

CREDIT UNION OF SOUTHERN CALIFORNIA

IMPORTANT: RETAIN FOR YOUR RECORDS

LIMITED DISCLOSURE STATEMENT FOR CHANGE IN TERMS RELATED TO COURTESY PAY AGREEMENT AND SCHEDULE OF FEES

This limited disclosure is given in conjunction with a change in the terms of Credit Union of Southern California's (the "Credit Union's") Courtesy Pay Agreement included in your Truth In Savings Agreement ("Agreement"), and also the Credit Union's Schedule of Fees.

BRIEF SUMMARY OF IMPORTANT CHANGES IN YOUR AGREEMENT AND SCHEDULE OF FEES

The following is a summary of changes that are being made to the terms of your Agreement and Schedule of Fees. These changes will take effect on January 1, 2024 (the "Effective Date").

1. Beginning on the Effective Date, we will cease charging multiple Non-Sufficient Funds ("NSF") fees on re-presented items and transactions and as such, will be revising the Agreement to reflect said changes.
2. Beginning on the Effective Date, we will update the Schedule of Fees to remove language regarding the charging of multiple NSF fees on re-presented items and transactions.
3. Beginning on the Effective Date, we will no longer convert the Aspire Checking Account into a Rewards Checking Account on the 13th month after account opening. Unless your account was already converted to a Rewards Checking Account, your Aspire Checking Account will now remain as such until you request (and are approved for) a different account. We will be revising the Agreement to reflect said changes.
4. Beginning on the Effective Date, we will offer new benefits with our Aspire Checking Account and will be revising the Agreement to reflect said changes.
5. Beginning on the Effective Date, we will update the Schedule of Fees to include language regarding the new fee benefits associated with our Aspire Checking Account.

For more detailed information, please refer to the "Description of Important Changes in Your Agreement and Schedule of Fees" below.

This is not a complete Agreement or Schedule of Fees but is limited to the change in terms set forth below. If you would like a copy of the complete, revised Agreement or Schedule of Fees, you may contact the Credit Union at: Credit Union of Southern California, P.O. Box 76000 Anaheim, CA 92809.

DESCRIPTION OF IMPORTANT CHANGES IN YOUR AGREEMENT AND SCHEDULE OF FEES

1. Beginning on the Effective Date, the Paragraph titled "Courtesy Pay Fees" will read as follows (changes bolded and underlined):

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 such item/transaction in accordance with our current Rate Sheet and Fee Schedule when the item/transaction is presented for payment and returned unpaid due to an insufficient available balance. We will charge a one-time NSF fee when an item/transaction is first presented for payment and returned unpaid due to an insufficient available balance. For the avoidance of doubt, you will not incur additional NSF fees when the same item/transaction is represented multiple times for payment. Unfortunately, circumstances may arise that are outside of the Credit Union's control, such as a merchant error or misclassification of the presented item, that may lead to multiple NSF fees being charged on the same item/transaction represented for payment. You acknowledge and agree that we are entitled to rely on the designation of the item/transaction as presented to us as our system will rely on the designation in such instances, and that we have no liability for the incorrect coding or designation of the transaction; for example, where the transaction is coded as being presented for the first time when in fact the transaction is being represented for a second time.** 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 submitted for payment at a time when your account lacks sufficient available funds to pay it and we decline it, we will charge a one-time related NSF fee when the transaction or item is first presented even if that same transaction or item is returned unpaid multiple times. You acknowledge and agree that we are entitled to rely on the designation of the item/transaction as presented to us as our system will rely on the designation in such instances, and that we have no liability for the incorrect coding or designation of the transaction; for example, where the transaction is coded as being presented for the first time when in fact the transaction is being represented for a second time.**

2. Beginning on the Effective Date, the Paragraph titled "Your Right to Opt-Out of the CU SoCal Courtesy Pay Service" will read as follows (changes bolded and underlined):

YOUR RIGHT TO OPT-OUT OF THE CU SOCIAL 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 76000 Anaheim, CA 92809 and include your name, Member number and a statement that you are opting out of the Credit Union's Courtesy Pay Service and will remove the Service from your account. You may also opt out by logging into CU SoCal Home Banking and clicking on the "Courtesy Pay" widget, click the buttons to "Opt Out" next to each share, and click the "save" button. **If you opt out of the Service, you will still be charged our one-time NSF fee when an item or transaction is presented for payment and returned unpaid due to an insufficient available balance in accordance with the terms of this Agreement.**

3. Beginning on the Effective Date, the section titled "About Our Aspire Checking Accounts" will read as follows (changes bolded and underlined):

About Our Aspire Checking Accounts

The Aspire Checking Account is a non-dividend earning account. To be eligible for an Aspire Checking Account, ChexSystems records cannot be reported for reasons due to fraud or have no more than two (2) records reported for reasons due to account abuse. In addition, any amounts owed, aggregated or in a single amount, must be less than \$1,000.

There is a **monthly service fee for this account. Please refer to the CU SoCal Fee Schedule for current fees.** This account is eligible for CU SoCal Online Banking, Courtesy Pay, and Remote Deposit Capture Access (limited to deposits of \$1,000 max/day; \$2,500 deposits max/month). Shared Branching Services and Zelle are not available on an Aspire Checking Account.

Additional Account Benefits and Terms

- **NSF fees waived.**
- **Monthly paper statement fees waived.**
- **CU SoCal Courtesy Pay fees waived for transactions of \$100 or less. You must opt-in to overdraft services for ATM and everyday debit card transactions, if applicable, to be eligible for CU SoCal Courtesy Pay for those transactions. If the CU SoCal Courtesy Pay service is available to you, we will generally pay your overdraft items up to \$100, which is the Courtesy Pay limit for the Aspire Checking Account. Such payment of your overdraft items will be determined by us at our sole and absolute discretion. Please note that the CU SoCal Courtesy Pay services are not available on Regular Savings Accounts for members that have an Aspire Checking Account. Please refer to the CU SoCal Courtesy Pay Agreement below and also, the CU SoCal Fee Schedule for further information. To the extent the terms provided under this Aspire Checking Account section conflict with the terms of the CU SoCal Courtesy Pay Agreement below, the terms of this section will control in relation to Aspire Checking Accounts.**
- **Overdraft transfer fees waived. Please note that the transfer must be from any of your designated CU SoCal account(s) to your Aspire Checking Account.**

Minimum Balance and Deposit Requirements

There is no minimum deposit required for you to open an Aspire Checking Account.

[NOTE TO MEMBER: Aside from the language bolded and underlined above, this revision also reflects the **removal** of language in the first paragraph of the Aspire Checking Account section, which previously read as follows: “The Aspire Checking Account will convert to the Rewards Checking Account on the 13th month after the opening date. If a Member does not qualify to convert to a Rewards Checking Account after the first 12 months, we will recheck qualification for conversion every 6 months. To be eligible to convert to a Rewards Checking you must have no more than three (3) checks or ACH transactions returned for non-sufficient funds (NSFs) in a 12-month rolling period.” Please note the Credit Union will no longer convert the Aspire Checking Account into a Rewards Checking Account on the 13th month after account opening. The Aspire Checking Account will now remain as such until you request (and are approved for) a different account.]

4. Beginning on the Effective Date, the Schedule of Fees will be updated as follows (changes bolded and underlined):

Revision Number 1:

“**Paper Statement Fee**.....\$2/month

The fee will be waived for:

- Members who are 17 years of age and younger or 64 years of age and better.
- Members who have signed up for eDocuments by the last day of the month during the statement period.

• **Aspire Checking Accounts.**

Otherwise, the monthly fee will be applied to the primary savings account. If funds are unavailable in your primary savings account, the fee will be transferred to that account from your secondary savings, checking, or money market account. For Members without a primary savings account, the fee will be applied to your checking account or money market account.”

Revision Number 2:

“**Aspire Checking fee****\$5/month**”

[NOTE TO MEMBER: Aside from the decrease in fee from \$15/month to \$5/month, this revision reflects the **removal** of the language in parenthesis below the stated fee, which previously read as follows: “(\$5/month with \$500 direct deposit or 20 debit card swipes/month and have opted in for eDocuments)”. Unless otherwise noted herein, the remaining terms, disclosures and fees in the Schedule of Fees will remain the same.]

Revision Number 3:

“**Transaction returned NSF**.....\$29[†]

Fee is waived for accounts with an Aspire Checking Account”

[NOTE TO MEMBER: Aside from the language bolded and underlined above, this revision also reflects the **removal** of the language in parenthesis below the stated fee, which previously read as follows: “(Per presentment of each transaction or item) (Multiple NSF fees may be charged for one single item/debit that has been returned for insufficient funds multiple times)”. Unless otherwise noted herein, the remaining terms, disclosures and fees in the Schedule of Fees will remain the same.]

Revision Number 4:

“**CU SoCal Courtesy Pay by check, POS, debit card, ACH, or ATM transaction**

Transaction paid by drawing available balance negative.....\$29[†]

Fee is waived for Aspire Checking Accounts for transactions of \$100 or less.”

Revision Number 5:

“**Overdraft transfer by check, POS, debit card, ACH, or ATM transaction**\$7[^]

Fee is waived for Members using eDocuments. eDocuments include overdraft transfers, CU SoCal Courtesy Pay, insufficient and uncollected funds. Fee is also waived for overdraft transfers from any designated CU SoCal account(s) to an Aspire Checking Account.”

Revision Number 6:

“**Debit Card Services**

CU SoCal Courtesy Pay debit card, POS, or ATM transaction

Transaction paid by drawing available balance negative.....\$29[†]

Fee is waived for Aspire Checking Accounts for transactions of \$100 or less.”

Revision Number 7:

“**Loan payment returned NSF**.....\$29[†]

Fee is waived for accounts with an Aspire Checking Account.”

[NOTE TO MEMBER: Aside from the language bolded and underlined above, this revision also reflects the **removal** of the language in parenthesis below the stated fee, which previously read as follows: “(Per presentment of each transaction or item) (Multiple NSF fees may be charged for one single item/debit that has been returned for insufficient funds multiple times)”. Unless otherwise noted herein, the remaining terms, disclosures and fees in the Schedule of Fees will remain the same.]