

In the following Agreement and Disclosure, the words "I," "me," "mine," "my," "us" and "our" mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing an Account Signature Card or opening one or more account(s) with you. The words "you," "your," and "yours" mean SOUTH BAY CREDIT UNION.

PAYMENT OF DIVIDENDS

Dividend Rates. The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Bylaws of this Credit Union, California state 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.

For all accounts except term share (certificate) accounts, the Dividend Rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union's Board of Directors. For specific dividend rate(s) for each type of dividend bearing account, I will refer to the attached Dividend Rate Sheet, which is incorporated by this reference.

For all accounts dividends will be compounded monthly and will be credited monthly. For such accounts the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period, and for the example is January 31. Dividends on term share (certificate) accounts are compounded and will be credited as set forth in my Term Share (Certificate) Account Agreement and Disclosure, when issued.

For all accounts except Term Share (Certificate) Accounts, if I close my account before dividends are credited, I will not receive the accrued dividends.

Balance Computation Method. Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. Dividends will begin to accrue on the day following the business day I deposit noncash items (e.g., checks) to my account.

TERMS AND CONDITIONS

Terms and Conditions Applicable to All Accounts.

1. I must be and remain a member in good standing to maintain any account. The par value of a share in this Credit Union is \$5. If I fail to complete payment of one (1) share within six (6) months of my admission to membership, or within six (6) months from the increase in the par value in shares, or if I reduce my primary savings account balance below the par value of one (1) share and do not increase the balance to at least the par value of one (1) share within six (6) months of the reduction, I may be terminated from membership at the end of a dividend period.

2. All accounts (except checking accounts) are not transferable except as defined in Regulation D (12 CFR, Part 204). For all accounts except

checking accounts, during any statement period, I may not make more than six (6) withdrawals or transfers to another credit union account of mine or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If I exceed the transfer limitations set forth above in any statement period, my account will be subject to closure by you.

3. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit you from enforcing such terms and conditions at a later date.

4. You reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this Agreement and Disclosure.

5. You may refuse to follow any of my instructions that in your sole judgment are illegal or would expose you to potential liability. Alternatively, you may require adequate security or invoke other security measures to protect you from all losses and expenses incurred if you follow my instructions. I agree to reimburse you for any damages, losses, liabilities, expenses and fees (including, but not limited to, reasonable attorneys' fees) that you incur in connection with my account if you take an action in accordance with my or what purports to be my oral, written or electronic instructions.

6. You reserve the right to refuse to open any account or to service or to accept additional deposits to an existing account.

7. You may endorse and/or collect items deposited to my account without my endorsement, but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorser to be present or to have their endorsements guaranteed before you accept the item.

8. I authorize you to accept items payable to any account owner for deposit to my account from any source 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 me.

9. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.

10. You will mail all statements and other notices only to the person whose signature appears first on the Account Signature Card. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment including but not limited to an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if: 1) you suffer a loss on the item because of my failure; or 2) you pay on another item presented by the same wrongdoer if the payment

was made before I properly notified you. Notification must be within thirty (30) days of the date of the statement. If I fail to uphold my duties but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item one (1) year or more after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.

11. You or I may terminate an account(s) at any time. I understand and agree, however, that your authority may not be changed or terminated except by written notice to you which will not affect prior transactions. Moreover, if you receive conflicting claims to funds in an account you hold, you may, at your discretion, restrict the account and deny access to all; close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address; interplead all or any portion of the funds from an account to the court; or hold the funds, without liability to anyone, pending resolution of the claim to your satisfaction.

12. You reserve the right to close any account(s) and terminate my membership should you discover that any of my accounts or any other accounts with you have been deliberately manipulated by me to your, any other account holder's, and/or your membership's detriment. "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 your detriment.

13. I acknowledge that you 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 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.

14. You may recognize the signature of anyone who signed an Account Signature Card as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure, any Term Share (Certificate) Account Agreement and Disclosure and/or the Account Signature Card shall be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.

15. I understand and agree that Individual, Joint, Trust (Totten or Passbook) and Pay-on-Death accounts may be subject to Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.

16. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent Account Signature Card or other document(s) evidencing such account(s). A different form of ownership may be established by executing an additional Signature

Card(s) (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.

17. You reserve the right to require me to give not less than seven (7) and up to sixty (60) days written notice of my intention to withdraw funds from any account except Checking Accounts.

18. I understand and agree that Individual, Joint, Trust (Totten or Passbook) 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.

19. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent Account Signature Card or other document(s) evidencing such account(s). A different form of ownership may be established by executing a new Signature Card(s) 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.

20. I am required to keep you informed of my current address. I agree to notify you promptly of any change of address. I may notify you in person at your office or by sending a written and signed notice to South Bay Credit Union, 312 N. Pacific Coast Hwy. Redondo Beach, CA 90277. In the event that I fail to do this, a charge may be made to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address.

21. I agree to notify you immediately of the death or court declared incompetence of any owner of my account. I agree to inform each owner of my account to notify you of such an event as well. If I die or am declared legally incompetent, you can continue to accept and collect items deposited to my account until you know of my death or adjudication of incompetency and have a reasonable opportunity to act.

22. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks, savings or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy for further details.

23. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my 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 you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned check.

You may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but you are not required to do so. If you choose to re-present the check, you may do so without telling me the check was not paid or that you are presenting it again. You may charge a fee for each deposited or cashed check charged back to my account. You may, at your option, notify me, by telephone or in writing, if a check has been returned unpaid and the fee charged.

24. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you 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 me or a prior endorser.

25. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "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. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.

26. You are under no obligation to pay a check which is presented more than six (6) months after its date, but you may do so at your discretion and charge my account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. I agree that you are not required to identify stale dated checks or seek my permission to pay them.

27. All accounts are subject to your Schedule of Fees and Charges, which accompanies this Agreement and Disclosure and is incorporated by this reference. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Accounts. Only fees related to an IRA Account will be debited from an IRA Account. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.

28. California law states that inactive account balances in savings, checking, and matured Term Share (Certificate) accounts must escheat to the state after a period of three (3) years since the last time I: a. Increased or decreased the amount of funds on deposit with you or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you; or b. Corresponded in writing or electronically with you concerning the funds on deposit; or c. Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with you.

My deposit account will not escheat to the state, however, if, during the previous three (3) years, I have owned another deposit account with the Credit Union and, with respect to that deposit account, I have done any of the acts described in paragraphs (a), (b), or (c) above, and, with regard to the deposit account that would otherwise escheat, you have "communicated" (i.e., sent account statements or statements of interest paid for federal and state income tax purposes) electronically or in writing with me at the address to which communications regarding the other deposit account are regularly sent.

You may charge a fee for mailing an escheat notice and/ or a service charge for money orders escheated to the state.

To recover funds turned over to the state, I must file a claim with the state.

29. You may but are not obligated to transfer funds from my savings accounts or loan accounts on my written, oral, or electronic request. I understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days." If a transfer is to occur on a day other than a business day, such transfer

will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer will not occur.

30. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.

31. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records for the time frame required by law will be available to me. I agree to pay applicable fees for those copies.

32. I understand and agree that you must comply if you are served with any notice of garnishment or of attachment, tax levy, injunction, restraining order, subpoena or other legal process relating to my account that you reasonably believe is valid. You may charge a Compliance with Legal Process fee, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process.

33. In the event that a cashier's, teller's, or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim For Reimbursement and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Loss and Claim For Reimbursement is not enforceable until the later of (i) the time the Declaration of Loss and Claim For Reimbursement is properly delivered to you, or (ii) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to, or stopping payment on such check.

34. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account and/or in connection with making future credit opportunities available to me. I authorize you to give information concerning your experiences with me to others.

35. You are not responsible for any loss or damage which results from my negligence, including without limitation, my failure to adequately safeguard my blank checks or other personal information or means of access to my account.

36. Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number. For additional information on this requirement, I will read "INSTRUCTION TO PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION (IRS FORM W-9)." These instructions are found in Section III of this Agreement and Disclosure.

37. In the event that a negative balance is created in my account (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) or I have other outstanding financial obligations of any kind owed to you, which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation which is in default.

38. In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of off-set for any liabilities, obligations, or other amounts owed to you

by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, I knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as Social Security and other public benefit funds) deposited in my account.

39. 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. 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.

40. Member accounts in this Credit Union are privately insured by the American Share Insurance.

41. An action or proceeding by me to enforce an obligation, duty or right arising under this Agreement and Disclosure or by law with respect to my account must be commenced within one year after the cause of action occurs.

42. I agree to indemnify, defend and hold you and your employees harmless from and against every claim, demand, action, cost, loss, liability and expense including without limitation, attorneys' fees, which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.

43. My 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 shall not be applied if that would result in the application of non-California law.

44. You and I agree to attempt to informally settle any problems which might occur. If that cannot be done, you and I agree that a judge will hear our claims without a jury.

45. I acknowledge that you may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If you suspect such financial abuse, I understand and agree that, in addition to reporting such abuse as may be required under law, you have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that you deem appropriate under the circumstances. I agree to indemnify and hold you 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.

46. I acknowledge that if I give anyone access to my account (such as, for example, providing any person with my check card, ATM card, ATM or home banking PIN, or granting any person power to act as my agent under a power of attorney or trustee for a trust account), I understand that any transaction completed by such person shall be considered authorized by me.

Terms and Conditions Applicable to All Individual and Joint Accounts.

1. If there is more than one owner, all agree with each other and with you 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 shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s)

of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.

2. You 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.

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

4. 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.

5. Except as set forth herein or in the applicable loan agreement(s), I 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 one of us shall be binding on all of us. I 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 my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am cosigner, endorser, or guarantor are delinquent, without the written approval of a loan officer.

6. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

Terms and Conditions Applicable to All Pay-On-Death (P.O.D.) Designations.

1. If I have made a Pay-On-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and upon my death, first to you to the extent of any outstanding matured or unmatured debts owed to you by me and second to my designated P.O.D. payee(s). If the account is jointly owned, to one or more account owner(s) during their lives and on the death of all of them, first to you to the extent of any outstanding matured or unmatured debts owed to you by any of us and second to one or more payees then surviving in equal and individual 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.

2. A Pay-On-Death designation cannot be changed by a will.

Terms and Conditions Applicable to Passbook Trust Accounts (Totten Trust).

1. I may open this account individually or with a joint owner(s) acting as Trustee(s) who name another as beneficiary(ies) on the Account Signature Card. If there is more than one owner, all agree with each other and with you 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 shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.

2. The owner(s) named on the Account Signature Card, reserve the right to revoke such trust in whole or in part, at any time by executing and delivering to you a request for withdrawal or pledge of funds of the whole or a part of the account, and such trust shall be revoked as to the whole or part to which such request relates.

3. In the event of my death or, if the account is held by more than one person, upon the death of my survivor owner(s), then and only then, you shall pay such account funds to the Beneficiary if then living (if more than one Beneficiary is designated then equally to those Beneficiaries living at the later of the date of my death or the death of my survivor owner(s)).

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

5. A right of survivorship or a Beneficiary designation in such a passbook trust account cannot be changed by a will.

Terms and Conditions Applicable to Living Trust Account.

1. If I am a trustor/trustee and want to establish an account in connection with a written trust, you may require me to provide you with a notarized trust certification confirming my power as a trustee prior to opening the account.

2. You are not required to know, understand, interpret or enforce the terms of the Trust Instrument.

3. I acknowledge that the Account is governed by the applicable terms and conditions set forth in this Agreement and Disclosure and by the terms and conditions set forth in my "Application for Membership and Agreement for Credit Union Account in the Name of Trustee(s)."

4. Living trust accounts are not subject to Multiple Party Accounts Law.

Terms and Conditions Applicable to Uniform Transfer to Minors' Accounts.

1. The transferor/custodian is opening an account as custodian for the minor named on the Account Signature Card under the Uniform Transfers to Minors Act. The transfer of money to the minor named on the Account Signature Card, which transfer shall be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.

2. I acknowledge that by signing the Account Signature Card, I have received the funds deposited to the account as custodian for the minor named herein under the Uniform Transfers to Minors Act and I agree to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions of the Account Signature Card.

3. The successor custodian named on the Account Signature Card shall serve if I should be unable to act as custodian because I resign, die, or become legally incapacitated.

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

5. Custodial accounts are not subject to the Multiple Party Accounts Law.

Terms and Conditions Applicable to All Fiduciary Accounts.

1. I am duly appointed and acting in the capacity of Executor/Executrix, Administrator/Administratrix, Guardian or Conservator. By the authority vested in me, I, acting individually or jointly, am authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you.

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

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

4. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

Terms and Conditions Applicable to All Sole Proprietorship Accounts.

1. I affirm that I am the sole proprietor of the sole proprietorship named on the Account Signature Card. You may pay out funds with my signature. You may accept and/or endorse checks made payable to me or the sole proprietorship named on the Account Signature Card which you receive for deposit. Funds received are not withdrawable until collected.

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

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

Terms and Conditions Applicable to All Corporate, Partnership and Unincorporated Association Accounts.

1. The person(s) named on the Account Signature Card, duly authorized to make the certification, certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in me by the constitution, bylaws or otherwise, any one (1) of the signators, as named on the Account Signature Card, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Account Signature Card are the genuine signature(s) of said authorized person(s); and that my authority shall continue in force until written notice to the contrary is received by you.

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

3. Corporate, partnership and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

Terms and Conditions Applicable to All Savings Accounts.

1. The minimum deposit required to open the primary savings account is the purchase of a \$5 share. No minimum balance requirements apply to open all other regular savings accounts

2. I must maintain a minimum daily balance of \$5 in my Primary Savings Account each day to avoid a monthly service fee. If, during any month, my account balance falls below the required minimum daily balance, my account will be subject to a service fee for that month. No minimum balance requirements apply to other regular savings accounts in order to avoid the imposition of a monthly service fee.

3. No minimum balance requirements apply to this account in order to obtain the disclosed Annual Percentage Yield (APY).

Terms and Conditions Applicable to Holiday Club Accounts.

1. No minimum balance requirements apply to this account in order to avoid the imposition of a monthly service fee.

2. No minimum balance requirements apply to this account in order to obtain the disclosed Annual Percentage Yield (APY).

3. Withdrawals from this account are not permitted until the first week of November each year. Additional withdrawal requests may result in account closure.

4. The balance of my Holiday Club Account will automatically transfer to the Primary Savings or Checking Account of my choice during the first week of November each year. If I do not make a choice, the balance will automatically transfer to my Primary Savings Account.

Terms and Conditions Applicable to All Checking Accounts.

1. Certain minimum balance requirements and account features are necessary in order to avoid the imposition of monthly or per transaction fees:

- a) Free Checking - This is a non-dividend bearing account. No monthly service fee will be assessed for the production and delivery of electronic member statements; I must choose to receive electronic statements by making application through your website. No minimum balance requirements apply to this account in order to avoid the imposition of a monthly fee.
- b) Standard Checking - This is a non-dividend bearing account. A monthly service fee will be assessed for the production, printing and delivery of member statements in paper format (Refer to the Schedule of Fees and Charges, which is incorporated by this reference). No minimum balance requirements apply to this account in order to avoid the imposition of a monthly fee.
- c) Plus Checking - This is a dividend bearing account. Refer to Part 1 - Payment of Dividends and the Dividend Rate Sheet, which is incorporated by this reference. Minimum Average Daily Balance Requirement applies to this account in order to avoid the imposition of a monthly service fee (Refer to the Schedule of Fees and Charges, which is incorporated by this reference). No minimum balance requirements apply to this account in order to obtain the disclosed Annual Percentage Yield (APY).
- d) E-Checking - This is a dividend bearing account. Refer to Part 1 - Payment of Dividends and the Dividend Rate Sheet, which is incorporated by this reference. No minimum balance requirements apply to this account in order to avoid the imposition of a monthly service fee. No per item fees will be assessed for specific Electronic Transactions - Automated Clearing House (ACH) payments and direct deposit, personal computer electronic (home) banking, bill payment, audio response/electronic telephone banking. A fee per paper check clearing and/or a transaction/inquiry that is initiated by me in person, by telephone, or by mail applies to this account (Refer to the Schedule of Fees and Charges, which is incorporated by this reference). I must choose to receive electronic statements by making an application through your website. No minimum balance requirements apply to this account in order to obtain the disclosed Annual Percentage Yield (APY).

2. You may, at your discretion, but are not obligated to nor shall you be liable for refusal to pay funds from this account:

- a) When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts").
- b) If drawn by means not authorized in advance by you.
- c) Against checks presented over six (6) months past their dates.

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

4. If you have made a good faith payment to a holder, you may charge my account according to:

- a) The original terms of my check; or
- b) The terms of my completed check unless you have notice that any such completion is improper.

5. I, or any other person authorized to draw on the account, may request a stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on a line of credit check. My stop payment must include the account number, check number, exact amount, check date and name of payee. You will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. I agree to indemnify, defend and hold you harmless for all claims, actions and damages related to or arising from your action in stopping payment of any check pursuant to my request. A stop payment fee will be assessed for each stop payment request. If I give a stop payment request orally, the request shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written requests shall 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 request was effective. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. I may not stop payment on completed electronic point-of-sale transactions, cashier's checks, certified checks, or checks issued or guaranteed by you.

6. Death, dissolution or incompetence of me (or any of us) shall not revoke your authority to accept, pay or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have the reasonable opportunity to act on it. Even with knowledge, you 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 you. We shall notify you if any of us die, become incapacitated or our organization is dissolved.

7. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of:

- a) Any holder in due course on the check against the drawer or maker;
- b) The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
- c) The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.

8. You may, without liability, accept, pay, guarantee, or charge checks to the account in any order convenient to you.

9. In the event of wrongful dishonor which occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any check, share draft or other debit on my account, your determination of whether sufficient funds exist in my account may be made at any time between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft or other debit.

10. I agree that in the event I draw a check on my account with you that I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by you or your agent.

11. I may authorize all checks from my checking account(s) to be cleared pursuant to a written "Automatic Overdraft Protection Request" which I must execute. If overdrafts are to be covered by a transfer of funds from my savings account(s), such transfer(s) will generally be made only if there are sufficient clear funds on deposit at the time of transfer. I agree that overdrafts, if paid in excess of funds in any savings account or available from any loan account, are payable on demand. Any items returned unpaid because of insufficient clear funds or paid without sufficient clear funds in my checking account and overdraft source(s) will be subject to nonsufficient fund (NSF) fees.

12. You may recognize the signature of anyone who signed the Account 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 signer of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by us whether or not we participate in the transaction or benefit from its proceeds.

13. If the Account Signature Card is signed by more than one person, we hereby appoint each other as agents and attorneys in fact to overdraft from any of our savings or loan accounts (including accounts on which we are joint owners except IRA accounts).

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

15. If this is an ORGANIZATION account (i.e., 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.

16. I will notify you immediately if my checks are lost or stolen. I agree that I will be responsible for losses caused by a delay in my notification to you.

17. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to me in care of you. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the Schedule of Fees and Charges. I am responsible for verifying the accuracy of all information shown on my checks whether I order them through you or elsewhere.

18. This is a truncated checking account. Checks are provided with carbonless copies and are not returned with statements. Checks are microfilmed on both sides and stored for seven years from date of posting. I may request and you will provide me with a photocopy of a requested item within a reasonable time. You will not charge me for copies of the first two items I request appearing on any statement. Additional copies will be subject to an assessment of a fee. If I have not ordered my Credit Union checks through your approved check vendors, I understand and agree that you are not responsible for the quality of any check copy that I request from you.

19. You may charge against my account a postdated check even though payment is made before the date of the check. However, if I notify you within a reasonable time to permit you to act and identify the check with reasonable certainty, you cannot pay the check until the due date. Notice may be written or oral and it must include the exact amount, account number, check number, date of check and name of payee. If oral, the notice shall be valid for fourteen (14) days. If written, the notice shall be valid for up to six (6) months, and can be renewed within six (6) months for another successive six (6) month period. A fee may be assessed for this service.

20. All checks written on my account must be drawn in U.S. dollars.

21. Checking Accounts that have no transaction activity for ninety (90) days or more will be considered inactive and may be closed by you.

Terms and Conditions Applicable to Money Market Accounts.

1. The minimum balance required to open and maintain this account is set forth in the Dividend Rate Disclosure.

2. I must maintain a minimum daily balance in my account as set forth in your Dividend Rate Disclosure to avoid account closure. If during any month my account balance falls below the required minimum daily balance, my account will be subject to closure and funds being transferred to my primary savings account.

3. No minimum balance requirements apply to this account in order to avoid the imposition of a monthly service fee.

4. I must maintain a minimum average daily balance in my account as set forth in the Dividend Rate Disclosure to obtain the disclosed Annual Percentage Yield (APY).

5. The minimum amount I may withdraw, transfer or write a check for is \$500. Withdrawal(s)/transfer(s)/check(s) of less than \$500 will not be honored unless the account balance is less than \$2,500 in which case the account will be closed and funds will be transferred to my primary savings account.

6. During any statement period, I may not make more than six (6) withdrawals or transfers to another credit union account of mine or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If I exceed the transfer limitations set forth above in any statement period, my account will be subject to closure by you.

7. I may not pledge any of the funds on deposit in the account as security for my loan(s).

Terms and Conditions Applicable to Term Share (Certificate) Accounts.

A Term Share (Certificate) Account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the

terms and conditions set forth in the Term Share (Certificate) Account Agreement and Disclosure which will be provided to me in accordance with applicable law.

Terms and Conditions Applicable to Individual Retirement Accounts.

1. An IRA is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions set forth in my IRA Agreement and Disclosure, which will be provided to me in accordance with applicable law.

2. The minimum balance required to open this account is \$50. Additional deposits are permitted to contributory IRAs only.

3. I may not pledge any of the funds on deposit in the account as security for any loan(s).

4. Certain federal and state penalties may apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.

5. Funds in an Individual Retirement Account will escheat to the state, if I 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 you concerning the funds or otherwise indicated an interest therein.

INSTRUCTION TO PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION (IRS Form W-9)
(Section References are to the Internal Revenue Code)

Purpose of Form. A person (such as the Credit Union) who is required to file an information return with the IRS must get my correct taxpayer identification number (TIN) to report for example, income paid to me, real estate transactions, mortgage interest I paid, the acquisition or abandonment of secured property, cancellation of debt or contributions I made to an IRA. I must use Form W-9 only if I am a U.S. person (including a resident alien), to give my correct TIN to you, and, when applicable to:

- 1. Certify that the TIN I am giving is correct (or I am waiting for a number to be issued);
- 2. Certify I am not subject to backup withholding; or
- 3. Claim exemption from backup withholding if I am a U.S. exempt payee.

If I am a foreign person, I must use a Form W-8. See Pub 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

Note: If you give me a form other than a W-9 to request my TIN, I must use your form if it is substantially similar to Form W-9.

What is backup withholding? Persons making certain payments to me must withhold and pay to the IRS according to the IRS current backup withholding rate table of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

I will not be subject to backup withholding on payments I receive if I give you my correct TIN, make the proper certifications, and report all my taxable interest and dividends on my tax return.

Payments I receive will be subject to backup withholding if:

- a) I do not furnish my TIN to you; or
- b) I do not certify my TIN when required (see the Part II instructions for Certification for details); or
- c) The IRS tells you that I furnished an incorrect TIN; or
- d) The IRS tells me that I am subject to backup withholding because I did not report all my interest and dividends on my tax return (for reportable interest and dividends only); or
- e) I do not certify to you that I am not subject to backup withholding under d) above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See "Specific Instructions" below and the separate Instructions for the Requestor of Form W-9.

Penalties.

Failure to furnish TIN. If I fail to furnish my correct TIN to you, I am subject to a penalty of \$50 for each such failure unless my failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If I make a false statement with no reasonable basis that results in no backup withholding, I am subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject me to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If you disclose or use TINs in violation of Federal law, you may be subject to civil and criminal penalties.

Specific Instructions.

Name. If I am an individual, I must generally enter the name shown on my social security card. However, if I have changed my last name, for instance due to marriage, without informing the Social Security Administration of the name change, I enter my first name, the last name shown on my social security card and my new last name. If the account is in joint names, I list first and then circle the name of the person or entity whose number I enter in Part I of the form.

Sole proprietor. I enter my individual name as shown on my social security card on the "Name" line. I may enter my business, trade or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If I am a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, I enter the owner's name on the "Name" line. I enter the LLC's name on the "Business name" line.

Other entities. I enter the business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. I may enter any business, trade or DBA name on the "Business name" line.

Exempt from backup withholding. If I am exempt, I enter my name as described above, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the Instructions for the Requestor of Form W-9.

If I am a nonresident alien or a foreign entity not subject to backup withholding, I give the requester the appropriate completed Form W-8.

Note: If I am exempt from backup withholding, I should still complete the form to avoid possible erroneous backup withholding.

PART I. Taxpayer Identification Number (TIN). I must enter my TIN in the appropriate box.

If I am a resident alien and I do not have and am not eligible to get an SSN, my TIN is my IRS individual taxpayer identification number (ITIN). I enter it in the social security number box. If I do not have an ITIN, I see How To Get a TIN below.

If I am a sole proprietor and I have an EIN, I may enter either my SSN or EIN. However, the IRS prefers me to use my SSN.

If I am a LLC that is disregarded as an entity separate from its owner (see Limited liability company (LLC)), and am owned by an individual, I will enter my SSN (or "pre-LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc, I enter the owner's EIN.

Note: See the chart entitled "What Name and Number to Give the Requester" for further clarification of name and TIN combinations.

How to get a TIN. If I do not have a TIN, I must apply for one immediately. To apply for an SSN, I get Form SS-5, Application for a Social Security Card, from my local Social Security Administration office. I must get Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN or Form SS-4, Application for Employer Identification Number, to apply for an EIN. I can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web Site at www.irs.gov.

If I am asked to complete Form W-9 but do not have a TIN, I write "Applied For" in the space provided for the TIN on my Account Signature Card, sign and date the form and give it to you. For interest and dividend payments and certain payments made with respect to readily tradable instruments, generally I will have 60 days to get a TIN and give it to you before I am subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. I will be subject to backup withholding on all such payments until I provide my TIN to you.

Note: Writing "Applied For" means that I have already applied for a TIN, or that I intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

PART II. Certification. To establish to the withholding agent that I am a U.S. person, or resident alien, I sign Form W-9. I may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I on the W-9 should sign (when required). Exempt residents, see Exempt from backup withholding.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts that were considered active during 1983. I must give my correct TIN, but I do not have to sign the certification.

2. Interest, dividend, broker and barter exchange accounts opened after 1983 and broker accounts that were considered inactive during 1983. I must sign the certification or backup withholding will apply. If I am subject to backup withholding and am merely providing you with my correct TIN, I must cross out item 2 in the certification before signing the form.

3. Real Estate transactions. I must sign the certification. I may cross out item 2 of the certification.

4. Other payments. I must give my correct TIN, but do not have to sign the certification unless I have been notified that I have previously given an incorrect TIN. "Other payments" include payments made in the course of the requestor's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a non-employee for services, payments to certain fishing boat crew members and fishermen and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by me, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. I must give my correct TIN, but do not have to sign the certification.

Privacy Act Notice. Section 6109 of the Internal Revenue Code requires me to give my correct TIN to you who must file information returns with the IRS to report interest, dividends, and certain other income paid to me, mortgage interest I paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions I made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of my tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states and the District of Columbia to carry out their tax laws. I must provide my TIN whether or not I am required to file a tax return. You must generally withhold 28% of taxable interest, dividend, and certain other payments to me if I do not furnish my TIN to you. Certain penalties may also apply.

What Name and Number to give the Credit Union. For this type of account: Give the name and SSN of:

The individual - Individual or Two or more individuals (joint account), the actual owner of the account, or if combined funds, the first individual on the account

Custodian account of a minor (Uniform Gift to Minors Act) - The minor

The usual revocable savings trust (grantor is also trustee) - The grantor-trustee

So-called trust account that is not a legal or valid trust under state law - The actual owner

Sole proprietorship - The owner

A valid trust, estate or pension trust - Legal entity

Corporate - The corporation

Association, club, religious, charitable, educational or other tax-exempt organization - The organization

Partnership - The partnership

A broker or registered nominee - The broker or nominee

Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district or prison) that receives agriculture program payments

The public entity - List first and circle the name of the person whose number I furnish. If only one person on a joint account has an SSN, that person's number must be furnished. Circle the minor's name and furnish the minor's SSN. I must show my individual name, but I may also enter my business or "DBA" name. I may use either my SSN or EIN (if I have one). List first and circle the name of the legal trust, estate or pension trust. (I must not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) NOTE: If no name is circled when there is more than one name listed, the number will be considered to be that of the first name listed.

DISCLOSURE OF FUNDS AVAILABILITY FOR ALL ACCOUNTS OTHER THAN TERM SHARE (CERTIFICATE) ACCOUNTS

Your policy is generally to make funds from my cash and check deposits available to me on the business day on which you receive my deposit. Electronic direct deposits will be available on the day you receive the deposit. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) you do not own or operate may not be available until the fifth (5th) business day after the day of my deposit. This rule does not apply at ATMs that you own or operate. Once they are available, I can withdraw the funds in cash and you will use the funds to pay checks that I have written.

For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If I make a deposit before 5 p.m. on a Monday through Thursday that you are open or 6 p.m. on a Friday that you are open, you will consider that day to be the day of my deposit. However, if I make a deposit after 5 p.m. on Monday through Thursday or 6 p.m. on Friday, or on a day you are not open, you will consider that the deposit was made on the next business day you are open.

LONGER DELAYS MAY APPLY. In some cases, you will not make all of the funds that I deposit by check available to me on the business day on which you receive my deposit. Depending on the type of check that I deposit, funds may not be available until the fifth (5th) business day after the day of my deposit. However, the first \$225 of my deposits may be available on the first (1st) business day after the day of deposit. If you are not going to make all of the funds from my deposit available on the business day on which you receive my deposit, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees, or if you decide to take this action after I have left the premises, you will mail me the notice by the business day after you receive my deposit.

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

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

1. You believe a check I deposit will not be paid.
2. I deposit checks totaling more than \$5,525 on any one day.
3. I redeposit a check that has been returned unpaid.
4. I have overdrawn my account repeatedly in the last six (6) months.
5. There is an emergency, such as failure of communications or computer equipment. You will notify me if you delay

my ability to withdraw funds for any of these reasons, and you will tell me when the funds will be available. They will generally be available no later than the eleventh (11th) business day after the day of my deposit.

SPECIAL RULES FOR NEW ACCOUNTS. If I am a new member, the following special rules will apply during the first thirty (30) days my account is open. Funds from electronic direct deposits to my account will be available on the day you receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525.00 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 (1st) business day after the day of my deposit if the deposit meets certain conditions. For example, the checks must be payable to me. The excess over \$5,525.00 may not be available until the ninth (9th) business day after the day of my deposit. If my deposit of these checks (other than a U.S. Treasury check) is not made in person to one of your employees, the first \$5,525.00 will not be available until the second (2nd) business day after the day of my deposit. Funds from all other check deposits may not be available until the thirtieth (30th) business day after the day of my deposit.

(B) 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 my 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 me) can be used by me for endorsements or any other markings. You will not be responsible for any damages incurred in the event I 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 me or a prior endorser on the back of the check.

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

SOUTH BAY CREDIT UNION LIMITATION OF MEMBER SERVICES FOR MEMBERS WHO ARE NOT IN GOOD STANDING

The Board of Directors of South Bay Credit Union has determined that the privilege of credit union services available to the members must be reserved for members who are in "good standing" with the Credit Union;

The Credit Union has adopted the following policy limiting the availability of Member Services for members who are not in "good standing": The Board of Directors formally promulgates and establishes as policy of this Credit Union that the availability of Member Services shall be limited for members who are not in good standing with our Credit Union. This policy shall extend to any member not in good standing who seeks Member Services whether directly or indirectly through a Credit Union account with another member. A member will not be considered to be in good standing with our Credit Union if the member:

1. fails to comply with the terms and conditions of any lawful obligation with the Credit Union and causes the Credit Union to suffer a pecuniary loss;
2. manipulates or otherwise abuses Credit Union services or products to the detriment of the Credit Union's membership;

- engages in threatening, disruptive, harassing or illegal behavior or otherwise injures any person or property while on Credit Union premises or at any Credit Union functions. The determination of whether a member is in "good standing" with our Credit Union will be made pursuant to the sole discretion of the Senior Management. Member Services are hereby defined as any products or services now or hereafter provided by or sponsored by this Credit Union or otherwise made available to Credit Union members, which services shall include, but are not limited to: loans, deposit accounts, share draft accounts, ATM services, notary services, audio response and EFT services. Notwithstanding the foregoing, any member whose access to member services is limited pursuant to the foregoing shall be permitted to maintain a dividend earning share account with the Credit Union and shall be permitted to vote at annual and special meetings subject to the by-laws and policies of the Credit Union. In the event that a member has limited access to Member Services due to threatening, disruptive, harassing or illegal behavior or for injuring any person or property on Credit Union premises, the Credit Union's Senior Management, at their sole discretion may limit any further contact with the Credit Union to written communication through the U.S. mail only.

ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

In this Disclosure and Agreement, the words "I," "me," "my," "us" and "our" mean each and all of those who apply for and/or use any of the electronic services described in this Disclosure and Agreement. The words "you," "your," and "yours" mean SOUTH BAY CREDIT UNION. My acceptance, retention or use of an ATM Card, VISA® Check Card or other electronic funds transaction hereunder constitutes an agreement between you and me as described below. This Disclosure and Agreement is given by you in compliance with the Electronic Funds Transfer Act (15 U.S.C. Section 1693, et seq.) and Regulation E (12 CFR 205, et seq.) to inform me of certain terms and conditions of the electronic funds transfer services I have requested. At the present time, you participate in several types of services that may be accomplished by electronic transfer: preauthorized deposits of net paycheck, payroll deductions, preauthorized deposits of pension checks and Federal Recurring Payments (for example, Social Security payments), preauthorized withdrawals for bill payments and other recurring payments, Automated Teller Machine (ATM) electronic fund transfer services at Credit Union owned ("Proprietary") ATMs and on "Shared Network" ATMs such as CO-OP®, STAR®, and CIRRUS®, and such other systems as may be added from time to time, Audio Response / Electronic Telephone Banking, Personal Computer Electronic Banking, Electronic Check Transactions and Point of Sale (POS) Transactions. Disclosure information applicable to all electronic services offered by you is given below, with certain specific disclosure information for each service following in separate sections. I understand that the agreements, terms, conditions, rules and regulations applicable to my Checking Account, Share (Savings) Account, 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 Disclosure and Agreement.

GENERAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC SERVICES

Business Day Disclosure. Your business days are Monday through Friday, except holidays. Your business hours are 9 a.m. to 5 p.m. ATMs, POS terminals, the Audio Response / Electronic Telephone Banking System and Personal Computer Electronic Banking are generally open, but not always accessible, 24 hours a day, 7 days a week. Personal Computer Electronic Banking may be temporarily unavailable due to

Credit Union system maintenance or technical difficulties including those of the Internet service provider and Internet software.

Disclosure of Account Information to Third Parties. You will disclose information to third parties about my account or transfers I make:
(1) When it is necessary to complete an electronic transaction; or
(2) In order to verify the existence and condition of my account for a third party, such as a credit bureau or merchant; or
(3) In order to comply with a government agency or Court order, or any legal process; or
(4) If I give you written permission.

In Case of Errors or Questions About My Electronic Services Transactions. I will telephone you at: (310) 374-3436 or I will write you at: SOUTH BAY CREDIT UNION 312 N. Pacific Coast Hwy. Redondo Beach, CA 90277 or e-mail you at: sbcu@southbaycu.com as soon as I can, if I think my statement or receipt is wrong or if I need more information about a transaction listed on the statement or receipt. You must hear from me no later than sixty (60) days after you send me the FIRST statement on which the problem or error appeared. I must:

- Tell you my name and account number;
- Describe the error or the transaction I am unsure about and explain as clearly as I can why I believe it is an error or why I need more information; and
- Tell you the dollar amount of the suspected error. If I tell you orally, you will require that I send you my complaint or question in writing within ten (10) business days. You will determine whether an error occurred within ten (10) business days after you hear from me and will correct any error promptly. If you need more time, however, you may take up to forty five (45) days to investigate my complaint or question. If you decide to do this, you will credit my account within ten (10) business days for the amount I think is in error, so that I will have the use of the money during the time it takes you to complete your investigation. If you ask me to put my complaint or question in writing and you do not receive it within ten (10) business days, you may not credit my account. In accordance with VISA Operating Rules and Regulations, I will receive provisional credit for VISA Check Card losses for unauthorized use within five (5) business days after I have notified you of the loss. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, you may take up to ninety (90) days to investigate my complaint or question. For new accounts, you may take up to twenty (20) business days to credit my account for the amount I think is in error. You will tell me the results within three (3) business days after completing your investigation. If you decide that there was no error, you will send me a written explanation. I may ask for copies of the documents that you used in your investigation.

Your Liability for Failure to Make or Complete Electronic Funds

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

- Circumstances beyond your control (such as fire, flood, earthquake, electronic failure or malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions;
- Through no fault of yours, I do not have enough money in my account (or sufficient collected funds) to make a transaction;
- The funds in my account are subject to an uncollected funds hold, legal process or other circumstances restricting such transaction or payment;

4. You have received incorrect or incomplete information from me or from third parties (e.g., the U. S. Treasury, an automated clearing house, or a terminal owner);
5. The ATM, POS terminal, Audio Response / Electronic Telephone Banking System, Personal Computer Electronic Banking or other electronic services system contemplated hereunder was not working properly and I knew about this breakdown when I started the transaction;
6. The ATM where I was making the transaction did not have enough cash, or cash in the denominations I requested;
7. My ATM Card, VISA Check Card, VISA Credit Card, or check(s) has been reported lost or stolen, or my Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive due to non-use, is retained by you at my request, or because my Card, Audio Response / Electronic Telephone Banking or Personal Computer Electronic Banking PIN has been repeatedly entered incorrectly;
8. The transaction would exceed my Line of Credit limit or VISA Credit Card limit;
9. Your failure to complete the transaction is done to protect the security of my account and/or the electronic terminal system;
10. There may be other exceptions.

Charges for Electronic Funds Transaction Services. All charges associated with my electronic funds transactions are disclosed in your Schedule of Fees and Charges which accompanies this Disclosure and Agreement. A stop-payment placed on a preauthorized electronic payment is subject to a fee as disclosed in your Schedule of Fees and Charges, for each stop payment order I give. There may also be a charge assessed if I overdraw my Checking Account by the use of a VISA Check Card. If I 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 fee equal to your reasonable cost of reproduction will be charged. Any fees charged will be deducted from my Checking or Share (Savings) Account.

Change in Terms. You may change the terms and charges for the services indicated in this Electronic Services Disclosure and may amend, modify, add to, or delete from this Disclosure and Agreement from time to time. If I have an account with you through which electronic transactions are being processed, I will receive written notice at least twenty-one (21) days prior to the effective date of the change(s), or as otherwise provided by law.

Disclosure of Delayed Funds Availability. You may place a hold for uncollected funds on an item I deposit. This could delay my ability to withdraw such funds. For further details, see your "Disclosure of Funds Availability Policy" or contact a Credit Union officer.

Termination of Electronic Funds Transaction Services. I may, by written request, terminate any of the electronic services provided for in this Disclosure and Agreement. You may terminate my right to make electronic funds transactions at any time upon written notice. If I ask you to terminate my account or the use of an ATM Card, VISA Check Card or any other access device, I will remain liable for subsequent authorized transactions performed on my account.

Account Access. My Account, the Card(s), or any other access device or method (including ACH and electronic check transactions) may not be used for any illegal activity or transaction. I understand that I may not utilize my Account, the Card(s), 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 may not be limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open

network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. You may deny authorization of any transactions identified as gambling. However, in the event that a transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

Relationship to Other Disclosures. The information in these Disclosures applies only to the electronic service transactions described herein. Provisions in other disclosure documents, as may be revised from time to time, remain effective for all other aspects of the account involved.

Governing Law. I understand and agree that this Disclosure and Agreement and all questions relating to its validity, interpretation, performance, and enforcement shall be governed by and construed in accordance with the internal laws of the State of California, notwithstanding any conflict-of-laws doctrines of such state or other jurisdiction to the contrary. I also agree to submit to the personal jurisdiction of the courts of the State of California.

Copy Received. I acknowledge receipt of a copy of this Disclosure and Agreement.

ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED DEPOSIT OF NET PAYCHECK, PAYROLL DEDUCTIONS, PENSION CHECKS AND FEDERAL RECURRING PAYMENTS

If I have arranged to have preauthorized electronic deposits of my net paycheck (if available from my employer), payroll deductions, pension checks or Federal Recurring Payments (for example, Social Security payments), the following applies to me.

Account Access. Preauthorized deposits may be made to my Share (Savings) Account(s) or Checking Account.

Notification of Preauthorized Deposits. If I have arranged with a third party (for example, the Social Security Administration) to make preauthorized deposits to my account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify me every time the party sends you money to deposit to my account. If I have not made such an arrangement, I may telephone you at (310) 374-3436 and you will advise me whether or not the preauthorized deposit has been made.

Documentation of Preauthorized Deposits. Generally, I 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 fund transaction service I have with you is preauthorized deposits, then you reserve the right to send me a quarterly statement only.

ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED PAYMENT SERVICES

If I have requested a preauthorized payment to a third party from my Credit Union Checking Account, the following applies to me. Account Access. Preauthorized payments may be made from my Checking Account only.

Right to Receive Documentation of Preauthorized Payment. Initial Authorization. I can get copies of the preauthorized payment documentation from the third party being paid at the time I give them the initial authorization.

Notice of Varying Amounts. If my preauthorized payment may vary in amount, the party who will receive the payment is required to tell me

ten (10) days before such payment when it will be made and how much it will be. I may agree with the person 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 I set.

Periodic Statement. I will receive a monthly account statement for each month in which a transfer is made, but at least a quarterly statement if no transfers are made.

Right to Stop Preauthorized Payment. If I want to stop any of the preauthorized payments or revoke a preauthorized payment authorization, I must call you at: (310) 374-3436, or write you at 312 N. Pacific Coast Hwy. Redondo Beach, CA 90277 in time for you to receive my stop request no less than three (3) business days or more before the next payment is scheduled to be made. If I call, you may also require me to put confirmation of my request in writing at the above address and get it to you within fourteen (14) days after I call. An oral request ceases to be binding after fourteen (14) days if I have not provided you with my required written confirmation of my request. You will charge me for each stop payment or revocation request I give pursuant to your current Schedule of Fees and Charges. If I have given you a request to revoke this entire preauthorized payment authorization, I understand and agree that I must also promptly contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide you with a copy of my written revocation notice to the third party.

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

Liability for Unauthorized Electronic Payments. I may be liable for unauthorized transfers made from my account by a third party. If I believe such transfer has occurred, I must follow the procedures outlined in the "General Disclosures Applicable to All Electronic Services" section for resolving errors. Please also refer to the section entitled "Additional Disclosures Applicable to ATM Electronic Funds Transactions, Point of Sale Transactions, Audio Response / Electronic Telephone Banking Transactions, Personal Computer Electronic Banking Transactions, and Electronic Check Transactions."

ADDITIONAL DISCLOSURES APPLICABLE TO AUDIO RESPONSE / ELECTRONIC TELEPHONE BANKING

Audio Response / Electronic Telephone Banking (hereafter, referred to as Electronic Telephone Banking) is a telephone banking service that allows me to perform monetary transactions and account inquiries without assistance from your staff. I will actually "communicate" directly with your computer. Before I can use Electronic Telephone Banking, I must select an Electronic Telephone Banking System Personal Identification Number (hereafter, referred to as a PIN).

Types of Available Transactions. I may use my Electronic Telephone Banking PIN to:

- 1) Make transfers between my accounts;
- 2) Make inquiries regarding account balances and loan payment data;
- 3) Make transfers to make loan payments;
- 4) Make withdrawals from my Share (Savings) Account(s) (except from IRAs or from the principal of a Certificate Account), or Checking Account(s) or advances on my Line of Credit Account(s) by Credit Union check issued in the name of the member appearing first on the Account Signature Card mailed to my address of record.

- 5) You may offer additional services in the future and, if so, I will be notified of them.

Limitations on Frequency and Dollar Amount of Transactions.

Withdrawals from my Share (Savings) Account(s) or Checking Account(s) or loan advances on my Line of Credit Account(s), whether by check or transfer to other accounts are limited to the extent that I have funds available in my account or available credit from my Line of Credit Account and by a maximum amount threshold established by you. I understand that you may change the maximum amount threshold from time to time, if you determine a need to do so.

For security reasons, in the event my PIN is lost or stolen, there may be restrictions on transactions I can make on the Electronic Telephone Banking System.

There is no charge for Electronic Telephone Banking.

Electronic Telephone Banking PIN. I understand that I cannot use Electronic Telephone Banking System without a PIN, and that I will select my PIN when I initially dial into the Electronic Telephone Banking System or I sign onto the Personal Computer Electronic (Home) Banking System. I AGREE THAT THE USE OF THE PIN CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION. I am responsible for the safekeeping of my PIN and for all transactions made by use of Electronic Telephone Banking System. I will notify you immediately and send written confirmation if my PIN is disclosed to anyone other than the joint owner of my account. I understand and agree that I must change the PIN immediately to prevent transactions on my Account if anyone not authorized by me has access to the PIN. If I disclose my PIN to anyone, however, I understand that I have given them access to my account via the Electronic Telephone Banking System and that I am responsible for any such transactions. I further understand and agree that my PIN is not transferable and I will not disclose the PIN or permit any unauthorized use thereof.

ADDITIONAL DISCLOSURES APPLICABLE TO PERSONAL COMPUTER ELECTRONIC (HOME) BANKING AND BILL PAYMENT SERVICES

Personal Computer Electronic (Home) Banking (hereafter referred to as Home Banking), is a computer electronic banking service that allows me access to my accounts through the use of a personal computer or remote computer terminal, communications software, a modem and my own selected Home Banking Personal Identification Number (hereafter referred to as a PIN).

I UNDERSTAND THAT THE CREDIT UNION DOES NOT MAKE ANY WARRANTIES ON EQUIPMENT, HARDWARE, SOFTWARE OR INTERNET PROVIDER SERVICE, OR ANY PART OF THEM, EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY LOSS, INJURY OR DAMAGES, WHETHER DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL, CAUSED BY THE INTERNET PROVIDER, ANY RELATED SOFTWARE, OR THE CREDIT UNION'S USE OF ANY OF THEM OR ARISING IN ANY WAY FROM THE INSTALLATION, USE, OR MAINTENANCE OF MY PERSONAL COMPUTER HARDWARE, SOFTWARE, OR OTHER EQUIPMENT.

Account Access. Home Banking is available for my Share (Savings) Account(s) (with the exception of IRA accounts), Checking Account(s), and Line of Credit Account(s) and Loan Account(s) (with the exception of VISA) using my PIN specific to this service.

Types of Available Transactions.

I may use my PIN for:

- (1) Balance inquiries.
- (2) Transaction history inquiries.
- (3) Transfer of funds between my accounts.
- (4) Transfers to other members' accounts.
- (5) Withdrawals from my Share (Savings) Account(s) (except from IRAs or from the principal of a Certificate Account) or Checking Account(s) or advances on my Line of Credit Account(s) made by Credit Union check issued in the name of the member appearing first on the Account Signature Card and mailed to my address of record.
- (6) Loan payments by transfers from my Share (Savings) Account(s) or Checking Account(s).
- (7) Download transaction history.
- (8) Utilize the Bill Payment service from my designated checking account (requires a separate Bill Payment Services Registration Form/Process).
- (9) You may offer additional services in the future and, if so, I will be notified of them. Limitations on Frequency and Dollar Amount of Transactions.

(1) Withdrawals from my Share (Savings) Account(s) or Checking Account(s) or loan advances on my Line of Credit Account(s), whether by check or transfer to other accounts are limited to the extent that I have funds available in my account or available credit from my Line of Credit Account and by a maximum amount threshold established by you. I understand that you may change the maximum amount threshold from time to time, if you determine a need to do so.

(2) For security reasons, in the event my PIN is lost or stolen, there may be restrictions on transactions I can make on the Home Banking System.

(3) There is no charge for Home Banking.

Authorization. I authorize you to charge my designated checking account(s) for any transactions accomplished through the use of the Bill Payment service, including the amount of any recurring payment that I make, and all charges as shown in the Schedule of Fees and Charges associated with Bill Payment service. I authorize you to transfer funds electronically between my designated checking account(s) according to my instructions initiated through Home Banking. I understand that in order to use Home Banking, I must have an account in good standing and have a PIN with you.

Home Banking PIN. I understand that I cannot use Home Banking without a PIN, and that I will select my PIN when I initially sign onto the Home Banking System or dial into the Electronic Telephone Banking System.

I AGREE THAT THE USE OF THE PIN WITH MULTIFACTOR AUTHENTICATION (MFA) CONSTITUTES A REASONABLE SECURITY PROCEDURE FOR ANY TRANSACTION.

I am responsible for the safekeeping of my PIN and for all transactions made by use of Home Banking. I will notify you immediately by phone and send written confirmation if my PIN is disclosed to anyone other than the joint owner of my account. If I disclose my PIN to anyone (including without limitation, an account aggregate service provider), however, I understand and agree that I have given them access to my account via Home Banking and I am responsible for any such

transactions. I understand and agree that I must change the PIN immediately to prevent transactions on my account if anyone not authorized by me has access to my PIN. I further understand and agree that my PIN is not transferable and I will not disclose it or permit any unauthorized use thereof. If I voluntarily subscribe to a third party account aggregation service where my selected Credit Union deposit and loan account(s) as well as my accounts at other financial/investment institutions may be accessed on a web-site, I may be required to give my Credit Union PIN to the aggregate service provider. I understand that by doing so, I am providing the aggregate service provider access to my account(s) at the Credit Union.

Joint Accounts If I utilize the Service to access my Accounts which are jointly owned, transactions performed on any such account by electronic means where my PIN is utilized shall be considered authorized by me.

Fees Associated With Bill Payment. All applicable fees will be charged as set forth in the Schedule of Fees and Charges.

Bill Payment Services Agreement. In addition to the Personal Computer Electronic (Home) Banking terms and conditions, the following additional terms and conditions apply to Bill Payment services: To use Bill Payment services, I must complete the Bill Payment Registration Process. All payments made through Bill Payment service will be deducted from my designated checking account. Any payee I wish to pay through Bill Payment must be payable in U.S. Dollars. Each payee must appear on the payee list I create with you and the account I am paying must be in my name. I may not use Bill Payment service to make payments to a federal, state or local government or tax unit, or to other categories of payees that you may establish from time to time. I must allow sufficient time for the payee to receive and process the payment before the payment due date (the due date shown on my invoice or provided in my agreement with payee, not taking into account any grace period provided by payee). If I do not allow sufficient time, I will assume full responsibility for all late charges, finance charges, or other actions taken by payee.

IMPORTANT: The Credit Union is not liable for any service or late charges levied against me. I may make arrangements to pay certain recurring bills from my designated checking account. The Bill Payment service provider is responsible only for exercising ordinary care in making payments upon my authorization and for mailing or sending a payment to the designated merchant in accordance with this Agreement. The Credit Union and the Bill Payment service provider are not liable for any damages I incur if I do not have sufficient funds in my designated checking account to make the payment on the processing date, if the estimated time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to credit the account correctly for the payment in a timely manner, or for any other circumstances beyond the control of the Credit Union or the Bill Payment service provider. In all cases for transactions you are unable to process because of insufficient available funds, I am responsible for either making alternate arrangements for the payment, or rescheduling the payment through Bill Payment service. Insufficient available funds may prevent you from making more payments until resolved. I authorize you, and any third-party acting on your behalf, to choose the most effective method to process my payments. I will receive a transaction confirmation number for each properly instructed payment. Unless I receive a confirmation number, you shall not be liable for any failure to make a payment. You may charge my designated checking account on the day that a check or other transaction is presented to you directly or electronically for payment. The Credit Union reserves the right to refuse to make any payments, but you will notify me of any such refusal within

three (3) business days following receipt of my process date. Under some circumstances, I may stop or modify some authorized payments. Payments designated as "Today" transactions cannot be stopped, canceled, or changed once my Bill Payment session is terminated. In order to request a stop payment or change a Bill Payment transaction designated, I must contact the Bill Payment service provider at 866-717-7842. If I wish to cancel my Bill Payment service feature, I must notify you in writing at: South Bay Credit Union, 312 N. Pacific Coast Hwy., Redondo Beach, CA 90277.

I will be responsible for all payment instructions made prior to termination and for all other applicable charges and fees. I will cancel all outstanding payment orders with the payee(s) before notifying you to terminate this service feature. This Agreement, any user's manual, and the applicable fees and charges may be amended by you in the future. In the event of amendment, you shall send notice to me either by mail to my last known address or transmit such notice of the amendment over the Home Banking System. My use of the Bill Payment service feature following the receipt of such notice constitutes acceptance of such amendment.

ADDITIONAL DISCLOSURES APPLICABLE TO THE ATM ELECTRONIC FUNDS TRANSACTIONS

If I requested that you issue me an ATM Card or VISA Check Card to be used to transact business at any of your proprietary ATMs or any ATM displaying the CO-OP®, STAR® or CIRRUS® Logo and belonging to the Shared Network System of ATMs or activated a VISA Credit Card to obtain advances at ATMs bearing the VISA logo then the information below applies to me. Access to ATMs is through the use of a Card and a Personal Identification Number (PIN) that you will provide me.

Types of Available Transactions and Limits on Transactions. Types of currently available transactions are listed below. Transaction types and services may be limited on certain ATMs on the systems which are not owned by you (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." Account Access. The ATM services which you make available to me are:

- 1) Deposits to my Share (Savings) Account and Checking Account at your proprietary ATM(s) and designated CO-OP Network ATMs only;
- 2) Withdrawals from my Share (Savings) Account and Checking Account at your proprietary ATM(s) and at CO-OP Network ATMs (and some shared network ATMs);
- 3) Transfer of funds between my Share (Savings) Account and my Checking Account within the same account number; at your proprietary ATM(s) and at CO-OP Network ATMs (and some shared network ATMs);
- 4) Advances on my VISA line up to my available Credit Limit using a VISA Credit Card at ATMs displaying the VISA logo.
- 5) Balance inquiries at your proprietary ATM(s) and at CO-OP Network ATMs (and some shared network ATMs);
- 6) You may offer additional services in the future and, if so, I will be notified of them. Unless otherwise noted, the above services are generally available at ATMs on the CO-OP®, STAR®, and CIRRUS® Shared Network Systems. Services, however, may be restricted on certain ATMs on the systems which are not owned by you. In such case, an attempted transaction may be refused by the Shared Network ATMs.

ATM Fees. When I use an ATM not owned by you, I may be charged a fee by the ATM operator or any network used (and I may be charged a fee for a balance inquiry even if I do not complete a fund transfer).

Limitations on Frequency and Dollar Amount of Transactions.

(1) Withdrawals from most ATMs are limited to a maximum per transaction and per day. Note, however, that withdrawal limitations may vary between networks and individual machines. In addition, you reserve the right to adjust my maximum per day cash disbursement levels, from time to time, in your sole discretion.

(2) Minimum withdrawal amounts and increment amounts may vary depending on the system or machine I access. For example, the minimum withdrawal and increment amount at Shared Network machines is generally \$20.00.

(3) For security reasons, in the event my ATM Card, VISA Check Card or VISA Credit Card or the PIN is lost or stolen, there may be restrictions on transactions I can make on the ATM System.

(4) Transactions on my accounts may be subject to Credit Union fees and charges. For more information, please refer to the Schedule of Fees and Charges, your Account Agreement and Truth-in-Savings Disclosure and, where applicable, your Personal Line of Credit Account Agreement and Truth-in-Lending Disclosure Statement.

Overdraft to Line of Credit. I understand that if I have an overdraft line of credit in conjunction with my Checking Account, then I may use that line of credit to fund any overdraft on my Checking Account including overdrafts caused by ATM or POS terminal access. I understand that I may not otherwise use my ATM Card(s) or VISA Check Card to overdraw my Share Account or Checking Account, or my Line of Credit, if applicable. However, if I do overdraw, I authorize you to cover the overdraft as follows:

- 1) Overdrawn Share Account: You will withdraw funds from my Checking Account or make a cash advance from my Line of Credit Account, if any, or make a withdrawal from other accounts on which I am a joint owner.
- 2) Overdrawn Checking Account: You will make a cash advance from my Line of Credit Account, if any, or withdraw funds from my Share Account or make a withdrawal from other accounts on which I am a joint owner.
- 3) Overdrawn Line of Credit: You will withdraw funds from my Share Account or Checking Account, or other accounts on which I am a joint owner. Overdrafts which cannot be honored are payable on demand and may result in termination of my account(s).

My ATM Card and/or VISA Check Card. Both an ATM Card and/or VISA Check Card and a Personal Identification Number (PIN) will be used each time I use an ATM. The following conditions must be observed for both the privacy and protection of my account and the system:

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

(4) IF I AUTHORIZE YOU TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, I 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. IF I GIVE MY CARD OR

PIN TO ANYONE, ANY WITHDRAWAL OR TRANSFER BY THAT PERSON WILL BE CONSIDERED TO BE AUTHORIZED BY ME.

Safety at the ATM. I understand that I should use caution at all times when using an ATM or POS terminal. Some precautions I can take are: avoid ATMs that are obstructed from view or unlit at night; observe the area for anything unusual or suspicious; when possible, bring a companion along, especially at night; lock my vehicle when I leave it; have my Card in my hand as I approach the machine; avoid reaching in my wallet or purse in front of the machine; avoid counting my cash at the machine; lock the doors, roll up all but the driver's window, and keep the engine running when using a drive-up machine. If I feel unsafe for any reason, I should leave the area immediately. If someone follows me after using the ATM, I should quickly go to a safe area that is well populated and well lit. I should report any incident to the police as soon as possible.

Personal Identification Number. I agree to memorize my PIN and will not write it on the Card(s) or keep it with the Card(s). If I forget the number, I may contact you and either you will issue a duplicate at the charge set forth in your current Schedule of Fees and Charges or I will come into the Credit Union to select a new PIN.

Ownership of an ATM Card or VISA Check Card. The Card(s) remains your property and I agree to surrender the Card(s) to you upon demand. You may cancel, modify or restrict the use of any Card upon proper notice or without notice if my account is overdrawn, if you are aware that I have violated any term of this Disclosure and Agreement, whether or not you suffer a loss, or where necessary to maintain or restore the security of my account(s) or the ATM or POS system. You also reserve the right to recall the Card(s) through retrieval by any of the ATMs.

Making Electronic Fund Transactions. I agree to follow the instructions posted or otherwise given by you or any ATM Network or POS terminal concerning use of the machines.

ADDITIONAL DISCLOSURES APPLICABLE TO ATM CARDS OR VISA CHECK CARDS WHEN USED FOR POINT OF SALE TRANSACTIONS

Types of Available Transactions and Limits on Transactions. By use of my ATM Card or VISA Check Card, I authorize you to make withdrawals from my Checking Account for cash advances and/or purchases.

Account Access. I may use my Card to withdraw cash from my Checking Account by way of a cash advance from merchants, financial institutions or others who honor the Card(s) and/or pay for purchases from merchants, financial institutions and others who honor the Card(s). I understand that some participating merchants (such as hotels, car rental companies, restaurants or gas stations) may initiate electronic notices seeking validation of the Card and/or approval of the anticipated purchase amount. Such an anticipated purchase amount may exceed the amount of the actual purchase transaction. You may place a hold against the Checking Account for the anticipated amount. The hold may remain in effect from the time the notice is received by you up to the time the merchant draft or other item is presented. The amount of the actual purchase transaction is then deducted from the Checking account.

Limitations on Frequency and Dollar Amounts of Transactions. I may make cash advances and purchases through the VISA Network only to the extent that I have available funds in my Checking Account plus available funds in my designated overdraft sources not to exceed \$2,000 per day. I may make purchases through the STAR Network using my PIN only to the extent that I have available funds in my Checking Account plus available funds in my designated overdraft sources not to exceed

\$500 per day. For security reasons, there may be limits on the number of these transactions that may be authorized.

Returns and Adjustments (VISA Check Cards). Merchants and others who honor VISA Check Cards may give credit for returns or adjustments, and they will do so by sending you a credit slip that you will post to my Checking Account.

Foreign Transactions (VISA Check Cards). Purchases, cash advances, and credits made in foreign currencies will be billed to my Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the Visa operating regulations for international transactions. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date, plus one percent (1.00%). The conversion rate may be different than the rate on the day of the transaction or date of the posting of the Account. When a credit to the Account does not fully offset a charge to the Account due to changes in the rate, I am responsible for the difference.

ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS

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

Types of Available Transactions. I may authorize a merchant or other payee to make a one-time Electronic Check Transaction from my checking account using information from my check to pay for purchases or pay bills. I may also authorize a merchant or other payee to debit my checking account for returned check fees or returned debit entry fees. I may make such a payment via ACH where I have provided a paper check to enable the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; whether the check is retained by the consumer, the merchant, other payee, or the payee's financial institution; or I have provided the merchant or payee with the routing, account, and serial numbers by telephone to make a payment or a purchase.

Account Access. Electronic Check Transactions may be made from my Checking Account only.

Limitations on Dollar Amounts of Transactions. I may make Electronic Check Transactions only to the extent that I have available clear funds in my Checking Accounts plus available funds in my designated overdraft sources.

Overdraft to Line of Credit. I understand that if I have an overdraft Line of Credit Account in conjunction with my Checking Account, then I may use that Line of Credit to fund any overdraft on my Checking Account including overdrafts caused by any Electronic Check Transactions. I understand that I may not otherwise initiate an Electronic Check Transaction to overdraw my Checking Account or my Line of Credit, if applicable. However, if I do overdraw, I authorize you to cover the overdraft on my Checking Account by making a cash advance from my Line of Credit Account, if any, or withdraw funds from my Share

Account(s) or make a withdrawal from other accounts on which I am a joint owner. Overdrafts which cannot be honored are payable on demand and may result in termination of my account(s).

Remotely-Created Checks. If the Electronic Check Transaction involves a remotely-created check, you reserve the right to accept or reject the item for deposit into any of my Accounts. If I deposit a remotely-created check into any of my Accounts, I represent and warrant to you that I 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 I have deposited into my Account is returned by the drawee-payor bank for any reason, I agree that you may debit my Account for the amount of the item, plus any applicable fees. If the debit causes my Account to be overdrawn, I agree to pay the overdrawn amount on your 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, POINT OF SALE TRANSACTIONS, AUDIO RESPONSE / ELECTRONIC TELEPHONE BANKING TRANSACTIONS, PERSONAL COMPUTER ELECTRONIC BANKING TRANSACTIONS AND ELECTRONIC CHECK TRANSACTIONS

Right to Receive Documentation of Transactions.

(1) Transaction Receipt. I will receive a receipt at the time I make any transfer to or from my Account using one of the ATMs or when I make a purchase using a POS terminal. I should retain this receipt to compare with my statement from you.

(2) Periodic Statement. I will receive a monthly statement (unless there are no transfers in a particular month), for the account(s) which I have accessed using an Electronic Check Transaction, the ATMs, POS terminals, Audio Response/Electronic Telephone Banking System or Personal Computer Electronic (Home) Banking, which will show the calendar date that I initiated the transfer, the type of transfer and the type of account(s) accessed by the transfer, and the amount of transfers occurring in that statement period. I will get a statement at least quarterly.

(3) Personal Computer Electronic (Home) Banking Transaction. I may print a record of any individual transaction conducted through the Service at any time after the transaction is completed. I may also subsequently contact you to request a paper receipt for any such transaction provided it is no more than three (3) months old. A fee may be charged for such paper copy, subject to your Schedule of Fees and Charges.

My Liability for Unauthorized Transactions and Advisability of Prompt Reporting.

I must tell you AT ONCE if I believe my checks, ATM Card, VISA Check Card, VISA Credit Card or my Audio Response/Electronic Telephone Banking, Personal Computer Electronic (Home) Banking, ATM Card, VISA Check Card or VISA Credit Card PIN (collectively "check(s), Card(s) and/or PIN(s)") has been lost or stolen or if I believe that an electronic fund transfer has been made without my permission using information from my check. Telephoning is the best way of keeping my possible losses down. A written notification to you should follow my telephone call. I could lose all the money in my account (plus my maximum overdraft line of credit). However, if I believe my check(s), Card(s) and/or PIN(s) has been lost or stolen, and I tell you within two (2) business days after I learn of the loss or theft, I can lose no more than \$50.00 if someone used my check(s) (in an Electronic Check

Transaction), my Card(s), and/or PIN(s) without my permission. If I do NOT tell you within two (2) business days after I learn of the loss or theft of my check(s), Card(s) and/or PIN(s) and you can prove you could have stopped someone from using my check(s), in an Electronic Check Transaction, and/or my Card(s) and/or PIN(s) without my permission if I had told you, I could lose as much as \$500.00. If I am using a VISA consumer card including credit or debit card for transactions that take place on the VISA network system, I understand that VISA Operating Rules and Regulations provide for \$0 liability for losses from unauthorized (fraudulent) activity. This does not apply to ATM transactions using a PIN. Also, if my statement shows transfers that I did not make, including those made by Card, PIN, or other means, I must tell you at once. If I do NOT tell you within sixty (60) days after the statement was mailed to me, I may not get back any money I lost after the sixty (60) days if you can prove that you could have stopped someone from taking the money if I had told you in time. If I can document a good reason (such as a long trip or hospital stay) kept me from telling you, you will extend the time period.

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

If I believe my Card(s), PIN(s) or check(s) has been lost or stolen or that someone will or may use it to transfer money from my account(s) without my permission, I must telephone you at: (310) 374-3436, or after business hours for a VISA Check Card / PIN, I must telephone (800) 754-4128 inside the United States or (414) 341-4015 outside the United States, or write you at: SOUTH BAY CREDIT UNION, 312 N. Pacific Coast Hwy. Redondo Beach, CA 90277. I should also call (310) 374-3436 or write to the address listed above if I believe a transfer has been made using the information from my check without my permission.

Regulation "D" Restrictions on Electronic Funds Transfers.

Any combination of preauthorized, automatic or telephone withdrawals or transfers from Share Accounts are limited to no more than six (6) transfers in each calendar month. No more than three of the six withdrawals or transfers may be made by check, share draft or other order. However, I may make an unlimited number of withdrawals from or transfers among my own Share (Savings) Accounts by mail, messenger or in person at the Credit Union or at an ATM. I may also make an unlimited number of withdrawals from my Share (Savings) Accounts through the Credit Union's Audio Response/Electronic Telephone Banking System, Personal Computer (Home) Banking System or by telephone if I request that you send me a check. Transfers or withdrawals in excess of the above limitations will not be honored.

Verification.

All transactions affected by use of the ATMs, POS terminals, Electronic Check Transaction, Audio Response/Electronic Telephone Banking System, Personal Computer (Home) Banking System or other electronic transaction contemplated hereunder which would otherwise require my "wet" signature, or other authorization, shall be valid and effective as if "wet" signed by me when accomplished by use of an Electronic Check Transaction, Card(s) and/or PIN(s) or as otherwise authorized under this Agreement. Deposits at an ATM are subject to verification by you and may only be credited or withdrawn in accordance with your "Delayed Funds Availability Policy." Transactions accomplished after the close of normal business each day shall be deemed to have occurred on your next business day. You are not responsible for delays in a deposit due to improper identification on the deposit envelope or improper keying of my transaction. Information accompanying a deposit should include my name, your name, my member number and where I want my deposit to go. If I make a deposit to my Checking Account with you, the Checking Account deposit slip should be included.

IMPORTANT INFORMATION CONCERNING WIRE TRANSFERS

Your charges for the wire transfer (funds transfer) are disclosed in your Schedule of Fees and Charges. Other financial institutions involved in the wire transfer may impose additional charges. You may fail to act or delay acting on a payment order without any liability because of legal constraint, my negligence, and interruption of communication facilities, equipment failure, war, emergency conditions, or other circumstances beyond your control. You may also fail to send or delay a payment without any liability if sending the order would violate any guideline, rule or regulation of any government authority. You are not liable for consequential, special or exemplary damages or losses of any kind. You have cutoff times for processing payment orders. Orders received prior to 1:00 PM PST will be same day transmitted. If I give you the payment order after the cutoff time, you may treat the payment order as if you received it on your next business day. Funds transfer business days will include all normal business days of South Bay Credit Union. I must accurately identify beneficiaries of my payment order. If I give you the name and account number of a beneficiary, you and other financial institutions may process the payment order based on the account number alone, even though the number may identify a person other than the beneficiary named. If I give you the name and identifying number of a financial institution, you and the other financial institutions may process the payment order based on the financial institution's identifying number alone, even though the number may identify a financial institution other than the one named. In these cases, I am still obligated to pay you the amount of the payment order. Fedwire is the funds transfer system of the U.S. Federal Reserve Bank. You and other financial institutions involved may use Fedwire to make the funds transfer. If Fedwire carries any part of the funds transfer, my rights and obligations regarding the funds transfer are governed by regulation J of the U.S. Federal Reserve Board. By requesting a wire transfer, I authorize South Bay Credit Union to debit my account to pay for this funds transfer. You notify me about the funds transfer by listing it on my statement. I must send you written notice, including a statement of relevant facts, within 14 calendar days after I receive the first account statement on which any unauthorized or erroneous debit to my account, or any other discrepancy between my records and yours appear. If I fail to notify you within this 14-day period, you are not liable, or obligated to compensate me, for any loss of interest or interest equivalent because of an unauthorized or erroneous debit.

YOUR SAVINGS INSURED TO \$250,000 PER ACCOUNT



This institution is not federally insured, and if the institution fails, the Federal Government does not guarantee that depositors will get back their money. The credit union is not insured by any state government.