

About Your Credit Union Accounts

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Account Agreements

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Electronic Fund Transfers

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Courtesy Pay Agreement



Credit Union *of*
Southern California

Mailing Address:

PO Box 200, Whittier, CA 90608-0200

Telephone Service Center:

(562) 698-8326 • (866) 287-6225

**Debit Card Activation and
Lost or Stolen Card Support:**

(888) 698-7241

Website:

CUSoCal.org

**see our website for select branch locations and hours*

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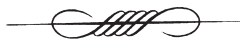
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YOUR TRUTH-IN-SAVINGS DISCLOSURE

This agreement is subject to applicable federal laws, the laws of the State of California (including the California Uniform Commercial Code) and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to: summarize some laws that apply to common transactions; establish rules to cover transactions or events which the law does not regulate; establish rules for certain transactions or events which the law regulates but permits variation by agreement; and give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

Read this brochure completely and retain it with your personal records. Share "savings" accounts, share "checking" accounts and share "certificate" accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements. By signing the Membership/Signature Card, you agree to be bound by the terms of the signature card as well as this disclosure.

In this Truth In Savings Disclosure, the terms "you" and "your(s)" refer to the Member, and the terms "we", "us" and "our(s)" refer to the Credit Union of Southern California (Credit Union).



INFORMATION REGARDING MEMBER IDENTIFICATION

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

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

GENERAL DISCLOSURE INFORMATION ABOUT ALL OF OUR ACCOUNTS AND SERVICES

DEFINITIONS

ACCOUNT AGREEMENT means any savings, checking, certificate, trust, totten trust or UTMA account.

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

MEMBERSHIP & ACCOUNT APPLICATION

The terms, conditions and information contained in the Membership & Account Application, and all amendments thereto, are by this reference hereby incorporated in their entirety into this TIS Agreement and become an integral part of the "General Disclosure Information About All of Our Accounts and Services."

MEMBERSHIP

To join the Credit Union of Southern California you must pay a one-time, non-refundable Membership Fee of \$5.00 and purchase the par value of one share of \$10.00. Shares are nontransferable, except on the records at the Credit Union of Southern California.

ACCRUAL OF DIVIDENDS

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

DIVIDEND RATES

The initial dividend rate and Annual Percentage Yield ("APY") on our savings, checking and certificate accounts are stated on the Rate Schedule accompanying this Truth in Savings Disclosure. Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. Dividends cannot be guaranteed.

BALANCE INFORMATION

We compute the balance in our savings, Money Market, checking (except our Classic Checking accounts) and certificate accounts to determine the dividends you will be paid by using the daily balance method, which applies a daily periodic rate to the balance in your account each day.

BYLAW REQUIREMENTS

The maximum amount of shares which may be held by any one Member shall be established from time to time by resolution of the Board of Directors.

A Member who fails to complete payment of one share within 180 days of his admission to Membership, or within 180 days from the increase in the par value in shares, or a Member who reduces his share balance below the par value of one share and does not increase the balance to at least the par value of one share within 180 days of the reduction may be terminated from Membership at the end of a dividend period.

Shares may be transferred only from one Member to another, by written instrument in such form as the Credit Union may prescribe. No transfer of voting rights or other Membership privilege is permitted by virtue of transfer to or co-ownership of share by Nonmembers. The Credit Union reserves the right, at any time, to require Members to give, in writing, not less than seven days' and not more than 60 days' notice of intention to withdraw the whole or any part of the amounts so paid in by them. No Member may withdraw shareholdings that are pledged for security on loans without the written approval of a loan officer, except to the extent that such shares exceed the Member's total primary and contingent liability to the Credit Union. No Member may withdraw any shareholdings below the amount of his primary or contingent liability to the Credit Union if he is delinquent as a borrower, or if borrowers for whom he is co-maker, endorser, or guarantor are delinquent, without the written consent of a loan officer.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For savings, Deferred Compensation, Money Market, Rewards Checking and certificate accounts, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule.

CHANGES IN TERMS AND CONDITIONS

The use of an account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time. The Credit Union has the right to change the terms and conditions of this Agreement at any time, in any manner, and for any reason. We may delete or modify existing terms. We may add new terms without regard to whether the matter is already addressed by this Agreement. We may offer new or different services at any time, and may convert an existing account or service into a new account or service. We will generally notify you in advance of changes by sending written notice to your address as it appears on our records. However, we may make changes without sending you advance notice, unless such notice is required by law. By continuing to use or keep your account open, you will be deemed to accept and agree to any such changes in terms.

➡ *Binding Arbitration Agreement*

ARBITRATION; CLASS ACTION WAIVER

You and the Credit Union agree to attempt to informally settle any claims or disputes arising out of, affecting, or related to this Agreement, or your use of the Credit Union's products or services, or the relationships that arise from this Agreement, whether based in contract, tort or otherwise ("Claim"). If that cannot be done, you and the Credit Union agree that the Claim(s) shall be resolved by binding individual arbitration pursuant to the rules applicable to consumer arbitrations adopted by Judicial Arbitration and Mediation Services (JAMS) in effect at the time the Claim is made, or such similar rules as may be adopted by JAMS. Neither you nor the Credit Union shall invoke the right to arbitration for any Claim filed by you or the Credit Union in small claims court so long as the Claim is pending only in that court, nor during an consumer complaint you bring to a regulatory authority with regulatory oversight over the Credit Union such as the National Credit Union Administration or the California Department of Business Oversight.

This arbitration provision 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 Claim. The filing fees and costs of the arbitrator shall be paid by the Credit Union. However, the parties shall each be responsible for and pay their respective costs, including attorneys' fees, incurred by them in preparing and presenting their cases during the arbitration proceedings. Arbitration hearings will be held in the United States in the county or comparable government district nearest your residence at the time the arbitration is commenced, or at another location if mutually agreed. A single arbitrator shall be appointed by JAMS in accordance with applicable JAMS rules and shall be a retired judge. The arbitrator shall have experience and knowledge regarding financial institutions and transactions. Any issue concerning whether or the extent to which a Claim is subject to arbitration, including but not limited to issues relating to the validity or enforceability of these arbitration provisions, shall be determined by the arbitrator. The arbitrator, however, shall not be entitled to determine whether any Claims are subject to class

or collective arbitration; all such issues shall be determined exclusively by the Court. All statutes of limitations or other defenses relating to the timeliness of the assertion of a Claim that otherwise would be applicable to an action brought in a court of law shall be applicable in any such arbitration, and the commencement of an arbitration under this Agreement shall be deemed the commencement of an action for such purposes. Judgment upon the award rendered in arbitration shall be final and may be entered in any court, state or federal, having jurisdiction. Any relief available in a court of law can be awarded by the arbitrator.

Any arbitration or action shall be solely between the parties to this Agreement and no class arbitration, class action, or other representative action shall be permitted, nor shall the arbitration or action be joined or consolidated with any other arbitration or action. YOU AND THE CREDIT UNION HEREBY MUTUALLY WAIVE THE RIGHT TO A TRIAL BY JURY OF ALL DISPUTES, CONTROVERSIES AND CLAIMS BY, BETWEEN OR AGAINST EITHER YOU OR THE CREDIT UNION WHETHER THE DISPUTE, CONTROVERSY OR CLAIM IS SUBMITTED TO ARBITRATION OR IS DECIDED BY A COURT.

This Agreement does not preclude you from informing any federal, state or local agency or entity of your dispute. Such agency or entity may be able to seek relief on your behalf.

If you do not consent to arbitration, you can opt out by sending a written request to the Credit Union within thirty (30) days of your receipt of these Terms. The opt-out shall be signed by you and mailed to the Credit Union at: Credit Union of Southern California, Attn: Arbitration Opt-Out, c/o Branch Support Services, P.O. Box 200, Whittier, CA 90608-0200. Please provide your full name, address, telephone number, and account number. Make sure to include your choice to opt-out of this arbitration agreement. Opting out of this arbitration clause will not terminate this Agreement or affect any other rights and obligations you or the Credit Union have under this Agreement. The "Effective Date" of this Binding Arbitration Agreement will be the first calendar day following thirty (30) days of your receipt of this Agreement. **THIS BINDING 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 BINDING ARBITRATION AGREEMENT WILL NOT APPLY TO SUCH CLAIM.**

If any term or provision of this Binding Arbitration Agreement is held to be invalid or unenforceable, the remaining provisions shall be enforced. It is the intent of the parties that unconscionable or unenforceable terms shall be severed to carry out the parties' intention to arbitrate any and all disputes that are subject to this Binding Arbitration Agreement.

If you have questions about JAMS procedures, you should check JAMS' website, www.jamsadr.com, or call JAMS at (800) 352-5267.

Venue

Where mandatory arbitration is prohibited by law, the exclusive forum for any litigation or other action arising out of or relating to this Agreement, your use of the Credit Union's, products or services, or the relationships that arise from this Agreement shall be a court of law in the United States in the applicable United States District Court or state court where you reside at the time the action is commenced. If you do not reside in the United States at the time the action is commenced, then the exclusive forum for any such litigation or other action shall be the United States District Court for the Central District of California or the Superior Court of the State of California for the County of Los Angeles.

REQUIREMENT TO MAINTAIN A REGULAR SAVINGS ACCOUNT

You must open a Regular Savings Account to open any subsequent accounts. You must maintain the Regular Savings Account to avoid closure of that account and any subsequent accounts.

OWNERSHIP OF ACCOUNT

We reserve the right to refuse some forms of ownership on any or all of our accounts. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. As used in this agreement "party" means a person who, by the terms of the account, has a present right, subject to request, to payment from a multiple-party account other than as an agent.

ACCOUNT OWNERSHIP

The ownership of trust, totten trust and UTMA accounts shall be governed by the applicable Account Agreement. Unless otherwise specified in the Account Agreement, the parties who sign an Account Agreement agree with each other and with the Credit Union that all funds in the accounts shall be owned as follows:

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

SPECIAL RULES FOR JOINT ACCOUNTS

Withdrawals by and Liability of Joint Owners – The Account Holders of an account agree with each other and with the Credit Union that all funds and all accumulations thereon are and will be owned by all Account Holders jointly and equally regardless of their net contributions and are subject to the withdrawal or receipt by any of the Account Holders, and payment to any of them shall be valid and discharge the Credit Union from any and all liability for such payment. The Account Holders of an account expressly agree that each Account Holder is jointly and severally liable for any and all overdrafts, losses or charges to an account created by any Account Holder(s). Membership may be closed only by the primary Member.

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

ACCOUNT CONTROL

If we believe there is a dispute over the control or ownership of your account(s), we may freeze the account balance(s) and not release funds until all signers agree to the ownership in writing or we receive a court order.

NOTICE

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

CASH TRANSACTIONS

All cash transactions are final. If you need cash in the amount of \$6,000 or more from us, we may need a 24-hour advance notice. We are required by the Bank Secrecy Act to file reports with the U.S. Treasury and follow specific Member identification procedures in cases of large currency transactions.

ELECTRONIC FUND TRANSFERS INITIATED BY THIRD PARTIES

You may authorize a third party to initiate electronic fund transfers between your Credit Union account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payment networks. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check or draft to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and Credit Union information. This information can be found on your check or draft as well as on a deposit or withdrawal slip. You should only provide your Credit Union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers.

PLEDGES OF AND LIENS ON SHARES

Unless you advise us differently in writing, each member of your account(s) may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge or lien on your account(s) must first be satisfied before the rights of any surviving Joint account owner or account beneficiary or Trust Account Beneficiary become effective. For example, if an account has two owners and one of the owners pledges the account (i.e., uses it to secure a debt) and then dies, (1) the surviving owner's rights in this account do not take effect until the debt has been satisfied, and (2) the debt may be satisfied with the funds in this account.

ENFORCEMENT OF LIENS

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

LIABILITY

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of your account and the Fee Schedule. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

SIGNATURES

Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to endorse any item payable to you or your order for deposit to this account or any other transaction with us. You agree that, as to any item that we have no opportunity to examine the signatures, such as an electronic check conversion transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation, you waive any requirement of multiple signatures for withdrawal.

WITHDRAWAL REQUEST

We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may

treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later; so you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdrafts on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees. If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item. See our Funds Availability Policy for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

FACSIMILE SIGNATURES

You authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on any of your Credit Union accounts regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. For purposes of this section, your signature includes any Personal Identification Number (PIN) or other access code we have authorized you to use for PC Access, Automated Teller Machines (ATMs), Point-of-Sale (P.O.S.) transactions, transactions initiated through Telephone Access, as well as your signature on any account agreement or other document you have provided to enable us to verify your signature. You understand and agree that we may hold you responsible to the maximum extent permitted by law for any requirement for more than one signature that may have been established between you and any other owner of the account from which a payment or transfer is made.

SANCTIONS

If you engage in any type of abusive conduct towards a Credit Union employee, we may impose sanctions against you, including:

- Denial of access to Credit Union premises;
- Denial of services which involve direct contact with Credit Union employees, either in person, via telephone, or through electronic media; and/or,
- Denial of all services and expulsion from Credit Union consistent with our Bylaws.

Abusive conduct includes but is not limited to the following behaviors directed towards the Credit Union and its employees: any type of harassment; use of profane, demeaning, intimidating or threatening language; actual or implied threats of bodily harm or property damage; vandalism or unauthorized removal of Credit Union property or signage; and actual or attempted coercion or interference with Credit Union employees in the performance of their duties at any time.

FORCE MAJEURE

The Credit Union shall not be liable for any failure of performance hereunder due to causes beyond its reasonable control, including without limitation acts of God, fire, explosion, vandalism, storm or other similar catastrophes; any law, order, regulation, direction action or request of the United States government, or of any other government, including foreign, state and local governments having jurisdiction over the parties to this Agreement, or of any department, agency, commission, court, bureau, corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; or strikes, lock-outs, work stoppages or other labor difficulties.

FINANCIAL ABUSE REPORTING

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

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

to appropriate law enforcement or government entities, as required or permitted by law. In addition, the Credit Union reserves the right to suspend, restrict, deny or terminate account services and activity, including the placement of an administrative hold (freeze) on account proceeds, or take such other actions as deemed necessary under the circumstances. Account Holder(s) agree(s) to indemnify and hold the credit union harmless from and against all claims, actions, damages, losses, and expenses, including attorneys' fees, as a result of any action or inaction taken in relation to the matters described here.

NOTIFICATION OF CHANGES

Address Changes: Each Account Holder agrees to promptly notify us in writing of any change in address(es). If you fail to do so, we may send notices, statements or other important information to the address shown in our records and you agree to release us from any liability for doing so.

Authorized Signers: You also agree to notify us in writing of any change in ownership or authorized signers, or if an owner or authorized signer dies or is placed under legal guardianship or conservatorship. We may, at our option, require a new Account Agreement to be completed before any such change takes effect. Any such changes shall not affect transactions previously made.

CONSENT TO CONTACT

You give the Credit Union of Southern California express permission to contact you directly using any phone number you provided at the time of opening your account, updating your account, changing phone numbers in writing or verbally, including any cellular phone numbers. In addition, you grant Credit Union of Southern California express permission to contact you at any other phone number(s) we locate for you in the future to discuss any and all aspects pertaining to any account/loan/debt which you ever hold at Credit Union of Southern California. You agree that to the extent this waiver provision is deemed to be unenforceable in any respect, this waiver provision shall be deemed severable from this Agreement(s) and the remaining provisions of this contract shall remain fully enforceable in all other respects.

WAIVER OF CERTAIN RIGHTS

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

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports for legitimate business needs in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a share or share/draft account or the issuance of a Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies. We may restrict services based on information found on credit reports, including but not limited to Debit Cards, Share Branching Access, Courtesy Pay or other Credit Union services.

NEGATIVE CREDIT REPORTING

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

REPORTING INACCURATE INFORMATION

If you believe the Credit Union is reporting inaccurate information to a credit reporting agency, please notify us at Credit Union of Southern California, P.O. Box 200, Whittier, CA 90608-0200 so we can investigate.

POST-DATED CHECKS

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

EXAMINATION OF STATEMENTS

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

In case of errors, disputes or questions about your transactions, you agree to contact the Credit Union in writing no later than 60 days from the FIRST statement on which the problem, dispute or error appears. If you tell us orally, we may require that you send us your complaint, dispute or question in writing within 10 business days.

NON-CASH PAYMENTS

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

FEES AND CHARGES

All accounts shall be subject to service charges in accordance with fee schedules adopted by the Credit Union as amended from time to time.

CREDIT UNION'S RIGHT TO OFFSET

Account Holder(s) agrees that the Credit Union has the right to offset against any account of any Account Holder (except where excluded by the loan agreement) to cover any amount owing to the Credit Union for any reason. Account Holder(s) understand that this means that the Credit Union has the right to impress and enforce a statutory

lien against the Account Holder(s)'s share and dividends in the event of the failure of the Account Holder(s) to satisfy any financial obligation due and payable to the Credit Union. Account Holder(s) understand that the Credit Union may enforce this right without further notice, except as to Individual Retirement Accounts (IRAs), Keogh Plans, or as otherwise prohibited by law. Direct Deposit of Social Security Benefits: Although state and federal law provide certain protections against offset to direct deposit of Social Security benefits, this does not prohibit the Credit Union from applying any subsequent deposits to your account (including benefit payments) to pay any overdrafts and resulting fees you may incur.

SEVERABILITY

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect.

We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the account agreement or in some other credit union document. No oral statement by any credit union employee will alter any agreement between you and the credit union.

ATTORNEYS' FEES

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

GOVERNING LAW

This agreement is subject to applicable federal laws, the laws of the State of California (including the California Uniform Commercial Code) and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to: summarize some laws that apply to common transactions; establish rules to cover transactions or events which the law does not regulate; establish rules for certain transactions or events which the law regulates but permits variation by agreement; and give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

NCUA SHARE INSURANCE

The National Credit Union Administration ("NCUA") is the independent U.S. government agency that regulates federal credit unions and also administers the National Credit Union Share Insurance Fund ("NCUSIF"). The NCUSIF, like the FDIC, is a federal insurance fund backed by the full faith and credit of the U.S. government that insures the accounts of all federal credit unions and most state-chartered credit unions. Under the NCUSIF, your funds are federally insured up to at least \$250,000 per individual depositor. For more information, visit www.ncua.gov, go to the "Consumers" drop-down menu and click on "Share Insurance Coverage."

➔ *Types of Accounts*

SAVINGS ACCOUNT AGREEMENT - GENERAL TERMS APPLICABLE TO ALL SAVINGS ACCOUNTS

TRANSFERS TO THIRD PARTIES

No more than six preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

WITHDRAWALS, PRIOR NOTICE REQUIREMENT

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

CHECKING ACCOUNT AGREEMENT - GENERAL TERMS APPLICABLE TO ALL CHECKING ACCOUNTS

WITHDRAWALS, APPROVED METHODS

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

ELECTRONIC CHECK CONVERSION

Upon prior notification from the merchant to the Account Holder, a purchase made with a share draft or check can be converted to a one-time electronic fund transfer (EFT) if authorized by the Account Holder. The Account Holder may also authorize merchants to electronically debit the account for returned check fees. It is agreed

that the Account Holder authorizes the electronic funds transfers if the transaction is completed after being told (orally or by a notice posted) that the transfer may be processed electronically or if the Account Holder signs a written authorization.

CHECKS

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

OVERDRAFTS

The Credit Union is under no obligation to pay a share draft or other item which exceeds the available balance in an account; the Credit Union may, however, pay such item and recover or obtain a refund of the amount of the resulting overdraft plus a service charge from any of the Account Holders of this account, each of whom expressly agrees that each Account Holder is jointly and severally liable for any and all overdrafts of this account and any and all associated costs created by any Account Holder. You authorize us to use the money from any subsequent deposits to your account to pay any overdraft and resulting fees.

RESTRICTIVE LEGENDS

We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."

STALE-DATED CHECKS

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

STOP PAYMENTS

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

TRUNCATION OF CHECKS

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

SUBSTITUTE CHECKS AND YOUR RIGHTS

What Is a Substitute Check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

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

What Are My Rights Regarding Substitute Checks?

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

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

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

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

How Do I Make a Claim for a Refund?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at (562) 698-8326 or toll-free at (866) 287-6225 or write to us at Credit Union of Southern California, P.O. Box 200, Whittier, CA 90608-0200, or e-mail us at info@cusocal.org. You must contact us within forty (40) calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

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

LIABILITY OF CREDIT UNION

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

CLOSURE OF ACCOUNT

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

FOR CHECKING ACCOUNTS WITH OVERDRAFT PROTECTION OR TRANSFERS

With this service, you authorize us to make transfers of available funds automatically from your designated linked account(s) to cover overdrafts in your Checking Account. If any Account Holder(s) writes a check or initiates a transaction that would result in this Checking Account being overdrawn, the Credit Union is authorized to charge the designated account(s), regardless of which party initiated the transaction, in such amounts as determined by the Credit Union sufficient to permit the Credit Union to honor the check and to credit such charge to this Checking Account. See our Schedule of Fees for information on the fee we charge for each such overdraft transfer to your Checking Account. If you do not have overdraft protection transfers set up from either a designated account or from a loan, or funds are unavailable to cover your Checking Account overdrafts through such transfers, we may return Checking Account transactions and impose NSF Fees or may pay such transactions under our Courtesy Pay Service subject to related Courtesy Pay Fees. No overdraft may be paid by charging an account if, as a result of such charge, that account would be subject in any one month to more than six pre-authorized, automatic or telephonic transfers.

FOR CHECKING ACCOUNTS WITH LOAN OVERDRAFT PROTECTION

With this service, you authorize us to make transfers of available credit on a designated loan account(s) to cover overdrafts in your Checking Account. If any Account Holder(s) writes a check or initiates a transaction which would result in this Checking Account being overdrawn, and if at that time any Account Holder(s) is eligible to receive loan advances from this Credit Union on a loan designated on the Overdraft Agreement, the Credit Union is authorized to make an advance from the designated loan account, and to credit the advance to this Checking Account in such amounts as determined by the Credit Union sufficient to permit the Credit Union to honor such check or other item and any associated fees. The terms and conditions applicable to the loan account, including the rates and fees, will be disclosed in the note and disclosure provided to you when the loan account is opened.

PLEDGING OF FUNDS

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

➔ *Escheatment*

All states require that after a period of time as specified by state law, if there is no activity generated by you on any of your account(s), such as making a deposit or withdrawal or writing to us about your account, or having contact with us as shown on our records, we must turn over the balance of the inactive accounts to the state of your last known address. Prior to turning over an inactive account, we will comply with any notice requirements imposed by your state.

ABOUT OUR SAVINGS ACCOUNTS

Credit Union of Southern California's savings accounts let you deposit your money in a savings account and withdraw your money at any time. Our savings accounts are the Regular Savings, Sub-Savings, Individual Retirement Savings Account, Roth IRA Savings Account, Coverdell Education Savings Account, Holiday Saver, Summer Saver, Deferred Compensation, and Money Market Account.

RATE INFORMATION

Our savings accounts are designated variable rate accounts on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

TRANSACTION LIMITATIONS

No more than six preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

➔ ***About Our Regular Savings and Sub-Savings Accounts***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Regular Savings is \$10 and \$5 for Sub-Savings Accounts. You must maintain a minimum daily balance of \$500 in these accounts to obtain the APY stated on the Rate Schedule. If you are age 21 or younger a minimum daily balance of \$1.00 is required to obtain the APY stated on the Rate Schedule. You must maintain a minimum daily balance of \$5 in these accounts, or have another active service, in order to avoid closure.

➔ ***About Our Individual Retirement (IRA) Savings Accounts***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open an Individual Retirement Account ("IRA") is \$5. You must maintain a minimum daily balance of \$500 in this account to obtain the APY stated on the Rate Schedule under "Regular Savings."

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

➔ ***About Our Roth IRA Savings Accounts***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Roth IRA Savings Account is \$5. You must maintain a minimum daily balance of \$500 in this account to obtain the APY stated on the Rate Schedule under "Regular Savings."

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

➔ ***About Our Coverdell Education Savings Accounts***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Coverdell Education Savings Account is \$5. You must maintain a minimum daily balance of \$500 in this account to obtain the APY stated on the Rate Schedule under "Regular Savings."

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

➔ ***About Our Holiday Saver Accounts***

This account is a 12-month savings account designed for holiday season expenses.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Holiday Saver Account is \$10. You must maintain a minimum daily balance of \$1.00 in this account to obtain the APY stated on the Rate Schedule. You must make a minimum deposit of \$10 electronically each month in order to maintain this account.

TRANSACTION LIMITATIONS

The Holiday Saver Account may be opened at any time. Funds will be available to you on or about November 1st. Members may access their funds from November 1st through the end of February only. Withdrawal requests during the months of March through October will be assessed a penalty fee as set forth in our Schedule of Fees. Members may withdrawal or transfer their Holiday Saver Account balance by telephone, CU Online, or in person without penalty during the open withdrawal period of November, December, January or February. No penalty fee will be assessed if the account is closed within the first seven days following the opening of the account.

➡ *About Our Summer Saver Accounts*

This account is a savings account designed to assist school employees on shortened pay schedules in budgeting for the summer months.

ELIGIBILITY

Any credit union Member in good standing is eligible to establish a Summer Saver Account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Summer Saver Account is \$50. You must maintain a minimum daily balance of \$1.00 in your Summer Saver Account to obtain the APY stated on the Rate Schedule. You must make a minimum deposit of \$50 electronically each month in order to maintain this account.

TRANSACTION LIMITATIONS

The Summer Saver Account may be opened at any time. Funds will be available to you on or about June 1st. Deposits must be made by payroll deduction, ACH or direct deposit. Members may access their funds from June 1st through the end of September only. Withdrawal requests during October through May will be assessed a penalty fee as set forth in our Schedule of Fees. Members may withdraw or transfer their Summer Saver Account balance by telephone, CU Online, or in person without a penalty fee during the open withdrawal period of June, July, August or September. No penalty fee will be assessed if the account is closed within the first seven days following the opening of the account.

➡ *About Our Deferred Compensation Accounts*

This account is restricted by law to school district employees.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Deferred Compensation Account is \$10. You must maintain a minimum daily balance of \$1.00 in this account to obtain the APY stated on the Rate Schedule. You must maintain a minimum daily balance of \$10 in this account to avoid closure.

TRANSACTION LIMITATIONS

The maximum amount you may deposit is determined by plan documents. The minimum amount you may deposit is \$10 within one pay period. Deposits must be made by remittance from the school district via salary deferral. Withdrawals from this account have tax consequences and are governed by Internal Revenue Code Section 457 regulations (as described in plan documents). The Credit Union reserves the right to require 60 days notice of withdrawals.

➡ *About Our Money Market Accounts*

Our Money Market account is a tiered variable rate account on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Money Market Account is \$2,500. You must maintain a minimum daily balance of \$2,500 in this account to obtain the APY stated on the Rate Schedule.

TRANSACTION LIMITATIONS

The maximum number of withdrawals you may make by check is six (6) within one calendar month. No more than six preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

ABOUT OUR CHECKING ACCOUNTS

Credit Union of Southern California offers checking accounts, which let you withdraw your money and write checks against your account at any time. Our checking accounts are the Rewards Checking and Classic Checking.

➔ *About Our Rewards Checking Accounts*

Members with a Rewards Checking Account are eligible for Identity Theft Protection and can earn reward points (CU SoCal Dream Points) on qualifying debit card purchases. Terms and conditions for these benefits will be provided separately upon account opening.

ACCOUNT ELIGIBILITY

To be eligible for a Rewards Checking Account, you must maintain your Credit Union Membership in good standing. If at any time you have an unresolved loss with the Credit Union or your Membership is not in good standing, the Credit Union reserves the right to convert your Rewards Checking Account to a Classic Checking Account.

RATE INFORMATION

Our Rewards Checking Account is designated a variable rate account on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

You must have a minimum of ten (10) check card transactions; or ten (10) point-of-sale (POS) transactions; or a combination of both totaling ten (10) posted during the monthly statement cycle to obtain the Annual Percentage Yield as stated on the accompanying Rate Schedule. If you do not meet the minimum qualifications above, your account will earn the minimum dividend rate as stated on the Rate Schedule. The dividend rate disclosed at the end of each month will be the rate paid to your account during the entire dividend period. Refer to the Rate Schedule for the dividend rates and APY applicable for this account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There is no minimum deposit required for you to open a Rewards Checking Account. You must maintain a minimum daily balance of \$0.01 in this account to obtain the APY stated on the Rate Schedule. If the balance in this account falls below the minimum, dividends will not accrue for the dividend period.

A monthly service fee will be assessed on the last day of each month as set forth in our Schedule of Fees.

➔ *About Our Classic Checking Accounts*

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

ABOUT OUR CERTIFICATE ACCOUNTS

Credit Union of Southern California's certificate accounts let you deposit your money for a specified period of time. Our certificate accounts are the Regular Certificate, Minor's Certificate, Access Certificate, IRA Certificate, Roth IRA Certificate and Coverdell Education Savings Certificate accounts.

RENEWAL OF ACCOUNT/GRACE PERIOD

Your account will automatically renew at maturity for the same time period as the original term at the prevailing rate unless you withdraw all of the funds in your account at maturity or within a grace period of 7 days after maturity.

MATURITY

Your account will mature as reflected on the Rate Schedule. The maturity date will be stated on the certificate or receipt provided to you at the time of opening your account.

ANNUAL PERCENTAGE YIELD

The annual percentage yield is based on an assumption that dividends will remain on deposit until maturity. If you make a withdrawal from your account, your earnings will be reduced.

EXCEPTIONS TO PENALTIES

The penalties stated below will not apply if:

1. The withdrawal is made subsequent to the death or permanent disability of any owner of the certificate account, or is made pursuant to exceptions specified in the Credit Union's bylaws.
2. The certificate account is part of a pension plan which qualifies or is qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 59½ years of age (see "Early Withdrawal Penalties"), or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

RATE INFORMATION

Our certificate accounts are designated fixed rate accounts on the Rate Schedule. You will be paid this rate and yield until maturity.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly and at maturity.

ACCOUNT LIMITATIONS

You may make withdrawals of dividends from your account at any time (except IRA's as described below) However, upon renewal of a certificate, dividends become part of the principal balance for the new term and may be subject to an early withdrawal penalty if withdrawn.

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw the principal from your certificate account before the maturity date. The penalty imposed shall be based on the amount withdrawn and as follows: a loss of 30 days dividend on a 1-month certificate account, 60 days dividends with a 3-month to 23-month terms, 180 days dividends on certificate accounts with 24-month to 60-month terms. If the amount withdrawn reduces the principal balance below the stated minimum, you will be assessed a penalty on the entire principal balance. We will close the certificate account and transfer any remaining balance to your Regular Savings Account.

➔ *About Our Regular Certificate Accounts*

Our Regular Certificate Account is offered with terms ranging from one (1) month to sixty (60) months.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a one-month Certificate Account is \$7,500. All other Certificate Account terms require a minimum deposit of \$1,000. You must maintain a minimum daily balance of \$7,500 in the one-month certificate, and \$1,000 for all other certificates to obtain the APY stated on the Rate Schedule and to avoid closure.

➔ *About Our Minor's Certificate Accounts*

Our Minor's Certificate Account is designed for Members 21 years or younger. Our Minor's Certificate Account is offered with terms ranging from twelve (12) months to sixty (60) months.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Minor's Certificate Account is \$250. You must maintain a minimum daily balance of \$250 to obtain the APY stated on the Rate Schedule and to avoid closure.

➔ *About Our Access Certificate Accounts*

Our Access Certificate Account is designated a tiered fixed rate account on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open an Access Certificate Account is \$15,000. You must maintain a minimum daily balance of \$15,000 to obtain the APY stated on the Rate Schedule and to avoid closure.

TRANSACTION LIMITATIONS

You may make deposits into and withdrawals from this account at anytime during the term of the certificate. You may close this account at anytime without penalty.

No more than six pre-authorized, automatic, electronic, or telephone transfers may be made from your savings account or money market deposit account to another account at the Credit Union or to a third party in any calendar month, and no more than three of these six transfers may be made by check, draft, debit card, or similar order payable to a third party. If you exceed, or attempt to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer request, and the Credit Union may reclassify or close your account.

➔ *About Our IRA Certificate Accounts (Traditional)*

The IRA Certificate account is offered with terms ranging from twelve (12) months to sixty (60) months.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open an IRA Certificate is \$25. You must maintain a minimum daily balance of \$25 in this account, regardless of term, to obtain the APY stated on the Rate Schedule and to avoid closure.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

ACCOUNT LIMITATIONS

You may not make withdrawals from this account until the maturity date. **See Early Withdrawal Penalties.**

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw any of the funds from your account before the maturity date. The penalty imposed shall be as follows: IRA certificates with a 12-month term will incur a penalty of all dividends earned up to a maximum of 90 days dividends for early withdrawal. IRA Certificates with terms of 13 months or greater will incur a penalty of all dividends earned up to a maximum of 180 days dividends. The penalty amount assessed will not exceed the amount of the dividends earned since the date of issuance or renewal. Penalties shall not apply to normal distributions from an IRA Certificate after the owner attains age 59½ if funds are not reinvested in another Credit Union of Southern California IRA.

➡ *About Our Roth IRA Certificate Accounts*

The Roth IRA Certificate Account is offered with terms ranging from twelve (12) months to sixty (60) months.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum balance required for you to open a Roth IRA Certificate is \$25. You must maintain a minimum daily balance of \$25 in this account, regardless of term, to obtain the APY stated on the Rate Schedule and to avoid closure.

INCORPORATION OF ROTH IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Roth IRAs are contained in the Credit Union's Roth IRA agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Roth IRA, the Credit Union agreement and disclosure statement will be provided to you.

ACCOUNT LIMITATIONS

The minimum amount you may deposit is \$25. You may not make withdrawals from this account until the maturity date. **See Early Withdrawal Penalties.**

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw any of the funds from your account before the maturity date. The penalty imposed shall be as follows: Roth IRA Certificates with a 12-month term will incur a penalty of all dividends earned up to a maximum of 90 days dividends for early withdrawal. Roth IRA Certificates with terms of 13 months or greater will incur a penalty of all dividends earned up to a maximum of 180 days dividends. The penalty amount assessed will not exceed the amount of the dividends earned since the date of issuance or renewal.

➡ *About Our Coverdell Education Savings Certificate Accounts*

The Coverdell Education Savings Certificate account is offered only in a twelve (12) month term.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Coverdell Education Savings Certificate is \$25. You must maintain a minimum daily balance of \$25 in this account, regardless of term, to obtain the APY stated on the Rate Schedule and to avoid closure.

INCORPORATION OF COVERDELL EDUCATION SAVINGS ACCOUNT AGREEMENT AND DISCLOSURES

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

ACCOUNT LIMITATIONS

You may not make withdrawals from this account until the maturity date. **See Early Withdrawal Penalties.**

The maximum amount you may deposit in any calendar year is \$2,000.

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw any of the funds from your account before the maturity date. The penalty imposed shall be forfeiture of all dividends earned up to a maximum of 90 days dividends for early withdrawal.

ELECTRONIC FUND TRANSFERS DISCLOSURE AND AGREEMENT

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

PERSONAL IDENTIFICATION NUMBER

The Credit Union will issue you a Personal Identification Number (PIN) that must be used with the Debit Card for transactions that require the use of a PIN. This number should be memorized. DO NOT write it on your Debit Card, or where it is easily accessible to others. After memorizing your PIN, you should destroy the notice disclosing your PIN in a secure manner. If you forget, misplace or otherwise disclose your PIN, contact the Credit Union and we will issue you a new one.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

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

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

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

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

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

SPECIAL NOTICE TO VISA[®] DEBIT CARDHOLDERS

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

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

If you believe your Debit Card, or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us anytime at (888) 698-7241, or during business hours at (562) 698-8326 or toll free at 866-287-6225. You can also write to us at P.O. Box 200, Whittier, CA 90608-0200, or e-mail us at info@cusocal.org. You should also call one of the numbers or write to us at an address listed above if you believe a transfer has been made using information from your check without your permission.

BUSINESS DAYS

Our business days are Monday through Friday, excluding holidays. If you have any questions about any service, or require additional information you may contact us by telephoning (562) 698-8326 or toll free at (866) 287-6225.

Telephoning us is the best way to get your questions answered or to get problems resolved. If you cannot call, please inform us by writing to us at Credit Union of Southern California, P.O. Box 200, Whittier, CA 90608-0200, or e-mail us at info@cusocal.org.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

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

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

There may be other exceptions not specifically mentioned above.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS

Telephone us at (562) 698-8326, or toll free at (866) 287-6225, or write to us at P.O. Box 200, Whittier, CA 90608-0200, or e-mail us at info@cusocal.org as soon as you can if you think your statement is wrong, or if you need information about a transaction listed on the statement or receipt. We must hear from you no later than 60 days after we send the FIRST statement on which the problem or error appears. When you inquire about transactions on your statement:

- 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 business days.

We will determine whether an error occurred within 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 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 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 the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within 5 business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within 10 business days.) If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, 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.

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 within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

CHARGES

In order to obtain the electronic services listed, you must open and maintain a Regular Savings. A Checking Account must be maintained to have POS and/or Debit Card access. All charges associated with our electronic fund transactions are disclosed in our Schedule of Fees which accompanies this Disclosure and Agreement.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

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

- a) when it is necessary to complete the transaction;
- b) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c) in order to comply with government agency or court orders or other legal process; or
- d) if you give us your prior oral or written permission.
- e) in order to provide awards and services provided by, or in conjunction with Visa U.S.A., and its respective contractors.

ADDRESS CHANGE

You agree to keep us informed of your current address. All address changes are to be submitted in writing. In the event you do not keep us informed, we may charge your account for the actual cost of necessary locator service paid to a person providing such service. We will not charge you more than once in any 12 month period. This charge will not exceed the maximum amount allowable by law. If you have elected to receive statements electronically, it is also your responsibility to keep the Credit Union informed of your current email address.

AMENDMENTS

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

TERMINATION

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

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

COLLECTION COSTS

You agree that the Credit Union shall be entitled to recover any money owed by you as a result of your authorized use of your Debit Cards and you agree to repay any amounts which create an overdrawn balance immediately upon demand. The Credit Union has a security interest in your present and future accounts and has the right to apply such accounts to any money you owe. If any legal action is required to collect any money you owe, you agree to pay all costs of collection, including reasonable attorneys fees and other charges incurred.

ADDITIONAL BENEFITS/CARD ENHANCEMENTS

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

WAIVER OF RIGHTS

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

OTHER AGREEMENTS

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

WHO IS BOUND BY THIS AGREEMENT

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

SIGNATURES

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

➔ ***Additional Disclosures Applicable to Automated Teller Machine (ATM) and Point-of-Sale (POS) Services***

RULES FOR USE

By using your Debit Card with your PIN at ATMs or POS or other electronic terminals operated by a participating institution, network system, or company (collectively "terminals"), you authorize us to effect the transactions from or to your Regular Savings or Checking Account(s) in accordance with the instructions given at the terminals. All Debit Card transactions are subject to the terms and conditions of your account agreements with us governing the affected accounts.

ATM FEES

When you use an ATM not owned by the Credit Union of Southern California, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. A fee may be imposed for use of a Visa Debit Card issued by the Credit Union of Southern California for use of an electronic terminal operated by the Credit Union of Southern California. Refer to the Schedule of Fees which accompanies this Disclosure and Agreement for a list of applicable ATM Fees.

TRANSACTIONS AVAILABLE

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

- Make deposits to your Regular Savings or Checking Account;
- Withdraw cash from your Regular Savings or Checking Account;
- Transfer funds between your Regular Savings or Checking Accounts;
- Access your Line of Credit for loan advances;
- Transfer funds from your Line of Credit to your Regular Savings or Checking Account;
- Make point-of-sale payments for goods and services to others from your Checking Account; and
- Make account balance inquiries.

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

LIMITATIONS ON TRANSACTIONS

You may generally make ATM cash withdrawals up to \$500 and POS transactions up to \$1,000 each 24-hour period as long as your available balance will cover the transaction, but we reserve the right to allow for transactions exceeding the available balance at our discretion under our overdraft protection and Courtesy Pay services. Various institutions that participate in networks of which the Credit Union is a Member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM. POS Transactions access your Checking Account only.

ACCESS CARDS

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

Any person who receives a duplicate card (as requested by you) or who is permitted to use your card would be able to withdraw money from your account, make purchases and request advances under any credit line you now have or may have in the future. We refer to such person as an authorized user and you agree that an authorized user may withdraw funds from your accounts, make purchases and request loan advances with the Debit Card.

FOREIGN TRANSACTIONS

Foreign Transactions in Foreign Currency- Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.

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

ATM SAFETY

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

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

➔ *Additional Disclosures Applicable to Visa® Debit Card Services*

ISSUANCE OF CARD

"Debit Card" means the Credit Union of Southern California Visa Debit Card and any duplicates, renewals, or substitutions the Credit Union issues to you; "Account" means the account designated on the application for your Debit Card.

RESPONSIBILITY FOR TRANSACTIONS

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

MERCHANT DISPUTES

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

EFFECT OF AGREEMENT

Even though the sales, cash advance, or other slips that you sign or receive when using the Card or the Account number on the Card may contain different terms, this Agreement is the Agreement that applies to all transactions involving the Card.

LIMITATIONS ON DOLLAR AMOUNTS AND FREQUENCY OF TRANSACTIONS

Purchases made above the floor limit of the merchant will require an authorization number from Visa. You may make Visa branded Debit Card transactions up to \$2,500, ATM cash withdrawals up to \$500, and POS transactions up to \$1,000 in each 24-hour period as long as your available balance will cover the transaction.

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

USE OF THE DEBIT CARD

The Visa Debit Card must be signed by the person named on the card in order to be valid.

You may use the Debit Card and PIN to:

- Withdraw cash from your Account at ATMs, merchants, or financial institutions that accept Visa Debit Cards;
- Transfer funds between your Account and another account you have with the Credit Union; and
- Make deposits to one of your accounts at the Credit Union.

You may use the Debit Card without the PIN to:

- Purchase goods or services at places that accept Visa Debit Cards (these are point-of-sale or POS transactions);
- Order goods or services by mail or telephone from places that accept Visa Debit Cards;
- Order goods or services without a PIN by mail, online, or telephone at merchants who offer the payment transactions processed through the STAR, PULSE, CO-OP, ACCEL/Exchange or any other Debit Card network; and
- Make automatic payments from your Account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

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

Use of the Debit Card, the account number on the card, the PIN or any combination of the three (3) for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor Visa Debit Cards is an order by you for the withdrawal of the amount of the transaction from your account. Each transaction with the Debit Card will be charged to your account on the date the transaction is posted to your account. When the Credit Union receives notification of a Debit Card transaction, it will put a hold on an equivalent amount of funds in your checking account for three (3) days (or up to thirty (30) business days for certain types of debit card transactions).

ILLEGAL USE OF VISA® DEBIT CARD

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

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

OVERDRAFTS

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

REFUSAL TO HONOR CARD

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

FOREIGN TRANSACTIONS

Foreign Transactions in Foreign Currency- Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.

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

MERCHANT TRANSACTION AGREEMENTS

If you use your Visa Debit Card for travel reservations and you cancel, you must follow the cancellation policy and retain the cancellation number. You will be liable for improperly cancelled reservations, or if you are unable to provide a valid cancellation number.

If you have authorized your account to be charged at continuing intervals, you must notify the merchant when you want the charges to stop. If any dispute arises with a merchant that you seek our assistance in resolving, you will provide the information and assistance we request. Otherwise, you will be responsible for any resulting loss we have unless we are prohibited by applicable law from holding you liable.

IF YOU DO NOT AGREE TO THE TERMS OF THIS AGREEMENT AND DISCLOSURE, DESTROY YOUR DEBIT CARD(S) IMMEDIATELY BY CUTTING IT/THEM IN HALF AND RETURNING TO THE CREDIT UNION.

➡ ***Additional Disclosures Applicable to Automated Clearing House (ACH) Services***

RIGHT TO DOCUMENTATION

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (562) 698-8326 to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits, you will get at least a quarterly statement from us.

DISCLOSURE OF RIGHT TO STOP PAYMENT

a) Right to stop payment and procedure for doing so.

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call us at (562) 698-8326, or write to us at P.O. Box 200, Whittier, CA 90608-0200, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call we may also require you to put your request in writing and get it to us within 14 days after you call.

b) Notice of varying amounts.

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

TRANSACTIONS AVAILABLE

You may use ACH Services to perform the following transactions:

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

All loan payments and deposits are credited to your account provisionally, subject to verification and collection of the funds.

➡ ***Additional Disclosures Applicable to PhoneTeller***

PhoneTeller allows convenient access to your account information 24 hours a day by using a touch tone phone, your account number and a PIN (secret access code).

TRANSACTIONS AVAILABLE

You may use your PhoneTeller Service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and payment information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Obtain transaction history information;
- Request a check withdrawal from your Regular Savings or Checking Account;
- Transfer funds between your Regular Savings, Checking Accounts or other authorized accounts;
- Access your Line of Credit Account to request loan advances;
- Make loan payments;
- Transfer funds from your Line of Credit Account to your Regular Savings or Checking Accounts;
- Place stop payments on your Checking Account;
- Order copies of specific paid checks; and
- Place re-orders for checks on your Checking Account.

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

LIMITATIONS ON TRANSACTIONS

- PhoneTeller service will be deactivated if there has been no activity for 180 consecutive days.
- The maximum amount you may withdraw by check is \$10,000 during any 24 hour period. Withdrawals requested using PhoneTeller are mailed by check to your last address of record. Checks requested before 3:00 p.m. on any business day will be mailed the same day. Checks requested after 3:00 p.m. will be mailed on the following business day. Visa and Mortgage Loan Account information is not available.

➡ ***Additional Disclosures Applicable to CU OnLine Home Banking***

CU OnLine Home Banking allows convenient access to your account information 24 hours a day. To use CU OnLine Home Banking you must have a computer, modem, Internet Service, browser, your account number and a PIN (secret access code).

TRANSACTIONS AVAILABLE

You may use your CU OnLine Home Banking Service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and payment information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Obtain transaction history information;
- Obtain copies of statements;
- View copies of paid checks;
- Request a check withdrawal from your Regular Savings or Checking Account;
- Transfer funds between your Regular Savings or Checking Accounts;
- Access your Line of Credit Account to request loan advances;
- Make loan payments;
- Transfer funds from your Line of Credit Account to your Regular Savings, Checking Accounts or other authorized accounts;
- Place stop payments on your Checking Account;
- Order copies of specific paid drafts;
- Place re-orders for checks on your Checking Account;
- Download statements to personal financial management software; and
- Pay bills through CU OnLine ePay from your checking account.

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

LIMITATIONS ON TRANSACTIONS

The maximum amount you may withdraw by check is \$10,000 during any 24 hour period. Withdrawals requested using CU Online are mailed by check to your last address of record. Checks requested before 3:00 p.m. on any business day will be mailed the same day. Checks requested after 3:00 p.m. will be mailed on the following business day.

➡ ***Additional Disclosures Applicable to CU OnLine ePay***

SYSTEM REQUIREMENTS

To use CU OnLine ePay bill payment services you must have a computer, modem, Internet Service, browser, your account number and a PIN or Access Code.

RIGHT TO STOP PAYMENT OF PREAUTHORIZED TRANSFERS AND RIGHT TO RECEIVE NOTICE OF VARYING AMOUNTS

a) Right to stop payment and procedure for doing so.

If you have told us in advance to make regular payments out of your account, you can also stop any of these payments. Here's how: Call us at (562) 698-8326, or toll free at (866) 287-6225 for CU OnLine ePay or write to us at P.O. Box 200, Whittier, CA 90608-0200, or e-mail us at info@cusocal.org in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.

b) Notice of varying amounts.

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

TRANSACTIONS AVAILABLE

You may use your CU OnLine ePay bill payment service to perform the following transactions:

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

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the CU OnLine ePay bill payment service:

- Bill payments can only be made from your checking account;
- Payments cannot be made for tax payments, court-ordered payments or government agencies, or payments to payees outside of the United States;
- If you close the designated bill payment checking account, all scheduled payments will be stopped;
- You cannot stop a payment if the payment has already been processed; and
- You can schedule payments 24 hours a day, seven days a week, however, payments scheduled on a Saturday, Sunday, or holiday will be processed within one to two business days.

METHODS AND RESTRICTIONS

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

It is important that you take into consideration what method of bill payment will be used when scheduling bill payments to ensure payment deadlines are met. If the payee accepts electronic bill payment, the payment may take up to four business days to process. If the payee does not accept electronic bill payment, the payment will be sent in a check form, and may take up to ten business days to process.

MEMBER RESPONSIBILITIES

You are responsible for:

- any late payment, late fees, interest payments, and service fees charged by merchant(s);
- any overdraft, NSF or stop payment fees charged by the Credit Union as a result of these transactions;
- data input of payee information (payment amount(s), name, address and any other pertinent information);
- either written notification to the Credit Union in the event you wish to cancel this service, or terminating Bill Payer service electronically through CU Online;
- you must allow sufficient time for bill payments to be processed so that the funds can be delivered to the merchant on or before the due date;
- you understand that by enrolling in the Bill Payer service, you will be charged according to the Fee Schedule provided to you at the time you opened the account, even if you have not conducted bill payment activity in a particular month.

➡ *Additional Disclosures Applicable to Funds Transfers*

APPLICABLE LAW

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

FUNDS TRANSFER CUT-OFF TIME

The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time will be at 1:00 p.m. PST on each weekday that the Credit Union is open excluding holidays. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.

SERVICE CHARGES/FEEES

The Credit Union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made. Please refer to our Schedule of Fees and Charges for current fees.

SECURITY PROCEDURES

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

USE OF FEDWIRES

If you send or receive a wire transfer, Fedwire may be used. Regulation J will govern Fedwire transactions, except to the extent of a conflict between Regulation E and Regulation J with respect to remittance transfers, in which case, Regulation E shall govern.

IDENTIFICATION OF BENEFICIARY

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

IDENTIFICATION OF BENEFICIARY AND INTERMEDIARY BANK BY NUMBER

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

PROVISIONAL ACH PAYMENTS

The Credit Union may at its discretion give you credit for automated clearinghouse (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account and you would be liable to repay the Credit Union.

NOTICE OF RECEIPT OF ACH FUNDS

ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

RECEIPT OF INCOMING (NON-ACH) FUNDS TRANSFERS

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

PAYMENT OF DIVIDENDS (OR INTEREST)

If the Credit Union becomes obligated under Article 4A to pay interest (or dividends) to you, you agree that the rate of interest (or dividends) to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.

FUNDS AVAILABILITY POLICY

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

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new Member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the 11th business day after the day of your deposit.

DEPOSITS AT AUTOMATED TELLER MACHINES

Except where extended holds are permitted pursuant to federal law, funds from any deposits (cash or checks) made at ATMs we do not own or operate will not be available until the fifth business day after the day of your deposit. This rule does not apply at ATMs that we own or operate. If an extended hold is necessary, we will notify you of the delay and we will tell you when the funds will be available.

COLLECTION ITEMS

Some items, such as items subject to processing delays (e.g., insurance drafts and foreign items), will not be credited to your account until we receive the funds. On such items, we will tell you this and give you an estimate of the time it will take to actually receive the funds. When funds are received, we will notify you and immediately credit your account for that amount minus any service charge levied by a third party.

CU SoCAL COURTESY PAY AGREEMENT

WHAT IS CU SoCAL COURTESY PAY?

CU SoCal Courtesy Pay is a service intended to save you from merchant fees or other problems that may result if funds aren't available at the time of withdrawal. Through this program, CU SoCal may pay, rather than return, non-sufficient fund transactions on your checking, savings, and/or Money Market account(s).

OVERDRAFT POLICY

You can avoid fees for overdrafts and declined or returned items by making sure that your account always contains sufficient available funds to cover all of your transactions. We encourage you to manage your funds responsibly by keeping track of transactions using tools that suit you, such as keeping a running balance in your checkbook that reflects all of your transactions, or checking your available account balance using services that we offer, such as online banking (CU Online™), account alerts and mobile banking applications. When we determine that you do not have enough available funds in your account to cover a check or other item, then we consider the check or other item an insufficient funds item. If you have enrolled in one of our optional overdraft protection plans, such as a link to a regular share savings account or line of credit account, and have enough available funds in the linked account under such overdraft protection plan, we will transfer funds to cover the item. Provided that you have sufficient funds or credit on your overdraft protection sources, these overdraft protection sources will protect against you "overdrawing" your account. "Overdrawing" your account means that there are not sufficient available funds in your account to pay for a transaction, but the transaction is paid, resulting in a negative balance (or "overdraft") and related fees. You can avoid some of the high costs associated with overdrawing your account by designating overdraft protection sources and maintaining enough available funds in those accounts to cover your transactions.

Otherwise, in accordance with our commitment to provide valued service and benefits, we may, at our discretion, pay your overdrafts that would cause your eligible savings, checking and/or Money Market Account to have a negative balance up to the amount of your Courtesy Pay limit, which is determined by us at our sole and absolute discretion. We refer to this service as our CU SoCal Courtesy Pay Service (hereinafter referred to as the "Service"). This Courtesy Pay Agreement ("Agreement") sets forth the terms and conditions applicable to the Service. The Service is available for savings, checking, and Money Market Accounts for which the primary account owner is 18 years of age or older and has been a Member for at least one (1) month. We reserve the right to limit the Service to one (1) account per household or Member.

The Service is subject to all terms and conditions of the Truth-In-Savings (About Your Credit Union Accounts) disclosure.

WHAT IS AN OVERDRAFT?

Some transactions can result in an overdraft (i.e., negative balance) in your savings, checking and/or Money Market Account. These transactions include, but are not limited to, the payment of checks, electronic transfers, preauthorized payments under our Bill Pay Service, and other withdrawal requests authorized by you including, but not limited to, ATM transactions, Visa Debit Card transactions, Point-of-Sale transactions, ACH transactions, for which available funds are insufficient, and payment of the aforementioned items when funds deposited are not yet "available" according to our Funds Availability Policy.

WHAT OVERDRAFT TRANSACTIONS ARE COVERED?

The Service is available for payment of checks, electronic transfers, in-person withdrawals, pre-authorized payments under our Bill Pay Service, recurring Visa Debit Card transactions, ACH transactions, and payment of the aforementioned items when funds deposited are not yet “available” according to our Funds Availability Policy. The Service is not available for ATM transactions, Point-of-Sale, and everyday Visa Debit Card transactions, unless you opt in, as described in the next section below.

OPTIONAL OVERDRAFT TRANSACTIONS

The following types of transactions require you to opt-in (in other words, you must provide us with your affirmative consent) if you would like to include them in the Service. Choosing not to opt in may result in these transactions being declined:

- ATM transactions (including Point-of-Sale transactions)
- Everyday Visa Debit Card transactions

If you want the Credit Union to authorize and pay overdrafts for the above transactions, you must provide us with your consent (opt-in) by: (1) logging into CU SoCal Home Banking and clicking on “Check Services” then “Courtesy Pay”; (2) by calling toll-free at 866.287.6225; (3) visiting any branch and speaking with a Member service officer; (4) mailing an opt-in consent form to P.O. Box 200, Whittier, CA. 90608-0200; or (5) by fax to 714.671.2753.

You may revoke your authorization to have us pay your ATM transactions and everyday Visa Debit Card transactions at any time, using any method made available to you for providing consent as described above. Your decision to opt in does not guarantee that we will always pay your ATM transactions or Visa Debit Card transactions when your available balance is insufficient to cover the transaction.

ELIGIBILITY FOR CU SoCAL COURTESY PAY 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 your savings, checking, and Money Market Account(s) (unless you opt out of the Service—see page 15). Eligibility is at the sole discretion of the Credit Union and is based on you managing your account in a responsible manner. We may suspend or permanently revoke the Service from your account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You do not bring your account to a positive balance for at least one full business day within a forty (40) day period;
- Your Membership is not in good standing;
- You are more than fifteen (15) 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;
- A ChexSystems® or any other negative indicator has been reported to us;
- 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 account is classified as inactive;
- You have an unresolved prior loss with us;
- We believe you are not managing your account in a responsible manner which may harm you or us.

THE CU SoCAL COURTESY PAY SERVICE IS A BENEFIT

Any Courtesy Pay payment will be made by us on a case-by-case basis, at our sole and absolute discretion. The CU SoCal Courtesy Pay Service does not constitute an actual or implied obligation of the Credit Union. The CU SoCal Courtesy Pay Service is a privilege that the Credit Union provides from time to time and which may be withdrawn or withheld by the credit union at any time, without prior notice, reason, or cause. If we do not authorize and pay an overdraft, then we will decline or return the transaction unpaid.

HOW THE CU SoCAL COURTESY PAY SERVICE IS ADMINISTERED

If the Service is available to you, we will generally pay your overdraft items up to \$1750, if you have a direct deposit into the account of at least \$250 in the prior ninety (90) days (at least one single deposit must be in the amount of \$250 or greater in the prior ninety (90) days), or we will generally pay your overdraft items up to \$1000, with no direct deposit. The Courtesy Pay limit may be exceeded by a maximum of one Courtesy Pay fee. Lower Courtesy Pay limits are available upon request. If the CU SoCal Courtesy Pay service on your account is not used within a 12 month period, the \$1750 or \$1000 limit (whichever is applicable) will automatically be reduced to a \$500 limit on checking accounts and a \$250 limit on savings and Money Market Accounts. You may request to reinstate your original limit by phone at 866.287.6225 or in person; you must qualify according to the eligibility requirements before the original limits are reinstated. Accounts are evaluated and Courtesy Pay limits are updated each evening.

You will be notified by mail, or, if you have agreed to receive notices from us in an electronic format (eNotices), you will be notified electronically of any nonsufficient funds checks, items, or other transactions that have been paid; however, you understand that we have no obligation to notify you before we pay or return any check, item, or other transaction. Members receiving eNotices will be notified within twenty-four (24) hours of the overdraft

occurrence. Members who obtain notices by mail will only receive notification if the account remains overdrawn for a period of ten (10) days. We may refuse to pay any overdrafts without first notifying you even though your checking account is in good standing and even if we have paid previous overdrafts.

HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT

Your share account has two kinds of balances: the “actual” balance and the “available” balance. Both are important and can be checked when you review your account balance online, at an ATM, by phone or at a branch. You should 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 balance, how specific types of transactions are posted to your account, and how those transactions impact your available or actual balance. If you have any questions about available or actual balance and how these concepts impact your account, then please see a branch representative or call 866.287.6225.

ACTUAL BALANCE COMPARED TO AVAILABLE BALANCE

Actual Balance

Your actual balance is the total amount of all the funds in your account at any time. It reflects transactions that have “posted” to your account, but not transactions that are pending (such as outstanding checks you have written against your account). While the term “actual” may sound as though the number you see is an up-to-date display of what is in your account, it is not always the case. For example, if you have a \$50 actual balance, but you just wrote a check for \$40, then your actual balance will not reflect the pending check transaction.

Available Balance

Your available balance displays the amount of funds in your account that can be accessed at the time of the inquiry without overdrawing your account. The available balance is updated throughout the day to reflect holds, pending transactions and cleared deposits. If you withdraw more than this available balance, it often causes an overdraft, even if there is a higher total showing as your account balance because the available balance reflects the amount of money you have if all pending transactions were posted.

Example: Assume you have an actual balance of \$50 and an available balance of \$50 and there are no transactions pending. But, if you were to use your debit card at a restaurant to buy lunch for \$20, if that merchant requested preauthorization in the amount of \$20, we would put a “hold” on your account for \$20 (referred to as an “authorization on hold”). Your actual balance would still be \$50, but your available balance would be \$30 due to the hold put on your account for the \$20 restaurant charge.

Because the available balance in your account includes pending transactions, it is the balance that we use to determine if you have sufficient funds to cover further transactions. Your available balance is the most current record we have about the funds that are available for withdrawal from your account. In determining the available balance in your account, we will consider all transactions that have actually posted to your account, any holds that may be in place on deposits you have made, and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account.

Keep in mind, 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 everyday debit card transaction for payment within three (3) business days from the time of authorization (or up to thirty (30) business days for certain types of debit card transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account.

In making a determination as to whether your merchant debit card signature transaction overdraws your account, 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 you have not opted-in for Courtesy Pay coverage on ATM and everyday debit card transactions and your available balance is insufficient for the merchant’s authorization, we will decline the merchant authorization request. If you have opted-in for Courtesy Pay coverage on ATM and everyday debit card transactions, we generally will only decline the merchant authorization request if your Courtesy Pay limit is insufficient for the authorization request. If your Courtesy Pay limit 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, and the available balance will be reduced by the amount of the authorization hold. If the transaction later “settles” and posts to your account at a time when the available balance is insufficient to pay the posted transaction, causing the account to have a negative available 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. The following example illustrates how this works:

Example: 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 of \$29, 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 an additional Courtesy Pay Fee of \$29, even though the restaurant transaction was authorized and approved with a sufficient available balance.

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 we check your available balance at two separate times as explained above, in addition to the fact that 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.

In addition, your available balance may not reflect the most recent deposits to your account. For details on the availability for withdrawal of your deposits, refer to the section entitled “Funds Availability Policy” in your “About Your Credit Union Accounts” disclosure. The best way to know how much money you have is to record and track all of your transactions closely.

ORDER OF POSTING

We receive deposit and withdrawal transactions in many different forms throughout each business day. We may pay or authorize some items, 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 items presented for payment that day, some processing and posting orders can result in more returned items and more overdraft and returned item fees than other orders.

The following describes how specific types of transactions are posted.

Checks:

We receive checks in batches from the Federal Reserve clearing house. We may receive multiple batches each day. We process checks by batch the day they are received by posting low to high check number.

ACH Payments:

An ACH is an automated clearing house transaction. ACH transactions may include certain types of checks, or automatic bill pays. We receive multiple batches of ACH transactions each day from the Federal Reserve. We process ACH files as we receive them in batches through the current settlement date, deposits are posted first then debits are posted in low to high amount order.

ATM Withdrawals:

An ATM withdrawal is posted to your account immediately.

Debit Card PIN Transactions:

These are transactions where you use your debit card and enter your PIN number. They are sometimes referred to as Point of Sale transactions. These transactions are like ATM transactions; they post to your account immediately.

Debit Card Signature Transactions:

When you make a purchase with your debit card, the merchant may seek our prior authorization 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 (generally in real time as they 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.

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 (such as a gas station purchase). 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 (where you may choose to add a tip to the transaction amount), or gas station. For those 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.

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. If the transaction is not submitted for payment by the merchant within the specified time period, however, 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.

We urge you to record and track all of your transactions closely to confirm that your available balance accurately reflects your spending of funds from the account linked to your debit card.

You agree that, to the extent permitted by law, we may determine in our discretion the timing of posting items to your account, the categories used by us to post items to your account, the transactions within each category, the order among categories, and the posting orders within a category. We may sometimes change the timing of posting items to your account, add or delete categories, change posting orders within categories and move transaction types among categories. You agree that we may in our discretion make these changes at any time to the extent permitted by law without notice to you.

MEMBER RESPONSIBILITY

Please remember that the responsibility for ensuring that the available funds in your account will cover a transaction is yours. You should keep a running balance of the amount of funds in your account to ensure that there are sufficient funds in your account. We provide various tools that will help you manage your account, such as online banking (CU Online™), account alerts and mobile banking applications.

For a variety of reasons, neither your available balance nor your actual balance may represent the funds in your account that will be available to cover a particular transaction at the time you enter into it (such as delivering a check to a merchant) depending on a number of factors, including, without limitation, how and when the item for such transaction is presented to us. That is one reason why the responsibility for ensuring that a transaction will not overdraw your account is yours.

ONLINE BANKING (CU ONLINE™)

If you have questions or doubts about your available balance, view your online statement and transactions list to see what you have spent, where it went, and why. Transfers, deposits, withdrawals and wired funds are also noted on your account transaction list. Compare your available balance to the monthly starting balance and the transactions listed on your statement to check that all transactions have been included.

CALL US

If you would like to know the most current record of your available balance, call us at: 866.287.6225. If you do not understand how transactions are posted, your available balance, or anything else, call us or visit a branch representative.

If a check, item or transaction (other than an ATM or everyday debit card transaction if you have opted-in to pay such overdrafts) is presented without sufficient available funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft/Courtesy Pay) or return the item for insufficient funds (NSF). The amounts of the overdraft (Courtesy Pay) and NSF fees are disclosed elsewhere, as are your rights to opt-in to overdraft services for ATM and everyday debit card transactions, if applicable. We encourage you to make careful records and practice good account management. This will help you to avoid creating items without sufficient available funds and potentially incurring the resulting fees.

COURTESY PAY FEES

A Courtesy Pay fee will be charged to your savings, checking, and/or Money Market Account, in accordance with our current Schedule of Fees, for each overdraft that is authorized and paid in your savings, checking, and/or Money Market Account through the Service. This means that more than one Courtesy Pay fee may be assessed against your account(s) per day depending upon the number of overdrafts authorized and paid through the Service. You understand that your Courtesy Pay limit shall 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 overdrawn check or other item/transaction under the Service, you are subject to a Non-Sufficient Funds (NSF) fee for each such item in accordance with our current Rate Sheet and Fee Schedule each time an item is presented for payment and returned unpaid due to an insufficient available balance. Your periodic statement will itemize Courtesy Pay fees and NSF fees for each cycle, as well as the year-to-date total of fees.

We May Return Items Unpaid. 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 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. 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; this may also occur when you initiate payments through your Credit Union Online Banking or Bill Payment Services and your account lacks sufficient available funds at the time the transaction is scheduled to occur, as we may decline the transaction, charge a fee, and then resubmit the same transaction at a later time in an attempt to process your requested transaction. 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 each time that same transaction is returned unpaid.

TRANSFERS TO COVER OVERDRAFTS

You also agree that we have the right to transfer available funds from other accounts you may have with us to cover the overdraft and pay the related fees. You understand and agree that we may transfer funds to your savings, checking, or Money Market Account from any of your other account(s) with us (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdraft which we may pay according to the terms and conditions of this Agreement and to pay the related fees.

WHEN IS THE OVERDRAFT PAYMENT DUE?

The total of the overdraft (negative) balance in your savings, checking, and/or Money Market Account, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit funds to cover the negative balance, but in no case more than thirty (30) days from the date the overdraft notice was sent to you. If you fail to cover the total overdraft (negative) balance in the account within thirty (30) days, the Credit Union may pursue all collection options available, including but not limited to, transferring funds from your other accounts with us to cover the overdraft (negative) balance.

RIGHT OF OFFSET

In addition to any other rights that we may have, you agree that any deposits or future deposits in or other credits to any account in which you may now or in the future may have an interest are subject to our right of off-set for any liabilities, obligations, or other amounts owed to us by you (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you opt out of the Service (see below), you consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid. Each person who causes an overdraft, which is paid by us, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement.

DEFAULT

You will be in default under the terms of this Agreement 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 other 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 or terminate the Service or close your account(s) and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees, and court costs which we may incur as a result of your default.

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

YOUR RIGHT TO OPT-OUT OF THE CU SoCAL COURTESY PAY SERVICE

If you prefer not to have the Service, please telephone us at 866.287.6225 or write to us at P.O. Box 200, Whittier, CA. 90608-0200 and include your name, Member number and a statement that you are opting out of the Credit Union's Courtesy Pay Service and we will remove the Service from your account. You may also opt out by logging into CU SoCal Home Banking and clicking on "Check Services" then "Courtesy Pay", uncheck the account box, and click the submit button. If you opt out of the Service, you will still be charged our NSF fee for each item returned each time an item is presented for payment and returned unpaid due to an insufficient available balance.

OPTIONAL OVERDRAFT PROTECTION PLANS

We also offer overdraft protection plans, such as a link to a regular share savings account or line of credit account, which may be less expensive than our Courtesy Pay Service. To learn more, ask us about these plans.

