



## Member Account Agreement and Disclosure

Effective October 1, 2025 | Please retain this important document for your records.

Thank you for becoming a member of (1<sup>st</sup> United Credit Union), a not-for-profit, full-service cooperative financial institution, founded in 1932, owned and directed by its members. It is chartered by the State of California and regulated and insured by the National Credit Union Administration, an agency of the Federal Government.

In this Member Account Agreement and Disclosure (hereinafter referred to as “agreement”), the words YOU, YOUR and YOURS mean each and all of those (whether one or more persons) who are subject to this agreement as a result of signing a Member Application, Account Agreement, and Signature Card for one or more deposit account(s) with us. The words WE, US, OUR, CREDITUNION and 1<sup>ST</sup> UNITED mean 1ST UNITED CREDIT UNION. The terms, conditions, and information contained in the Member Application, Account Agreement, and Signature Card, and all amendments thereto, are by this reference hereby incorporated in their entirety into this agreement and become an integral part of this agreement. This agreement governs your membership, accounts, and loans with us and related products and services, and replaces all prior agreements with the Credit Union regarding them. By signing or otherwise agreeing to the Credit Union’s Member Application, Account Agreement, and Signature Card for your account or using your account or any service we provide, you will be considered to have received and agreed to this agreement.

**You should retain a copy of this agreement (and any information that the Credit Union provides you regarding changes to this agreement) for as long as you maintain your account with us.**

Truth-in-Savings Agreement and Disclosure	2
Cellular Phone Contact Policy	9
Email Contact Policy	9
Telephone Contact Policy – Marketing Communications	9
Arbitration and Waiver of Class Action	9
Privacy Information	10
In Case of Errors	10
Unauthorized Transactions	10
Individual and Joint Accounts	11
Pay on Death Accounts	11
Fiduciary Accounts	12
Savings and Certificate Accounts	12
IRA Accounts	12
Checking Accounts/Share Draft Accounts	13
Trust Accounts	15
Wire Transfers Agreement	15
Courtesy Pay Agreement and Disclosure	16
Overdraft Protection Transfer Plans	16
Funds Availability Policy	20
Electronic Services Agreement and Disclosures	21
Direct Deposit	25
Preauthorized Payments	25
Online Banking and Bill Pay	26
Mobile Banking	26
ATM Cards and Visa Debit Cards	26
PINless Visa Debit Card Transactions	28
Electronic Checks	29
ATM Electronic Funds, Visa Debit Card, Point-of-Sale, Online Banking, Mobile Banking, and Electronic Check Transactions	29
Member Conduct Policy	30

## **TRUTH-IN-SAVINGS AGREEMENT AND DISCLOSURE**

### **Payment of Dividends**

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

The dividend rate and annual percentage yield (APY) may change at the discretion of the Credit Union. Share accounts are designated as variable-rate accounts on the Rate Sheet. Current rate information and minimum balance to open and to earn the APY for these accounts are set forth in the Rate Sheet. You may also obtain current rate information by visiting [1stunitedcu.org](http://1stunitedcu.org) or by calling (800) 649-0193.

For all accounts, dividends will be compounded monthly, based on the average daily balance, and will be credited monthly.

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

If you close your account before dividends are credited, you will receive the accrued dividends.

### **Balance Computation Method**

For all certificates, dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Dividends will begin to accrue on the business day you deposit to your account if deposited before the close of business.

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

1. To qualify for membership, you must meet the membership requirements as established by the Credit Union, complete a membership application in the manner prescribed by the Credit Union, and purchase one (1) share at par value. The par value of a share in this Credit Union is \$5.00 as of the date of this agreement.
2. If your share balance falls below the par value of one (1) share, or the credit union increases the par value of one (1) share, causing your balance to fall below the par value, and you do not have open loans or other accounts with sufficient balances to meet the par value of one (1) share, your account may be moved into an inactive status. The account may be subject to low balance fees and you may become ineligible for other Credit Union services. Please refer to the Schedule of Fees for more information. Memberships in inactive status shall have 90 days to increase the share balance to the required minimum level. An account in an inactive status with no par value will be considered to have withdrawn from the credit union after the 90 day period.
3. All accounts (except checking accounts) are not transferable except as defined in Regulation D (12 CFR, Part 204).
4. Our delay in enforcing any of the terms and conditions of this agreement will not prohibit us from enforcing such terms and conditions at a later date.
5. Except as otherwise stated herein, we reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this agreement. This includes, without limitation, making changes to our accounts and services, the related fees, rates, balance and rate computation methods, as well as discontinuing or replacing such accounts and services at our discretion, and making changes to further clarify the terms of our products and services. We also reserve the right to amend other forms and/or disclosures provided to you in connection with your account.
6. You agree to only use our accounts and services provided under this agreement for consumer, personal, family, or household purposes; the accounts and services provided hereunder are not intended for and must not be used for business or commercial purposes. We may refuse to follow any of your instructions, accept for deposit, or process any transaction, that in our sole judgment are illegal, fraudulent, inconsistent with our policies, or those of any of our third-party processors, or would expose us to potential liability. Alternatively, we may require adequate security or invoke other security measures to protect us from all losses and expenses incurred if we follow your instructions. You agree to reimburse us for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys' fees) that we incur in connection with your account if we take an action in accordance with your, or what purports to be your, oral, written, or electronic instructions.
7. We reserve the right to refuse to open any account, to provide any service in connection with an account, or to accept additional deposits to an existing account.
8. All multiple party checks without proper identification are subject to being returned. Notwithstanding the foregoing, you authorize us, in our discretion, to accept checks and other items for deposit into any of your accounts (collectively, "item") if they are made payable to, or to the order of, any one or more joint owners on the account, whether or not they are endorsed by all payees. You authorize us to supply your endorsement on any item that we take for collection, payment, or deposit to your account. You also authorize us to collect any unendorsed item that is made payable to you without first supplying your endorsement, provided the item was deposited to your account. If you deposit items which bear the endorsement of more than one person or persons that are not known to us or that require endorsement of more than one payee, we may refuse the item or require all endorsers to be present, have valid identification, or to have their endorsements guaranteed before we accept the item.
9. You authorize us to accept deposits to your account at any time, from any party, made in any manner, without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one

or more of the account owners, whether or not it is endorsed by you. The Credit Union may also refuse to accept all or any part of any deposit.

10. You understand and agree that we may utilize automated means to process checks and other items written on or deposited to your account. This means that we do not individually examine all of your items to determine if the item is properly completed, signed, and endorsed or to determine if it contains any information other than what is encoded in magnetic ink. Although we may manually review checks or other items drawn on your account, you understand and agree reasonable commercial standards do not require us to do so.
11. We may refuse to accept for deposit or collection an item that is payable in currency other than U.S. dollars or an item that is not drawn on a financial institution chartered in the U.S. (each, a "non-U.S. item"). If we accept any such item for deposit or collection, you accept all risks associated with foreign currency fluctuation (exchange rate risk) and with any late return of the item. You agree that we may use our current buying and selling rate, as applicable when processing a non-U.S. item and may recover from any account you maintain with us any loss incurred by us as a result of our processing such an item for you. We reserve the right to place longer holds on non-U.S. items than the time frames specified in our Funds Availability Policy.
12. We have the right to charge back to or otherwise debit any account(s) you maintain with us for any deposited item that is returned. This right of charge back or debit is not affected by the expiration of any applicable midnight deadline, provided we do not have actual knowledge that such deadline has expired or, having such knowledge, we conclude that:
  - The deposited item is returned in accordance with the laws governing your account or rule (including a clearinghouse rule).
  - We have received a breach of warranty claim in connection with the deposited item.

We have the right to pursue collection of such deposited item, even to the extent of allowing the payor bank to hold the deposited item beyond the midnight deadline in an attempt to recover payment. We may, without notice to you, redeposit a returned deposited item and re-present it for payment by any means (including electronic means), unless we have received instructions from you not to redeposit such deposited item. We will have no liability for taking or failing to take any action to recover payment of a returned deposited item.

If one of your deposited items is returned with a claim that there is a breach of warranty (for example that it bears a forged endorsement or is altered in any way), we may debit your account for the amount of the item (plus any associated fees) and pay the amount to the claiming party. We are under no duty to question the truth of the facts that are being asserted, to assess the timeliness of the claim, or to assert any defense.

We need not give you any prior notification of our actions with respect to the claim. You agree to immediately repay any overdrafts. We may create substitute checks from your deposited items to facilitate the forward collection of such items. You agree to indemnify and hold us and our officers, directors, employees, and agents harmless from all claims, demands, losses, liabilities, judgments, and expenses (including attorney's fees and expenses) arising out of or in any way connected with such substitute check, including without limitation, any claim based on image quality of such substitute check.

13. In the event that a negative balance is created in your account or if you have other outstanding financial obligations of any kind with us that are in default, you understand and agree that we may transfer funds to such account from any other account (excluding IRAs), including account(s) upon which you are a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation that is in default.

In addition to any other rights that we may have, you agree that any deposits, future deposits, 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 (for example, 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. You understand that we may enforce this right without further notice.

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

14. You acknowledge and agree that we may, at our option, choose to create and retain electronic copies of original account records and any other records, and thereafter dispose of the originals. You further agree that electronically scanned and stored images of records will have the same effect as the original records.
15. We act only as a collecting agent for any items deposited to your account. Any deposit that we accept will be subject to subsequent payment and collection verification. In addition, we may reverse or otherwise adjust any credit we believe we have erroneously made to your account at any time without prior notice to you. We are not responsible for any deposits or other transactions initiated by mail until the item is actually received by us. Items will generally be posted on the day of receipt if received by our posting deadlines.
16. Unless otherwise prohibited by the laws governing your account, if two or more account-related information documents are returned or, in the case of online statement email notifications, the email notice is returned undeliverable, we may discontinue sending account-related information to you until you provide a valid postal or electronic address to us. In case of electronic mail returned to us, we reserve the right to change your statement delivery to provide you with paper statements mailed to the last known physical address we have on file for you.
17. We or you may close an account(s) at any time. We have the right to close the account for any business reason by providing you with a written notice within 10 days at your last known address. Of course, any termination of the account will not affect our handling of regular

transactions prior to the notice, provided that sufficient available funds are on deposit to handle them. We are not required to close your account at your request if you have any pending transactions, the account is overdrawn, or your account is subject to legal process (such as a garnishment, attachment, levy, or similar order). In those cases, we will restrict your account against all future withdrawals other than under legal process until pending transactions are paid or returned, the balance is no longer negative, and any legal restriction has been released. After we restrict your account in preparation for closing it, we will not pay any additional dividends on the account. Any pending approved transactions that did not post prior to account closure will require the account to be re-opened and you will be responsible for payment of said transactions and any associated fees we charge.

If an account is closed, we may send the collected balance on deposit in your account, less any fees, claims, offsets, or other amounts you are responsible for, by regular mail to your most recent address shown in our records. Items presented for payment after the account is closed may be dishonored. We may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in your account; (4) any checks are lost or stolen; or (5) we deem it necessary in order to prevent a loss to us.

- Under California state law, funds not claimed for a three-year period will be deemed abandoned and subject to escheat to the state.
- Other grounds for closing the account with or without advance notice include, (1) your failure to provide available funds sufficient to pay the checks you write or any electronic debits, (2) your failure to keep up current loan payments, (3) abuse of your ATM deposit privilege, (4) suspicious activity that is fraudulent in nature – such as check kiting, counterfeiting, making fraudulent deposits, or money laundering, and (5) your failure to observe the conditions of any other agreement with the Credit Union. Your failure to properly manage your checking account may be reported to agencies monitoring checking account abuses. This report could have an adverse effect on your credit.
- The Credit Union has no obligation to offer or continue to service a checking account if, in the Credit Union’s opinion, a member has not managed his credit or checking account in a responsible way.

17. If we receive conflicting claims regarding funds in your account(s), a dispute between any person and/or private or government organization over your account or the funds in any of your accounts, or we are uncertain who is entitled to access an account or the funds in any of your accounts, including, but not limited to, disputes between joint owners, a payee, a beneficiary of a trust account or a payable on death account, or any other person claiming an interest to funds in your account, we may, without liability to you and in our sole and absolute discretion, take one or more of the following actions: (1) restrict the account and deny access to all until such time as the conflicting claims are resolved to our satisfaction; (2) interplead all or any portion of the funds from an account into an appropriate court for resolution; (3) restrict the account until our receipt of either written instructions as to the distribution of funds signed by all affected parties or an order from a court of proper jurisdiction authorizing or directing us to distribute the funds; or (4) close the account and send the funds to the owner or owners of the account according to our records at the statement mailing address. We may charge your account for expenses (including attorneys’ fees and expenses) and fees we incur. In addition, if we receive written notice from any account owner that withdrawals, in accordance with the terms of the account, should not be permitted, we may refuse, without liability, to pay any sums on deposit pending determination of the rights of the owners. Such written notice(s) will become effective only upon receipt and after we have had a reasonable opportunity to act thereon.
18. We reserve the right to close any account(s) and terminate your membership should we discover that any of your accounts with us have been deliberately manipulated by you to our detriment or to the detriment of any other accountholder. “Manipulation” includes, but is not limited to, making unauthorized withdrawals or other transactions, kiting, and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation CC hold periods and/or “interest float” to our detriment.
19. You acknowledge that we may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If we suspect such financial abuse, you understand and agree that, in addition to reporting such abuse as may be required under applicable law, we have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that we deem appropriate under the circumstances. You agree to indemnify and hold us harmless from and against all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys’ fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.
20. We may rely solely on our records to determine the form of ownership of your account. We may presume that any person named in addition to you in our records for your account owns the funds in your account with you as a joint owner, unless our records indicate that the person has some other relationship to the account.
21. We may recognize the signature of anyone who signed a Membership Application, Account Agreement, and Signature Card as authorized to transact business on that account. Any payment made on your account by us in good faith and in reliance on the terms and conditions of this agreement and/or the Membership Application, Account Agreement, and Signature Card will be valid and discharge us from liability. Without limitation to the foregoing, we may honor checks drawn against your account by authorized signers, even if the checks are made payable to them, to cash, or for deposit to their personal accounts. We have no duty to investigate or question withdrawals or the application of funds.
22. You understand and agree that individual, joint, and pay-on-death accounts may be subject to the Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
23. Ownership for all accounts will be established and determined by the most recent Membership Application, Account Agreement, and Signature Card or other document(s) evidencing such account(s).

A different form of ownership may be established by executing a new Membership Application, Account Agreement, and Signature Card and a new account number will be assigned. The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties. Owner(s) agree that any and all sums on deposit will be subject to withdrawal or receipt by any owner and any such withdrawal or receipt will be valid and discharge us from any liability.

24. You are required to keep us informed of your current address. You agree to notify us promptly of any change of address. Undeliverable statements due to bad addresses will be assessed a fee. Please refer to the Schedule of Fees. You may notify us in person at any of our branches or by sending a written and signed notice to 1st United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588.
25. You or your agent agree to notify us immediately of the death or court-declared incompetence of any owner of your account. You agree to inform each owner of your account of the obligation to notify us of such an event as well. If you die or are declared legally incompetent, we can continue to accept and collect items deposited and post debits to your account until we know of your death or adjudication of incompetency and have a reasonable opportunity to act.
26. If a check or other item which we cash for you or which you deposit to your account is returned to us as unpaid for any reason, we may charge your account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to us accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. We may charge your account for the amount without questioning the truth of such documentation. We may also charge back any amount of accrued or paid dividends related to the returned check.

We may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient available funds to initially pay the item, but we are not required to do so. If we choose to re-present the check, we may do so without telling you the check was not paid or that we are presenting it again. You agree that we will not be responsible for any damages you incur in the event you deposit an item with us which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by you or a prior endorser.

27. We use automated means to process checks which prevents us from inspecting or looking for special instructions or "restrictive legends" on checks (for example, "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restrictions. If you cash or deposit an item or write a check with such notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you agree to accept responsibility for payment of the item. You agree to indemnify and hold us harmless from any claim or alleged loss of any maker or payee involving such notations, whether you are the maker or payee or the funds are otherwise deposited into an account in which you have an interest.
28. We are under no obligation to pay a check which is presented more than six (6) months after its date, but we may do so at our discretion and charge your account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. You agree that we are not required to identify stale dated checks or seek your permission to pay them. We may assess a special handling charge upon receipt of any such item in accordance with our Schedule of Fees.
29. All accounts are subject to our Schedule of Fees, which is incorporated by this reference. We will debit such charges against any account you own (including accounts on which you are a joint owner) except your IRA without prior notice to you. Only fees related to an IRA will be deducted from an IRA. If there are insufficient funds available in your checking or savings accounts, the funds available on an overdraft line of credit account may be used to pay service charges or fees. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
30. California law states that inactive account balances in savings, checking, and matured term share certificate accounts must be transferred ("escheated") to the appropriate state within the time period specified by state law. In the State of California, your property will escheat to the state after a period of three (3) years since the last time you:
  - a. Increased or decreased the amount of funds on deposit with us or presented an appropriate record for crediting of dividends or cashed a dividend check from any of your accounts with us; or
  - b. Corresponded in writing or electronically with us concerning the funds on deposit; or
  - c. Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with us.

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

We may charge a fee for mailing an escheat notice. To recover funds turned over to the state, you must file a claim with the state.

32. Our relationship with you concerning your account is that of debtor and creditor; no fiduciary, quasi-fiduciary, or special relationship exists between us and you.
33. For the safety of both staff and members, the Credit Union does not keep large amounts of cash at branch locations. Arrangements for large cash withdrawals may be made with the branch manager at the branch location of our choice. Large cash withdrawal requests may require up to three (3) business days advance notice so that we may order the cash from our vault. You understand and agree that you

will be responsible for all fees that may be assessed by a third party on the Credit Union in connection with your request (for example, cash delivery charges). In addition, you may be asked to sign a form releasing us from any liability.

34. Federal law requires us to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
35. We agree to retain and furnish to you, if requested, photocopies of certain records pertaining to your account and that these records will be available to you for the time period required by law. You agree to pay applicable fees as listed in our Schedule of Fees.
36. You understand and agree that we must comply if we are served with any facially valid notice of garnishment or attachment, tax levy, withholding order, injunction, restraining order, search warrant, government agency request for information, forfeiture, seizure, subpoena, or other legal process relating to your account that we know or otherwise believe in good faith is valid, whether served in person, by mail, or by electronic notification, at any Credit Union branch. You authorize us not to contest any such notice of legal process and understand that we are under no obligation to notify you of the legal process unless required by applicable law and will not notify you if prohibited by law. We may charge a levy processing fee, as set forth in our Schedule of Fees, and we may assess this fee against any account you maintain with us, including the account that is the subject of the legal process. You understand and agree that if a facially valid subpoena or legal process requires us to release information about an owner and/or signer on an account, we must comply with such request and the information released pursuant to such subpoena or legal process may include information about other owners and/or signers on the account, even if their information was not expressly requested by the subpoena or legal process. You understand and agree that funds we hold or set aside in response to legal process may not earn dividends. You agree to reimburse us for all losses, costs, and damages associated with our compliance with any process that we know or otherwise believe in good faith to be valid.
37. You understand and agree that you are not permitted to place a stop payment on an official check unless the official check is lost, stolen, or destroyed. In the event that the official check is lost, stolen, or destroyed, in order to effectuate a stop payment, you must execute and deliver to us a written Declaration of Loss and Claim for Reimbursement ("Declaration of Loss") and/or affidavit in a form acceptable to us and in time for us to have a reasonable time to act thereon. You further understand and agree that the Declaration of Loss is not immediately enforceable upon your submission. Specifically, you understand and agree that, pursuant to the California Uniform Commercial Code, we will not process your stop payment request until the later of (1) the time the Declaration of Loss form is properly delivered to us by you, or (2) the 90th day following the date of the official check. We may, however, in our sole and absolute discretion, process your stop payment request sooner. You agree to defend, indemnify, and hold us harmless from and against any loss or claim arising out of our attempt to, or stopping payment on, such official check.
38. You authorize us to gather whatever credit, checking account, and employment information we consider appropriate from time to time. You understand that this will assist us, for example, in determining your initial and ongoing eligibility for your account and/or in connection with making future credit opportunities available to you. You authorize us to give information concerning our experiences with you to others.
39. It is your responsibility to protect the account numbers and electronic access devices (for example, a Visa debit card) we provide you for your account(s). You agree not to discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. If you furnish your access device and grant actual authority to make transfers to another person (a family member or friend, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account. If you provide your account number in response to a telephone solicitation for the purpose of making a transfer (for example, to purchase a service or merchandise), payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

40. Federal law requires that we obtain and have certified by you a Taxpayer Identification Number (TIN) on all accounts. We will not open an account without this identification number. To avoid backup withholding tax on accounts that earn interest or dividends, you must submit Internal Revenue Service (IRS) Form W-9 or Form W-8BEN and supporting information and/or documentation to us. U.S. citizens or other U.S. persons, including resident alien individuals, must provide a Form W-9. We do not open accounts for non-resident aliens. If, at any time, we receive information which indicates that someone other than you is using the same Tax Identification Number that you certified as your TIN on Form W-9, and we are not able to determine to our own satisfaction that the TIN has been assigned to you, we will pay interest and comply with the backup withholding requirements of the IRS and/or take any other action which we believe is reasonable under the circumstances.

Upon the death of the primary owner, we must be provided with the estate's or successor's TIN or we may either refuse to pay interest earned on the account since the date of the death or withhold a portion of the interest that has been earned on the account since the date of the death.

41. Pursuant to federal law, the Credit Union must verify the identity of any person seeking to open or add a joint owner or signer to any account and must maintain records of the information used to verify the person's identity. The law requires that we also verify the identities of certain beneficial owners or controlling parties for accounts; you agree to provide us with any information requested regarding beneficial owners of accounts and certify their accuracy upon request by us. We may deny membership, decline to open an account, or close an account if we are prohibited from doing so under applicable law or if we are unable to satisfactorily verify any

account owner or beneficiary's identity. For the purposes of this paragraph, "account" means "each formal banking or business relationship established to provide ongoing services, dealings, or other financial transactions." For example, a deposit account, a transaction or asset account, and a credit account or other extension of credit would each constitute an account.

42. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.
43. Your account will be governed by California law to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules will not be applied if that would result in the application of non-California law. You also agree to submit to the personal jurisdiction of the courts of the State of California.
44. If you choose to appoint an attorney-in-fact or agent to act on your behalf pursuant to a power of attorney ("POA"), we may rely on instructions provided by the attorney-in-fact or agent and will have no liability or responsibility to verify the transactions. The POA will be properly executed, facially valid under California law, and the form of appointment must be acceptable to us. In accordance with the terms of the POA, the attorney-in-fact or agent you designate to act on your behalf will be authorized to transact business on your account(s) pursuant to the terms of such POA.

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

If we choose to accept the POA, you understand and agree that we may act under the terms of such POA and to the extent permitted by law, revocation of the POA will not become effective until we have received written notification thereof. You agree to indemnify and hold us harmless for any claims that may arise against us because of our reliance on a POA. We are not liable for any transactions or changes made to or by an attorney-in-fact or agent for a deceased or incompetent account owner, unless we have written notice provided in accordance with applicable law that you, as the principal under the POA are deceased, have revoked the powers of the attorney-in-fact or agent, or you are adjudicated totally or partially incapacitated by a court of competent jurisdiction, and we have had time to act on that notice.

45. If you choose to provide a trusted contact, you authorize the Credit Union to contact the trusted contact and share information about your account if necessary. We may contact the individual at our discretion for reasons including but not limited to confirming your current contact information, address concerns about potential financial exploitation, including, but not limited to, fraud or unauthorized transactions, verify your health status or identify a legal guardian or attorney-in-fact under a valid power of attorney, or to verify your location and/or welfare. Trusted contacts will not be permitted to conduct transactions, make changes to accounts, or close membership. By providing a trusted contact, you authorize the Credit Union to contact the individual listed. The Credit Union is not required to contact the trusted contact but may do so at its discretion. Trusted contacts may be withdrawn at any time.
46. You agree to pay any charges or costs we incur for enforcing our rights under this agreement, including costs of collection, such as reasonable attorneys' fees and court costs, with regard to any check drawn on us by you or any item you deposit with us that causes us to incur a loss, and to repay any money you owe us as a result of your use of, or the use of anyone you have provided with access to, any of our services and you agree to repay any amounts which create an overdrawn balance on any of your accounts immediately upon demand.
47. You agree that your telephone communications with us, including text messages, and online and email communications may be monitored and recorded to improve member service and security, enhance our services provided to you, and such other uses as stated in our privacy policies and disclosures provided to you.
48. You acknowledge that if you give anyone authority and access to your account (for example, providing any person with your debit card, debit card PIN, or online banking PIN), or granting any person power to act as your agent under a power of attorney or trustee for a trust account, you understand that any transaction completed by such person will be considered authorized by you.
49. We will mail, send electronically, or otherwise make available to you, your statements for your account, notices, and other information regarding your account (collectively "account-related information") to the postal or electronic address of the owner as reflected in our records for your account. If there is more than one owner on your account, we may send account-related information to any one of them.
  - If your account is in a combined statement, your statement will be sent to the address associated with the savings account in the combined statement.
  - Mailed account-related information will be deemed to have been delivered the second business day following the day account-related information was mailed.
  - Account-related information made available electronically will be deemed to have been delivered when we make it available to you. You will exercise reasonable care and promptness in examining your statements and must promptly notify us of and reimburse us for any erroneous credit to your account. If you fail to uphold your duties but you can prove that we failed to exercise ordinary care in the payment of the relevant items, the loss on any item(s) that are not electronic fund transfers under the Electronic Fund Transfer Act will be allocated between us and you to the extent our respective actions contributed to the loss. If you have failed to examine your statement and report any unauthorized transaction within sixty (60) days after your statement or the item(s) has/have been made available to you, you cannot recover from us, even if we failed to exercise ordinary care in paying the item(s) unless the unauthorized transaction is the result of an electronic fund transfer, then the provisions of the Electronic Services Agreement and Disclosure section of this agreement will apply. For purposes of this agreement, an unauthorized transaction is a transaction that was not authorized by you. However, if you provided someone authorization to transact on your account, any transaction by that person is considered authorized even if he or she exceeded any authority you provided. An unauthorized transaction includes, but is not limited to, an erroneous or unauthorized debit.

50. We agree to investigate any transaction you have reported to us as unauthorized (a "claim of unauthorized transaction"). For transactions that are not electronic fund transfers, you agree to:
- Submit your claim of unauthorized transaction in writing to us by completing a declaration under penalty of perjury describing your claim of unauthorized transaction (in an affidavit form approved by us, if so requested).
  - Complete and return to us any documents requested of you.
  - In all respects, cooperate fully with us in our investigation of your claim of unauthorized transaction.

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

51. There are many reasons why we may decline or prevent transactions to or from your account, but we generally do it to protect you or us, or to comply with legal requirements. We may decline or prevent any or all transactions to or from your account. We may refuse, freeze, reverse, or delay any specific withdrawal, payment, or transfer of funds to or from your account, or we may place an administrative hold on funds in your account pending investigation, including one or more of the following circumstances: (1) your account is involved in any legal or administrative proceeding; (2) we receive conflicting information or instructions regarding account ownership, control, or activity; (3) we suspect that you may be the victim of fraud, scam, or financial exploitation, even though you have authorized the transaction(s); (4) we suspect that any transaction may involve illegal activity or may be fraudulent; (5) we are complying in our sole judgement, with any federal or state law or regulation, including federal asset control and sanction rules, and anti-money laundering rules, and/or with our policies adopted to ensure that we comply with those laws; or (6) we reasonably believe that doing so is necessary to avoid a loss or reduce risk to us. We may also limit cash deposits to, or withdrawals from, any of your accounts, or who may make deposits, in order to reduce risk and/or allow us to comply with applicable law. We will have no liability for any action we take under this section.
52. Except as otherwise provided in this agreement, if any of the provisions of this agreement are determined to be void or invalid, the remainder of the agreement shall remain in full force and in effect.
53. YOU UNDERSTAND AND AGREE THAT OUR SERVICES ARE PROVIDED "AS-IS." EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT OR AS REQUIRED BY LAW, THE CREDIT UNION ASSUMES NO RESPONSIBILITY FOR THE TIMELINESS, DELETION, MISDELIVERY OR FAILURE TO STORE ANY USER COMMUNICATIONS OR PERSONALIZATION SETTINGS. YOU UNDERSTAND AND EXPRESSLY AGREE THAT USE OF OUR SERVICES IS AT YOUR SOLE RISK, THAT ANY MATERIAL AND/OR DATA DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE SERVICES IS DOWNLOADED OR OBTAINED AT YOUR OWN DISCRETION AND RISK AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGE TO YOUR COMPUTER SYSTEM OR MOBILE DEVICE OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OR THE OBTAINING OF SUCH MATERIAL AND/OR DATA.

EXCEPT AS EXPRESSLY SET FORTH ON THE CREDIT UNION WEBSITE OR IN THIS AGREEMENT, THE CREDIT UNION DISCLAIMS ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OF INTELLECTUAL PROPERTY OR THIRD PARTY RIGHTS, AND THE CREDIT UNION MAKES NO WARRANTY OR REPRESENTATION REGARDING THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF OUR SERVICES, THE ACCURACY OR RELIABILITY OF ANY INFORMATION OBTAINED THROUGH THE SERVICES, THE ACCURACY OF ANY INFORMATION RETRIEVED BY YOU FROM THE ACCOUNTS OR THAT THE SERVICES WILL MEET ANY USER'S REQUIREMENTS, BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR FREE.

54. Except to the extent that the Credit Union is liable under the terms of this agreement or another agreement governing the applicable account, you agree to indemnify, defend, and hold the Credit Union, its affiliates, officers, directors, employees, consultants, agents, service providers, and licensors, harmless from and against any and all claims, demands, actions, costs, losses, liability, expenses, and fees (including, without limitation, reasonable attorneys' fees, collection costs, skip-tracing fees, and outside services fees) which we incur by acting in accordance with this agreement or as a result of your failure to abide by its terms, including but not limited to those arising from:
- a. A third-party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us;
  - b. Any fraud, manipulation, or other breach of this agreement by you;
  - c. Your violation of any law or rights of a third party; or
  - d. Your provision of access to your account(s), services, or electronic services to any third party.

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

55. **EXCEPT AS OTHERWISE STATED IN THIS AGREEMENT OR UNDER APPLICABLE LAW, YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT, OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT, YOUR USE OR INABILITY TO USE OUR SERVICES, ANY INACCURACY OF ANY INFORMATION OR AMOUNT RETRIEVED BY YOU FROM YOUR ACCOUNTS, ANY BREACH OF SECURITY CAUSED BY A THIRD PARTY, ANY TRANSACTIONS ENTERED INTO BASED ON OUR SERVICES, ANY LOSS OF, UNAUTHORIZED ACCESS TO OR ALTERATION OF A USER'S TRANSMISSION OR DATA OR FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, USE, DATA OR OTHER INTANGIBLES, REGARDLESS OF WHETHER YOU HAVE ADVISED US OF THE POSSIBILITY THAT YOU MAY**

## **INCUR SUCH DAMAGES.**

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

## **CELLULAR PHONE CONTACT POLICY**

By providing us with a telephone number for a cellular phone or other wireless device, you agree that we may from time to time make calls and/or send text messages to you at any telephone number(s) provided to us, now or in the future, including mobile telephone numbers that could result in data usage and charges to you. This is so that we can service and keep you informed about your account(s), collect any amounts you owe us, and/or provide fraud, security breach, or identity theft alerts. You also agree that you may be contacted by our service providers making such calls on our behalf. The manner in which these calls or text messages may be made to you include, but are not limited to, the use of prerecorded/artificial voice messages and automatic telephone dialing systems. You understand that you are not required to provide consent as a condition to receiving our products or services. You may change the telephone number provided or withdraw your consent at any time by mailing a letter to 1<sup>st</sup> United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588, emailing [email@1stunitedcu.org](mailto:email@1stunitedcu.org), by calling (800) 649-0193, or contacting us through other reasonable means.

## **EMAIL CONTACT POLICY**

By providing us with an email address, you agree that we may from time to time send emails to you at any email address(es) provided to us, now or in the future. This is so that we can service and keep you informed about your account(s), collect any amounts you owe us, and/or provide fraud, security breach, or identity theft alerts. You also agree that you may be contacted by our service providers sending such emails on our behalf. You understand that you are not required to provide consent as a condition to receiving our products or services and you may withdraw your consent at any time. You may change the telephone number provided or withdraw your consent at any time by mailing a letter to 1<sup>st</sup> United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588, emailing [email@1stunitedcu.org](mailto:email@1stunitedcu.org), by calling (800) 649-0193, or contacting us through other reasonable means.

## **TELEPHONE CONTACT POLICY – MARKETING COMMUNICATIONS**

If you have provided us your express written consent, you agree that we or our service provider(s) or third parties calling on our behalf, may contact you through calls and/or text messages to the telephone number(s) provided in your Member Application, Account Agreement, and Signature Card regarding offers for other products/services. Such telephonic contact may be made by, but is not limited to, an automated telephone dialing system or prerecorded/artificial voice messages. You acknowledge and accept any costs or charges that you may incur through your telephone service provider from such communications. You understand that you are not required to provide consent as a condition to obtaining products or services from us. You understand that you may revoke this consent at any time by notifying us in writing of your desire to revoke consent for marketing communications by mailing a letter to 1<sup>st</sup> United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588, emailing [email@1stunitedcu.org](mailto:email@1stunitedcu.org), by calling (800) 649-0193, or contacting us through other reasonable means.

## **ARBITRATION AND WAIVER OF CLASS ACTION**

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

- 1. Selection of Arbitrator.** The claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the rules and must have experience in the types of financial transactions at issue in the claims. In the event of a conflict between the rules and this arbitration agreement, this arbitration agreement shall supersede the conflicting rules only to the extent of the inconsistency. If AAA is unavailable to resolve the claims, and if you and we do not agree on a substitute forum, then you can select the forum for the resolution of the claims.
- 2. Effective Date.** This arbitration agreement is effective upon the later of: (a) 61<sup>st</sup> day after we provide it to you; or (b) the 61<sup>st</sup> day after we provided you an amended version of this arbitration agreement in accordance with the Amendment/Termination provision below

("effective date"), unless you opt-out in accordance with the requirements of the RIGHT TO OPT-OUT provision below.

3. **Claims Arising Prior to Effective Date. THIS ARBITRATION AGREEMENT APPLIES TO ALL CLAIMS THAT ARE FILED OR INITIATED AFTER THE EFFECTIVE DATE, EVEN IF THE CLAIM ARISES OUT OF, AFFECTS, OR RELATES TO CONDUCT THAT OCCURRED PRIOR TO THE EFFECTIVE DATE.** If a claim is filed or initiated prior to the effective date, this arbitration agreement will not apply to such claim.
  4. **Arbitration Proceedings.** The arbitration shall be conducted within 50 miles of your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted through arbitration. The arbitrator shall be entitled to award the same remedies that a court can award, including public injunctive relief under California Unfair Competition Law and Consumer Legal Remedies Act. Discovery shall be available for non-privileged information to the fullest extent permitted under the rules. The arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes, the arbitrator's award is not subject to review by the court and it cannot be appealed. The Credit Union shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA. However, you will be responsible for your own attorney's fees, unless you prevail on your claim in the arbitration, in which case, we will pay your attorney's fees. However, if the Credit Union prevails, then you will not be required to pay our attorneys' fees and cost.
- Any determination as to whether this arbitration agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a claim is subject to arbitration; provided, however, the enforceability of the class action waiver set forth below shall be determined by the Court.
5. **Class Action Waiver.** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.
  6. **Severability.** In the event that the class action waiver in this arbitration agreement is found to be unenforceable for any reason, the remainder of this arbitration agreement shall also be unenforceable. If any provision in this arbitration agreement, other than the class action waiver, is found to be unenforceable, the remaining provisions will remain fully enforceable.
  7. **Survival.** This arbitration agreement will survive termination of the Member Account Agreement and Disclosure.
  8. **Right to Opt-Out.** You have the right to opt-out of this arbitration agreement, provided you notify the Credit Union of your intent to do so within sixty (60) days after it is provided to you. Your opt-out is only effective if you notify the Credit Union in writing at 5901 Gibraltar Drive, Pleasanton, CA 94588 within such sixty (60) day time period. If you fail to opt-out within this sixty (60) day time, you will be deemed to have consented to the resolution of your claims through binding arbitration. In the event you opt-out, it shall not affect other terms and conditions of your Member Account Agreement and Disclosure or your relationship with the Credit Union.
  9. **Inapplicable to Certain Loans.** This arbitration agreement will not apply to any claims involving: (a) a consumer real estate loan; (b) a consumer loan we provide you, to the extent you and/or a co-borrower are "covered borrowers" under the Military Lending Act; or (c) any loan to you that we purchase from a third party, such as a vehicle purchase loan between you and an automobile dealer, that includes a different arbitration agreement between you and the Credit Union (as the purchaser of the loan).
  10. **Amendment/Termination.** We reserve the right to amend or terminate this arbitration agreement, subject to an additional right to opt out, provided that we notify you in writing at least sixty (60) days prior to such amendment or termination taking effect. Notwithstanding anything in the agreement to the contrary, any amendment or termination of this arbitration agreement shall not apply to claims that arise out of, affect, or relate to conduct that occurred prior to the effective date of such amendment or termination.
  11. **For more details** or if you have questions, you may call us or visit a branch. If you have questions about AAA procedures, you should check AAA's website, [www.adr.org](http://www.adr.org), or call AAA at (800) 778-7879.

## PRIVACY INFORMATION

1<sup>st</sup> United Credit Union does not generally release personal or financial information about members or authorized persons on member accounts or loans to third parties. We will disclose information when it is necessary for completing transactions as allowed by written permission of an authorized account holder, or to verify the existence and condition of your account for a third party, such as a credit bureau or in order to comply with properly issued court orders or subpoenas. For additional information, please refer to our Privacy Policy, the Federal Privacy Policy Opt Out, Consumer Privacy Opt Out, and the California Consumer Privacy Act, which can be found at [1stunitedcu.org](http://1stunitedcu.org).

## IN CASE OF ERRORS OR QUESTIONS

1<sup>st</sup> United's Member Contact Center is open Monday through Saturday, excluding holidays. In addition, some branch locations are open on Saturdays. For current operating hours, please visit our website at [1stunitedcu.org](http://1stunitedcu.org). If you think your statement or receipt is wrong or if you need more information about a transfer listed on your statement or receipt, contact the Credit Union as soon as possible at (800) 649-0193, or in writing at 1<sup>st</sup> United Credit Union, Attn: Member Contact Center, 5901 Gibraltar Drive, Pleasanton, CA 94588. Please include:

- Your name and account number.
- A description of the error or the transfer you are unsure about and explain as clearly as you can why you believe there is an error or why you need more information.
- The dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or questions in writing within 10 business days.

## UNAUTHORIZED SIGNATURE OR ALTERATIONS ON CHECKS

If you suspect that a check drawn on your account or credit line was altered (such as by changing the payee name or the dollar amount of the check) or forged, notify us in writing within 30 days of the mailing or electronic delivery date of the statement on which the item first appeared. If you do not tell us within 30 days, we will not be responsible for the forged or altered item. We operate in an automated check-processing

environment and it is not feasible for us to physically examine checks that clear. For this reason, we are, as allowed by law, altering the provisions of the Commercial Code regarding the amount of time you have to report forged or altered checks.

#### **UNAUTHORIZED ELECTRONIC FUNDS TRANSFERS**

Refer to ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE

#### **TERMS AND CONDITIONS APPLICABLE TO INDIVIDUAL AND JOINT ACCOUNTS**

An individual account is an account in the name of one person.

A joint account is an account that is owned by two or more named parties. Upon the death of any joint account owner, ownership passes to the survivor(s).

If you open a joint account at the Credit Union with someone else, or add someone else as joint signer on one of your accounts at the Credit Union, the joint accountholder or joint signer may be able to view and access any of your accounts at the Credit Union and related account statements, and not just the account(s) on which they are joint holders/signers.

If there is more than one owner, all agree with each other and with us that all sums now paid in or hereafter paid in by any one or all account owner(s), including all dividends thereon, if any, are and will be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and will be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). We are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions. Any such withdrawal or payment will be valid and will discharge us from any liability.

No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of funds.

Being a joint owner of a member's account does not constitute Credit Union membership for the joint owner. Joint owners may be non-members.

Except as set forth herein or in the applicable loan agreement(s), you may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any owner will be binding on all owners. You may not withdraw funds that are pledged as security on loan(s) without the written approval of a loan officer, except to the extent that such funds exceed your total primary and contingent liability to us. You may not withdraw any funds below the amount of your primary or contingent liability to us if you are delinquent as a borrower, or if borrowers for whom you are a co-borrower, cosigner, endorser, or guarantor are delinquent, without the written approval of a loan officer.

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

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

Individual and joint accounts are to be used for consumer purposes only. You agree not to use individual or jointly owned accounts for any commercial or business purposes. If it is determined that you are using your individual or jointly owned accounts for anything other than the permissible use, action up to and including the following may be taken:

1. Denial of all services other than the right to maintain a share account and the right to vote at annual and special meetings.
2. Limiting or denying you access to electronic banking services, which include, but are not limited to, ATM and debit card usage, online banking, and mobile banking.
3. Taking any other action consistent with the NCUA Rules and Regulations, Credit Union Bylaws, or other applicable laws or regulations, or deemed appropriate under the circumstances that is not precluded by law.

#### **TERMS AND CONDITIONS APPLICABLE TO PAY-ON-DEATH (P.O.D.) DESIGNATIONS**

If you have made a pay-on-death (P.O.D.) designation, all sums are payable on request to you during your lifetime and upon your death, first to us to the extent of any outstanding matured or unmatured debts owed to us by you, and second, to your designated P.O.D. payee(s). If the account is jointly owned, all sums are payable to one or more account owner(s) during their lives and on the death of all of them, first to us to the extent of any outstanding matured or unmatured debts owed to us by any of you, and second, to one or more payees then surviving in equal and undivided shares. If a P.O.D. payee dies before all of the account owner(s), then upon the death of all of the owner(s), all sums are divided equally among the surviving P.O.D. payees. A P.O.D. designation cannot be changed by a will.

## TERMS AND CONDITIONS APPLICABLE TO FIDUCIARY ACCOUNTS

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

If the account is blocked, you understand and agree that you will file with the court a written receipt including an agreement with us that the funds in the account, including any dividends, may not be withdrawn or pledged except upon court order.

You may not pledge any or all of the funds on deposit in the account as security for any loan(s).

## ABOUT OUR SHARE SAVINGS ACCOUNTS

1st United Credit Union's share accounts let you deposit your money in a savings account and withdraw your money at any time (with the exception of IRAs). Our share accounts are regular share savings accounts, money market accounts, high-yield savings accounts, share certificate accounts, and IRA share accounts.

## TERMS AND CONDITIONS APPLICABLE TO REGULAR SHARE SAVINGS ACCOUNTS AND MONEY MARKET ACCOUNTS

The minimum deposit required to open a regular share savings account is the purchase of a \$5 share. There is no minimum opening balance for money market accounts, however, a minimum balance applies to obtain the annual percentage yield (APY) stated on the Rate Sheet.

## TERMS AND CONDITIONS APPLICABLE TO SHARE CERTIFICATE ACCOUNTS

Share certificates are invested for a specific term. Term, dividend rate, and yield are set at the time you open the account, so that you know exactly what you'll earn with the safety of federal insurance protecting your principal. Minimum deposit amounts may apply and various terms are available. If your certificate has an add-on feature, add-ons are limited to \$10,000 through the duration of the certificate. Annual and catch-up IRA contributions are not subject to the \$10,000 limit, however, IRS contribution limits apply. Certificate accounts may have a bump feature, which allows you to request the rate of your certificate account be raised to the current rate for the same type and term of certificate.

Bump requests can be made anytime during the term of the certificate account. Contact us or visit [1stunitedcu.org](http://1stunitedcu.org) for details. Dividends accrue and compound monthly and, once posted, become part of the principal balance. Dividend-only withdrawals can be done without penalty at any time for certificates with an interest withdrawal feature. Any withdrawal of the principal balance is subject to early withdrawal penalties unless withdrawals are allowed as a feature of the certificate. For your convenience, 1<sup>st</sup> United can set up a monthly automatic dividend transfer to one of your 1<sup>st</sup> United accounts. Please contact us to set this up. Prior to maturity you will receive a renewal notice with the annual percentage yield, type, and term for the renewal certificate. At maturity, the share certificate will be rolled over to the type and term listed on the renewal notice unless you contact us with other instructions.

## Early Withdrawal Charges on Share Certificate Accounts

1. **Minimum Penalty.** The early withdrawal penalty for certificates up to a 13-month term will be equal to 90 days dividends on the amount withdrawn which will be deducted from any certificate account if a withdrawal is made prior to maturity. If the term is 13 months or longer, the dividend penalty will be equal to 180 days dividends on the amount withdrawn. The early withdrawal penalty applicable to your certificate will be noted on the certificate documents issued at the time of certificate opening.
2. **Waiver of Penalties.** Penalties may be waived if withdrawal is due to financial hardship. The penalties will be waived if the withdrawal is made: 1) after the death of the owner/trustee of the term account, 2) for any other ground which the law establishes as a valid condition for the waiver of a pre-payment penalty, such as the owner/trustee's total disability, 3) on the basis of any permissible early distribution of an IRA recognized by federal law, 4) as an incident of the liquidation of the Credit Union, or 5) after the failure of the Credit Union to pay the dividend within 10 days after the agreed date.

## TERMS AND CONDITIONS APPLICABLE TO INDIVIDUAL RETIREMENT ACCOUNT (IRA) SHARE ACCOUNTS

An IRA is subject to the applicable terms and conditions set forth in this agreement as well as the terms and conditions set forth in the Ascensus application and related disclosures which by this reference are incorporated into this agreement in its entirety. When you open your IRA share account, the Ascensus and related disclosures will be provided to you in accordance with applicable law.

Minimum balance requirements for IRA accounts are subject to change. Please refer to our website for further information. You may not pledge any of the funds on deposit in the account as security for any loan(s).

Certain federal and state penalties may apply to amounts withdrawn from IRAs. These are set forth in applicable federal and state laws and regulations, which are incorporated by this reference.

Funds in an IRA will escheat to the state if you have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:

- a. Increased or decreased principal;
- b. Accepted payment of principal or income (dividends);

- c. Corresponded electronically or in writing with us concerning the funds or otherwise indicated an interest therein.

#### **TERMS AND CONDITIONS APPLICABLE TO SHARE DRAFT CHECKING ACCOUNTS**

1st United Credit Union offers checking accounts which let you withdraw your money and write checks against your account at any time.

1. Minimum balance requirements are subject to change and are posted on our Schedule of Fees. Please refer to our website for further information on applicable rates and yields.
2. We may, at our discretion, but are not obligated to, nor will we be liable for, refusal to pay funds from this account:
  - a. Unless such items are completed, signed, and endorsed checks, on blanks printed by us or our agent(s) and provided for your use.
  - b. Against checks presented over six (6) months past their issue dates.
  - c. Against uncollected non-cash items, when such payment would exceed any and all available balances and/or overdraft sources.
3. We may pay and charge to your applicable account checks or other debit items ("items") drawn by and payable to any person, organization, association, or corporation whom you have authorized by providing sample MICR-encoded information identifying your account, provided there are sufficient available funds in your account to pay such items. You agree that our rights in respect to such items will be the same as if it were an item drawn and signed by you personally. This authority will remain in effect until revoked by you in writing (to us and to the agency to which the sample MICR writing was provided) and we have had a reasonable opportunity to act on it. You agree that we will be fully protected in honoring such items. You further agree that if any such item is dishonored, whether with or without cause, and whether intentional or inadvertent, we will have no liability whatsoever, even though such dishonor results in the forfeiture of insurance, or other loss or damage to you of any kind.
4. If we have made good faith payment to a holder, we may charge your account according to:
  - a. The original terms of your check; or
  - b. The terms of your completed check unless we have notice that any such completion is improper.
5. You, or any other person authorized to draw on the account, may request a stop payment of any check payable against your account, provided your request is timely and affords us a reasonable opportunity to act upon it under our rules. You may also stop payment on a line of credit check. Your stop payment request must include the account number, check number, exact amount, check date, and name of payee. This information must be exact because stop payment orders are processed using automated means. We will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. A stop payment fee will be assessed for each stop payment as set forth in our Schedule of Fees. If you give a stop payment request orally, the request will be valid for only fourteen (14) days thereafter unless confirmed in writing. Written requests will be valid no longer than six (6) months, but may be renewed for additional six (6) month periods by written notice given during the time that the stop payment order was effective. We are not obligated to notify you when a stop payment order expires. You have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. You may not stop payment on completed electronic point-of-sale transactions, and, except under certain limited circumstances, official checks. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons.

You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop payment order. You agree to indemnify, defend, and hold us harmless for all claims, actions, and damages related to or arising from our action in stopping payment of any check pursuant to your request.
6. Your death, dissolution or incompetence will not revoke our authority to accept, pay, or collect a check or to account for proceeds of its collection until we know of the fact of death or adjudication of incompetence and have a reasonable opportunity to act on it. Even with knowledge, we may for ten (10) days after the date of death, dissolution, or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by us. We must be notified if any of you die, become incapacitated, or your organization is dissolved.
7. If we have paid a check under circumstances giving a basis for objection by you, we will be subrogated to the rights of:
  - a. Any holder in due course on the check against the drawer or maker;
  - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
  - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
8. In the event of wrongful dishonor which occurs by mistake, our liability will be limited to actual damages you prove. In the event of a dishonor of any check or other debit on your account, our determination of whether sufficient available funds exist in your account may be made at any time between the time the item is received and the time it is returned.
9. You agree to not deposit checks payable to a third party without receiving explicit authorization from 1<sup>st</sup> United Credit Union.
10. You agree that in the event you draw a check on your account with us, that you will hold us harmless and indemnify us from any liability you incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by you or a prior endorser that obscure any depository endorsement placed by us or our agent.
11. The law permits us to pay items that debit (or reduce) the balance of your account, such as checks or drafts, debit card or ACH transactions, and ATM withdrawals, in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the debit items that reduce the balance in your account. We receive deposits and debit transactions in many different forms throughout each business day. We reserve the right to determine the timing and order in which such transactions are posted to your account, at our sole and absolute discretion, to the extent permitted by law. We also reserve the right to accept, pay, or authorize some items, while declining or returning other items, as we consider appropriate, to the extent

permitted by law. Some items are received by us individually and others are received in batches throughout each business day. Debit card transactions, both one-time and recurring, and ATM and teller transactions are received individually and are posted as presented. Checks drawn on your account presented by other financial institutions, "on us" checks, and ACH transactions are received in batches. All checks are received in a separate batch from ACH transaction batches received on a given day, and each such batch is posted as it is received throughout the day. With regard to batch transactions received in a given day, deposits and credits are processed and posted before withdrawals or debits, subject to our Funds Availability Policy limitations. Check transaction withdrawals that are received in the same batch are posted in ascending dollar amounts, from lowest dollar amount to highest dollar amount. ACH debits that are received in the same batch are posted in the order received from the batch file. The Credit Union exerts no control over the posting order on any ACH credits or debits.

The timing and order used to post items to your account will depend upon a number of factors. We reserve the right to (i) establish different categories of items, (ii) establish a posting order for each category of item(s), (iii) establish different posting orders for items within each category, and (iv) change the timing of when items are posted during the day and whether they are posted individually or in batches.

We encourage you to make careful records and practice good account management. This will help you to avoid writing checks or drafts or initiating or authorizing transactions without sufficient available funds and incurring the resulting fees.

12. You understand that in the event there are insufficient available funds in your checking account to pay checks or other items, such as ACH, ATM or debit card transactions, these items may be paid by overdraft protection from a linked savings account, a personal line of credit (PLOC) account, a 1<sup>st</sup> United Visa credit card or our courtesy pay service. Refer to the section on Overdraft Protection Transfer Plans for additional information on this service.
13. We may recognize the signature of anyone who signed or electronically accepted the Membership Application, Account Agreement, and Signature Card as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts and endorsement of checks payable to any owner of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by any of you whether or not any of you participate in the transaction or benefit from its proceeds.
14. You may not pledge any or all of the funds on deposit in this account as security for any loan(s).
15. If the Membership Application, Account Agreement, and Signature Card is signed by more than one person, all of you further agree as between yourself and us:
  - a. All amounts now and hereafter in the account, regardless of source, are owned by you jointly and equally regardless of your net contributions, with right of survivorship, and subject to withdrawal(s) and/or receipt of or by any of you, and payment to any of you or any of your survivors will be valid and discharge us from any liability for such payment.
  - b. You hereby appoint each other as agents and attorneys-in-fact to overdraft from any of your deposit or loan accounts (including accounts on which you are a joint owner, except IRAs).
16. If this is an organization account (for example, corporate, partnership or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account.
17. You will notify us immediately at (800) 649-0193 if your checks are lost or stolen. You agree that you will be responsible for losses caused by a delay in your notification to us.
18. You acknowledge that we do not sell checks. As a convenience to you, we will submit your initial check order and any reorders for personalized checks ordered through us to the printer named on the face of the order. If the printer accepts the initial order and any reorders, the printer will mail the checks either directly to you or to you in care of us. You authorize us to charge your checking account for the cost of checks ordered through us, plus applicable sales tax and shipping costs. You are responsible for verifying the accuracy of all information shown on your checks, whether you order them through us or elsewhere. You agree to imprint only those names of authorized owners on your checks.
19. Paid checks remain the property of the Credit Union upon payment and are not returned to the account owner(s) with periodic statements. Checks are imaged on both sides and stored for seven (7) years from date of posting. You may request and we will provide you with a copy of a requested item within a reasonable time. Imaged checks are also available on our online banking system.

If you have not ordered your 1st United Credit Union checks through our approved check vendors, you understand and agree that we are not responsible for the quality of any check copy that you request from us. If at any time you should use checks printed by a check vendor that was not approved by us, we reserve the right to reject any check of poor quality.

20. A postdated check is one which bears a date later than the date on which the check is written. We may refuse to accept postdated checks. However, in the event that we accept such checks, we may charge against your account a postdated check even though payment is made before the date of the check.
21. All checks written on your account must be drawn in U.S. dollars.
22. If a transaction involves a remotely-created check, we reserve the right to accept or reject the item for deposit into any of your accounts. If you deposit a remotely-created check into any of your accounts, you represent and warrant to us that you have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely created check is drawn, in the amount stated on the check, and to the payee stated on the check. If a remotely-created check which you have deposited into your account is returned by the drawee-payor bank for any reason, you agree that we may debit your account for the amount of the item, plus any applicable fees. If the debit causes your account to be overdrawn, you agree to pay the overdrawn amount on our demand. For purposes of this

agreement, the term “remotely created check” means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

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

24. Checking accounts with no activity for six (6) months or more will be considered inactive and may be closed by the Credit Union.

#### **TERMS AND CONDITIONS APPLICABLE TO TRUST ACCOUNTS**

If you are a trustor/trustee and want to establish an account in connection with a written trust instrument, we may require you to provide us with a notarized trust certification confirming your power as a trustee prior to opening the account.

We are not required to know, understand, interpret, or enforce the terms of your written trust instrument.

You acknowledge that the account is governed by the applicable terms and conditions set forth in this agreement and by the terms and conditions set forth in the Fiduciary Account Agreement that you will be asked to sign when the account is opened.

#### **Wire Transfers Agreement**

1<sup>st</sup> United Credit Union wire transfers are subject to applicable law and regulation, including but not limited to Federal Reserve Regulation J, Article 4A of the Uniform Commercial Code and Federal Regulation CC, Expedited Funds Availability Act.

The Credit Union follows established security procedures to verify the authenticity of any wire transfer and the member or requestor. You will be notified of the security procedure, if any, to be used to verify funds transfers authorized by you. You understand and agree that the Credit Union may amend the security procedure(s). Our security procedure for verifying the authenticity of a payment order will include one or more of the following: photo identification, password verification, call back procedure, the use of algorithms or other codes, identifying words or numbers, or encryption. You agree that the authenticity of payment orders may be verified using the security procedure(s) unless you notify the Credit Union in writing that you do not agree to the security procedure(s). In that event, we shall have no obligation to accept any payment order from you or the Authorized Agents on the account until you and we agree, in writing, on an alternative security procedure. If we do not follow the security procedure(s) but can prove the transfer request was originated by you, you will still be liable for the transfer amount plus transfer fees. Your wire transfers may be delayed if you give us erroneous information or if you have not kept your contact information current in our records. They may be further delayed if we are unable to perform our security procedures due to no fault of ours.

Wire transfers sent and received will be reflected on your periodic account statements. You agree to report an unauthorized wire transfer that appears on a periodic statement within 60 days after we send you the statement on which it appears or we will not be responsible for any resulting loss. We will not be liable for damages to you or to any third party as long as we accurately carry out in a reasonable manner the wire transfer instructions we receive from you when you send a wire transfer or from the sending institution when we receive a wire transfer on your behalf. Wire transfers can be lost or delayed due to circumstances beyond our control. You assume such risk and agree that we will have no liability to you or any third party as a result of errors, interruptions, or delays in wire transfer transmission except to the extent they arise from our gross negligence or intentional misconduct. We will not be liable to you for errors by other institutions involved in the processing of wire requests. Wire transfer instruction errors may delay the sending or receipt of your wires. We can refuse to carry out wire transfer instructions if we have reason to believe that following the instructions could cause us a loss.

#### **Incoming Wire Transfers**

Incoming wire transfers will be carried out as directed by the sending financial institution. We have no obligation to correct erroneous spelling or account numbers. We will follow account numbers and names in posting incoming wire transfers. If we have actual knowledge that the name and account number do not match, we may at our option post the wire transfer according to the account number or return the wire to the sending institution. We will not be responsible for any direct, indirect, or consequential claims, damages, losses, or liability that you allege occurred due to a failure to post a wire transfer to your account. If we receive an erroneous wire transfer to your account, the sending party can reverse the transaction and the amount of the wire transfer will be deducted from your account.

#### **Outgoing Wire Transfers**

We can process wire transfers from your accounts and will carry out your written instructions. Wire transfer requests can be made in person at one of our branches or by phone during our normal business hours. The wire transfer request cutoff time is 1:00 p.m. Collected funds must be available in the account you designate as the source of the wire to cover the transfer amount plus any applicable fees. We can rely on any information furnished on the wire transfer form with respect to the recipient, the receiving financial institution, and any correspondent bank. We have no obligation to correct erroneous spellings of names or erroneous account numbers in sending wire transfers. You understand and agree that if you provide a bank name and identifying number that do not match or a recipient name and account number that do not match, we and any other entity involved in processing your wire transfer are entitled to rely on the number only and will have no obligation to you or any third party to confirm that the name and number match.

You agree to defend, indemnify, and hold us harmless from any costs we incur as a result of carrying out instructions on your wire transfer form, including unanticipated costs we incur. Once a wire transfer has been sent, it generally cannot be changed, canceled, or retrieved.

#### **COURTESY PAY AGREEMENT AND DISCLOSURE**

## Overdraft Policy

In accordance with our commitment to provide valued service and benefits, we may, at our discretion, pay your overdraft transactions that would cause your eligible checking account to have a negative balance based on the account's "available balance." Overdraft transactions will not generally be paid in amounts that exceed your courtesy pay limit. We determine your courtesy pay limit at our sole and absolute discretion and reserve the right to adjust the limit. We refer to this service as our courtesy pay service (hereinafter referred to as the "service"). This Courtesy Pay Agreement and Disclosure

("agreement") sets forth the terms and conditions applicable to the service. The service is available for checking accounts for which the primary checking account owner is 18 years of age. We reserve the right to limit the service to one (1) account per household or member.

## What Is an Overdraft?

Some transactions can result in an overdraft (i.e., negative balance) in your checking account when your available balance is insufficient to cover a transaction, but we pay it anyway under our service, resulting in a negative available balance (an "overdraft"). These transactions that can result in overdrafts include, but are not limited to: (1) the payment of checks, electronic transfers, telephone-initiated transfers, preauthorized payments under our bill pay service, or other withdrawal requests authorized by you including, but not limited to, ATM transactions, Visa debit card transactions, point-of-sale transactions, ACH transactions, and other preauthorized transfers, for which available funds are insufficient; (2) the return (unpaid) of items deposited by you; (3) the imposition of service charges by us; or (4) the deposit of items which are treated as not yet "available" according to our Funds Availability Policy or other holds on your account's current balance.

## Overdrafts Based on Your Available Balance

The available balance (also referred to as the account's "available funds" in this Member Account Agreement and Disclosure) in your account plays an important role in the operation of the account and our courtesy pay service. Your available balance is the balance in your account that we use to determine if you have sufficient funds to cover a transaction. If you do not have a sufficient available balance to cover a transaction, our decision to pay the transaction can result in an overdraft (negative balance) and associated fees. Of course, a fee could also be imposed if an item is returned unpaid due to an insufficient available balance.

Your available balance is the most current record we have about the funds that are available for withdrawal from your account. Your available balance may be disclosed to you through our online banking or mobile banking services, or at a Credit Union proprietary ATM. When your available balance is disclosed to you through online banking, mobile banking, or at a Credit Union proprietary ATM, we will use the term "available balance." Differing amounts shown as "current balance" are not used by us to determine whether you have sufficient funds to cover a transaction because the "current balance" does not reflect holds, pending transactions, or other amounts that reflected in your account "available balance." It is important that you understand the difference between the current balance and the available balance.

Your "available balance" is the balance in your account after deducting: (1) deposits that are not yet available for withdrawal under our Funds Availability Policy; (2) debit card or other transactions we are legally obligated to pay or have already paid out in cash; (3) other pending transactions (such as ACH transactions or pending debit card purchases and related authorization holds on funds in your account that we have authorized but that have not yet posted to your account); and (4) any holds on your account, such as holds on funds to comply with court orders or other legal requirements.

Your account is considered overdrawn when we pay a transaction if the available balance in your account is insufficient to pay the transaction, resulting in a negative balance (less than \$0) or a further negative balance if the account already had a negative balance. **It is very important for you to understand 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 initiate.** Your available balance does not reflect all of your outstanding checks, automatic bill pays that you have authorized, or other outstanding transactions or amounts that have not been paid from your account. For example, outstanding checks you have written will not be reflected in your available balance until they are presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions, particularly as a result of merchant authorization holds. For transactions involving merchant authorization holds, we look at the available balance at the time the authorization hold is applied to determine whether the transaction results in an overdraft and potential related fees; if your available balance remains insufficient when the transaction actually posts, you might be charged a courtesy pay fee. However, if your available balance is sufficient at the time a merchant authorization hold is applied, meaning that application of the authorization hold does not result in an overdraft, we will not charge you a courtesy pay fee, even if the available balance is insufficient to pay the transaction at the time it posts. Please see the section entitled "Authorization Holds for Debit Card Transactions" in the Electronic Services Agreement and Disclosure.

The following example illustrates how this works:

Assume your actual and available balance are both \$50, and you use your debit card at a restaurant for \$20. If the restaurant requests preauthorization in the amount of \$20, an authorization hold is placed on \$20 in your account, so your available balance is only \$30. Your actual balance would remain \$50. Before the restaurant charge is sent to us for payment, a check that you wrote for \$40 clears. Because your available balance is only \$30 (due to the authorization hold of \$20), your account will be overdrawn by \$10, even though your actual balance is \$50. In this case, we may pay the \$40 check, but you will be charged a courtesy pay fee as disclosed in our Schedule of Fees. That fee will be deducted from your account, and the \$20.00 restaurant charge will not be charged a fee as the available balance was sufficient for that transaction at the time of the authorization.

For example, if you initiate a transaction with a merchant, and the merchant obtains our prior authorization for the transaction but does not submit a one-time debit card transaction to us for payment within five (5) business days of our authorization (or for 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, although even if we release the hold, if we subsequently receive the transaction from the merchant,

we are generally required to and will pay the transaction from your account. You must refer to the section entitled "Authorization Holds for Debit Card Transactions" in the Electronic Services Agreement and Disclosure below for information about authorization holds that affect your available balance.

Also, your available balance may not reflect the most recent deposits to your account. You must refer to the Funds Availability Policy for information regarding the availability for withdrawal of your deposits.

A transaction can still result in an overdraft or NSF transaction even if it posts on the same day as a deposit to your account that is sufficient in amount to cover the transaction, if the deposit posts after the transaction has already posted and resulted in a courtesy pay fee or NSF fee or if the deposited funds are subject to a hold (please see our funds availability disclosure for information regarding holds on deposits). You acknowledge that it is your responsibility to deposit funds that are available to cover all of your transactions within sufficient time to pay such transactions.

We urge you to record and closely track all of your transactions to confirm that your available balance accurately reflects your spending of funds from the account linked to your debit card, and if the available balance reflects more funds in your account than the amounts of transactions you have authorized or initiated, you must ensure that you have enough funds in your account to pay all such transactions.

#### **How Transactions are Posted to Your Account**

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

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

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

The order in which items are posted to your account will depend on a number of factors. For example, in connection with our item posting order for each category of item(s), (i) establishing different posting orders for items within each category, and (ii) change the timing of when items are posted during the day and whether they are posted individually or in batches. Except to the extent limited by applicable law, we have the right to change any of the factors described in (i) and (ii) listed above at any time without notice to you. There are several types of debit transactions. Each type of debit transaction is described generally below. Keep in mind that debits are most often presented for payment by merchants, and the Credit Union is not in control of when transactions are received.

- a. **Checks.** When you write a check, it is processed through the Federal Reserve System. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from lowest dollar amount to highest dollar amount.
- b. **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill pays you have signed up for. Each day, ACH transactions for your account are grouped together and paid in in the order presented to us in the data file. Credits are posted first, and then debits.
- c. **Point of Sale (POS) Debit Card Transactions.** These are transactions where you use your debit card and you enter your PIN at the time of the sale (or in some cases, the merchant may not require you to enter your PIN at all). They are similar to ATM withdrawals because money is usually deducted from your account immediately at the time of the transaction. However, some POS transactions are not presented for payment immediately; it depends on the merchant.
- d. **Signature Debit Card Transactions.** These are transactions where you make a purchase with your debit card and you do not enter your PIN, but you are instead asked to sign for the purchase (or in some cases, the merchant may not require you to sign for the purchase at all). As described above, in these situations, the merchant may seek prior authorization for the transaction. When that happens, we generally place a temporary hold against the available funds in your account. Please refer to the sections of this agreement entitled "Authorization Holds for Debit Card Transactions" for additional information regarding such holds. 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.
- e. **Online Banking Bill Pays.** You may use our bill pay service through online banking. This service allows you to set up future automatic withdrawals to make payments for your various bills. These future payments are not reflected in your actual balance or available balance. At the time of scheduling your payment, our online banking system will estimate when your bill pays will be paid and your account will be debited prior to or at the time scheduled.

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

#### **What Overdraft Transactions Are Covered?**

The standard courtesy pay service is available for the payment of checks, electronic transfers, telephone-initiated transfers, preauthorized payments under our bill pay service, recurring Visa debit card transactions, other preauthorized transfers, point-of-sale transactions, ACH transactions (including outgoing payments to other financial institutions), the return of (unpaid) items deposited by you, or the deposit of items

which are treated as not yet “available” according to our Funds Availability Policy. The service is not available for ATM transactions and one-time Visa debit card transactions, unless you opt-in, as described in the “Optional Overdraft Transactions” 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.

- ATM transactions
- One-time Visa debit card transactions

If you change the checking product type, for example from a free checking account to an interest-bearing account, and previously opted into courtesy pay, the opt-in will cover the new checking product type providing the account number does not change.

Choosing not to opt in may result in these transactions being declined. If you want the Credit Union to authorize and pay overdrafts for the above transactions, you must provide us with your consent by: (1) calling (800) 649-0193; (2) visiting any branch and speaking with a member service representative; (3) mailing an opt-in consent form to 5901 Gibraltar Drive, Pleasanton, CA 94588; or (4) visiting us online at 1stunitedcu.org and logging into your online banking account. For each method, follow the instructions provided to confirm your consent. Consent may not be effective until the following business day.

We generally only charge courtesy pay fees for ATM and one-time debit card transactions if you “opt-in” to payment of overdrafts resulting from such transactions. Check, ACH, and recurring debit card transactions do not require an opt-in, although we reserve the right to not pay any overdraft transaction at our sole discretion. Unfortunately, sometimes merchants that you transact with may designate a one-time debit card transaction as a “recurring” debit card transaction and such transaction may result in an overdraft and related overdraft fee even if you have not opted in to payment of one-time debit card transactions; for example, a rideshare service may designate all transactions through your use of that service as “recurring” even though each individual ride you paid for is an individual one-time transaction, which is likely in differing amounts from other transactions through the rideshare service. You acknowledge and agree that we are entitled to rely on a merchant designating a transaction as “recurring” even if each individual transaction is considered a one-time debit card transaction, as our system will rely on the merchant designation in such instances, and that we have no liability for the merchant incorrectly coding the transaction as a recurring debit card transaction.

### **Eligibility for 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 checking account (unless you opt-out of the service – see below). Eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. We may suspend or permanently revoke the service from your checking account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You are not making regular deposits into your checking account;
- You do not bring your checking account to a positive balance for at least one full business day within a thirty (30) day period;
- Your membership is not in good standing;
- You are more than thirty (30) 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 checking account is classified as inactive;
- You use the service to pay items written to check cashing agencies;
- You have had more than three (3) checks returned for non-sufficient funds in a calendar year;
- You have an unresolved prior loss with us;
- We do not have a valid address for you; or
- We believe you are not managing your checking account in a responsible manner which may harm you or us.

### **The Courtesy Pay Service is a Benefit**

**ANY COURTESY PAY PAYMENT WILL BE MADE BY US ON A CASE-BY-CASE BASIS, IN OUR SOLE AND ABSOLUTE DISCRETION. THE COURTESY PAY SERVICE DOES NOT CONSTITUTE AN ACTUAL OR IMPLIED AGREEMENT BETWEEN YOU AND THE CREDIT UNION, NOR DOES IT CONSTITUTE AN ACTUAL OR IMPLIED OBLIGATION OF THE CREDIT UNION. THE 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.**

### **How the Courtesy Pay Service is Administered**

If the service is available to you, we will generally pay your overdraft items up to your personal overdraft limit, including fees. You will be notified by mail or, if you have agreed to receive notices from us in an electronic format, you will be notified electronically of any nonsufficient funds checks, items, or other transactions that have been paid or returned; however, you understand that we have no obligation to notify you before we

pay or return any check, item, or other transaction. We may refuse to pay any overdrafts without first notifying you even though your checking account is in good standing and even if we have paid previous overdrafts.

#### **When is the Overdraft Payment Due?**

The total of the overdraft (negative) balance in your checking account, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit with us sufficient funds to cover the overdraft paid by us and pay the related fees. Generally, repayment of negative checking balance due to payment of overdrafts is expected within 30 days of the original overdraft.

#### **Courtesy Pay Fees**

A courtesy pay fee will be charged to your checking account, in accordance with our current Schedule of Fees, for each overdraft that is authorized and paid on your checking account through the service. This means that more than one courtesy pay fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through the service. You understand that your courtesy pay limit will be reduced by the amount of each overdraft paid by us through the service and the amount of the related courtesy pay fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your courtesy pay limit by the amount of the repayment. If we choose not to pay the 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 Schedule of Fees. The Credit Union, as a courtesy to our members, does not charge a fee for any transactions which overdraw the account by \$5.00 or less. In addition, the Credit Union has also limited the number of overdraft fees to no more than four (4) per day per account. Members who have multiple memberships and/or accounts may receive more than four (4) overdraft fees in total, if they are charged to separate memberships and/or accounts. Your periodic statement will itemize courtesy pay fees and NSF fees for each cycle, as well as the year-to-date total of fees.

#### **NSF Transactions**

We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we do not authorize and 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 transfers and payments through your Credit Union online banking or bill pay 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 NSF 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 not charge an additional NSF fee for each such resubmitted item 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 checking account from any of your other account(s) with us (excluding IRAs), 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.

#### **Right of Off-Set**

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 (for example, 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) and other government payments 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 checking account 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 will 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 Courtesy Pay Service**

If you prefer not to have the service, call (800) 649-0193 or write to us at 5901 Gibraltar Drive, Pleasanton, CA 94588 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 checking account. If you opt out in writing, you must include the date and your signature. If you opt out of the service, you will still be charged our NSF fee for each item returned.

### **OVERDRAFT PROTECTION TRANSFER PLANS**

You understand that in the event there are insufficient available funds in your checking account to pay checks or other items, such as ACH, ATM, or debit card transactions, if you authorize one or more of the overdraft protection plans we offer, these items may be paid by overdraft protection from a linked savings account, a personal line of credit (PLOC) account, 1<sup>st</sup> United Credit Union Visa card, or our courtesy pay service. The order in which any such items would be paid is as follows:

1. Overdraft protection transfer from your regular share savings account. This overdraft protection is automatically set up once you open a checking account. If additional funds are needed, other authorized sources will be used, as shown below.
2. Overdraft protection transfer from your PLOC, if you have established such a line of credit and have sufficient credit available and the account is not delinquent; if not,
3. Overdraft protection transfer from your 1<sup>st</sup> United Visa credit card if you have this card with sufficient credit available and the account is not delinquent; if not;
4. The courtesy pay service, at our discretion, if you meet the eligibility criteria and have not otherwise opted out of the service; if not,
5. The item will be returned or the transaction will be denied.

Customization of the order of the overdraft sources is available including using other share accounts. If you do not want to participate in an overdraft protection plan, please contact us for details.

Overdrafts paid by a transfer from your regular share savings account are subject to a per-item overdraft transfer fee as set forth in the Schedule of Fees and will be transferred in increments of whatever amount is required to pay the item in addition to any overdraft transfer fees. Overdrafts paid by a transfer from your PLOC or 1<sup>st</sup> United Visa credit card will be made in the amount of the overdraft up to the available credit limit, and will be subject to such finance charges and fees that are disclosed in your PLOC or Visa disclosure. You agree that overdrafts, if paid by any overdraft service, are payable on demand. Any items returned unpaid because of insufficient available funds or paid without sufficient available funds in your checking account and overdraft source(s) will be subject to NSF return item fees.

### **FUNDS AVAILABILITY POLICY**

All credits for deposit are provisional until we receive final payment from the institution that the check(s) is/are drawn on. Our policy is to make funds from your cash and check deposits available to you on the first (1<sup>st</sup>) business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate may not be available until the fifth (5<sup>th</sup>) business day after the day of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines. Funds from any deposits (cash or checks) made at our ATMs may not be available until the second (2<sup>nd</sup>) business day after the day of your deposit. Once deposited funds are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

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 5 p.m. 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 5 p.m., or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### **Longer Delays May Apply**

In some cases, we will not make all of the funds that you deposit by check available to you on the first (1<sup>st</sup>) business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the seventh (7<sup>th</sup>) business day after the day of your deposit. However, the first \$275.00 of your deposits will be available on the first (1<sup>st</sup>) business day after the day of deposit.

If we are not going to make all of the funds from your deposit available on the first (1<sup>st</sup>) business day after the day of deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees or if we decide to take this action after you have left the premises, we will mail you the notice or electronically deliver the notice, if you have agreed to receive notices from us in an electronic format, by the business day after we receive your deposit.

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

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

1. We believe a check you deposit will not be paid.
2. You deposit checks totaling more than \$6,725.00 on any one day.
3. You redeposit a check that has been returned unpaid.
4. You have overdrawn your account repeatedly in the last six (6) months.
5. 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 seventh (7<sup>th</sup>) business day after the day of your deposit, unless we receive information that the item will not be paid or is drawn on fraudulent funds.

#### **Special Rules for New Accounts**

If you are a new member, the following special rules will apply during the first thirty (30) days your account is open. 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 \$6,725.00 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 (1<sup>st</sup>) business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$6,725.00 will be available on the ninth (9<sup>th</sup>) 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 \$6,725.00 will not be available until the second (2<sup>nd</sup>) business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth (9<sup>th</sup>) business day after the day of your deposit.

#### **Special Notice Regarding Endorsement Standards**

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

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

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

#### **ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE**

Regulation E implements the Electronic Fund Transfer Act (EFTA), which establishes a basic framework of the rights, liabilities, and responsibilities of participants in the electronic fund and remittance transfer systems. This Electronic Services Agreement and Disclosure ("agreement") sets forth the terms and conditions governing the use of 1st United Credit Union's electronic services. Your acceptance, retention, or use of an ATM card, Visa debit card, personal identification number (PIN), or other electronic funds transaction hereunder constitutes an agreement between us and you as described below.

This agreement is given by us in compliance with the Electronic Fund Transfer Act (15 U.S.C. Section 1693 et seq.) and Regulation E (12 CFR 1005 et seq.) to inform you of certain terms and conditions for use of the electronic services described in this agreement.

At the present time, we offer several types of electronic services:

- Preauthorized deposits of net paycheck;
- Payroll deductions;
- Direct deposits;
- Preauthorized withdrawals for bill pays, other recurring payments (bill pay service) and any person-to-person ("P2P") payments;
- Automated teller machine (ATM) electronic fund transfer services at Credit Union owned ("proprietary") ATMs and on "shared network" ATMs such as the CO-OP Network, and such other systems as may be added from time to time; Visa credit card cash advances at ATMs on the Visa network;
- Online banking;
- Visa debit card (including PIN and signature-based transactions);
- Electronic check transactions;
- Transactions at a point-of-sale (POS) terminal whether or not an access device is used; and Mobile banking, including mobile deposits.

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

You understand and agree that the agreements, terms, conditions, rules, and regulations applicable to your savings account(s), checking account(s), Visa debit card, Visa credit card, personal line of credit, and any other applicable accounts, remain in full force and effect and continue to be applicable, except as specifically modified by this agreement.

All applications for electronic services are subject to our approval.

#### **General Disclosures Applicable to all Electronic Services**

##### **Business Day Disclosure**

Our business days are Monday through Friday, except federal holidays. Our branch business hours are 9 a.m. to 5 p.m. PST Monday through Friday. Our proprietary ATMs are generally available 24 hours a day, 7 days a week, unless they are located in a facility with restricted access hours. There

may be minor interruptions for system maintenance or technical difficulties. Online banking and the bill pay service are generally available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties, including those of the Internet service provider and Internet software.

### **Disclosure of Account Information to Third Parties**

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

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

### **Periodic Statements**

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

### **Your Responsibility for Transactions You Initiate**

You understand and agree that you are responsible for all transfers you authorize. Transactions that you or someone acting with you initiate with fraudulent intent are also authorized transactions. You understand and agree that you will be responsible for all transactions that you make and/or initiate, including fraudulent transactions where you initiate the transaction but are the victim of fraud or transactions you initiate in error.

### **Electronic Funds Transfer Claims**

In case of errors, if you have questions, if you think your periodic statement or receipt is wrong, or if you need more information about a transaction listed on your periodic statement or receipt about your electronic services transactions, call (800) 649-0193 or write to us at 1<sup>st</sup> United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588, as soon as you can. We must hear from you no later than sixty (60) days after we send you the FIRST periodic statement on which the problem or error appeared. You must:

1. Tell us your name and account number;
2. 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
3. Tell us the dollar amount of the suspected error.

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

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

For errors involving new accounts, point-of-sale, or 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. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. If we provisionally credited your account, we will reverse the provisional credit and notify you of the date we reversed the credit and the amount of the debit. You may ask for copies of the documents that we used in our investigation.

In accordance with Visa Operating Rules and Regulations, you will receive provisional credit for Visa debit card losses for unauthorized use within five (5) business days after you have notified us of the loss. However, please refer to the "Additional Disclosures Applicable to PINless Visa Debit Card Transactions" section for further details regarding Visa debit card transactions initiated through a non-Visa debit network.

If you are using a debit card for transactions that take place on the Visa network system, Visa Regulations provide for zero liability for unauthorized transactions under certain conditions. This does not apply to transactions that are not processed through the Visa network. These exceptions do not apply to transactions originating from your negligence and/or fraudulent use of your debit card.

If you have provided a cell phone number, we may text you to verify activity that appears potentially fraudulent. You may opt out of fraud text alerts by text when you receive a fraud text alert or by calling (800) 649-0193 or sending a message within online or mobile banking.

### **Our Liability for Failure to Make or Complete Electronic Fund Transfers**

If we do not properly complete an electronic funds transaction to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses and damages. However, there are some exceptions. We will not be liable, for instance, if:

1. Circumstances beyond our control (such as fire, flood, earthquake, electrical failure, malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions;
2. Through no fault of ours, you do not have enough money in your account (or sufficient collected funds) to complete the transaction(s);
3. The funds in your account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment or your account has been closed;
4. We received incorrect or incomplete information from you or from third parties (for example, the U.S. Treasury, an automated clearing house, or a terminal owner);
5. The ATM, POS terminal, online banking, or other electronic services system contemplated hereunder were not working properly and you knew about this breakdown when you started the transaction;
6. The ATM where you were making the transaction did not have enough cash or cash in the denominations you requested; 7. Your ATM card, Visa debit card, Visa credit card, Visa debit card PIN, Visa credit card PIN, PIN, or online banking password you provide is incorrect or incomplete, has been reported lost or stolen, has expired, is damaged so that the mechanical device cannot read the encoding strip, is inactive due to non-use, is retained by us due to your misuse or suspected fraudulent activities, is retained by us at your request, or your ATM PIN, Visa debit card PIN, Visa credit card PIN, or online banking password has been repeatedly entered incorrectly;
8. The transaction would exceed an unused line of credit (for example, your personal line of credit limit or Visa credit card limit) or any courtesy pay/overdraft limit;
9. Our failure to complete the transaction or the placement of a block on your account is done to protect the security of your account and/or the electronic terminal system;
10. You make an error in keying your deposit at an ATM or through online banking (and if you make such error, we are not responsible for bounced checks, forfeited dividends, and other consequences which may result);
11. The payee mishandles or delays a payment sent by the bill pay service;
12. Any transaction is prohibited by law, regulation, court order, or would be considered illegal activity; or
13. You have not provided our bill pay service provider with the correct names, phone numbers, or account information for those persons or entities to whom you wish to direct payment.

There may be other exceptions not specifically mentioned above.

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

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

#### **Personal Identification Numbers (PINs)**

You understand that you cannot use your Visa debit card or Visa credit card at a Visa terminal, or online banking without the applicable identification number which we refer to as a PIN. You are responsible for the safekeeping of your PIN provided by us or selected by you and for all transactions by use of a PIN. You will notify us immediately and send written confirmation if your PINs are disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your account(s) if anyone not authorized by you has access to the PIN. If you disclose your PIN(s) to anyone, however, you understand that you have given them access to your account(s) via the applicable electronic transfer system and that you are responsible for any such transactions. You further understand that your PIN(s) are not transferable and you will not disclose the PIN(s) or permit any unauthorized use thereof.

#### **Charges for Electronic Funds Transaction Services**

All charges associated with your electronic funds transactions are disclosed in our Schedule of Fees and incorporated herein by reference. We may impose fees for some ATM and debit card transactions. Refer to the Schedule of Fees. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in our Schedule of Fees for each stop payment order you give. If you request a copy of the documentation relative to an ATM or POS transaction (except if the documentation is for resolution of a billing error), a research fee may be charged. Any fees charged will be deducted from your regular savings or checking account(s).

If you use an ATM that is not operated by us, you may be subject to additional fee(s) imposed by another financial institution, merchant, and/or by an automated transfer network. You may be charged a fee for a balance inquiry even if you do not complete a funds transfer. This practice is known as "surcharging" and is in addition to any ATM fees charged by us. Multiple actions done during a single ATM session are considered separate transactions, and a fee may be charged by the ATM owner or network and by 1<sup>st</sup> United for each action. For example, a withdrawal and a transfer done during a single ATM session may generate fees for each transaction.

### **Authorization Holds for Debit Card Transactions**

You may make electronic services withdrawals, advances or purchases only to the extent you have available funds in your share account and/or overdraft source (including the courtesy pay service, under which we reserve the right to pay your overdraft transactions).

When you use your ATM card or Visa debit card for certain electronic services with a merchant, a hold may be placed on your checking account or other accessed account. The hold may be for the amount of the transaction, or a pre-established amount in excess of or less than the amount of individual transactions. The held funds will not be available for other account purposes, and we have the right to return checks or other items drawn against your account to maintain sufficient available funds to pay for any previously authorized transactions. The hold will be released when a matching transaction is settled. In the event that the amount settled does not match the authorization amount, the hold will not be released and may generally be held for a maximum number of five (5) business days (or thirty (30) business days for certain types of debit card transactions). You must refer to the section entitled "Authorization Holds for Debit Card Transactions" below in this Electronic Services Agreement and Disclosure for more detailed information about how authorization holds affect your available balance.

You understand and agree that we accept funds deposited at an ATM subject to verification and collection, and receipts issued by an ATM are binding only after verification. We may place a hold for uncollected funds on an item you deposit. This could delay your ability to withdraw such funds. The delay will depend upon our policies as permitted by law, and you should refer to our Funds Availability Policy for details. We are not responsible for delays in a deposit posting due to improper identification in the deposit envelope or improper keying of your transaction.

### **Termination of Electronic Services**

You may, by written request, terminate any of the electronic services provided for in this agreement. Termination by any one account owner will be binding on all account owners and we are not required to notify other account owners of the termination. We reserve the right to terminate this agreement and your access to the electronic services, in whole or in part, at any time and for any reason. In addition, electronic services may be suspended, without advance notice, if there are insufficient available funds in any one of your accounts or if any of your accounts are not in good standing as defined in our Member Conduct Policy. After suspension, electronic services may be reinstated, at our discretion, once there are sufficient available funds in your account(s) to cover any fees and other transfers and debits. If you ask us to terminate your account or your access to any of the electronic services, you will remain liable for subsequent transactions performed on your account. Termination of electronic services does not terminate your accounts or agreements with us and will not affect your authorization for transfers and payments made prior to termination. Upon termination of this agreement or the electronic services, the Credit Union will use commercially reasonable efforts to cancel any applicable account transactions you have previously authorized, but we make no guarantee that we will be able to do so. You will be solely responsible for any fees that apply to any such cancellation. Any payment(s) or other transactions that the Credit Union is not able to cancel or that have already been processed before the requested termination date will be completed.

### **Notice and Communications**

Except as otherwise provided in this agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we make such notices available to you through online banking if you have agreed to receive notices from us in an electronic format. 1<sup>st</sup> United is not required to provide a notice indicating when an entry has been received at another financial institution. 1<sup>st</sup> United is not required to give notice to the member of receipt of an ACH credit entry to your account. ACH transactions will show on your regular periodic account statement. You are required to keep us informed of your current address. You agree to notify us promptly of any change of address. You may notify us in person at any of our branches, via online banking, or by sending a written and signed notice to 1st United Credit Union, Attention: Member Services Department, 5901 Gibraltar Drive, Pleasanton, CA 94588.

### **Relationship to Other Disclosures**

The information in this agreement applies only to electronic service transactions described herein. Provisions in other disclosure documents, as may be revised by us from time to time, continue to apply, except to the extent expressly modified by this agreement.

### **Account Access**

Your accounts, Visa debit card, Visa credit card, or any other access device or method (including ACH and electronic check transactions) may not be used for any illegal activity or transaction. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located. You understand that you may not utilize your accounts, Visa debit card, Visa credit card, or any other access device or method for the purchase of any goods or services on the Internet that involve online gambling of any sort. Prohibited activity and transactions include, but are not limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open network, and any online betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. We may deny authorization of any transactions identified as gambling. However, in the event that a transaction described in this paragraph is approved and processed, you will still be responsible for such charges.

### **Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA)**

In accordance with the requirements of the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG, this notification is to inform you that restricted transactions are prohibited from being processed through your account or banking relationship with us. "Restricted transactions" are transactions involving the knowing transmittal or receipt of credit, funds, checks, instruments, or other proceeds to or from another person engaged in the business of wagering or betting in connection with unlawful Internet gambling. If you do engage in an Internet gambling business and open a new account with us, we will ask that you provide evidence of your legal capacity to do so.

## **Disputes**

In the event of a dispute regarding the electronic services, we and you agree to resolve the dispute by looking to this agreement. You agree that this agreement is the complete and exclusive statement of the agreement between you and the Credit Union, which supersedes any proposal or prior agreement, oral or written, and any other communications between you and the Credit Union relating to the subject matter of this agreement.

## **ADDITIONAL DISCLOSURES RELATED TO DIRECT DEPOSIT**

If you have arranged to have preauthorized electronic deposits of your net paycheck (if available from your employer), payroll deductions, pension checks, or federal recurring payments (for example, Social Security payments), the following information applies to you:

Early direct deposit is a service that is offered to all 1<sup>st</sup> United Credit Union members. Subject to system limitations, direct deposits may be available in your account prior to the scheduled deposit date. The funds will be credited and made available when the payor submits the payment information, and it is received and processed by the Credit Union. However, if the payor does not send the transfer to you, we reserve the right to recover the amounts we made available through early direct deposit. There is no guarantee that the direct deposit will be made available unless the payor submits the payment information, and the Credit Union receives the deposit. If you have any questions about the timing of your direct deposits, please contact the payor.

## **Account Access**

Preauthorized deposits may be made only to your regular savings, checking and money market account(s) provided you properly identify them.

## **Documentation of Preauthorized Deposits**

You will receive a monthly account statement for each month in which a preauthorized deposit is made, but at least quarterly if no preauthorized deposits are made. However, if the only electronic funds service you have with us is preauthorized deposits, then we reserve the right to send you a quarterly statement only.

## **Direct Deposits**

If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

Credit given is provisional until 1<sup>st</sup> United has received final settlement. If 1<sup>st</sup> United does not receive payment from the Originator, the Credit Union is entitled to treat the Entry as unpaid and seek reimbursement from you and the Originator will not be considered to have paid the amount of the credit Entry to the Receiver.

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

If you have requested a preauthorized payment to a third party from any Credit Union account, the following applies to you:

## **Account Access**

Preauthorized payments may be made from your checking account(s) only. If your preauthorized payment due date is scheduled to occur on a non-business day, it will be sent out the previous business day.

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

1. Initial Authorization: You can get copies of the preauthorized payment documentation from the party receiving the payment at the time you give them the initial authorization.
2. Notice of Varying Amount: If your preauthorized payment may vary in amount, the party who will receive the payment is required to tell you ten (10) days before each such payment when it will be made and how much it will be. You may agree with the party being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.
3. Periodic Statement: You will receive a monthly statement for each month in which a transfer is made, but at least quarterly if no transfers are made.

## **Right to Stop Preauthorized Payment**

If you want to stop a preauthorized payment or revoke a preauthorized payment authorization, you must call us at (800) 649-0193 or write to 1st United Credit Union, 5901 Gibraltar Drive, Pleasanton, CA 94588 in time for us to receive your stop payment request no less than three (3) business days or more before the next payment from your account 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. An oral request to stop payment ceases to be binding after fourteen (14) days if you have not provided us with any required written confirmation of your request. We will charge you for each stop payment order you give pursuant to our current Schedule of Fees. Such stop payment request will apply only to that particular payment. If you have given us a request to cancel the entire preauthorized payment authorization, you understand and agree that you must also contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide us with a copy of your written revocation notice to the third party.

### **Our Liability for Failure to Stop Payment**

If you order us to stop one of your preauthorized payments no less than three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages, to the extent provided by law.

### **Liability for Unauthorized Electronic Payment**

You may be liable for unauthorized transfers made from your account by a third party. If you believe such transfer has occurred, you must follow the procedures outlined in the "General Disclosures Applicable to All Electronic Services" section for resolving errors. You should also refer to the section entitled "Additional Disclosures Applicable to ATM Electronic Funds Transactions, Point of Sale Transactions, Online Banking Transactions, Mobile Banking Transactions, and Electronic Check Transactions."

### **ADDITIONAL DISCLOSURES APPLICABLE TO ONLINE BANKING AND THE BILL PAY SERVICE**

Online banking is our electronic banking service that allows access to your accounts without assistance from our staff by using our Internet website and your online banking password. Online banking is available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties. The bill pay service is an electronic method of paying bills. You must have a checking account with us to use this service. If you have multiple accounts with us, you may direct us to make transfers between your accounts by means of the online banking service. If you would like to take advantage of these online services, visit our website and enroll with your eligible Credit Union accounts. Additional disclosures and specific terms and conditions for using the online banking service will be provided when you enroll.

### **ADDITIONAL DISCLOSURES APPLICABLE TO MOBILE BANKING**

Mobile banking is a personal financial information management service that allows you to access your Credit Union account information, products and services similar to online banking, and engage in such other financial transactions using compatible and supported mobile phones and other supported devices. The mobile banking service is subject to the terms and conditions of the mobile banking User Agreement, which will be made available to view when you enroll.

### **ADDITIONAL DISCLOSURES APPLICABLE TO ATM CARDS AND VISA DEBIT CARDS**

In this section, "card" refers to your 1st United Credit Union ATM card or Visa debit card and any duplicates, renewals, or substitutions the Credit Union issues to you, unless otherwise noted. This may also refer to any access device(s) not issued or supplied by the Credit Union or its agents but registered by you for use with our 1<sup>st</sup> United ATMs. The disclosures in this section apply to the use of your card to conduct electronic fund transfers, including, but not limited to, use of the card at ATMs and POS terminals. By use of your card at a participating POS terminal, you authorize us to make withdrawals from your checking account for cash advances and/or purchases. Access to ATMs is through the use of a card and a personal identification number (PIN) which you will provide.

The disclosures in this section do not apply if your card is linked only to a savings account. You understand that if your card is linked only to a savings account, you will not be able to conduct PIN-based or signature-based POS transactions with your card.

### **Account Access**

You may use your card to withdraw cash from your checking account by way of a cash advance from merchants, financial institutions, or others who honor the card and/or to pay for purchases from merchants, financial institutions, and others who honor the card. However, we are not responsible for the refusal or inability of any ATM or POS terminal, merchant, or financial institution to honor the card, to complete a transaction, or for their retention of the card. You understand that your card is not a credit card and does not provide "credit" which means that you may not defer payment of card transactions.

### **Authorization Holds for Debit Card Transactions**

Your Visa debit card may be used to access your checking account from any merchant location where the Visa logo is displayed. You understand that some participating merchants (such as hotels, car rental companies, restaurants, or gas stations) may initiate electronic notices seeking validation of the Visa debit card and/or approval of the anticipated purchase amount. Upon a merchant seeking validation or authorization from us, we may place a temporary hold against your checking account for the anticipated amount. Such an anticipated purchase amount may exceed the amount of the actual purchase transaction or may be less than the actual purchase transaction amount. 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 the merchant validation/approval requests are received by us throughout each day).

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). This can happen at a restaurant or a gas station, where your debit card is swiped before your actual transaction amount is known, because you may choose to add a tip to a restaurant transaction or because the amount of gas you pump is unknown when your card is swiped. 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 are permitted to place an authorization hold on your account for up to five (5) 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.

In certain instances, when the amount of the authorization hold is either more or less than the amount of the actual transaction, we may maintain the authorization hold even after the purchase amount is actually paid from your account, because our system may not match the authorization hold amount with the purchase transaction due to the differing amounts. However, in these instances, we will still not maintain an authorization hold for longer than five (5) business days (or for up thirty (30) business days for certain transactions).

It is your responsibility to record and closely track all of your transactions to confirm that your available balance accurately reflects your spending of funds from the account linked to your debit card. You agree that we are not responsible if we do not authorize or if we dishonor other POS, ATM, or checking account transactions drawn on your account while a hold is placed on your account.

### **Types of Available ATM Transactions**

Transaction types and services may be limited on certain ATMs on the systems which we do not own (non-proprietary ATMs), such as, for example, withdrawal limits. If a transaction or service type is not available, the attempted transaction will generally be refused as an invalid transaction.

You can use your card to perform the following ATM transactions:

1. Deposit to your savings account and checking account at our proprietary ATMs and some designated CO-OP Network ATMs.
2. Withdraw from your savings account and checking account.
3. Transfer between your savings account and checking account within the same account number at our proprietary ATMs and some shared network ATMs.
4. Balance inquiries at our proprietary ATMs and some shared network ATMs.

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

Unless otherwise noted, the above services are generally available at ATMs on the CO-OP Network. Services, however, may be restricted on certain ATMs on the systems which we do not own. In such case, the shared network ATMs may refuse an attempted transaction.

### **Deposits**

You understand and agree that we accept deposits and loan payments at an ATM subject to verification and collection by us and may only be credited or withdrawn in accordance with our Funds Availability Policy. Transactions accomplished after the close of normal business each day will be deemed to have occurred on our next business day. We are not responsible for delays in a deposit due to improper keying of your transaction.

### **ATM Transaction Fees**

You understand that withdrawals from Network ATMs may be subject to Credit Union fees as disclosed in the Schedule of Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator and/or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). Multiple actions done during a single ATM session are considered separate transactions, and a fee may be charged by the ATM owner or network and by 1<sup>st</sup> United for each action. For example, a withdrawal and a transfer done during a single ATM session may generate fees for each transaction.

### **ATM Transaction Limitations**

1. Please contact us directly for more detailed information about your accounts. For purposes of the daily limits only, a "day" is defined as the twenty-four (24) hour period from midnight to midnight, PST. If a transaction is initiated in another time zone, it will be processed when we receive it. Notwithstanding the foregoing, you understand that withdrawal limitations may vary between shared networks and individual ATMs. In addition, we reserve the right to adjust your maximum per day cash disbursement levels from time to time at our sole discretion. In the event the network is down, a lower limit may apply until restoration of service occurs.
2. Minimum withdrawal amounts and increment amounts may vary depending on the shared network or ATM you access. For example, the minimum withdrawal and increment amount on Star<sup>®</sup> machines is \$20.00.
3. For security reasons, in the event your Visa debit card, Visa credit card or PIN is lost or stolen, there may be restrictions on transactions you can make at the ATMs.

### **Authorized Use – Card and PIN**

Both the card and a personal identification number (PIN) will be required each time you use an ATM or engage in a POS or other electronic funds transaction. You agree to memorize your PIN and you will not write it on the card(s). If you forget the PIN, you may contact us and we will issue a replacement PIN. You must observe the following conditions for both the privacy and protection of your account and the system:

1. YOU MUST KEEP YOUR CARD IN A SAFE PLACE AND PERMIT NO UNAUTHORIZED PERSON TO USE IT;
2. YOU MUST NOT TELL ANY UNAUTHORIZED PERSON YOUR PIN OR WRITE YOUR PIN ON YOUR CARD (OR ANY PLACE) OR OTHERWISE MAKE IT AVAILABLE TO ANYONE ELSE;
3. YOU MUST TELL US IMMEDIATELY OF ANY LOSS OR THEFT OF YOUR CARD AND/OR PIN.

4. IF YOU AUTHORIZE US TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, YOU AUTHORIZE THAT INDIVIDUAL TO WITHDRAW FUNDS FROM ANY ACCOUNT WHICH CAN BE ACCESSED BY THE CARD, REGARDLESS OF WHETHER THAT INDIVIDUAL IS AUTHORIZED TO WITHDRAW MONEY FROM THE ACCOUNT BY ANY MEANS OTHER THAN BY USE OF THE CARD.
5. IF YOU GIVE YOUR CARD OR PIN TO ANYONE ALONG WITH AUTHORIZATION TO TRANSACT, ANY WITHDRAWAL OR TRANSFER BY THAT PERSON WILL BE CONSIDERED TO BE AUTHORIZED BY YOU, EVEN IF THEY EXCEED YOUR AUTHORITY.

#### **Safety at the ATM**

You understand that you should use caution at all times when using an ATM. Some precautions you can take are: (1) avoid ATMs that are obstructed from view or unlit at night; (2) observe the area for anything unusual or suspicious; (3) when possible, bring a companion along, especially at night; (4) lock your vehicle when you leave it; (5) have your card in your hand as you approach the ATM and avoid reaching in your wallet or purse in front of the ATM; (6) avoid counting your cash at the ATM; (7) lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up ATM; (8) prevent others from seeing you enter your PIN by using your body to shield their view; and (9) do not accept assistance from anyone you do not know when using an ATM. We want ATMs to be safe and convenient for you. Tell us if you know of any problem with the facility. For example, let us know if a light is not working or there is any damage to the facility. If you feel unsafe for any reason, you should leave the area immediately. If someone follows you after using the ATM, you should quickly go to a safe area that is well populated and well lit. You should report any incident to the police as soon as possible.

#### **Ownership of the Card**

If your card is lost or stolen, you may also be charged a replacement card fee. This fee is set forth in the Schedule of Fees. The card remains our property and you agree to surrender the card to us upon demand. We may cancel, modify, or restrict the use of any card upon proper notice or without notice if: (1) any of your accounts are overdrawn; (2) you use your card in a manner which may cause a loss to us; (3) your account is inactive, which is defined by us as an account that has had no member-initiated transaction activity for six months; (4) any mail sent to your address is returned to us as undeliverable; (5) any email sent to you by us is returned as undeliverable; (6) your account has one (1) or more NSF items or transactions; (7) we are aware that you have violated any term of this agreement, whether or not we suffer a loss; or (8) or where necessary to maintain or restore the security of your account(s) or the POS system. We also reserve the right to recall the card through retrieval by any of the ATMs.

#### **Making Electronic Funds Transactions**

You agree to follow the instructions posted or otherwise given by us or any ATM network or POS terminal concerning use of the machine/terminal.

#### **Returns and Adjustments (Visa Debit Card)**

Merchants and others who honor the Visa debit card may give credit for returns or adjustments, and they will do so by sending us a credit slip that we will post to your checking account.

#### **Foreign Transactions (Visa Debit Card)**

Purchases, cash advances, and credits made in foreign currencies will be billed to your account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the Visa operating regulations for international transactions. In the event that an international transaction is converted to U.S. dollars, the exchange rate between the transaction currency and the billing currency used for processing international transactions will be: (1) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa itself receives; or (2) the government-mandated rate in effect for the applicable central processing date. The rate in effect on the applicable processing date may differ from the rate on the date you used your Visa debit card. When a credit to the account does not fully offset a charge to the account due to changes in the rate, you are responsible for the difference. Visa USA may also charge a fee for using your debit card internationally or on purchases or online purchases made in the United States if the merchant is in a foreign country. See our Schedule of Fees for further details.

#### **Card Claims and Transaction Questions:**

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

#### **ADDITIONAL DISCLOSURES APPLICABLE TO PINless VISA DEBIT CARD TRANSACTIONS**

##### **PINless Visa Debit Card Transactions**

We allow non-Visa debit transaction processing. This means you may use your Visa debit card on a non-Visa network (also known as a PIN-debit network) without using a PIN to authenticate your transactions. Visa Operating Rules and Regulations generally define a PIN-debit network as a non-Visa debit network that typically authenticates transactions by use of a PIN, but that is not generally known for having a card program.

There are two types of authenticated transactions when using a debit card: PIN and signature. In a PIN debit transaction, a cardholder enters a PIN to authorize the transaction. In a signature debit transaction, a cardholder signs a receipt.

You may choose to purchase goods and services with your Visa debit card through a PIN-debit Network without the requirement of entering your PIN. The non-Visa debit network that supports PINless transactions for the Credit Union is the Star Network.

Examples of PINless debit transactions include initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of your PIN.

You understand that the terms and conditions of your agreement with us relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's Zero Liability program), \$50.00 loss cap, provisional credit policies, and the streamlined error resolution procedures offered on Visa debit card transactions are not applicable to transactions processed on a PIN-debit network.

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

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

##### **Types of Available Transactions**

You may authorize a merchant or other payee to make a one-time electronic check transaction from your checking account using information from your check to (1) pay for purchases or (2) pay bills. You may also authorize a merchant or other payee to debit your checking account for returned check fees or returned debit entry fees.

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

##### **Account Access**

Electronic check transactions may be made from your checking account only.

##### **Limitations on Dollar Amounts of Transactions**

You may make electronic check transactions only to the extent that you have available clear funds in your checking account.

##### **Remotely-Created Checks**

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

#### **ADDITIONAL DISCLOSURES APPLICABLE TO ATM ELECTRONIC FUNDS TRANSACTIONS, VISA DEBIT CARD TRANSACTIONS, POINT-OF-SALE TRANSACTIONS, ONLINE BANKING TRANSACTIONS, MOBILE BANKING TRANSACTIONS, AND ELECTRONIC CHECK TRANSACTIONS**

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

1. **Periodic Statement.** You will receive a monthly statement (unless there are no transactions posted in a particular month), for the account(s) which you have accessed using an electronic check transaction, an ATM, POS terminals mobile banking or online banking. You will get a statement at least quarterly.
2. **Online Banking Transaction.** You may print a record of any individual transaction conducted through online banking at any time after the transaction is completed.

##### **Your Liability for Unauthorized Transactions and Advisability of Prompt Reporting**

You must tell us AT ONCE if you believe your checks, Visa debit card, or Visa credit card or your online banking PIN, or Visa debit card PIN (collectively "check(s), card(s) and/or PIN(s)") have been lost or stolen or if you believe that 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. A written notification to us should follow your telephone call. You could lose all the money in your account (plus your maximum overdraft line of credit). However, if you believe your check(s), card(s) and/or PIN(s) have been lost or stolen, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your check(s) (in an electronic check transaction), your card(s), and/or PIN(s) without your permission.

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your check(s), card(s), and/or PIN(s) and we can prove we could have stopped someone from using your check(s) (in an electronic check transaction), your card(s) and/or your PIN(s) without your permission if you had told us, you could lose as much as \$500.00.

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

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

#### **Special Notice to Visa Debit Cardholders**

If you are using a Visa debit card for transactions that take place on the Visa network system, you understand that Visa Operating Rules and Regulations provide for \$0.00 liability ("zero liability") for losses from unauthorized (fraudulent) activity. Zero liability does NOT apply to ATM transactions that are not processed through Visa (such as a cash withdrawal from your checking account). You must refer to the section of this agreement regarding liability for unauthorized ATM transactions. Zero liability also will not apply to Visa debit cards issued outside the U.S. or to Visa commercial cards. You must provide a written statement regarding any claim of unauthorized Visa transactions.

If you notify us of unauthorized transactions which were processed through Visa (this does not include cash disbursements at an ATM using your Visa debit card), we will provide provisional credit to your account within five (5) business days of the notification. If you tell us orally, we will require that you send us your complaint in writing within ten (10) business days. We will not credit your account until your written complaint is received. "Unauthorized" means the use of your Visa debit card by a person, other than you, who does not have actual, implied or apparent authority for such use and from which you receive no benefit.

#### **Telephone Number and Address to be Notified in Event of an Unauthorized Transaction**

If you believe your card(s), PIN(s) or check(s) have been lost or stolen, that someone will or may use it to transfer money from your account(s) without your permission, or that a transfer has been made using the information from your check without your permission, call (800) 649-0193 during business hours. After business hours, report Visa debit card only in U.S. at (866) 570-1238. You may also write to us at 1<sup>st</sup> United Credit Union, Attention: Member Service Department, 5901 Gibraltar Drive, Pleasanton, CA 94588.

#### **Verification**

All transactions affected by use of ATMs, POS terminals, electronic check transactions, online banking, mobile banking, or other electronic transaction contemplated hereunder which would otherwise require your actual signature, or other authorization, will be valid and effective as if actually signed by you when accomplished by use of an electronic check transaction, the card(s), and/or PIN(s), or as otherwise authorized under this agreement.

#### **MEMBER CONDUCT POLICY**

The privilege of 1st United Credit Union services available to members must be reserved for members who are in "good standing." You acknowledge and agree that the purpose of this policy is to: (1) protect the Credit Union's employees, volunteers and members from abusive members; (2) protect the Credit Union from fraudulent activity; (3) safeguard member assets; and (4) mitigate the risk of Credit Union losses. To this end, this policy addresses standards of member conduct in order to assure the rights and protection of the Credit Union's employees, volunteers and members.

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

In the event that you engage in any type of abusive conduct towards a Credit Union member or a Credit Union employee, or volunteer engaged in Credit Union business, the Credit Union is authorized to apply appropriate remedial measures against you.

This policy extends to any member "not in good standing" who seeks member services whether directly or indirectly through a Credit Union account. This policy also applies to any person, including but not limited to any joint account owner, who has access to Credit Union services directly or indirectly through you.

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

1. You fail to comply with the terms and conditions of any lawful obligation with this Credit Union and as a result, the Credit Union suffers a loss or is exposed to a potential loss through your actions.
2. You manipulate or otherwise abuse Credit Union services or products to the detriment of the Credit Union.
3. You engage in abusive behavior or otherwise injure any person or damage any property while on Credit Union premises or at any Credit Union function.
4. You have a loan account with us that is delinquent 30 days or more.

5. You have a deposit account with us that is overdrawn 45 days or more.

The determination of whether you are in “good standing” will be made at the sole discretion of senior management.

**Policy**

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

1. Denial of all services other than the right to maintain a share account and the right to vote at annual and special meetings.
2. Preclusion from personal contact with Credit Union employees or volunteers such that Credit Union services may be available only through written communication through the U.S. mail, online banking, or other remote access device designated by Credit Union senior management.
3. Limiting or denying you access to electronic banking services, which include, but are not limited to, ATM and debit card usage, online banking, and mobile banking.
4. Taking any other action consistent with NCUA Rules and Regulations, Credit Union Bylaws, or other applicable laws or regulations, or deemed appropriate under the circumstances that is not precluded by law.
5. Referral to the membership committee for consideration of membership revocation.

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

In the case of continued abusive behavior or an extremely abusive incident, you acknowledge and agree that you may be subject to expulsion from the Credit Union.