one year after the transaction is completed. A fee may be charged for copies of paper statements as set forth in the Schedule of Fees and Charges.

6. **In case of errors or questions about your electronic services transactions:** In case of errors or questions about your electronic services transactions, notify us immediately at the address provided in Part II Section 1 Paragraph 16. If you think your periodic statement or receipt is wrong or if you need more information about a transaction listed on your periodic statement or receipt, you can also contact us as provided above. We must hear from you no later than sixty (60) days after we send you the FIRST periodic statement on which the problem or error appeared. You must:

a. Tell us your name and account number;

b. Describe the error or the transaction you are unsure about and explain, as clearly as you can, why you believe it is an error or why you need more information; and

c. 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.

7. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within ten (10) business days, we may not credit your account. For errors involving new accounts, point-of-sale, or transactions initiated outside of the United States, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. Your account is considered a “new account” for the first thirty (30) days after the first deposit is made, unless you already have an established account with us before this account is opened. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. If we provisionally credited your account, we will reverse the provisional credit and notify you of the date we reversed the credit and the amount of the debit. You may ask for copies of the documents that we used in our investigation.

8. **Your Liability for Unauthorized Transactions and Advisability of Prompt Reporting:** You are responsible for all transfers you authorize using the electronic services described in this Agreement. If you permit other persons to use your Card, PIN(s), and/or Access Code, you are responsible for any transactions that person authorizes or conducts on any of your accounts, even if that person exceeds your authority. However, you must tell us AT ONCE if you believe your Card, PIN(s), and/or Access Code have been lost or stolen or if you believe that an EFT has been made without your permission using information from your check. Telephoning is the best way of minimizing your possible losses. A written notification to us should follow your telephone call. You could lose all the money in your account (plus your maximum overdraft Personal Line of Credit, if you have one). However, if you believe your Card, PIN(s), and/or Access Code have been lost or stolen, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no

more than $50 if someone used your Card, PIN(s), and/or Access Code to access your account without your permission.

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card, PIN(s), and/or Access Code and we can prove we could have stopped someone from using your Card, PIN(s), and/or Access Code without your permission if you had told us, you could lose as much as $500.

If you are using a Kinecta Debit Card for transactions that take place on the MasterCard network system, MasterCard Operating Rules and Regulations provide for zero liability for unauthorized transactions under certain conditions. As a MasterCard cardholder, you are protected under the MasterCard Zero Liability policy for unauthorized transactions and they could be transactions made in stores, over the telephone, or on the internet if the following five conditions are met:

1. You have exercised vigilant care in safeguarding your card from risk of loss, theft, or unauthorized use; and
2. You immediately and without delay notify your card issuer upon discovery of the loss, theft, or unauthorized use; and
3. You have not reported two or more incidents of unauthorized use in the preceding 12 months; and
4. Your account is in good standing; and
5. You have complied with the terms and conditions of the cardholder agreement.

Also, if your statement shows transfers that you did not make, including those made by Card, PIN or other means, you must tell us at once. If you do NOT tell us within sixty (60) days after the statement was mailed or delivered 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 you can document that a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time period.

9. **How to Notify the Credit Union in the Event of an Unauthorized Transaction:** If you believe your Card(s), PIN(s), or Access Code(s) have been lost or stolen or that someone will or may use it to transfer money from your account(s) without your permission, you must notify us as provided in Part II Section 1 Paragraph 16 or call the number listed on your Card or periodic statement.

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

10. **Our Liability for Failure to Make or Complete Electronic Fund Transfers:** If we do not properly complete an EFT to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses and damages. However, there are some exceptions. We will not be liable, for instance, if:

a. Circumstances beyond our control (such as fire, flood, earthquake, electrical failure, malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions that we have taken;
b. Delays in processing and/or payment are caused by third-party software and/or services;

c. Through no fault of ours, you do not have enough money in your account (or sufficient collected funds) to complete the transaction(s);

d. The funds in your account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;

e. We received incorrect or incomplete information from you or from third parties (e.g., the U.S. Treasury, an automated clearing house, or a terminal owner);

f. The ATM or network system was not working properly, and you knew about this breakdown when you started the transaction;

g. The ATM where you were conducting the transaction did not have enough cash or cash in the denominations you requested;

h. Your Card, PIN, or Access Code you provide is incorrect or incomplete, has been reported lost or stolen, has expired, is damaged so that the mechanical device cannot read the encoding strip or chip, is inactive due to non-use, is retained by us due to your misuse or suspected fraudulent activities, is retained by us at your request, or your Card, PIN, or Access Code has been repeatedly entered incorrectly;

i. The transaction would exceed an unused line of credit limit or other account transaction limits;

j. Our failure to complete the transaction or the placement of a block on your account is done to protect the security of your account and/or the electronic terminal system;

k. You make an error in keying your deposit at an ATM or through the Online Banking system (and if you make such error, we are not responsible for bounced checks, forfeited dividends, and other consequences which may result);

l. The payee mishandles or delays a payment sent by the Bill Payer Service;

m. You have not provided our Bill Payer Service provider with the correct names, phone numbers, or account information for those persons or entities to whom you wish to direct payment; or

n. Any transaction is prohibited by law, regulation, court order, or would be considered illegal activity.

There may be other exceptions not specifically mentioned above.

Provided that none of the foregoing exceptions to the service performance obligations are applicable, if we cause an incorrect amount of funds to be debited from your account, or caused funds from your account to be transferred to a person or entity which does not comply with your bill payment instructions, we will be responsible for returning the improperly transferred funds to your account and for directing to the proper recipient any previously misdirected bill payments or transfers.

THE FORGOING CONSTITUTES OUR ENTIRE LIABILITY AND YOUR EXCLUSIVE REMEDY. IN NO EVENT WILL WE BE LIABLE FOR ANY DIRECT, INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR EXEMPLARY DAMAGES, INCLUDING LOSS OF PROFITS (EVEN IF ADVISED OF THE POSSIBILITY THEREOF) ARISING IN ANY

WAY OUT OF THE INSTALLATION, USE, OR MAINTENANCE OF ANY EQUIPMENT, SOFTWARE, AND/OR SERVICE.

11. **PIN and Access Code Use and Security:** You understand that you cannot use your Kinecta Debit Card, Electronic Access Systems, Bill Payment Services, or other electronic transactions contemplated hereunder without the applicable PIN. You are responsible for the safekeeping of your PIN(s) provided by us or selected by you and for all transactions by use of a PIN. Your use of a PIN is your authorization to us to withdraw funds from your savings account or checking account to cover such transactions. Your PIN(s) is confidential and should not be disclosed to third parties or recorded. You will notify us immediately and send written confirmation if your PINs are disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your account(s) if anyone not authorized by you has access to the PIN. If you disclose your PIN(s) to anyone, however, you understand that you have given them access to your account(s) and you are responsible for any such transaction. If you authorize anyone to use your PIN in any manner that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your PIN immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your PIN is changed.

12. **Card Safety Precautions:** YOU MUST KEEP YOUR CARD IN A SAFE PLACE AND PERMIT NO UNAUTHORIZED PERSON TO USE IT. YOU MUST NOT DISCLOSE YOUR KINECTA DEBIT CARD PIN TO ANY UNAUTHORIZED PERSON OR WRITE IT ON YOUR CARD, CARRY IT IN YOUR WALLET OR PURSE, OR OTHERWISE MAKE IT AVAILABLE TO ANYONE ELSE; YOU WILL IMMEDIATELY REPORT ANY LOSS OR THEFT OF YOUR CARD. IF YOU AUTHORIZE US TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, YOU AUTHORIZE THAT INDIVIDUAL TO WITHDRAW FUNDS FROM YOUR ACCOUNT(S) WHICH CAN BE ACCESSED BY THE CARD REGARDLESS OF WHETHER THAT INDIVIDUAL IS AUTHORIZED TO WITHDRAW MONEY FROM THE ACCOUNT BY ANY MEANS OTHER THAN BY USE OF THE CARD.

13. All transactions affected by use of Electronic Access Systems, Electronic Check Transactions, Cards, or other electronic transaction contemplated hereunder which would otherwise require your actual signature, or other authorization, will be valid and effective as if actually signed by you when accomplished by use of an Electronic Check Transaction, the Card(s) and/or PIN(s), or as otherwise authorized under this Agreement.

14. **Fees for EFTs.** All fees associated with your EFTs are disclosed in our Schedule of Fees and Charges. Any fees charged will be deducted from your checking or savings account. The Credit Union reserves the right to increase or add new fees at a future date after we give you notice of such fees as required by law.

15. If you have been issued an additional Card for a joint owner or authorized user on your account, any applicable transaction fees outlined in our Schedule of Fees and Charges will be based on combined transactions. Withdrawals from more than

one account or additional withdrawals from the same account during a single access will be counted as multiple withdrawals. Generally, transaction fees will be charged to your account within two (2) business days from the day they are incurred. The fee may not be recorded on the transaction receipt produced by the ATM, but it will be itemized on your monthly statement.

16. If you use an ATM that is not operated by us (a "Non-Proprietary ATM"), you may be subject to additional fee(s) imposed by another financial institution, merchant, and/or by an automated transfer network. You may be charged a fee for a balance inquiry even if you do not complete a funds transfer. This practice is known as "surcharging" and is in addition to any ATM fees charged by us.

17. If you use a Non-Proprietary ATM for cash withdrawals, each withdrawal shall be considered a separate transaction subject to a fee, even if initiated during the same ATM banking session.

Termination or Suspension of Electronic Services

18. You may, by written request, terminate any of the electronic services provided for in this Agreement. Termination by any one account owner will be binding on all account owners and we are not required to notify other account owners of the termination; however, if you ask us to terminate your account or the use of any electronic service, you will remain liable for subsequent transactions performed by any other party to your account. Termination of electronic service(s) does not terminate your accounts or agreements with us and will not affect your authorization for transfers and payments made prior to termination. Upon termination of electronic services, the Credit Union will endeavor to cancel any applicable account transactions you have previously authorized, provided that the Credit Union makes no guarantee that it will be able to do so. You will be solely responsible for any fees that apply to any such cancellation.

19. We reserve the right to terminate your access to the electronic services, in whole or in part, at any time and for any reason. In addition, electronic services may be suspended, without advance notice, if there are insufficient funds in any one of your accounts or if any of your accounts are not in good standing as defined in Part VII below. After suspension, electronic services may be reinstated, at our discretion, once there are sufficient funds in your account(s) to cover any fees and other transfers and debits.

Section 2: Additional Disclosures Applicable to Debit Cards

1. The disclosures in this section apply to the use of your Card to conduct EFTs, including, but not limited to, use of the Card at ATMs and POS terminals. By use of your Card at a participating POS terminal, you authorize us to make withdrawals from your designated account for cash advances and/or purchases. Access to ATMs is through the use of a Card and a PIN.

2. **Ownership of Card.** The Card remains our property, and you agree to surrender the Card to us upon demand. We may cancel, modify, or restrict the use of any Card upon proper notice or without notice if: (a) any of your accounts are overdrawn; (b) you use your Card in a manner which may cause a loss to us; (c) your account is inactive, which for the purposes of this paragraph is defined as an account that has had no member-initiated transaction activity for thirty (30) consecutive days; (d)

any mail sent to your address is returned to us as undeliverable; (e) any email sent to you by us is returned as undeliverable; (f) your account has one (1) or more NSF items or transactions; (g) we are aware that you have violated any term of this Agreement, whether or not we suffer a loss; or (h) where necessary to maintain or restore the security of your account(s) or the POS system. We also reserve the right to recall the Card through retrieval by any of the ATMs.

3. If your Card is lost or stolen and you request an expedited replacement, you may be charged a Rush Card Order Fee as set forth in the Schedule of Fees and Charges

4. The following transactions are available when using the Card and PIN at Credit Union ATMs:

a. Deposits or transfers to your Regular Savings Account(s), Checking Account(s), and Money Market Share Account(s);

b. Withdrawals or transfers from your Regular Share Account(s), Checking Account(s), and Money Market Share Account(s);

c. Certain loan payments made by cash, check, or by transferring funds from your Regular Share Account(s), Money Market Share Account(s), or Checking Account(s);

d. Advances on your Personal Line of Credit.

Note: You understand and agree that if you make Mortgage Loan payments by transferring funds from your deposit accounts through an ATM after 12:00 noon, the payment will be credited on the following business day.

5. The following transactions are available when using a Card at Shared Network (Star System®, Plus®, and the CO-OP®) ATMs:

a. Withdrawals from your Regular Share, Money Market Share Account(s), and Checking Account(s).

b. Balance inquiries on your Regular Share, Money Market Share Account(s), and Checking Account(s).

c. Transfers between your Regular Share, Money Market Share Account(s), and Checking Account(s).

d. All such transactions will access your primary account(s) unless otherwise designated.

NOTE: Transactions at a Shared Network System terminal may be subject to a Network Transaction Fee and/or a terminal use fee charged by the operator of the terminal.

6. The following transactions are available when using ATMs located at CU Service Centers Shared Branch Locations:

a. Transfers or withdrawals from your Regular Share, Money Market Share, and Checking account(s).

b. Balance inquiries on your primary Regular Share, Money Market Share, and Checking account(s).

c. Deposits to your Regular Share, Money Market Share, and Checking account(s).

d. All such transactions shall access your primary account(s) unless otherwise designated.

7. **Limitations on Frequency and Dollar Amounts of Transactions:** For security reasons, in the event your Card or PIN is lost or stolen, there are limits on the dollar amount of transactions you can make on the ATM System. Provided you have enough money in your share/checking account(s), you may withdraw up to a maximum of $610 during any day, including

Saturday and Sunday, when using an ATM. However, the amount that you may withdraw daily or in any single use of the ATM may be different at Network ATMs, where limits are determined by each individual participating financial institution.

8. **Off-line Activity:** Special processing requirements, such as emergencies or telecommunications problems, may from time to time make it necessary for the Kinecta ATM System during scheduled hours to be temporarily "out of service" or to operate in an "off-line" mode. During "off-line" operation, withdrawals from a checking or savings account are limited to $100 at a Kinecta ATM or Network ATM and Personal Line of Credit advances and account inquiries are not available.

9. **Safety Tips for Using an ATM or POS Terminal:** When using your Card, you should observe the following precautions:

a. Be aware of your surroundings, particularly at night;

b. Consider having someone accompany you when using the ATM or POS terminal after dark;

c. Put away cash as soon as the transaction is completed, do not display it, and do not count the cash until later in the safety of your vehicle or home;

d. If you notice anything suspicious when approaching the ATM, defer the transaction until later or use another ATM or POS terminal;

e. If you notice anything suspicious while transacting business, immediately cancel the transaction and put your Card away;

f. Immediately report all crimes to the ATM or POS terminal operator and local law enforcement officials.

10. **Right to Receive Documentation of Transactions:** Generally, you will receive a receipt at the time you make an ATM transaction. You should retain this receipt and compare it with your statement.

11. **Making Electronic Funds Transfers:** You agree to follow the instructions posted or otherwise given by us or the Network ATM systems concerning the use of the ATMs.

12. You understand and agree that we accept deposits at an ATM subject to verification and collection by us and such deposits may only be credited or withdrawn in accordance with our Funds Availability Policy. Transactions accomplished after the close of business each day will be deemed to have occurred on our next business day.

Foreign Transactions and Charges

13. Purchases and cash advances processed outside of the United States or in a foreign currency will be billed to your account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with MasterCard® operating regulations for international; transactions. In the event that an international transaction is converted to U.S. dollars, the exchange rate between the transaction currency and the billing currency used for processing international transactions will be: (1) a rate selected by your MasterCard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard itself receives; or (2) the government-mandated rate for the applicable central processing date. The processing date on which the exchange rate is applied may differ from the date you used your debit card. When a credit to the account does not fully

offset a charge to the account due to changes in the rate, you are responsible for the difference (as discussed below).

The Credit Union has no control over the conversion rate. A separate MasterCard Issuer Cross Border Assessment of 0.8% and/or Currency Conversion Assessment of 0.2% for each foreign currency transaction applies depending on how the merchant processes the transaction. These fees are charged directly to the Credit Union, passed on to you, and will appear on your statement as an additional charge.

Additional Disclosures Applicable to Point-Of-Sale Transactions

14. The limitations on dollar amounts of transactions described hereunder apply to each Kinecta Debit Card for transactions in aggregate on all of your accounts under the same member number.

15. You may not stop payment on a completed electronic Point-of-Sale transaction debiting your account.

16. **Types of Available Transactions and Limits on Transactions.** By use of your Card with your PIN or signature at a participating POS terminal, you authorize us to make withdrawals from your checking account for cash advances and/or purchases. You understand that overdraft protection may not be available for such transactions.

17. **Account Access.** You may use your Card to withdraw cash from your checking account by way of a cash advance from merchants, financial institutions, or others who honor the Card. You understand that your Card is not a credit card and does not provide “credit.”

18. **Limitations on Frequency and Dollar Amounts of Kinecta Debit Card Transactions.** You may make cash advances and purchases only to the extent that you have available funds in your checking account subject to online and off-line per-day limitations. You understand that the Kinecta Debit Card has a cumulative daily transaction limit of $1,550 within which the following limits also apply: (1) $610 daily limit on cash withdrawals at an ATM, and (2) $1,000 daily limit on POS transactions using a PIN.

19. **Limitations on Debit Card Transactions.** Kinecta Debit Cards may be used to access your checking accounts from any merchant location that accepts the MasterCard debit card. The merchant may be required to obtain an authorization from us for any transaction over a certain dollar amount. The available balance in your account will be reduced by the amount of any transaction for which the merchant receives authorization from us, even if we have not yet received or processed the documentation evidencing the transaction. When the document has cleared through us, any hold placed on your account for the amount of the transaction will be released and your account will be debited for the amount of the transaction. We are not responsible if we do not authorize or if we dishonor other POS, ATM, or check transactions drawn on your account while a hold is placed on your account.

20. **Limitations on Frequency and Dollar Amounts of Debit Card Transactions:** You understand that the Kinecta Debit Card has a cumulative daily transaction limit of $3,110 within which the following limits also apply: (1) $610 daily limit on cash withdrawals at an ATM, and (2) $2,500 daily limit on POS transactions using a PIN or a signature-based transaction. You understand that

both ATM and POS transactions (using a PIN or a signature) are counted in the $2,500 daily limit.

21. **Right to Receive Documentation:** Generally, you will receive a receipt from the merchant or financial institution at the time you make a purchase or obtain a cash advance from your checking or regular share account. You should retain these receipts to compare with your statement.

22. **Card Claims and Transaction Questions:** When you authorize other parties to debit your account, you are responsible for these transactions. Thus, you may have to contact these parties directly if you have questions or complaints about your transactions. Any claims concerning property or services purchased with your Card must be resolved by you directly with the merchant or seller who accepted the Card. We will not be able to help you because we only have the information received from the other party. Any claim or defense that you assert will not relieve you of your obligation to pay us the total amount of the sales slip. You are not permitted to stop payment on any purchase made through the use of your Card.

23. **Kinecta Debit Card Purchase Returns and Adjustments:** Any refund to you by a merchant or seller of goods or services may be made on a credit voucher signed by you and submitted to us by the merchant or seller, or through a cash refund. If a refund is made by credit voucher, the amount of your credit will be indicated on your checking account statement.

24. Use of Kinecta Debit Card: The use of your Kinecta Debit Card shall be through PIN activation or your signature. You agree that all transactions made with your authorized PIN or signature utilization are made by you, and you accept all financial liability for such transactions. You also agree to sign your signature in the space provided on your Kinecta Debit Card for additional security and protection. You agree to keep your PIN protected as described under Part V Section 1 Paragraph 11.

25. **Transaction Fees:** Merchants and institutions other than the Credit Union may charge transaction fees for your transactions with them. These fees will be included in the amount of the transaction as it appears on your statement.

Additional Disclosure Applicable to ATM and Point-Of-Sale Electronic Funds Transactions for Youth Account Holders

26. **Account Ownership:** Your application for issuance of a Kinecta Debit Card must be a joint application with an adult co-applicant (guardian or parent) over the age of 18.

27. **Limitations on Frequency and Dollar Amounts of Transactions:** Provided you have enough money in your savings/checking account(s), you may withdraw up to a maximum of $610 during any day, including Saturday and Sunday. However, the amount that you may withdraw daily or in any single use of the ATM may be different at Network ATMs where limits are determined by each individual participating financial institution.

Section 3: Additional Disclosure Applicable to Electronic Access Systems

1. **Types of Transactions:** You will have access to Electronic Access Systems (which may consist of the Automated Voice Response system, Online Banking, and Bill Payment) with a personal Access Code, identification number, PIN, or password (collectively referred to as Access Codes) that you select. You may change your Access Code(s) at any time and should do so

if an unauthorized person has access to your current Access Code(s). 2. Account Access: You may use your Access Code(s) with the Electronic Access Systems to:

a. Make inquiries on account balances and loan payment data.

b. Request that we issue a stop payment order on checks drawn on your checking account(s), subject to the terms of this Agreement.

c. Request transfers to and from share, money market, checking accounts, and/or loans.

d. Request transfers from savings to make loan or other payments.

e. Inquire about paid checks.

f. Inquire on prior and current year's dividends.

g. Authorize us to pay bills as directed by you.

We may offer additional systems and/or services in the future, and if so you will be notified of them.

3. **Limitations:** Account withdrawals and transfers are unlimited to the extent that you have available funds in the account and have not exceeded any required limitations.

4. Requests for check withdrawals accepted on regular business days will be mailed on the next business day to the address of record for the account. The minimum savings withdrawal is $1.00 and the maximum is $50,000. The minimum Personal Line of Credit advance is $20 and the maximum is your available unused credit. If you make Credit Card or Mortgage Loan payments by transferring funds from your account on Online Banking after 12:00 noon, the payment will be credited on the following business day. The limitations in this Paragraph are not applicable to Bill Payments.

5. **Verification of Transfers:** You may telephone us at 800.854.9846 and we will advise you whether or not the transfer has occurred.

6. **Data Recording:** When you use Online Banking, the information you enter may be recorded.

7. Individual Electronic Access Systems may be subject to terms and conditions applicable to them, which will be provided to you when you enroll.

Access Code Safety Precautions

8. You must not disclose your Access Code to any unauthorized person, carry it in your wallet or purse, or otherwise make it available to anyone else.

9. You will report to us immediately if you forget your Access Code or have reason to believe it has been compromised in any way.

10. If you give access to your accounts and/or give your Access Code to anyone (joint owner or not), this person will have access to all of your accounts under your member number, including loans accessible through the Electronic Access Systems, and will also have the ability to modify your Access Code at any time. By giving your Access Code to anyone, you have authorized that person to withdraw funds from your accounts.

11. THE ELECTRONIC ACCESS SYSTEMS ARE AUTHORIZED ONLY FOR DOMESTIC USE WITHIN THE UNITED STATES AND TERRITORIES THAT FALL UNDER THE JURISDICTION OF U.S. LAWS AND TREATIES. THE CREDIT UNION

ACCEPTS NO RESPONSIBILITY FOR ANY USAGE GOING OUTSIDE OR THROUGH THE TERRITORIAL JURISDICTION OF THE UNITED STATES OR ANY VIOLATIONS OF FOREIGN ENCRYPTION OR TELECOMMUNICATION PROHIBITIONS OR LAWS.

Section 4: Additional Disclosure Applicable to Bill Payment Services

Our Bill Payment service is an electronic method of paying bills. You must have a checking account with us to use this service, and you must enroll on our online banking service. If you would like to take advantage of the Bill Payment service, visit Online Banking and enroll with your eligible Credit Union Accounts. Additional disclosures and specific terms and conditions for using the Bill Payment service will be provided when you enroll.

Section 5: Additional Disclosures Applicable to Electronic Check Transactions

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

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

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

4. **Account Access:** Electronic Check Transactions may only be made from your checking account.

5. **Limitations on Dollar Amounts of Transactions:** You may make Electronic Check Transactions only to the extent that you have available funds in your checking account.

Part VI – Funds Transfer

1. This Part VI contains several notices that the Credit Union is required to provide to you and establishes other terms that will apply to all funds transfers that involve you and the Credit Union. To the extent that the terms contained in this Part VI are different than those elsewhere in this Agreement, in any other agreement with us, or terms of any other account, this Part VI shall control and be deemed to modify such other terms, conditions, or agreements.

2. Article 4A of the Uniform Commercial Code, as adopted by the State of California, Subpart B of Regulation J, as promulgated by the Board of Governors of the Federal Reserve, and Subpart B

of Regulation E, as promulgated by the Consumer Financial Protection Bureau, are the laws and regulations that cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits, and some book transfers on the Credit Union's records.

3. This Part VI applies to funds transfers as defined in the Article 4A of the Uniform Commercial Code (Division II of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve.

4. In this Part VI, the following words have the following meanings:

a. "Funds transfer" means the series of transactions, beginning with the originator's payment order, made for the purpose of making payment to the beneficiary of the order.

b. "Authorized Agents" means any person(s) authorized by you as a joint owner, account Owner(s), or other authorized party(s) with the right of access to the account from which a funds transfer is to be made.

c. "Payment order" means an instruction of a sender to a receiving bank, transmitted orally, electronically, or in writing, to pay, or to cause another bank to pay, a fixed or determinable amount of money to a beneficiary, provided that (1) the instruction does not state a condition to payment to the beneficiary other than time of payment; (2) the receiving bank is to be reimbursed by debiting an account of, or otherwise receiving payment from the sender; and (3) the instruction is transmitted by the sender directly to the receiving bank or to an agent, funds-transfer system, or communication system for transmittal to the receiving bank.

d. "Beneficiary" means the person to be paid by the beneficiary's bank.

e. "Beneficiary's bank" means the bank identified in a payment order in which an account of the beneficiary is to be credited pursuant to the order.

f. "Receiving bank" means the bank to which the sender's instruction is addressed, which for purposes of this Agreement, is the Credit Union.

g. "Sender" means the person giving the instruction to the receiving bank.

h. "Originator" means the sender of the first payment order in a funds transfer.

i. "Fedwire" means the funds-transfer system owned and operated by the Federal Reserve Banks that is used primarily for the transmission and settlement of payment orders governed by Subpart B of Regulation J of the Board of Governors of the Federal Reserve. Fedwire does not include the system for making ACH transfers.

5. We may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time for wire transfers will be at 12:30 p.m. PST (11:30 a.m. PST for international wires) on each weekday the Credit Union is open that is not a federal holiday. Payment orders, cancellations, or amendments received after the

applicable cut-off time may be treated as having been received on the following business day and processed accordingly.

6. The Credit Union may charge your account for the amount of any funds transfer initiated by you or your Authorized Agents. We reserve the right to require you to designate specified Authorized Agents for access to your accounts, and to limit funds transfers from your accounts to only you and your Authorized Agents. You understand and agree that you are fully responsible for all transactions conducted by your Authorized Agents, regardless of whether such transactions are authorized by you or exceed the amounts of any transaction authorized by you. You must promptly notify the Credit Union of any changes in your Authorized Agents by providing us with written notification of such change. Changes in Authorized Agents by you will be effective the business day following our receipt of written notice.

7. We may establish, from time to time, security procedures to verify the authenticity of a payment order. You understand and agree that the Credit Union may amend the security procedure(s). You will be notified at the time the payment order is requested of the security procedure(s), 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 the security procedure(s) established by the Credit Union unless you notify the Credit Union in writing that you do not agree to the specified security procedure(s). In that event, the Credit Union will have no obligation to accept any payment order from you or other Authorized Agents on the account until you and the Credit Union agree, in writing, on an alternate security procedure. Provided the Credit Union complies with the security procedure(s) (or the security procedures as otherwise agreed, or as amended by us), you will be liable for payment of the transferred amount plus transfer fees, even if the transfer request was not actually transmitted or authorized by you. If the Credit Union does not follow the security procedure(s) but can prove the transfer request was originated by you or your Authorized Agent, you will still be liable for the transfer amount plus transfer fees. You authorize the Credit Union to record electronically or otherwise any telephone calls relating to any funds transfer under this Agreement.

8. If you send or receive a wire transfer, Fedwire may be used. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J. If you request a wire transfer to be sent to a beneficiary in a foreign country, your rights and liabilities pertaining to such wire transfer will also be governed by Subpart B of Regulation E of the Consumer Financial Protection Bureau. The Credit Union will be excused from delaying or failing to execute a funds transfer if it would result in the Credit Union's exceeding any limitation on its intra-day net funds position established through the Federal Reserve guidelines or if it would result in violating any present or future risk control program of the Federal Reserve or a rule or regulation of other governmental regulatory authorities.

9. If you give us a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible for the transaction and any

loss or expense incurred if the funds transfer is completed on the basis of the identifying account number you provided us.

10. If you give us a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person or institution than the named bank. This means that you will be responsible for any loss or expense incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

11. For international funds transfers, you understand that you will receive a notice regarding your error resolution and cancellation rights at the time you request the international funds transfer, but prior to payment for the transfer.

12. The Credit Union will not be liable for acts or omissions by you or any other person including, without limitation, any funds transfer system, any Federal Reserve Bank, any beneficiary's bank, and any beneficiary, none of which will be deemed the Credit Union's agent.

13. We may give you credit for Automated Clearing House (ACH) payments before we receive final settlement of the funds transfer. Any such credit is provisional until we receive final settlement of the payment. You are hereby notified and agree, if we do not receive such final settlement, that we are entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that we may provide you with access to ACH funds before we actually receive the money. However, if we do not receive the money, then we may reverse the entry on your account, and you would be liable to repay us.

14. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, we 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 your periodic account statements.

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

16. If we receive notice that a wire transfer transmitted by us has been rejected, we will notify you of such rejection (including the reason given for rejection) by telephone, electronic message, or U.S. mail. We will have no further obligation to transmit the rejected wire transfer if it complied with this Agreement with respect to the original transfer request.

17. For domestic funds transfers, you have no right to cancel or amend any transfer request after it is received by the Credit Union; however, the Credit Union will use commercially reasonable efforts to act on a cancellation or change request as long as it is received from you in accordance with the agreed-upon security procedures. The Credit Union will have no liability if the cancellation or change is not effected.

18. For international funds transfers, your right to cancel any such transfer will be set forth in a notice provided to you at the

time you request the international funds transfer, but before you pay for the transfer. Generally, if you think there was an error in connection with your international funds transfer request, you must contact us within 180 days using the contact information contained in Part II Section 1 Paragraph 16. You may cancel an international funds transfer request within thirty (30) minutes of payment, unless the funds have been picked up or deposited.

19. If we become obligated under Article 4A (Division II of the California Uniform Commercial Code) to pay interest to you, you agree that the rate of interest to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account with us to which the funds transfer should have been made or from which the funds transfer was made.

20. We may, in our sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in your designated account(s); (2) is not authenticated to our satisfaction or which we reasonably believe may not be authorized by you; (3) contains incorrect, incomplete, or ambiguous information; (4) involves funds subject to a lien, hold, dispute, or legal process pending their withdrawal; or (5) involves a transfer that is prohibited under applicable law, rule, or regulation. You understand and agree that we shall incur no liability for any loss occasioned by our refusal to accept any funds transfer order.

21. We shall have the right to charge the amount of any funds transfer request to any of your accounts with us in the event that no account is designated, or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request. We may charge a service charge for services relating to the sending or receiving of the funds transfer request as set forth in the Schedule of Fees and Charges.

22. For international funds transfers, you understand that the Credit Union is required to disclose the exchange rate to be used to effectuate the transfer. You understand and agree that there may be instances in which you request such funds to be delivered in a particular currency, but the funds are later converted into another currency due to facts that cannot be known by us. In such case, we will disclose the exchange rate based on your request, even if the funds are ultimately received in a different currency.

If you do not know the currency in which the funds will be received, or, if you request funds to be received in the currency in which the international funds transfer is funded, the Credit Union may assume that the currency in which funds will be received is the currency in which the funds transfer is funded.

You further understand and agree that if the Credit Union does not have specific knowledge regarding the currency in which the funds will be received, the Credit Union may rely on your representation as to the currency in which the funds will be received for purposes of determining whether an exchange rate is applied to the international funds transfer.

If an international funds transfer is returned for any reason, you agree to accept the refund in United States dollars in the amount of the foreign money credit, based on the then-current buying rate of the bank converting the currency to United States dollars as of the date of refund, less any charges and expenses incurred by the Credit Union.

23. You understand and agree that in case of unauthorized or improper ACH debit activity on your account, you must complete and sign the Credit Union's Written Statement of Unauthorized ACH Debit Activity.

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

25. Except as otherwise provided by applicable state or federal laws or regulations, our liability for any negligent or intentional action or inaction in connection with any funds transfer request shall be limited to your direct loss and payment of interest.

UNDER NO CIRCUMSTANCES SHALL WE BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR SPECIAL DAMAGES THAT YOU MAY SUFFER IN CONNECTION WITH THIS AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST.

Part VII – Member Conduct and Limitation of Services Policy

Section 1: General Provisions

1. The privilege of Kinecta Federal Credit Union services available to members must be reserved for members who are in "good standing." The purpose of this policy is to protect the employees, volunteers and members of the Credit Union from abusive members. To this end, this Part VII addresses standards of member conduct in order to assure the rights and protection of the Credit Union's employees, volunteers and members. This policy also defines what constitutes a "monetary loss" which may also serve as a basis for limiting member services.

2. The Credit Union's good reputation is due in large part to the loyalty, commitment and continued efforts of its employees, volunteers and members. The Credit Union is committed to treating its employees, volunteers and members with respect and is committed to maintaining a workplace free from unacceptable conduct from any source.

3. In the event that you engage in any type of "abusive behavior" (defined below) towards a Credit Union member, employee or volunteer engaged in Credit Union business, the Credit Union is authorized to apply appropriate remedial measures against you.

4. This Part VII extends to any member "not in good standing" who seeks member services whether directly or indirectly through a Credit Union account. This policy also applies to any person,

including but not limited to any joint account owner, who has access to Credit Union services directly or indirectly through you.

5. You will not be considered to be in "good standing" with this Credit Union if:

a. You fail to comply with the terms and conditions of any lawful obligation with this Credit Union and as a result, the Credit Union suffers a "monetary loss" (defined below);

b. You manipulate or otherwise abuse Credit Union services or products to the detriment of the Credit Union's membership; or

c. You engage in "abusive behavior," or otherwise injure any person or damage any property while on Credit Union premises, at any Credit Union function, or while on the premises of any Credit Union Service Centers Network.

The determination of whether you are in "good standing" with this Credit Union will be made at the sole discretion of the Senior Management of this Credit Union.

6. This Part VI also extends to member conduct at any Credit Union Service Centers Network or any other shared-branching network.

Section 2: Definitions

1. "Member services" are hereby defined as any products or services now or hereafter provided or sponsored by the Credit Union or otherwise made available to Credit Union members, which services include, but are not limited to loans, deposit accounts, ATM services, online banking services, and other electronic fund transfer services.

2. A "monetary loss" to the Credit Union occurs when the Credit Union writes off as uncollectible any monies which you owe, for whatever reason, to the Credit Union.

a. For loans: the monetary loss is defined as the principal amount of any monies owed and written off as uncollectible. The amount of the monetary loss does not include interest and expenses.

b. For shares: monetary loss is defined as the negative balance in the share account written off as uncollectible.

3. "Abusive behavior" includes, but is not limited to, any of the following conduct:

a. Any threats of or actual bodily harm or illegal activity against another member or an employee or volunteer engaged in Credit Union business.

b. Any form of action which may constitute harassment under the Credit Union's harassment policy. For example:

- Any type of harassment, including age, sexual, ethnic, or racial harassment; making racial or ethnic slurs, engaging in sexual conduct; making sexual overtures.
- Inappropriate touching.
- Making sexual flirtations, advances or propositions; engaging in verbal abuse of a sexual, racial or ethnic nature; making graphic or degrading comments about an individual or his or her appearance.
- Displaying sexually suggestive objects or pictures.

c. Fighting, kicking or other physical harm or attempted harm towards a Credit Union member, employee or volunteer engaged in Credit Union business. For example:

- Engaging in offensive or abusive physical contact.
- Making false, vicious or malicious statements about any Credit Union employee or volunteer or the Credit Union and its services, operations, policies, practices, or management.

d. Using profane, abusive, vulgar, intimidating or threatening language directed towards a Credit Union member, employee or volunteer engaged in Credit Union business.

e. Bringing or possessing firearms or weapons or any hazardous or dangerous device on Credit Union premises or at a Credit Union function or on the premises of any Credit Union Service Centers Network.

f. Possession, sale, use or being under the influence of an unlawful or unauthorized substance (e.g., drugs or alcohol) on Credit Union premises or at a Credit Union function or on the premises of any Credit Union Service Centers Network.

g. Attempting to coerce or interfere with a Credit Union employee or volunteer in the performance of their duties at any time.

h. Uncivil conduct or failure to maintain satisfactory or harmonious working relationships with other members, employees and volunteers at the Credit Union.

i. Conducting or attempting to conduct or engage in any fraudulent, dishonest or deceptive activity of any kind involving Credit Union employees or Credit Union services.

j. Any posting, defacing, or removing notices or signs on Credit Union premises, or writing on Credit Union bulletin boards without management authorization.

k. Appropriation or misappropriation of Credit Union funds, property or other material proprietary to the Credit Union.

l. Deliberate or repeated violations of security procedures or safety rules.

m. Any other act which endangers the safety, health or well-being of another person or which is of sufficient magnitude that it causes disruption of business at the Credit Union.

This list is non-exhaustive and is used only as an example of types of behavior that may be viewed as “abusive” by the Credit Union.

Section 3: Policy

1. You acknowledge and agree that the availability of member services for members who are not in good standing with this Credit Union will be restricted. Any or all of the following actions may be imposed against a member who is deemed to be “not in good standing”:

a. Denial of all services other than the right to maintain a non-dividend bearing share account and the right to vote at annual and special meetings.

b. Preclusion from personal contact with Credit Union employees or volunteers such that Credit Union services may be available only through written communication through the U.S. mail, ATM, online banking, telephone banking, or other remote access device designated by Credit Union Senior Management.

c. Preclusion from access to the Credit Union premises.

d. Preclusion from access to any Credit Union Service Centers Network or any other shared-branching network and revoking any shared branching privileges.

e. Taking any other action deemed appropriate under the circumstances that is not precluded by NCUA Rules and Regulations, the Credit Union's Bylaws or other applicable federal or state law.

2. You acknowledge and agree that any threats of bodily harm or any other illegal activity against any Credit Union employee, volunteer or other member will be reported to appropriate federal, state and/or local authorities.

3. In the case of repeated abusive behavior or an extremely abusive incident, you acknowledge and agree that you may be subject to expulsion from the Credit Union at a special meeting of the members or at the next annual meeting of the membership.

4. These limitations will not prohibit you from exercising your rights under federal or state law or regulation.