

member account agreement & disclosure



> important documents to keep for your records

MEMBER ACCOUNT AGREEMENT & DISCLOSURE

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effective: March 1, 2016

NCUA Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government, National Credit Union Administration, a U.S. Government Agency.

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ACCOUNT AGREEMENT & TRUTH-IN-SAVINGS DISCLOSURE

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

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

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

WHAT THIS MEANS FOR YOU: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

PART I: BINDING ARBITRATION CONSENT AND AGREEMENT

BINDING ARBITRATION CONSENT AND AGREEMENT: You and we agree to attempt to informally settle any disputes arising out of, affecting, or relating to your accounts or your relationship with us. If that cannot be done, you and we agree that any claim or dispute between us ("Claim") that is filed or initiated after the Effective Date (defined below) of this Binding Arbitration Consent and Agreement, even if the Claim arose prior to the Effective Date of this Binding Arbitration Consent and Agreement, that arises out of or relates to this Agreement, your accounts or your use of our products or services shall, at the election of either you or us, be resolved by BINDING ARBITRATION administered by the American Arbitration Association ("AAA") in accordance with its applicable rules and procedures for consumer disputes ("Rules"), whether such Claim is in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at www.adr.org; or, a copy of the Rules can be obtained at our Credit Union branch upon request. AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS AGREEMENT (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT). This Binding Arbitration Consent and Agreement will be interpreted and enforced in accordance with the Federal Arbitration Act in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claim. You acknowledge that this Binding Arbitration Consent and Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity seeking relief on your behalf.

By consenting to BINDING ARBITRATION, you understand and agree with the following terms:

- **SELECTION OF ARBITRATOR:** If either you or we elect to resolve a Claim through binding arbitration, your rights will be determined by a neutral arbitrator and NOT a judge or jury, in accordance with all applicable laws and Rules. The neutral arbitrator will be selected in accordance with the Rules, and must have experience and knowledge in financial transactions. In the event of a conflict between the Rules and this Binding Arbitration Consent and Agreement, this Binding Arbitration Consent and Agreement will supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claim, and if you and we do not agree on a substitute, then you can select the appropriate forum for the Claim.
- **EFFECTIVE DATE:** This Binding Arbitration Consent and Agreement is effective upon the 61st day after we provide this Binding Arbitration Consent and Agreement to you ("Effective Date"), unless you opt-out in accordance with the requirements of the RIGHT TO OPT-OUT provision below.
- **CLAIMS ARISING PRIOR TO EFFECTIVE DATE:** THIS BINDING ARBITRATION CONSENT AND AGREEMENT APPLIES TO ALL CLAIMS THAT ARE FILED OR INITIATED AFTER THE EFFECTIVE DATE, EVEN IF THE CLAIM ARISES OUT OF, AFFECTS, OR RELATES TO CONDUCT THAT OCCURRED PRIOR TO THE EFFECTIVE DATE. If a Claim is filed or initiated prior to the Effective Date, this Binding Arbitration Consent and Agreement will not apply to such Claim.
- **ARBITRATION PROCEEDINGS:** Arbitration proceedings provide you a fair hearing, but the arbitration procedures are simpler and more limited than rules applicable in court. Discovery will be available for non-privileged information to the fullest extent permitted under the Rules. Any defenses that would apply to a Claim if it was brought in a court of law will apply in any arbitration proceeding between us, including defenses based on the expiration of the applicable statute of limitations or otherwise relating to the timeliness of the initiation of the Claim, and the commencement of an arbitration proceeding under this Binding Arbitration Consent and Agreement will be deemed the commencement of an action for such purposes. Arbitration decisions are as enforceable as any court order and are subject to very limited review by a court and cannot be appealed. Arbitrators can award the same remedies including damages, injunctive relief on an individual basis, and other remedies that a court can award. Any determination as to whether this Binding Arbitration Consent and Agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration.
- **CLASS ACTION WAIVER:** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

- **LOCATION:** The place of arbitration shall be within 50 miles of your residence at the time the arbitration is commenced.
- **COSTS:** You understand we will pay for any filing, administration, and arbitrator fees as imposed on you by AAA. However, you will be responsible for your attorneys' fees, unless you prevail on the merits of your Claim in arbitration.
- **ATTORNEYS' FEES:** If you prevail on the merits of your Claim in arbitration, we will pay your attorneys' fees. You will not be required to pay our attorneys' fees if we prevail.
- **SEVERABILITY:** In the event that the Class Action Waiver in this Binding Arbitration Consent and Agreement is found to be unenforceable for any reason in relation to a Claim involving class action allegations, the remainder of this Binding Arbitration Consent and Agreement will be unenforceable. If any provision in this Binding Arbitration Consent and Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions will remain enforceable.
- **SURVIVAL:** This Binding Arbitration Consent and Agreement will survive termination of the Agreement.
- **RIGHT OF OPT-OUT:** You have the right to opt-out of this Binding Arbitration Consent and Agreement, provided that you notify us of your intent to opt-out within 60 days after we provide you this Binding Arbitration Consent and Agreement. Your opt-out is only effective if you notify us in writing, with your specific account number(s), at P.O. Box 7767, Burbank, CA 91510-7767 within such 60 day time period. If you fail to opt-out within this 60 day time period, you will be deemed to have provided your consent to the resolution of your Claims through binding arbitration. In the event you opt-out of this Binding Arbitration Consent and Agreement, such opt-out will not affect other terms and conditions of your Agreement.

FOR MORE DETAILS or if you have questions, you may call us or visit a branch. If you have questions about AAA procedures, you should check AAA's website, www.adr.org, OR call AAA at (800) 778-7879. You understand that any debt or loan obligation you may have with us that is subject to the Federal Truth in Lending Act, 15 USC 1601 et seq., is not subject to this Binding Arbitration Consent and Agreement

PART II: TRUTH-IN-SAVINGS AGREEMENT AND DISCLOSURE

SECTION 1. PAYMENT OF DIVIDENDS

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

The dividend rate and Annual Percentage Yield (APY) may change at the discretion of the Credit Union. Current rate information and minimum balance to open and to earn the APY for these accounts are set forth in the *Dividend Rate Sheet* accompanying this Agreement. You may also obtain current rate information by calling the Credit Union at (818) 238-2900.

Compounding and Crediting for all Accounts (except Term Share Certificate Accounts). For all accounts except Term Share Certificate Accounts, Money Market Accounts and dividend bearing checking accounts, dividends will be compounded quarterly and will be credited quarterly. For these accounts, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar quarter is January 1, and the ending date of the first dividend period is March 31. All other dividend periods for these accounts follow this same pattern of dates. The dividend declaration date follows the ending date of the dividend period, and for this example is April 1. For Money Market and dividend bearing checking accounts, dividends will be compounded monthly and will be credited monthly. For these 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 follows the ending date of a dividend period, and for this example is February 1. Dividends on Term Share Certificate Accounts are compounded and will be credited as set forth in the Term Share Certificate when issued. Dividends are credited to accounts on the last day of the month; for example, dividends for January's dividend period are credited January 31 and dividends for the first quarter's dividend period are credited March 31. If you close your account before dividends are credited, you will not receive the accrued dividends.

Balance Computation Method: Dividends are calculated by the average daily balance method which applies a daily periodic rate to the average daily balance in the account each day. 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 business day you deposit non-cash items (e.g., checks) to your account if deposited before the close of business.

SECTION 2. TERMS AND CONDITIONS

TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS:

1. You must be and remain a member in good standing to maintain any account. In order to become a member, you must pay a one time non-refundable Membership Fee of \$5.00 and deposit \$5.00 (the par value of a share) in a Membership Share/Savings Account. If you fail to complete the purchase of one (1) share within six (6) months of your admission to membership, or within six (6) months from the increase in the par value in shares, or if you reduce your Membership Share/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, you 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 these accounts, during any calendar month, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party using any combination of preauthorized, automatic, telephonic, Online Banking, or Bill Payment orders or instructions. 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. A preauthorized transfer includes any arrangement with the Credit Union to pay a third party from your account upon oral or written orders including orders received through the Automated Clearing House (ACH). You may make an unlimited number of withdrawals from, or transfers among, your share accounts by mail, in person at the Credit Union, or at an ATM. If you exceed, or attempt to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests as set forth in our *Schedule of Fees and Charges*, and we may reclassify or close the account.
3. Our delay in enforcing any of the terms and conditions of this Agreement will not prohibit us from enforcing such terms and conditions at a later date.
 4. We reserve the right to change any provision of or establish new provisions to this Agreement upon thirty (30) days written notice.
 5. We may refuse to follow any of your instructions, accept any deposit, or process any transaction, that in our sole judgment are illegal, fraudulent, inconsistent with our policies, or those of any of our third party processors, or would expose us to potential liability. Alternatively, we may require adequate security or invoke other security measures to protect us from all losses and expenses incurred if we follow your instructions. You agree to reimburse us for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys' fees) that we incur in connection with your account if we take an action in accordance with your, or what purports to be your, oral, written, or electronic instructions.
 6. In our sole discretion, we may accept instructions containing your signature and transmitted to us electronically, such as by facsimile (fax). You agree that the Credit Union may treat any such faxed signature as your original signature. You further agree, upon our request, to send us the original document or instruction containing your original signature. You agree that if you authorize the use of a facsimile signature, we will not be liable for honoring any transactions or instrument that appears to bear your facsimile signature. You are solely responsible to ensure that you maintain the security and possession of any facsimile signature.
 7. We reserve the right to refuse to open any account, to provide any service in connection with an account, or to accept additional deposits to an existing account.
 8. All payees listed on a check must sign the check that is deposited or cashed, and must be a joint owner on the account, present a valid Class I identification (e.g., California Driver's License) or have their endorsements guaranteed by another financial institution. All multiple party checks without proper identification are subject to being returned. Notwithstanding the foregoing, you authorize us, in our discretion, to accept transfers, checks, drafts and other items for deposit into any of your accounts if they are made payable to, or to the order of, any one or more joint owners on the account, whether or not they are endorsed by all payees. You authorize us to supply missing endorsements of any owners on any item that we take for collection, payment, or deposit to your account. You also authorize us to collect any unendorsed item that is made payable to you without first supplying your endorsement, provided the item was deposited to your account. If you deposit items which bear the endorsement of more than one person or persons that are not known to us or that require endorsement of more than one payee, we may refuse the item or require all endorsers to be present, have valid identification, or to have their endorsements guaranteed before we accept the item.
 9. You authorize us to accept deposits to your account at any time, from any party, made in any manner, without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by you. The Credit Union may also refuse to accept all or any part of any deposit.
 10. You understand and agree that we use automated means to process checks and other items written on or deposited to your account. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and endorsed or to determine if it contains any information other than what is encoded in magnetic ink. Although we may manually review checks or other items drawn on your account, you understand and agree reasonable commercial standards do not require us to do so. Our use of automated means to process checks and other items prevents us from inspecting or looking for special instructions or "restrictive legends" on checks (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. For this reason, we are not required to honor any restrictive legend placed on checks you write unless we have agreed in writing to the restrictions. If you cash or deposit an item or write a check with such notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you agree to accept responsibility for payment of the item. You agree to indemnify and hold us harmless from any claim or alleged loss of any maker or payee involving such notations, whether you are the maker or payee or the funds are otherwise deposited into an account in which you have an interest.
 11. We may refuse to accept for deposit or collection an item that is payable in currency other than U.S. dollars or an item that is not drawn on a financial institution chartered in the U.S. (each, a "non-U.S. item"). If we accept a non-U.S. item for deposit or collection, you accept all risks associated with foreign currency fluctuation (exchange rate risk) and with any late return of the item. You agree that we may use our current buying and selling rate, as applicable when processing a non-U.S. item and may recover from any account you maintain with us any loss incurred by us as a result of our processing such an item for you. We reserve the right to place longer holds on non-U.S. items than the time frames specified in our Funds Availability Policy.
 12. We have the right to charge back to or otherwise debit any account you maintain with us for any deposited item that is returned (and assess any associated fees and to reverse or recover any associated interest that may have accrued), even if you have made withdrawals against it. This right of charge back or debit is not affected by the expiration of any applicable midnight deadline, provided we do not have actual knowledge that such deadline has expired or, having such knowledge, we conclude that: (1) the deposited item is returned in accordance with the laws governing your account or rule (including a clearing house rule); and/or (2) we have received a breach of warranty claim in connection with the deposited item.
- We have the right to pursue collection of such deposited item, even to the extent of allowing the payor bank to hold the deposited item beyond the midnight deadline in an attempt to recover payment. We may, without notice to you, redeposit a returned deposited item and represent it for payment by any means (including electronic means), unless we have received instructions from you not to redeposit such deposited item. We will have no liability for taking or failing to take any action to recover payment of a returned deposited item.
- If one of your deposited items is returned with a claim that there is a breach of warranty (for example, that it bears a forged endorsement or is altered in any way), we may debit your account for the amount of the item (plus any associated fees) and pay the amount to the claiming party. We are under no duty to question the truth of the facts that are being asserted, to assess the timeliness of the claim, or to assert any defense.
- We need not give you any prior notification of our actions with respect to the claim. You agree to immediately repay any overdrafts. We may create substitute checks from your deposited items to facilitate the forward collection of such items. You agree to indemnify and hold us and our officers, directors, employees, and agents harmless from all damages, losses, liabilities, expenses and fees (including reasonable attorneys' fees) arising out of or in any way connected with such substitute check, including without limitation, any claim based on image quality of such substitute check.
13. You acknowledge and agree that we may, at our option, choose to create and retain electronic copies of original account records and any other records, and thereafter dispose of the originals. You further agree that electronically scanned and stored images of records will have the same effect as the original records.
 14. We act only as a collecting agent for any items deposited to your account, and we do not assume any responsibility beyond the exercise of ordinary care. Any deposit that we accept and credit to your account is provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of the deposit and impose a Return Check fee as set forth in the *Schedule of Fees and Charges*. In addition, we may reverse or otherwise adjust any credit we believe we have erroneously made to your account at any time without prior notice to you. We are not responsible for any deposits or other transactions initiated by mail until the item is actually received by us. We will not be responsible for any deposits or other transactions during the course of delivery to us by any courier or other third party until the item(s) is/are actually received by us. We will not be liable for the negligence or willful misconduct of any correspondent (any financial institution, processor, agency or company involved in the collection process). You agree to indemnify and hold the Credit Union harmless from and against any and all liabilities resulting from an item placed for collection.
 15. We will mail, send electronically, or otherwise make available to you, your statements for your account, notices and other information regarding your account (collectively "account-related information") to the postal or electronic address of the owner as reflected in our records for your account. If there is more than one owner on your account, we may send account related information to any one of them. If your account is in a combined statement, your statement will be sent to the address associated with the savings account in the combined statement.
- Mailed account-related information will be deemed to have been delivered the second business day following the day account-related information was mailed. Account-related information made available electronically will be deemed to have been delivered when we make it available to you.
- You will exercise reasonable care and promptness in examining your statements. You must promptly notify us of, and reimburse us for, any erroneous credit to your account. Within thirty (30) days after we mail or otherwise make statements available to you, you must notify us of any claim for credit or refund due to an unauthorized transaction. For purposes of this Agreement, an unauthorized transaction is a transaction that was not authorized by you, including but not limited to an erroneous or unauthorized debit. It might include a missing signature, an unauthorized signature, or an alteration, or otherwise a transaction that was not authorized by you. If you fail to uphold these duties, you understand and agree that you are precluded from asserting the error or unauthorized payment against us if: (1) we suffer a loss on the item because of your failure; or (2) we pay on another item presented by the same wrongdoer if the payment was made before you properly notified us.
- If you fail to uphold your duties, but you can prove that we failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the item(s) will be allocated between us and you to the extent our respective actions contributed to the loss. If you have failed to examine your statement and report any unauthorized transaction within one (1) year after your statement or the item(s) has/have been made available to you, you cannot recover from us, even if we failed to exercise ordinary care in paying the item(s).
16. Unless otherwise prohibited by the laws governing your account, if two or more account-related information documents are returned, or, in the case of online statement email notifications the email notice is returned undeliverable, we may classify your account as "inactive." This means we may discontinue sending and may destroy account-related information sent to you until you provide a valid postal or electronic address to us.
 17. Any written notice you give to us is effective when it is actually received by us. Any written notice we give to you is effective on the date we deposit such notice in the U.S. Mail, postage prepaid, and addressed to you at your statement mailing address, or, if you have agreed to receive notices from us in an electronic format, any notice we give to you is effective on the date we make the notice available to you in an electronic format. Notice to any one account owner is considered notice to all owners of the account.
 18. We agree to investigate any transaction(s) you have reported to us as unauthorized (a "claim of unauthorized transaction"). You agree to: (1) submit your claim of unauthorized transaction(s) in writing to us by completing a declaration under penalty of perjury describing your claim of unauthorized transaction(s) (in an affidavit form approved by us, if so requested); (2) file a police report, if requested; (3) complete and return to us any documents requested of

you; and (4) in all respects, cooperate fully with us in our investigation of your claim of unauthorized transaction(s).

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

19. We or you may close an account(s) at any time. You understand and agree, however, that our authority may not be changed or terminated except by written notice to us, which will not affect prior transactions. If an account is closed, we may send the collected balance on deposit in your account by regular mail to your most recent address shown in our records. Items presented for payment after the account is closed may be dishonored. We may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in your account; (4) any checks are lost or stolen; or (5) we deem it necessary in order to prevent a loss to us.
20. If we receive conflicting claims regarding funds in your account(s), including, but not limited to, disputes between joint owners, a payee, a beneficiary of a trust account or a payable on death account, or any other person claiming an interest to funds in your account, we may, without liability to you and in our sole and absolute discretion, take one or more of the following actions: (1) restrict the account and deny access to all until such time as the conflicting claims are resolved to our satisfaction; (2) close the account and send the funds to the owner or owners of the account, according to our records, at the statement mailing address; (3) interplead all or any portion of the funds from an account into an appropriate court for resolution; or (4) restrict the account until our receipt of either written instructions as to the distribution of funds signed by all affected parties or an order from a court of proper jurisdiction authorizing or directing us to distribute the funds. We may charge your account for expenses (including attorneys' fees and expenses) and fees we incur. In addition, if we receive written notice from any account owner that withdrawals, in accordance with the terms of the account, should not be permitted, we may refuse, without liability, to pay any sums on deposit pending determination of the rights of the owners. Such written notice(s) will become effective only upon receipt and after we have had a reasonable opportunity to act thereon.
21. We reserve the right to close any account(s) and terminate your membership should we discover that any of your accounts with us have been deliberately manipulated by you to our detriment, or to the detriment of any other account holder. "Manipulation" includes, but is not limited to, making unauthorized withdrawals or other transactions, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation CC hold periods and/or "interest float" to our detriment.
22. In order for us to service your account or to collect any amounts you owe, you agree that we may from time to time make calls and/or send text messages to you at any telephone number(s) associated with your account, including wireless telephone numbers that could result in charges to you. The manner in which these calls or text messages are made to you may include, but is not limited to, the use of prerecorded/artificial voice messages and/or an automatic telephone dialing system. You further agree that, in order for us to service your account or to collect any amounts you owe, we may send e-mails to you at any e-mail address you provide to us.
23. You acknowledge that we may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If we suspect such financial abuse, you understand and agree that, in addition to reporting such abuse as may be required under applicable law, we have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that we deem appropriate under the circumstances. You agree to indemnify and hold us harmless from and against all damages, losses, liabilities, expenses, and fees (including reasonable attorneys' fees), arising out of or related to any action or inaction related to the matters described in this paragraph.
24. We may rely solely on our records to determine the form of ownership of your account. We may presume that any person named in addition to you in our records for your account owns the funds in your account with you as a joint owner, unless our records indicate that the person has some other relationship to the account.
25. We may recognize the signature of anyone who signed an Account Signature Card as authorized to transact business on that account. Any payment made on your account by us in good faith and in reliance on the terms and conditions of this Agreement and/or the Account Signature Card will be valid and discharge us from liability. Without limitation to the foregoing, we may honor checks drawn against your account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. We have no duty to investigate or question withdrawals or the application of funds.
26. We reserve the right to require you to give not less than seven (7) and up to sixty (60) days written notice of your intention to withdraw funds from any account except checking accounts.
27. You understand and agree that Individual, Joint and Pay-on-Death accounts may be subject to the Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
28. Ownership for all accounts will 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 Account Signature Card and a new account number will be assigned. The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint account. Owner(s) agree that any and all sums on deposit will be subject to withdrawal or receipt by any owner and any such withdrawal or receipt will be valid and discharge us from any liability.
29. You are required to keep us informed of your current address. You agree to notify us promptly of any change of address or a legal name change. You may notify us

in person at our office or by sending a written and signed notice to UMe Federal Credit Union, P.O. Box 7767, Burbank, CA 91510-7767. In the event that you fail to do this, a charge may be made to your account for the actual cost of a necessary locator service paid to a person or business normally engaged in providing such service and incurred in determining your address. This charge will be set forth in the *Schedule of Fees and Charges*. An administrative hold may also be placed on the funds in your account(s) if mail is returned to us.

30. You agree to notify us immediately of the death or court declared incompetence of any owner of your account. You agree to inform each owner of your account of the obligation to notify us of such an event as well. If you die or are declared legally incompetent, we can continue to accept and collect items deposited to your account until we know of your death or adjudication of incompetency and have a reasonable opportunity to act.
31. All non-cash payments will be credited subject to final payment on the day of deposit. Your right to withdraw the funds represented by certain checks or other items you deposit may be delayed for several days. You will be notified if your right to withdraw funds will be delayed. Please refer to the Credit Union's Funds Availability Policy for further details.
32. If a check or other item which we cash for you or which you deposit to your account is returned to us as unpaid for any reason, we may charge your account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to us accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. We may charge your account for the amount without questioning the truth of such documentation. We may also charge back any amount of accrued or paid dividends related to the returned check.

We may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but we are not required to do so. If we choose to re-present the check, we may do so without telling you the check was not paid or that we are presenting it again. We may charge a fee for each deposited or cashed check charged back to your account. We may, at our option, notify you, by telephone or in writing, if a check has been returned unpaid and a fee charged as set forth in our *Schedule of Fees and Charges*.
33. You agree that we will not be responsible for any damages you incur in the event you deposit an item with us which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by you or a prior endorser.
34. You authorize us to accept and pay any check without regard to the date of the check. We are under no obligation to pay a check which is presented more than six (6) months after its date, but we may do so at our discretion and charge your account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. You agree that we are not required to identify stale dated checks or seek your permission to pay them. We may assess a special handling charge upon receipt of any such item in accordance with our *Schedule of Fees and Charges*.
35. All accounts are subject to our *Schedule of Fees and Charges*, which accompanies this Agreement and is incorporated by this reference. We will debit such charges against any account you own (including accounts on which you are a joint owner) except your IRA without prior notice to you. Only fees related to an IRA will be deducted from an IRA. If there are insufficient funds available in your checking or savings accounts, the funds available on a Personal Line of Credit account may be used to pay service charges or fees. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
36. If there has been no activity on any of your accounts with us for twelve (12) consecutive months, we may charge a monthly Dormant Account Maintenance Fee as set forth on the *Schedule of Fees and Charges* and classify your account as inactive for the purpose of statement delivery.
37. State law establishes procedures under which unclaimed property must be surrendered to the state. In the State of California, funds in your account are considered unclaimed if a period of three (3) years has elapsed since the last time you:
 - a. Increased or decreased the amount of funds on deposit with us or presented an appropriate record for crediting of dividends or cashed a dividend check from any of your accounts with us; or
 - b. Corresponded in writing or electronically with us concerning the funds on deposit; or
 - c. Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with us.

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

We may charge a fee for mailing you a notice regarding your unclaimed property as set forth in our *Schedule of Fees and Charges*. To recover funds turned over to the state, you must file a claim with the state.

38. Our relationship with you concerning your account is that of debtor and creditor; no fiduciary, quasi-fiduciary, or special relationship exists between us and you.
39. Cash withdrawals made in person at a branch are limited to \$3,500 a day. For the safety of both staff and members, the Credit Union does not keep large amounts of

cash at branch locations. Arrangements for large cash withdrawals may be made with the Branch Manager. Large cash withdrawal requests may require up to three (3) business days advance notice so that we may order the cash from our vault. You understand and agree that you will be responsible for all fees that may be assessed by a third party on the Credit Union in connection with your request (e.g. cash delivery charges). In addition, you may be asked to sign a form releasing us from any liability.

40. Federal law requires us to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
41. We agree to retain and furnish to you, if requested, photocopies of certain records pertaining to your account and that these records will be available to you for the time period required by law. You agree to pay applicable fees as listed in our *Schedule of Fees and Charges*.
42. You understand and agree that we must comply if we are served with any notice of garnishment or of attachment, tax levy, withholding order, injunction, restraining order, search warrant, government agency request for information, forfeiture, seizure, subpoena, or other legal process relating to your account that we know or otherwise believe in good faith is valid, whether served in person, by mail, or by electronic notification, at any Credit Union branch. You direct us not to contest any such notice of legal process and understand that we are under no obligation to notify you of the legal process and will not notify you if prohibited by law. We may charge a Compliance With Legal Process fee, as set forth in our *Schedule of Fees and Charges*, and we may assess this fee against any account you maintain with us, including the account that is the subject of the legal process. You understand and agree that if a subpoena or legal process requires us to release information about an owner on an account, we must comply with such request and the information released pursuant to such subpoena or legal process may include information about other owners on the account, even if their information was not expressly requested by the subpoena or legal process.
43. You understand and agree that you are not permitted to place a stop payment on a cashier's and/or a Credit Union official check unless the cashier's check or Credit Union official check is lost, stolen or destroyed. In the event that a cashier's check or Credit Union official check is lost, stolen or destroyed, in order to effectuate a stop payment, you must execute and deliver to us a written Declaration of Lost/Stolen/Destroyed Official Check & Indemnification Agreement ("Declaration of Loss") in time for us to have a reasonable time to act thereon. You further understand and agree that the Declaration of Loss is not immediately enforceable upon your submission. Specifically, you understand and agree that, pursuant to the California Uniform Commercial Code, we will not process your stop payment request until the later of (1) the time the Declaration of Loss form is properly delivered to us by you, or (2) the 90th day following the date of the cashier's check or official check. We may, however, in our sole and absolute discretion, process your stop payment request sooner. You agree to defend, indemnify, and hold us harmless from and against any loss or claim arising out of our attempt to, or stopping payment on, such cashier's check.
44. You authorize us to gather whatever credit, checking account and employment information we consider appropriate from time to time. You understand that this will assist us, for example, in determining your initial and ongoing eligibility for your account and/or in connection with making future credit opportunities available to you. You authorize us to give information concerning our experiences with you to others.
45. It is your responsibility to protect the account numbers and electronic access devices (e.g., a Visa Debit Card) we provide you for your account(s). You agree not to discuss, compare or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to encode your number on a false demand draft which looks and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or friend, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account. For example, if you provide your account number to an online merchant to purchase a service or merchandise, funds can be electronically withdrawn from your account.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen.

46. Federal law requires that we obtain and have certified by you a Taxpayer Identification Number (TIN) on all accounts. We will not open an account without this identification number. To avoid backup withholding tax on accounts that earn interest or dividends, you must submit Internal Revenue Service (IRS) Form W-9 or Form W-8BEN and supporting information and/or documentation to us.

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

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

This right of setoff does not apply if prohibited by law. For example, we will not exercise our right of setoff: (1) against an Individual Retirement Account (IRA) or similar tax-deferred account, or (2) if the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest). We will not be liable for the dishonor of any check when the dishonor occurs because we set off a debt against your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff. You also grant us a security interest in each account you own to secure any debt that you owe, or may owe, us now or in the future.

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

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

48. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.
49. An action or proceeding by you to enforce an obligation, duty, or right arising under this Agreement or by law with respect to your account must be commenced within one (1) year after the cause of action accrues.
50. You agree to indemnify, defend, and hold us and our employees harmless from and against every claim, demand, action, cost, loss, liability, and expense including, without limitation, attorneys' fees, collection costs, skip-tracing fees, and outside services fees which we incur by acting in accordance with this Agreement or as a result of your failure to abide by its terms.
51. Your account will be governed by California law to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules will not be applied if that would result in the application of non-California law.
52. If you choose to appoint an agent to act on your behalf pursuant to a power of attorney ("POA"), we may rely on instructions provided by the agent and will have no liability or responsibility to verify the transactions. The POA will be properly executed, facially valid under California law and the form of appointment must be acceptable to us. In accordance with the terms of the POA, the agent you designate to act on your behalf will be authorized to transact business on your account(s) pursuant to the terms of such POA.

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

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

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

53. You agree to pay our costs of collection, including reasonable attorneys' fees and court costs, with regard to any check drawn on us by you or any item you deposit with us that causes us to incur a loss.
54. You agree that your telephone communications with us may be monitored and recorded to improve member service and security.
55. You acknowledge that if you give anyone access to your account (such as, for example, providing any person with your debit card, ATM card, debit card PIN, ATM card PIN, or online banking PIN), or granting any person power to act as your agent under a power of attorney or trustee for a trust account, you understand that any transaction completed by such person will be considered authorized by you.
56. If we receive a deposit for your account, you agree that we do not have to provide you with notice of the deposit other than by reflecting the deposit on your next regular periodic statement, even if the Automated Clearing House (ACH) or wire transfer rules would otherwise require such a notice. Further, you understand and agree that no interest liability will arise under California Uniform Commercial Code Section 11404(b) even if no special notice is sent to you.
57. You understand that you may elect from time to time to use Credit Union or other parties' social media tools and sources; that there is no claim of privacy or privilege regarding information you share or information discernible from such use or sharing; and the use of such information by us does not violate your privacy or other rights.
58. **YOU UNDERSTAND AND AGREE THAT WE WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT, REGARDLESS OF WHETHER YOU HAVE ADVISED US OF THE POSSIBILITY THAT YOU MAY INCUR SUCH DAMAGES.**

ACCOUNT OWNERSHIP AND BENEFICIARY DESIGNATION:

These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We may also refuse to open an account for any reason. We make no representations as to the appropriateness or effect of the ownership and beneficiary designation, except as they determine to whom we pay the account funds.

1. **Single-Party Account.** A single-party account is an account owned by one member. A single-party account is also referred to as an individual account.
2. **Multiple-Party Account.** A multiple-party account is an account owned by two or more persons. A multiple-party account is also referred to as a joint account. All joint owners agree with each other and with us that all sums now paid in or hereafter paid in by any one or all account owner(s), including all dividends thereon, if any, are and will be owned by all account owner(s) jointly and equally.

regardless of their net contributions with a right of survivorship and will be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). We are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

Unless otherwise agreed in writing between you and us, each joint owner, without the consent of any other joint owner, may, and hereby is authorized by every other joint owner, to conduct any transaction permitted under this Agreement, including without limitation: (1) to withdraw all or any part of the account funds; (2) to pledge the account funds as collateral to us for any obligation, whether that of one or more joint owners; (3) to endorse and deposit checks and other items payable to any joint owner; (4) to give stop payment orders on any check or item, whether drawn by that joint owner, or not; (5) to consent to or revoke consent to payment of service charges on overdrafts that result from ATM transactions or one-time debit card transactions under the Safety Net Service; and (6) to close the account, with the disbursement of account proceeds as instructed by the joint owner. Unless otherwise agreed in writing between the joint owners, if a request is made to alter the terms of the account and it is not signed by all of the joint owners on the account, we may in our discretion refuse to honor the request if it would change our obligations or rights under this Agreement.

Your obligations under this Agreement are joint and several. This means that each joint owner is fully and personally obligated under the terms of this Agreement, including liability for overdrafts, irrespective of which joint owner benefited from the withdrawal.

- Payable-on-Death Designation.** A payable-on-death (POD) account designation is an instruction to the Credit Union that an account so designated is payable to the owner or owners during their lifetime, and upon the death of the last account owner, payable first to us to the extent of any outstanding matured or unmatured debts owed to us by you, and second, to your designated POD payee(s). If the account is a joint account, all sums are payable to one or more account owner(s) during their lives and on the death of all of them, first to us to the extent of any outstanding matured or unmatured debts owed to us by any of you, and second, to one or more POD payees then surviving in equal and undivided shares. Accounts payable to more than one surviving beneficiary are owned jointly by such beneficiaries without rights of survivorship and disbursement shall be made in equal shares to each of the beneficiaries. Any POD designation shall not apply to Individual Retirement Accounts (IRAs) which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation whatsoever to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

4. Rights at Death.

- Individual Account Without Payable-on-Death Designation.** Upon the death of the owner, ownership passes to the deceased owner's estate.
- Individual Account With Payable-on-Death Designation.** Upon the death of the owner, ownership passes to the designated POD beneficiary(ies) and is not part of the deceased owner's estate.
- Multiple-Party Account Without Payable-on-Death Designation.** Upon the death of an account owner, ownership passes to the surviving account owner(s), subject to the terms of this Agreement. Upon the death of the last surviving owner, ownership passes to the last surviving owner's estate.
- Multiple-Party Account With Payable-on-Death Designation.** Upon the death of the last surviving owner, ownership passes to the designated POD beneficiaries, subject to the terms of this Agreement, and is not part of the last surviving owner's estate.

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

TERMS AND CONDITIONS APPLICABLE TO CALIFORNIA UNIFORM TRANSFER TO MINORS' ACT ACCOUNTS:

- The transferor/custodian is opening an account as custodian for the minor named on the Uniform Transfer to Minors Account Signature Card ("UTMA Account Agreement") under the California Uniform Transfers to Minors Act. The transfer of money to the minor named on the UTMA Account Agreement, which transfer will be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.
- You acknowledge that by signing the UTMA Account Agreement, you have received the funds deposited to the account as custodian for the minor named therein under the California Uniform Transfers to Minors Act and you agree to the applicable terms and conditions set forth in this Agreement as well as the terms and conditions of the UTMA Account Agreement. We have no duty whatsoever to monitor or insure that the acts of the custodian (or successor custodian) are for the minor's benefit.
- For this type of account, the minor's Social Security Number/Tax Identification Number is used for the Backup Withholding Certification.
- Funds in an UTMA may not be pledged as security for any loan(s).
- The successor custodian named on the UTMA Account Agreement will serve if you should be unable to act as custodian because you resign, die, or become legally incapacitated.
- Custodial accounts are not subject to the Multiple Party Accounts Law.
- You, as custodian, agree to indemnify and hold us harmless from and against any and all loss, costs, damage, liability, or expense, including reasonable attorneys' fees, we may suffer or incur arising out of any action or claim by any beneficiary

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

- Upon the minor reaching the age of eighteen (18), you, as custodian, have the responsibility of transferring the money in the account to the minor or to the minor's estate. You agree to indemnify and hold us harmless for any failure to transfer the money in the account to the minor or the minor's estate upon the minor reaching the age of eighteen (18).

TERMS AND CONDITIONS APPLICABLE TO TRUST ACCOUNTS:

- If you are a trustee/trustee and want to establish an account in connection with a written trust instrument, we may require you to provide us with a notarized trust certification confirming your power as a trustee prior to opening the account.
- We are not required to know, understand, interpret, or enforce the terms of your written trust instrument.
- You acknowledge that the account is governed by the applicable terms and conditions set forth in this Agreement and by the terms and conditions set forth in the Agreement for Credit Union Account in Name of Trustee(s) that you will be asked to sign when the account is opened.
- Trust accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO FIDUCIARY ACCOUNTS:

- Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement or as executors, administrators, conservators, or guardians under court orders. By the authority vested in you as a fiduciary, you, acting individually or jointly, are authorized and empowered to transact business of any character in connection with this account. Your authority will continue in force until written notice to the contrary is received by us.
- If the account is opened as a blocked account, you understand and agree that you will file with the court a written receipt including an agreement with us that the funds in the account, including any dividends, may not be withdrawn or pledged except upon court order.
- Funds in a fiduciary account may not be pledged as security for any loan(s).
- Fiduciary accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO SOLE PROPRIETORSHIP ACCOUNTS:

- If you request to open a sole proprietorship account with us, you affirm that you are the sole proprietor of the sole proprietorship named on the Account Signature Card. We may pay out funds with your signature. We may accept and/or endorse checks or other items made payable to you or the sole proprietorship named on the Account Signature Card, which we receive for deposit.
- Funds in a sole proprietorship account may not be pledged as security for any loan(s).
- Sole proprietorship accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO CORPORATE, PARTNERSHIP AND UNINCORPORATED ASSOCIATION ACCOUNTS:

- The person(s) named on the Business 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 you by the constitution, bylaws or otherwise, any one (1) of the signators, as named on the Business Account Signature Card, is authorized and empowered to transact business of any character whatsoever in connection with the account. You certify that the signature(s) appearing on the Business Account Signature Card are the genuine signature(s) of said authorized person(s) and that your authority will continue in force until written notice to the contrary is received by us.
- You may not pledge any or all of the funds on deposit in the account as security for any loan(s).
- Corporate, partnership and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

ABOUT OUR SHARE SAVINGS ACCOUNTS

UMe Federal Credit Union's share accounts let you deposit your money in a savings account and withdraw your money at any time (with the exception of Individual Retirement Accounts and Club Accounts, and Term Share Certificate Accounts). Our share accounts are Membership Share/Savings Accounts, Summer Savings Accounts, Holiday Savings Accounts, Money Market Savings Accounts, Term Share Certificate Accounts and Individual Retirement Accounts.

TERMS AND CONDITIONS APPLICABLE TO ALL MEMBERSHIP SHARE/SAVINGS ACCOUNTS:

- A Membership Share/Savings Account is our primary savings account which is required to be established by every member.
- The minimum deposit required to open a Membership Share/Savings Account is the purchase of a \$5.00 share (par value of a share).

3. You must maintain a minimum average daily balance of \$5.00 in your Membership Share/Savings Account to avoid closure and termination of membership. If, during any month, your average daily balance is below the required minimum, your account will be subject to closure and termination of membership in accordance with Article III, Section 3 of the Credit Union's Bylaws.
4. You must maintain a minimum average daily balance of \$100.00 in your account to obtain the disclosed Annual Percentage Yield (APY). If you are 18 years of age or younger or if the account is an IRA Savings, the minimum is \$25.00 to obtain the applicable Annual Percentage Yield (APY).
5. There are no monthly service fees for this account.

TERMS AND CONDITIONS APPLICABLE TO SUMMER SAVINGS ACCOUNTS:

1. We offer a Summer Savings Account, a higher dividend-earning savings account, for members who need to save for the summer months. Summer Savings Account (Year Round Pay Plan) deposits may be made in any manner including payroll deduction. Withdrawals are made by automatic transfer on July 31 each year. Funds will be transferred automatically to your checking account or to the Membership Share/Savings Account of your choice.
2. The minimum deposit required to open a Summer Savings Account is \$100.
3. You must maintain a minimum daily balance of at least \$100 in the account each day to obtain the disclosed APY. No dividends will be paid on balances below \$100. Maximum deposit to earn listed dividends is \$1,000 per month. All deposits that exceed \$1,000 per month will earn the regular share rate.
4. There are no monthly service fees for this account.
5. Funds in this account may not be accessed by ATM.
6. Funds in a Summer Savings Account may not be used as an overdraft source for any checking account.

TERMS AND CONDITIONS APPLICABLE TO HOLIDAY SAVINGS ACCOUNTS:

1. Holiday Savings Accounts provide our members with an easy way to save for their holiday expenses.
2. A Holiday Savings Account may be opened at any time. Holiday Savings Accounts deposits may be made in any manner, including payroll deduction.
3. The minimum deposit required to open a Holiday Savings Account is \$100.
4. You must maintain a minimum daily balance of at least \$100 in the account each day to obtain the disclosed APY. No dividends will be paid on balances below \$100.
5. There are no monthly service fees for this account.
6. On the first business day of November, the balance of your Holiday Savings account will automatically transfer into another account or be mailed to you, at your option. You will make this election at the time you open a Holiday Savings Account, and said election may be changed by contacting the Credit Union.
7. A withdrawal prior to the annual disbursement date stated above will result in closure of this account, and accrued dividends will be forfeited. Any balance in the account at the time of such withdrawal will be transferred to your Membership Share/Savings Account.
8. Your Holiday Savings Account may be closed at your request any time prior to November 1.
9. Funds in a Holiday Savings Account may not be pledged as security for any loan(s).
10. Funds in a Holiday Savings Account may not be used as an overdraft source for any checking account.

TERMS AND CONDITIONS APPLICABLE TO MONEY MARKET SAVINGS ACCOUNTS:

1. The minimum deposit required to open a Money Market Savings Account is \$1,500.
2. You must maintain a minimum average daily balance of \$1,500, \$10,000, \$50,000, or \$100,000 in your account to obtain the Annual Percentage Yield (APY), as disclosed on the current *Dividend Rates* sheet for the four different Money Market Savings Accounts we offer. Withdrawals that reduce the account balance below the required minimum average daily balance will reduce your earnings.
3. Funds in a Money Market Savings Account may not be pledged as security for any loan.

TERMS AND CONDITIONS APPLICABLE TO TERM SHARE CERTIFICATE ACCOUNTS:

1. Our Term Share Certificate Accounts are fixed-rate accounts and are non-negotiable and non-transferable. A Term Share Certificate Account is subject to the applicable terms and conditions set forth in this Agreement as well as the terms and conditions set forth in the Term Share Certificate, which will be provided to you in accordance with applicable law.
2. The minimum deposit required to open this account is \$2,000, which will be indicated on the Certificate. The minimum deposit required to open a Jumbo Certificate is \$50,000.

TERMS AND CONDITIONS APPLICABLE TO INDIVIDUAL RETIREMENT ACCOUNTS (IRAs):

1. We offer IRAs to encourage our members to save for their retirement years. An IRA is subject to the applicable terms and conditions set forth in this Agreement as well as the terms and conditions set forth in the *IRA Simplifier* which by this reference is incorporated into this Agreement in its entirety. When you open your IRA, the *IRA Simplifier* and related disclosures will be provided to you in accordance with applicable law.
2. The minimum deposit required to open and maintain an IRA is \$25.00. Additional deposits are permitted to contributory IRAs only. The minimum deposit required to open an IRA Certificate is \$2,000.
3. The minimum balance required to obtain the disclosed APY is \$25.
4. You may not pledge any of the funds on deposit in the account as security for any loan(s).
5. Certain federal and state penalties may apply to amounts withdrawn from IRAs. These are set forth in applicable federal and state laws and regulations, which are incorporated herein by this reference.
6. Funds in an IRA will be considered abandoned and will be turned over to the state if you have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:
 - a. Increased or decreased principal;
 - b. Accepted payment of principal or income (dividends);
 - c. Communicated with us concerning the funds or otherwise indicated an interest therein.
7. IRA accounts are subject to an Annual Account Maintenance Fee and if transferred to another custodian, a Transfer Fee.

TERMS AND CONDITIONS APPLICABLE TO CHECKING ACCOUNTS:

U.Me offers four (4) types of checking accounts that let you withdraw your money and write checks against your account at any time. Our checking accounts are Personal Checking, Basic Checking, Platinum Checking (discontinued) and Gold Checking (discontinued).

1. The minimum balance to open any checking account is \$25, except Basic Checking Accounts.
2. Personal Checking Accounts are dividend-earning accounts and are subject to a Monthly Service Fee with the following exceptions.
 - a. eStatement Option: You sign up and receive monthly and quarterly account statements electronically via eStatements to avoid a Monthly Service Fee. If, during any month, you cancel eStatements and electronic delivery of monthly and quarterly statements, your account will be subject to a Monthly Service Fee for that month.
 - b. 60 Plus option: You are at least 60 years of age.

Note: You must maintain a minimum average daily balance of \$2,500 in your Checking Account to earn the disclosed Annual Percentage Yield.

3. If you have a Platinum Checking Account (discontinued), you must maintain an average daily balance of \$5,000 in your account or you must be at least 60 years of age to avoid a Monthly Service Fee. If, during any month, your average daily balance falls below the required minimum, your account will be subject to a Monthly Service Fee for that month. You must maintain an average daily balance of \$2,500 in your Platinum Checking Account to earn the disclosed Annual Percentage Yield (APY).
4. Gold Checking Accounts (discontinued) are not subject to monthly service fees. This account does not earn dividends.
5. The minimum balance required to open a Basic Checking Account is \$50. The account is subject to a Monthly Service Fee. This account does not earn dividends.
6. We may, at our discretion, but are not obligated to, nor will we 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 us.
 - b. If drawn by means not authorized in advance by us.
 - c. Against checks presented over six (6) months past their issue dates.
 - d. Against uncollected non-cash items.
7. We may pay and charge to your applicable account checks or other debit items ("items") drawn by and payable to any person, organization, association or corporation whom you have authorized by providing sample MICR encoded information identifying your account, provided there are sufficient funds in your account to pay such items. You agree that our rights in respect to such items will be the same as if it were an item drawn and signed by you personally. This authority will remain in effect until revoked by you in writing (to us and to the agency to which the sample MICR writing was provided) and we have had a reasonable opportunity to act on it. You agree that we will be fully protected in honoring such items. You further agree that if any such item is dishonored, whether with or without cause, and whether intentional or inadvertent, we will have no liability whatsoever, even though such dishonor results in the forfeiture of insurance, or other loss or damage to you of any kind.

8. If we have made good faith payment to a holder, we may charge your account according to:
 - a. The original terms of your check; or
 - b. The terms of your completed check unless we have notice that any such completion is improper.
9. You, or any other person authorized to draw on the account, may request a stop payment of any check payable against your account, provided your request is timely and affords us a reasonable opportunity to act upon it under our rules. You may also stop payment on a line of credit check. You may request a stop payment via online banking, telephone, mail or in person. Your stop payment request must include the account number, check number, exact amount, check date, and name of payee. This information must be exact because stop payment orders are processed using automated means. We will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. A stop payment fee will be assessed for each stop payment as set forth in our *Schedule of Fees and Charges*. If you give a stop payment request orally, the request will be valid for only fourteen (14) days thereafter unless confirmed in writing. Written requests will be valid no longer than twelve (12) months. We are not obligated to notify you when a stop payment order expires. You have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. You may not stop payment on completed electronic point-of-sale transactions, and, except under certain limited circumstances, cashier's checks, certified checks, or checks issued or guaranteed by us. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order. You agree to indemnify, defend, and hold us harmless for all claims, actions, and damages related to or arising from our action in stopping payment of any check pursuant to your request.
10. Your death, dissolution or incompetence will not revoke our authority to accept, pay or collect a check or to account for proceeds of its collection until we know of the fact of death or adjudication of incompetence and have a reasonable opportunity to act on it. Even with knowledge, we may for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by us. We must be notified if any of you die, become incapacitated, or your organization is dissolved.
11. If we have paid a check under circumstances giving a basis for objection by you, we will be subrogated to the rights of:
 - a. Any holder in due course on the check against the drawer or maker;
 - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
 - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
12. In the event of wrongful dishonor which occurs by mistake, our liability will be limited to actual damages you prove. In the event of a dishonor of any check or other debit on your account, our determination of whether sufficient funds exist in your account may be made at any time between the time the item is received and the time it is returned.
13. We are neither given notice, or otherwise affected by, a restrictive endorsement of any person or entity except our immediate transferor.
14. You agree that in the event you draw a check on your account with us, that you will hold us harmless and indemnify us from any liability you incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by you or a prior endorser that obscure any depository endorsement placed by us or our agent.
15. We 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 owner of this account.
16. You may not pledge any or all of the funds on deposit in your checking accounts as security for any loan(s).
17. You will notify us immediately at (818) 238-2900 if your checks are lost or stolen. You agree that you will be responsible for losses caused by a delay in your notification to us.
18. You acknowledge that we do not sell checks. As a convenience to you, we will submit your initial check order and any reorders for personalized checks ordered through us to the printer named on the face of the order. If the printer accepts the initial order and any re-orders, the printer will mail the checks either directly to you or to you in care of us. You authorize us to charge your checking account for the cost of checks ordered through us, plus applicable sales tax and shipping costs. You are responsible for verifying the accuracy of all information shown on your checks, whether you order them through us or elsewhere. You agree to imprint only those names of authorized owners on your checks.
19. We may provide you with temporary checks that include the exact Magnetic Ink Character Recognition (MICR) line, including routing number and account number, necessary for the proper processing of your checks. You are responsible for ensuring that any checks you use to draw on your account include this same MICR encoding. You understand that it is your responsibility to ensure that checks you order from any third party printer are printed in accordance with applicable standards set by the American National Standards Institute (ANSI) for font, paper, toner, and positioning. You understand that if checks you write do not have the correct routing number, they may not be properly posted, and that if any other part of the encoding is incorrect, posting of the checks may be delayed. If you fail to include proper MICR encoding on your checks and this results in any such check being hand processed by us, then you will pay a fee as set forth in the *Schedule of Fees and Charges*.
20. Paid checks remain the property of the Credit Union upon payment and are not returned to you with periodic statements. Checks are imaged on both sides and stored for seven (7) years from date of posting. You may request and we will provide you with a copy of a requested item within a reasonable time. Imaged checks are also available on the Online Banking system. We will not charge you for the first two (2) copies of items you request appearing on any statement. Additional copies will be subject to an assessment of a fee as set forth in our *Schedule of Fees and Charges*. If you have not ordered your UMe Federal Credit Union checks through our approved check vendors, you understand and agree that we are not responsible for the quality of any check copy that you request from us. If at any time you should use checks printed by a check vendor that was not approved by us, we reserve the right to reject any check of poor quality. Check orders will be charged to your checking account.
21. A postdated check is one which bears a date later than the date on which the check is written. You authorize us to accept and pay any check without regard to the date of the check. You understand that post-dating a check will have no effect on whether or not it is honored prior to or after the date of any such check. In addition, we are under no obligation to pay a check which is presented more than six (6) months after its date (a stale-dated check). You agree that we are not required to identify post-dated or stale-dated checks or seek your permission to pay them. We may pay or refuse to pay any post-dated or stale-dated check or other item presented for payment on your account without any liability. We may assess a special handling charge upon receipt of any such item in accordance with our Schedule of Fees and Charges.
22. All checks written on your account must be drawn in U.S. dollars.
23. If a transaction involves a remotely-created check, we reserve the right to accept or reject the item for deposit into any of your accounts. If you deposit a remotely-created check into any of your accounts, you represent and warrant to us that you have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn, in the amount stated on the check, and to the payee stated on the check. If a remotely-created check which you have deposited into your account is returned by the drawee-payor bank for any reason, you agree that we may debit your account for the amount of the item, plus any applicable fees. If the debit causes your account to be overdrawn, you agree to pay the overdrawn amount on our demand. For purposes of this Agreement, the term "remotely-created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.
24. Our measure of damages for failure to exercise ordinary care in handling a check will not exceed the amount of the item.

PART III: LIABILITY FOR OVERDRAFTS

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

"Overdrawing" your account means that there are not sufficient funds in your account to pay for a transaction. Some transactions that can result in an overdraft in your checking account include, but are not limited to: (1) the payment of checks, electronic fund transfers, telephone-initiated transfers, preauthorized payments under our Bill Payment Service, or other withdrawal requests authorized by you; (2) the return (unpaid) of items deposited by you; (3) the assessment of service charges by us; or (4) the deposit of items that are treated as not yet "available" according to our Funds Availability Policy.

PAYMENT OF OVERDRAFTS. We are not obligated to pay any item presented for payment if your account does not contain sufficient collected funds. If we pay a transaction that overdraws your account, we are not obligated to continue paying such transactions in the future. We may pay all, some, or none of your overdrafts, without notice to you. You are liable to us to repay any overdrafts on your account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for our costs of collection. We may close, without notice, any account with excessive insufficient funds activity, and report the account to a consumer reporting agency.

We assess a fee for each item that we either pay, which results in an overdraft, or do not pay, which would have resulted in an overdraft had we paid it. If we pay an item in accordance with our Safety Net Service (described below), we will charge a Safety Net Fee of \$25. If we return an item, we will charge a Non-sufficient Funds (NSF) Fee of \$30. Refer to the *Schedule of Fees and Charges* for a listing of fees, which is updated periodically. We will only charge a Safety Net Fee for ATM transactions and non-repeating ("one-time") debit card transactions if you have requested us to pay these transactions.

We limit the number of NSF and Safety Net Fees we charge in a business day. We will not charge a Safety Net Fee if your ending account balance is overdrawn by \$5 or less. Additionally, even if your ending account balance is overdrawn we will not charge an NSF or Safety Net Fee for any item that is \$5 or less. The maximum number of overdrafts due to insufficient or unavailable funds that will be subject to overdraft charges in one day is 5.

We recommend that you enroll in one of the optional overdraft protection plans described below. These plans can help you avoid overdrafts and returned items, and there are **no fees** for usage of these plans. Refer to the "Optional Overdraft Protection Services" section below for more information.

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

Your actual balance is the amount of money that is actually in your account at any given time. It reflects transactions that have posted to your account, but not transactions that have been authorized and are pending. While the term "actual" may sound as though the number you see is an up-to-date indication of what is in your account that you can spend, that is not always the case. Any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example, if you have a \$50 actual balance, but you just wrote a check for \$40, then your actual balance is \$50 but it does not reflect the pending check transaction. So at that point, you have an actual balance of \$50, but you have already spent \$40.

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

We use your available balance to determine when your account is overdrawn. The following example illustrates how this works:

Assume your actual and available balance are both \$50, and you use your debit card at a restaurant for \$20. A hold is placed on your account for \$20, so your available balance is only \$30. Your actual balance is still \$50. Before the restaurant charge is sent to us for processing, a check that you wrote for \$40 clears. Because you have only \$30 available (you have committed to pay the restaurant \$20), your account will be overdrawn by \$10, even though your actual balance is \$50. In this case, we may pay the \$40 check, but you will be charged a Safety Net Fee of \$25. That fee will be deducted from your account, further increasing the overdrawn amount.

Your account is considered overdrawn when the available balance in your account is negative (less than \$0). **YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE.** This is because your available balance may not reflect all your outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not been paid from your account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions, including but not limited to car rental transactions, cash transactions and international transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released, which generally occurs when the transaction has been received by us and paid from your account. Refer to the section entitled "Authorization Holds for Debit Card Transactions" below for information about how authorization holds affect your available balance.

Finally, your available balance may not reflect the most recent deposits to your account. Refer to the section of this Agreement entitled "Funds Availability Policy" for information regarding the availability for withdrawal of your deposits.

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

Credits. Most deposits are credited to your account when we receive them. For some checks you deposit, only \$200 will be made available for withdrawal on the first (1st) business day after the day of your deposit. In addition to the first \$200 of a deposit, the Credit Union will make \$400 of these funds available for withdrawal no later than the end of the second (2nd) business day following the banking day of deposit. The remainder of the funds will be made available for withdrawal at the start of the third (3rd) business day following the banking day of deposit. There may be extended holds on checks over \$5,000. Thus, your available balance may not reflect the most recent deposits to your account. For details on the availability for withdrawal of your deposits, see Part IV of this Agreement entitled "Funds Availability Policy."

Debits. There are several types of debit transactions. Each type of debit transaction is described generally below. Keep in mind that there are many ways transactions are presented for payment by merchants, and the Credit Union is not necessarily in control of when transactions are received.

- **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from low to high value.
- **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House or ACH transactions. These include, for example, automatic bill pays you have signed up for. Each day, ACH transactions for your account are grouped together and paid in low to high dollar value.
- **Point of Sale (POS) Debit Card Transactions.** These are transactions where you use your debit card and you enter your personal identification number (PIN) number at the time of the sale. They are similar to ATM withdrawals because money is usually deducted from your account immediately at the time of the transaction. However, some POS transactions are not presented for payment immediately; it depends on the merchant.
- **Signature Debit Card Transactions.** These are transactions where you make a purchase with your debit card and you do not enter your PIN but you are instead

asked to sign for the purchase. In these situations, the merchant may seek prior authorization for the transaction. When that happens, we generally place a temporary hold against the available funds in your account. Please refer to the section below entitled "Authorization Holds for Debit Card Transactions" for additional information regarding such holds. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your account as they are received.

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

AUTHORIZATION HOLDS FOR DEBIT CARD TRANSACTIONS. When you make a purchase with your debit card, the merchant may seek our prior authorization for the transaction. When we authorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the account linked to your debit card. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day.

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

We are permitted to place an authorization hold on your account for up to three (3) business days (or for up to thirty (30) business days for certain types of debit card transactions) from the time of the authorization or until the transaction is paid from your account. However, if the transaction is not submitted for payment, we will release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and finally posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account.

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

OPTIONAL OVERDRAFT PROTECTION PLANS. We offer optional overdraft protection plans that you may apply for such as a Credit Card Line of Credit, where your line of credit is used for overdraft protection, and Overdraft Protection, where funds from a linked savings account are used for overdraft protection. If you apply and are qualified for these optional services, we will look first to these services for overdraft protection before applying our discretionary Safety Net Service when your account is overdrawn. A Credit Card Line of Credit and the Overdraft Protection plan may save you money on the total fees you pay us for overdraft protection. Transfers made pursuant to the Overdraft Protection plan will be governed by this Agreement. Transfers from a Credit Card Line of Credit account will be governed by the applicable UMe Visa Card Disclosure & Agreement.

WE DO NOT CHARGE ANY FEES FOR OVERDRAFTS PAID BY THE OVERDRAFT PROTECTION PLAN OR BY AN ADVANCE ON YOUR CREDIT CARD LINE OF CREDIT.

If an overdraft is paid by a transfer from the Overdraft Protection plan or Credit Card Line of Credit, we will automatically transfer available funds from your linked savings account or Credit Card Line of Credit to your checking account in an amount that is enough to pay the overdraft.

If an advance is not approved under the Credit Card Line of Credit account, the Credit Union is hereby authorized to transfer the necessary funds pursuant to the Overdraft Protection plan. If funds in a linked savings account under the Overdraft Protection plan are insufficient to pay an overdraft, we may pay the item pursuant to the Safety Net Service, and charge a Safety Net Fee, or, we may return the item and charge your account an NSF Fee. If you decline to utilize any of the Optional Overdraft Protection plans and you are not eligible for our Safety Net Service, and there are insufficient funds in your checking account to pay an item, your items will not be paid, they will be returned, and an NSF fee will be charged for each item returned.

Transfers will appear on the periodic statements for each applicable account.

LIMITS ON OVERDRAFT PROTECTION. We will not transfer more than the available account balance in a linked savings account or the available credit (as of the end of the previous business day) on a Credit Card Line of Credit account, even if the amount of the overdraft is more than the available amount. If the available balance in a linked savings account or the available credit on a Credit Card Line of Credit account is not enough to pay all the checks and other transactions you have initiated on any day, we will transfer enough funds to pay one or more transactions, plus the Safety Net Fee. Any transactions that are not paid by the transfer will either be paid or returned, and NSF Fees will be charged as if you did not have overdraft protection.

Transfers from a linked savings account are limited by federal law (Regulation D). There must not be more than six (6) overdraft protection transfers and other limited transfers per monthly statement period.

TERMINATION OF OPTIONAL OVERDRAFT PROTECTION PLANS. We may terminate optional overdraft protection services at any time without notice. Any owner of the checking account, any owner of a linked savings account used for overdraft protection, or any borrower on a Credit Card Line of Credit account used for overdraft protection may cancel overdraft protection in person or in writing. Cancellation will be effective after we have received notice and have had a reasonable time to act on it.

SAFETY NET SERVICE AGREEMENT

In accordance with our commitment to provide valued service and benefits, we may, at our discretion, pay your overdrafts that would cause your eligible checking account to have a negative balance up to the amount of your Safety Net limit, which is determined by us in our sole and absolute discretion. We refer to this service as our Safety Net Service (hereinafter referred to as the "Service"). The Service is different than the Credit Card Line of Credit and the Overdraft Protection plans. This Safety Net Service Agreement ("Safety Net Agreement") sets forth the terms and conditions applicable to the Service.

What Overdraft Transactions are Covered? The Service is available for electronic transfers, telephone initiated transfers, preauthorized payments under our Bill Payment Service, recurring debit card transactions and other preauthorized transfers. The Service is not available for ATM transactions and one-time debit card transactions, unless you opt-in, as described in the next section below.

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

- ATM transactions
- One-time Visa Debit Card transactions

You understand and agree that we do not require you to authorize the Service for your ATM transactions and one-time debit card transactions as a condition of us providing the Service to you for your checks, ACH transactions or other transactions subject to this Safety Net Agreement. If you want the Credit Union to authorize and pay overdrafts for the above transactions, you must provide us with your consent by: (1) calling us at (818) 238-2900 (2) visiting our branch and speaking with a Member Service Representative; or (3) mailing an opt-in consent form to UMe Credit Union, P.O. Box 7767, Burbank, CA 91510-7767.

Eligibility for the Service. The Service is not a credit product and requires no application or credit approval process; it is a feature that is automatically included with eligible checking accounts (unless you opt out of the Service entirely as described below). Eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. The Service is available for checking accounts for which the primary checking account owner is 18 years of age or older, is in good standing, and the checking account has been open for at least ninety (90) days with the applicable minimum balance requirement. We reserve the right to limit the Service to one (1) account per household or member. We may suspend or permanently revoke the Service from your checking account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You are not making regular deposits into your checking account;
- You do not bring your checking account to a positive balance for at least one full business day within a thirty (30) day period;
- Your membership is not in good standing;
- You are more than forty-five (45) days past due or are in default in any other respect on any loan or other obligation to us;
- You have an outstanding balance due on an overdraft repayment plan;
- Your checking account is subject to any legal or administrative orders or levies;
- A ChexSystems or any other negative indicator has been reported to us;
- You are a party to a bankruptcy proceeding;
- Any or all of your account(s) with us are being reviewed for improper activity or transactions;
- Your checking account is classified as inactive;
- You have an unresolved prior loss with us;
- We do not have a valid mailing or email address for you; or
- We believe you are not managing your checking account in a responsible manner which may harm you or us.

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

How the Service is Administered. If you are eligible for the Service, we will generally pay your overdraft items up to \$800, including fees. You will be notified by mail, or, if you have agreed to receive notices from us in an electronic format, you will be notified electronically, of any nonsufficient funds checks, items or other transactions that have been paid or returned; however, you understand that we have no obligation to notify you before we pay or return any check, item or other transaction. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

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

Safety Net Fees. A Safety Net Fee of \$25 will be charged to your checking account, in accordance with our *Schedule of Fees and Charges*, for each overdraft that is authorized and paid through the Service. This means that more than one Safety Net Fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through the Service. Refer to the *Schedule of Fees and Charges* for the tiered fee structure and daily fee limit amounts. You understand that your Safety Net Limit will be reduced by the amount of each overdraft paid by us through

the Service and the amount of the related Safety Net Fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your Safety Net Limit by the amount of the repayment. If we choose not to pay the item/transaction under the Service, you are subject to a Nonsufficient Funds (NSF) Fee for each such item in accordance with our *Schedule of Fees and Charges*. Your periodic statement will itemize Safety Net Fees and NSF Fees for each cycle, as well as the year-to-date total of fees.

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

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

Default. You will be in default under the terms of this Safety Net Agreement if you fail to live up to any of the terms and conditions set forth herein or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, in addition to any other rights we may have, we may temporarily suspend overdraft privileges, terminate the Service or close your checking account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees and court costs that we may incur as a result of your default.

Termination; Suspension. We may terminate or suspend the Service at any time without prior notice. In no event will any termination relieve you of your obligation to repay any negative account balance, overdraft fees, collection costs and attorneys' fees, if any. We can delay enforcing any of your rights under this Agreement without losing them.

Your Right to Opt Out of the Safety Net Service. If you prefer not to have the Service, visit us at the branch or contact us at (818) 238-2900 and we will remove the Service from your checking account. If you opt out of the Service, you will still be charged our NSF Fee for each item returned.

Optional Overdraft Protection Plans. As discussed in more detail above, we also offer optional overdraft protection plans, such as a link to a savings account or a Credit Card Line of Credit account. These plans can help you avoid overdrafts and returned items, and there are **no fees** for usage of these plans. To learn more, please ask us about these plans.

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

IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS PART III, LIABILITY FOR OVERDRAFTS, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT (818) 238-2900, MONDAY THROUGH FRIDAY, 10:00 AM TO 5:00 PM PACIFIC STANDARD TIME.

PART IV: FUNDS AVAILABILITY POLICY

Your Ability to Withdraw Funds:

Our policy is to delay the availability of funds from your cash and check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written.

Determining the Availability Of A Deposit:

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before 5:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

The length of the delay varies depending on the type of deposit and is explained below.

Same-Day Availability:

Funds from electronic deposits to your account will be available on the day we receive the deposit.

Next-Day Availability:

Funds from the following deposits are available on the first business day after the day of your deposit:

- U.S. Treasury checks that are payable to you.
- Wire transfers.
- Checks drawn on UMe Federal Credit Union.

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first business day after the day of your deposit:

- Cash.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit.

Other Check Deposits:

The first \$200 from your deposits will be available for withdrawal on the first (1st) business day after the day of your deposit. In addition to the first \$200 of a deposit, the Credit Union will make \$400 of these funds available for withdrawal no later than the end of the second (2nd) business day following the banking day of deposit. The remainder of the funds will be made available for withdrawal at the start of the third (3rd) business day following the banking day of deposit.

Example: If you were to deposit a \$1,000 check before 5:00 p.m. on Monday, \$200 would be available on Tuesday, and \$400 would be available for withdrawal on Wednesday. The remainder of the funds would be available for withdrawal on Thursday morning.

Longer Delays May Apply:

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

1. We believe a check you deposit will not be paid.
2. You deposit checks totaling more than \$5,000.00 on any one day.
3. You redeposit a check that has been returned unpaid.
4. You have overdrawn your account repeatedly in the last six (6) months.
5. There is an emergency, such as failure of communications or computer equipment.

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

Deposits At Nonproprietary Automated Teller Machines:

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate may not be available until the fifth (5th) business day after the day of your deposit. This rule does not apply at ATMs that we own or operate.

All ATMs that we own or operate are identified as our machines.

Special Rules For New Accounts:

If you are a new member, the following special rules will apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 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 your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000.00 will be available on the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000.00 will not be available until the second (2nd) business day after the day of your deposit.

Funds from all other check deposits will be available on the eleventh (11th) business day after the day of your deposit.

Special Notice Regarding Endorsement Standards:

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

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

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

PART V: ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE

This Part V of the Agreement sets forth the terms and conditions governing the use of UMe Federal Credit Union's electronic services. Your acceptance, retention, or use of an ATM Card, Visa Debit Card, Personal Identification Number (PIN) or other electronic funds transaction hereunder constitutes an agreement between us and you as described below.

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

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

- Preauthorized deposits of net paycheck;
- Payroll deductions;
- 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 the CO-OP Network, and such other systems as may be added from time to time;
- Visa Credit Card cash advances at ATMs on the Visa network;
- Online Banking;
- Visa Debit Card (including PIN and signature based transactions);
- Electronic Check Transactions;
- Transactions at a Point-of-Sale (POS) terminal whether or not an access device is used;
- Mobile Banking; and
- Mobile Check Deposit via the UMe Mobile App

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

The information in this Part V applies only to the electronic service transactions described herein. You understand and agree that the agreements, terms, conditions, rules and regulations applicable to your savings account(s), checking account(s), Visa Debit Card, Visa Credit Card, Personal Line of Credit and any other applicable accounts, remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement.

All applications for electronic services are subject to our approval.

GENERAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC SERVICES

Business Day Disclosure:

Our business days are Monday through Friday, except federal holidays. Our business hours are 9:00 a.m. to 5:00 p.m. Pacific Time on Mondays, Tuesdays & Thursdays, 10:00 a.m. to 5:00 p.m. Pacific Time on Wednesdays, and 9:00 a.m. to 6:00 p.m. Pacific Time on Fridays. Branch hours and holiday schedules may be obtained through our website (www.umecreditunion.com) or by contacting us at (818) 238-2900. Our Proprietary ATMs are generally available 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties. Mobile Banking, Online Banking, and the Bill Payment Service are generally available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties, including those of the Internet service provider and Internet software.

Disclosure of Account Information To Third Parties:

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

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

Periodic Statements:

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

Online Banking Transactions:

You may print a record of any individual transaction conducted through Online Banking at any time after the transaction is completed. You may also subsequently contact us to request a paper statement. A fee may be charged for such a paper copy as set forth in our *Schedule of Fees and Charges*.

In case of errors or questions about your electronic services transactions:

In case of errors or questions about your electronic services transactions, telephone us at (818) 238-2900, or write to us at UMe Federal Credit Union, P.O. Box 7767, Burbank, CA 91510-7767 as soon as you can, if you think your periodic statement or receipt is wrong or if you need more information about a transaction listed on your periodic statement or receipt. We must hear from you no later than sixty (60) days after we send you the FIRST periodic statement on which the problem or error appeared. You must:

1. Tell us your name and account number;
2. Describe the error or the transaction you are unsure about and explain, as clearly as you can, why you believe it is an error or why you need more information; and
3. Tell us the dollar amount of the suspected error.

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

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

In accordance with Visa Operating Rules and Regulations, you will receive provisional credit for Visa Debit Card losses for unauthorized use within five (5) business days after you have notified us of the loss.

You also understand and agree that it is your responsibility to carefully review each receipt or sales slip you receive when you conduct a Visa Debit Card transaction. In addition, you agree that, to the extent a Visa Debit Card transaction is initiated using your PIN or when you sign a sales slip, it is presumed that you authorized the transaction, and the amount thereof, because the authorization was initiated through your PIN or by your signature on the sales slip. In such event, you understand and agree that the burden is on you to conclusively prove that the use of your Visa Debit Card and/or the amount of the transaction was unauthorized.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

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

Our Liability For Failure to Make or Complete Electronic Fund Transfers:

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

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

There may be other exceptions not specifically mentioned above.

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

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

Personal Identification Numbers (PINs):

You understand that you cannot use your Visa Debit Card or Visa Credit Card at a Visa terminal, nor may you use Mobile Banking or Online Banking without the applicable identification number which we refer to as a PIN. You are responsible for the safekeeping of your PIN(s) provided by us or selected by you and for all transactions by use of a PIN. You will notify us immediately and send written confirmation if your PINs are disclosed to anyone other than the joint owner of your account. You understand and agree that you must change the PIN immediately to prevent transactions on your account(s) if anyone not authorized by you has access to the PIN. If you disclose your PIN(s) to anyone, however, you understand that you have given them access to your account(s) via the applicable electronic transfer system and that you are responsible for

any such transaction. You further understand that your PIN(s) are not transferable and you will not disclose the PIN(s) or permit any unauthorized use thereof.

Fees for Electronic Funds Transaction Services:

All fees associated with your electronic funds transactions are disclosed in our *Schedule of Fees and Charges*, which accompanies this Agreement and is incorporated herein by reference. A stop payment placed on a preauthorized electronic payment is subject to a fee as disclosed in our *Schedule of Fees and Charges* for each stop-payment order you give. If you request a copy of the documentation relative to an ATM or POS transaction (except if the documentation is for resolution of a billing error), a Document Fee will be charged. Any fees charged will be deducted from your checking or regular savings account.

If you have been issued an additional card (whether ATM Card, Visa Debit Card or Visa Credit Card) for a joint owner or authorized user on your account, any applicable transaction fees outlined in our *Schedule of Fees and Charges* will be based on combined transactions. Withdrawals from more than one account or additional withdrawals from the same account during a single access will be counted as multiple withdrawals. Generally, transaction fees will be charged to your account within two (2) business days from the day they are incurred. The fee may not be recorded on the transaction receipt produced by the ATM, but it will be itemized on your monthly statement.

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

Change in Terms:

We may change the terms and charges for the services described in this Agreement and may amend, modify, add to, or delete from this Agreement from time to time. If you have an account with us through which electronic transactions are being processed, you will receive written notice of the change in terms at least twenty-one (21) days prior to the effective date of the change(s), or as otherwise provided by law. Further, the Credit Union may, from time to time, revise or update the programs, electronic services, and/or related material(s) rendering such prior versions obsolete. Consequently, the Credit Union reserves the right to terminate this Agreement as to all such prior versions of the programs, electronic services, and/or related material(s) and limit access to the Credit Union's more recent versions and updates.

Disclosure of Delayed Funds Availability:

We may place a hold for uncollected funds on an item you deposit. This could delay your ability to withdraw such funds. For further details, refer to our Funds Availability Policy or consult a Credit Union member services representative.

Termination of Electronic Services:

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

Notice and Communications:

Except as otherwise provided in this Agreement, all notices required to be sent to you will be effective when we mail or deliver them to the last known address that we have for you in our records or when we make such notices available to you through Online Banking if you have agreed to receive notices from us in an electronic format. You are required to keep us informed of your current address. You agree to notify us promptly of any change of address. You may notify us in person at any of our offices, via Online Banking or by sending a written and signed notice to UME Federal Credit Union, P.O. Box 7767, Burbank, CA 91510-7767, Attention: Member Services Department.

Collections:

You agree that we will be entitled to recover any money owed by you as a result of your use of, or the use of anyone you have provided with access to, any of our electronic services and you agree to repay any amounts which create an overdrawn balance on any of your accounts immediately upon demand. We have a security interest in your present and future deposits and have the right to apply such deposits to any money you owe. If any legal action is required to enforce any provision of this Agreement or to collect money you owe, you agree to pay all costs of collections, including reasonable attorneys' fees, court costs, and other charges incurred for enforcing our rights under this Agreement.

Severability:

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement will remain in full force and effect.

Governing Law:

You understand and agree that this Agreement and all questions relating to its validity, interpretation, performance, and enforcement will 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. You also agree to submit to the personal jurisdiction of the courts of the State of California.

No Waiver:

No delay or omission on our part in exercising any rights or remedies will operate as a waiver of such rights and remedies. A waiver on any one occasion will not be construed as a bar or waiver of any rights or remedies on future occasions.

Relationship to Other Disclosures:

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

Account Access:

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

Unlawful Internet Gambling Enforcement Act of 2006 (UIGEA):

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

Recording Of Phone Calls:

You authorize us and our agents to record any phone call made to us concerning the electronic services.

Assignment:

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

Headings:

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

DISCLAIMER OF WARRANTIES, LIMITS ON OUR LIABILITY AND OBLIGATIONS TO YOU: YOUR AGREEMENT TO INDEMNIFY US AGAINST CERTAIN LOSSES:

YOU UNDERSTAND AND AGREE THAT THE ELECTRONIC SERVICES ARE PROVIDED "AS-IS." EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT OR AS REQUIRED BY LAW, THE CREDIT UNION ASSUMES NO RESPONSIBILITY FOR THE TIMELINESS, DELETION, MIS-DELIVERY OR FAILURE TO STORE ANY USER COMMUNICATIONS OR PERSONALIZATION SETTINGS. YOU UNDERSTAND AND EXPRESSLY AGREE THAT USE OF THE ELECTRONIC SERVICES IS AT YOUR SOLE RISK, THAT ANY MATERIAL AND/OR DATA DOWNLOADED OR OTHERWISE OBTAINED THROUGH THE USE OF THE ELECTRONIC SERVICES IS DOWNLOADED OR OBTAINED AT YOUR OWN DISCRETION AND RISK AND THAT YOU WILL BE SOLELY RESPONSIBLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DAMAGE TO YOUR COMPUTER SYSTEM OR MOBILE DEVICE OR LOSS OF DATA THAT RESULTS FROM THE DOWNLOAD OR THE OBTAINING OF SUCH MATERIAL AND/OR DATA.

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

EXCEPT AS DESCRIBED IN THIS AGREEMENT, THE CREDIT UNION WILL NOT BE LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OF ANY KIND RESULTING FROM YOUR USE OF OR YOUR INABILITY TO USE THE ELECTRONIC SERVICES, ANY INACCURACY OF ANY INFORMATION OR AMOUNT RETRIEVED BY YOU FROM THE ACCOUNTS, ANY BREACH OF SECURITY CAUSED BY A THIRD PARTY, ANY TRANSACTIONS ENTERED INTO BASED ON THE ELECTRONIC SERVICES, ANY LOSS OF, UNAUTHORIZED ACCESS TO OR ALTERATION OF A USER'S TRANSMISSION OR DATA OR FOR THE COST OF PROCUREMENT OF SUBSTITUTE GOODS AND SERVICES, INCLUDING BUT NOT LIMITED TO DAMAGES FOR LOSS OF PROFITS, USE, DATA OR OTHER INTANGIBLES, EVEN IF THE CREDIT UNION HAD BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Your Agreement To Indemnify Us:

Except to the extent that the Credit Union is liable under the terms of this Agreement or another agreement governing the applicable account, you agree to indemnify, defend, and hold the Credit Union, its affiliates, officers, directors, employees, consultants, agents, service providers, and licensors, harmless from any and all third-party claims, liability, damages, and/or costs (including but not limited to reasonable attorney's fees) arising from:

- a third-party claim, action, or allegation of infringement, misuse, or misappropriation based on information, data, files, or other materials submitted by you to us;
- any fraud, manipulation, or other breach of this Agreement by you;
- your violation of any law or rights of a third party; or
- the provision of the electronic services or use of the electronic services by you or any third party.

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

Copy Received:

You acknowledge receipt of a copy of this Agreement.

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

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

Account Access:

Preauthorized deposits may be made only to your checking or savings accounts.

Notification of Preauthorized Deposits:

If you have arranged with a third party (for example, the Social Security Administration) to make preauthorized deposits to your account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify you every time the party sends us money to deposit to your account. If you have not made such an arrangement, you may telephone us at (818) 238-2900 and we will advise you whether or not the preauthorized deposit has been made.

Documentation of Preauthorized Deposits:

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

Direct Deposits:

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

ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED PAYMENT SERVICES

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

Account Access:

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

Right to Receive Documentation of Preauthorized Payment:

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

Right to Stop Preauthorized Payment:

If you want to stop a preauthorized payment or revoke a preauthorized payment authorization, you must call us at (818) 238-2900, or write to us at UMe Federal Credit Union, P.O. Box 7767, Burbank, CA 91510-7767, in time for us to receive your stop payment request no less than three (3) business days or more before the next payment from your account is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. An oral request to stop payment ceases to be binding after fourteen (14) days if you have not provided us with any required written confirmation of your request. We will charge you for each stop payment order you give pursuant to our current *Schedule of Fees and Charges*. Such stop payment request will apply only to that particular payment. If you have given us a request to cancel the entire preauthorized payment authorization, you understand and agree that you must also contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide us with a copy of your written revocation notice to the third party.

Our Liability for Failure to Stop Payment:

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

Liability for Unauthorized Electronic Payment:

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

ADDITIONAL DISCLOSURES APPLICABLE TO ONLINE BANKING AND THE BILL PAYMENT SERVICE

Online Banking is our electronic banking service that allows access to your accounts without assistance from our staff by using our Internet website and your Online Banking PIN. The Online Banking system is available for your convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties. The Bill Payment Service is an electronic method of paying bills. You must have a checking account with us to use this service. To enroll, call the Credit Union at (818) 238-2900. Additional disclosures and specific terms and conditions for using Online Banking and the Bill Payment Service will be provided when you enroll.

ADDITIONAL DISCLOSURES APPLICABLE TO MOBILE BANKING

Mobile Banking is a personal financial information management service that allows you to access your Credit Union account information, products and services similar to Online Banking and engage in such other financial transactions using compatible and supported mobile devices. All features and services available through Online Banking are not available via Mobile Banking. Mobile Banking is subject to the terms and conditions of the Mobile Banking Terms & Conditions, which will be provided to you when you enroll.

ADDITIONAL DISCLOSURES APPLICABLE TO MOBILE CHECK DEPOSIT

Mobile Check Deposit is designed to allow you to make deposits to your designated eligible accounts using a compatible mobile wireless device to photograph an image of an original paper check that is drawn on or is payable through a United States financial institution and to electronically submit a digital image of such paper check to us or our designated processor. Mobile Check Deposit is subject to the terms and conditions of the Mobile Banking Terms & Conditions, which will be provided to you when you enroll in the service.

ADDITIONAL DISCLOSURES APPLICABLE TO ATM CARDS AND VISA DEBIT CARDS

In this section, "Card" refers to your UMe Federal Credit Union ATM Card or Visa Debit Card and any duplicates, renewals, or substitutions the Credit Union issues to you, unless otherwise noted. The disclosures in this section apply to the use of your Card to conduct electronic fund transfers, including, but not limited to, use of the Card at ATMs and POS terminals. By use of your Card at a participating POS terminal, you authorize us to make withdrawals from your checking account for cash advances and/or purchases. Access to ATMs is through the use of a Card and a Personal Identification Number (PIN) which we will provide.

An ATM Card may be used to make POS purchases which will debit your checking account that is linked to the ATM Card. If your ATM Card is not linked to a checking account, we will link your ATM Card to your Membership Share/Savings Accounts, which will be debited when you use your ATM Card to make POS purchases.

Account Access:

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

Types Of Available ATM Transactions:

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

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

1. Deposits to your savings account and checking account at our proprietary ATMs (and some designated CO-OP Network ATMs).
2. Withdrawals from your savings account, money market account and checking account.
3. Transfers between your savings account and checking account.
4. Balance inquiries at our proprietary ATMs (and some shared network ATMs).
5. Loan payments made by transfer of funds from your savings or checking account at our proprietary ATMs (and some shared network ATMs).

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

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

Deposits:

You understand and agree that we accept deposits at an ATM subject to verification and collection by us and such deposits may only be credited or withdrawn in accordance with our Funds Availability Policy. Transactions accomplished after the close of normal business each day will be deemed to have occurred on our next business day. We are not responsible for delays in a deposit due to improper identification on the deposit envelope or improper keying of your transaction. Information accompanying a deposit should include your name, our name, your member number, and where you want your

deposit to go. If you make a deposit to your checking account with us, the checking account deposit slip should be included, unless the ATM is image-enabled, in which case a deposit slip may not be necessary.

ATM Transaction Fees:

You understand that withdrawals from network ATMs may be subject to Credit Union fees as disclosed in the *Schedule of Fees and Charges*. When you use an ATM not owned by us, you may be charged a fee by the ATM operator and/or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). Any fees charged will be deducted from your checking or savings account.

ATM Transaction Limitations:

1. You understand and agree that you may use your Card at ATMs, using your PIN, to withdraw up to a maximum of \$500. For purposes of the daily limits only, a "day" is defined as the twenty-four (24) hour period from midnight to midnight, Pacific Standard Time. If a transaction is initiated in another time zone, it will be processed when we receive it. Notwithstanding the foregoing, you understand that withdrawal limitations may vary between shared networks and individual ATMs. In addition, we reserve the right to adjust your maximum per day cash disbursement levels, from time to time, at our sole discretion.
2. Minimum withdrawal amounts and increment amounts may vary depending on the shared network or ATM you access. For example, the minimum withdrawal and increment amount on some shared network machines is \$20.
3. For security reasons, in the event your ATM Card, Visa Debit Card, Visa Credit Card or PIN is lost or stolen, there may be restrictions on transactions you can make at the ATMs.

Overdraft Protection Plan:

You understand that you can authorize us to link your Card to an overdraft protection source, including, but not limited to, a savings account and/or a Credit Card Line of Credit account, to fund any overdrafts on your checking account. Refer to the section entitled "Optional Overdraft Protection Plans" in Part III of this Agreement for additional information regarding Optional Overdraft Protection Plans.

Authorized Use – Card And PIN:

Both the Card and a PIN will be required each time you use an ATM, engage in a POS or other electronic funds transaction. You agree to memorize your PIN and you will not write it on the Card(s). If you forget the PIN, you may contact us and we will issue a Replacement PIN for which there may be a Replacement PIN fee, as stated in our current *Schedule of Fees and Charges*. You must observe the following conditions for both the privacy and protection of your account and the system:

1. YOU MUST KEEP YOUR CARD IN A SAFE PLACE AND PERMIT NO UNAUTHORIZED PERSON TO USE IT;
2. YOU MUST NOT TELL ANY UNAUTHORIZED PERSON YOUR PIN OR WRITE YOUR PIN ON YOUR CARD (OR ANY PLACE) OR OTHERWISE MAKE IT AVAILABLE TO ANYONE ELSE;
3. YOU MUST TELL US IMMEDIATELY OF ANY LOSS OR THEFT OF YOUR CARD AND/OR PIN.
4. IF YOU AUTHORIZE US TO ISSUE A CARD (OR ANY OTHER ACCESS DEVICE) TO ANYONE ELSE, YOU AUTHORIZE THAT INDIVIDUAL TO WITHDRAW FUNDS FROM ANY ACCOUNT WHICH CAN BE ACCESSED BY THE CARD, REGARDLESS OF WHETHER THAT INDIVIDUAL IS AUTHORIZED TO WITHDRAW MONEY FROM THE ACCOUNT BY ANY MEANS OTHER THAN BY USE OF THE CARD.
5. IF YOU GIVE YOUR CARD OR PIN TO ANYONE, ANY WITHDRAWAL OR TRANSFER BY THAT PERSON WILL BE CONSIDERED TO BE AUTHORIZED BY YOU, EVEN IF THEY EXCEED YOUR AUTHORITY.

Safety At The ATM:

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

Ownership Of The Card:

We issue one (1) Card per account owner to access your account(s) without a charge. If your Card is lost or stolen, you may also be charged a Replacement Card Fee. These fees are set forth in the *Schedule of Fees and Charges*. The Card remains our property and you agree to surrender the Card to us upon demand. We may cancel, modify, or restrict the use of any Card upon proper notice or without notice if: (1) any of your accounts are overdrawn; (2) you use your Card in a manner which may cause a loss to us; (3) your account is inactive, which is defined by us as an account that has had no member-initiated transaction activity for 365 consecutive days; (4) any mail sent to your address is returned to us as undeliverable; (5) any email sent to you by us is returned as undeliverable; (6) your account has one (1) or more NSF items or transactions; (7) we are aware that you have violated any term of this Agreement, whether or not we suffer a loss; or (8) where necessary to maintain or restore the security of your account(s) or the POS system. We also reserve the right to recall the Card through retrieval by any of the ATMs.

Making Electronic Funds Transactions:

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

Point-of-Sale (POS) Transactions – Dollar Limitations (Visa Debit Card):

The following daily limits apply to POS transactions you conduct using your Card to the extent you have available funds in your checking account.

You may use your Visa Debit Card for POS transactions: (1) up to \$500 or your available account balance, whichever is less, each twenty-four (24) hour period for PIN-based transactions; and (2) up to \$10,000 or your available account balance, whichever is less, each twenty-four (24) hour period for signature-based transactions. At your request, we may make an exception to the dollar limits for each twenty-four (24) hour period on Visa Debit Card transactions to accommodate a single transaction in excess of such limit, provided your available checking account balance will cover the transaction.

Various institutions that participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM. Subject to the dollar limits set forth herein, there are no limits on the number of daily POS transactions you may make using your Card. ATM & POS terminal owners, merchants and retailers may restrict cash withdrawals and purchases to lower limits and charge proprietary fees.

Returns and Adjustments (Visa Debit Card):

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

Foreign Transactions (Visa Debit Card):

Purchases, cash advances, and credits made in foreign currencies will be billed to your account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the Visa operating regulations for international transactions. In the event that an international transaction is converted to U.S. dollars the exchange rate between the transaction currency and the billing currency used for processing international transactions will be: (1) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives; or (2) the government-mandated rate in effect for the applicable central processing date. The rate in effect on the applicable processing date may differ from the rate on the date you used your Visa Debit Card. When a credit to the account does not fully offset a charge to the account due to changes in the rate, you are responsible for the difference. Visa USA charges us a 1% International Service Assessment fee on all international transactions, regardless of whether there is a currency conversion, and we pass this international transaction fee on to you. An international transaction is a transaction where the country of the merchant is outside the United States.

Card Claims and Transaction Questions:

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

ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS

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

Types of Available Transactions:

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

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

Account Access:

Electronic Check Transactions may be made from your checking account only.

Limitations on Dollar Amounts of Transactions:

You may make Electronic Check Transactions only to the extent that you have available funds in your checking account.

Remotely-Created Checks:

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

signature applied, or purported to be applied, by the person on whose account the check is drawn.

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

Right to Receive Documentation of Transactions:

- 1. Transaction Receipt.** In most cases, you will receive a receipt at the time you make any transfer to or from your account using an ATM or when you make a purchase using a POS terminal. You should retain this receipt to compare with your statement from us. Federal law provides that a receipt need not be made available to you if the amount of the transfer initiated at an electronic terminal is \$15.00 or less.
- 2. Periodic Statement.** You will receive a monthly account statement for each month in which an electronic fund transfer is made (but at least a quarterly statement if no transfers are made), which will show the amount of the transfer, the date that the transfer was credited or debited to your account, the type of transfer, the account(s) accessed by the transfer, and the name of any third party to or from whom funds were transferred. You agree to immediately review each periodic statement mailed or otherwise made available to you to ensure that each and every transaction has been authorized by you. Your failure to promptly report any allegedly unauthorized transaction may result in future allegedly unauthorized transactions to be considered authorized.
- 3. Online Banking Transactions.** You may print a record of any individual transaction conducted through Online Banking at any time after the transaction is completed. You may also subsequently contact us to request a paper record for any such transaction provided it is no more than three (3) months from the date of the transaction. A fee will be charged for such a paper copy as set forth in the *Schedule of Fees and Charges*.

Your Liability for Unauthorized Transactions and Advisability of Prompt Reporting:

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

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

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

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

Special Notice to Visa Debit Card Cardholders:

If you are using a Visa Debit Card for transactions that take place on the VISA network system, you understand that Visa Operating Rules and Regulations provide for \$0.00 liability ("Zero Liability") for losses from unauthorized (fraudulent) activity, unless you were grossly negligent or engaged in fraud in handling your account or Visa Debit Card. Zero Liability does NOT apply to ATM transactions that are not processed through Visa (such as a cash withdrawal from your checking account). You must refer to the section of this Agreement regarding liability for unauthorized ATM transactions. Zero Liability also will not apply to Visa Debit Cards issued outside the U.S. or to Visa commercial cards. You must provide a written statement regarding any claim of unauthorized Visa transactions.

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

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

If you believe your Card(s), PIN(s) or check(s) have been lost or stolen or that someone will or may use it to transfer money from your account(s) without your permission, you must telephone us at: (818) 238-2900 during business hours. After business hours, report Visa Debit Card and Visa Credit Card only in U.S. at (800) 682-6075. You may also write to us at UMe Federal Credit Union, P.O. Box 7767, Burbank, CA 91510-7767, Attention: Member Services. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

Regulation D Restrictions on Electronic Funds Transfers:

For all accounts except checking accounts, during any statement period, you may not make more than six (6) withdrawals or transfers to another credit union account of yours or to a third party using any combination of preauthorized, automatic, or telephone transfers. You may make an unlimited number of withdrawals from, or transfers among, your savings accounts by mail, in person at the Credit Union, or at an ATM, subject to any limitations set forth in this Agreement. You may also make an unlimited number of withdrawals from your savings accounts through Online Banking or Mobile Banking if you request that we send you a check. If you exceed, or attempt to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed

on the excess transfer requests as set forth in our *Schedule of Fees and Charges*, and we may reclassify or close the account.

Each transfer or payment through Online Banking from your savings account is counted as one of the six (6) limited transfers you are permitted each statement period. We recommend that you not use a savings account as your bill payment account because of these limits on transfers.

Verification:

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

PART VI: MEMBER CONDUCT AND LIMITATION OF SERVICES POLICY

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

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

In the event that you: (1) cause the Credit Union a "monetary loss" (defined below); (2) fail to comply with the Credit Union's "No Hats, No Hoods, No Sunglasses" policy; or (3) engage in any type of "abusive behavior" (defined below) towards a Credit Union member, employee or volunteer engaged in Credit Union business, the Credit Union is authorized to apply appropriate remedial measures against you.

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

1. You fail to comply with the terms and conditions of any lawful obligation with this Credit Union and as a result, the Credit Union suffers a "monetary loss" (defined below);
2. You fail to comply with the Credit Union's "No Hats, No Hoods, No Sunglasses" policy as set forth below;
3. You manipulate or otherwise abuse Credit Union services or products to the detriment of the Credit Union's membership; or
4. You engage in "abusive behavior," or otherwise injure any person or damage any property while on Credit Union premises, or at any Credit Union function.

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

DEFINITIONS

1. "Member services" are hereby defined as any products or services now or hereafter provided or sponsored by the Credit Union or otherwise made available to Credit Union members, which services include, but are not limited to: loans, deposit accounts, ATM services, online banking services, and other electronic fund transfer services.
2. A "monetary loss" to the Credit Union occurs when the Credit Union writes off as uncollectible any monies which you owe, for whatever reason, to the Credit Union.
 - (a) For loans: the monetary loss is defined as the principal amount of any monies owed and written off as uncollectible. The amount of the monetary loss does not include interest and expenses.
 - (b) For shares: the monetary loss is defined as the negative balance in the share account written off as uncollectible.
3. "Abusive behavior" includes, but is not limited to, any of the following conduct:
 - (a) Any threats of or actual bodily harm or illegal activity against another member or an employee or volunteer engaged in Credit Union business.
 - (b) Any form of action which may constitute harassment under the Credit Union's harassment policy. For example:
 - Any type of harassment, including age, sexual, ethnic, or racial harassment; making racial or ethnic slurs, engaging in sexual conduct; making sexual overtures.
 - Inappropriate touching.
 - Making sexual flirtations, advances or propositions; engaging in verbal abuse of a sexual, racial or ethnic nature; making graphic or degrading comments about an individual or his or her appearance.
 - Displaying sexually suggestive objects or pictures.

- (c) Fighting, kicking or other physical harm or attempted harm towards a Credit Union member, employee or volunteer engaged in Credit Union business. For example:
 - Engaging in offensive or abusive physical contact.
 - Making false, vicious or malicious statements about any Credit Union employee or volunteer or the Credit Union and its services, operations, policies, practices, or management.
- (d) Using profane, abusive, vulgar, intimidating or threatening language directed towards a Credit Union member, employee or volunteer engaged in Credit Union business.
- (e) Bringing or possessing firearms or weapons or any hazardous or dangerous device on Credit Union premises or at a Credit Union function or on the premises of any Credit Union Service Centers Network.
- (f) Possession, sale, use or being under the influence of an unlawful or unauthorized substance (e.g., drugs or alcohol) on Credit Union premises or at a Credit Union function.
- (g) Attempting to coerce or interfere with a Credit Union employee or volunteer in the performance of their duties at any time.
- (h) Uncivil conduct or failure to maintain satisfactory or harmonious working relationships with other members, employees and volunteers at the Credit Union.
- (i) Conducting or attempting to conduct or engage in any fraudulent, dishonest or deceptive activity of any kind involving Credit Union employees or Credit Union services.
- (j) Any posting, defacing, or removing notices or signs on Credit Union premises, or writing on Credit Union bulletin boards without management authorization.
- (k) Appropriation or misappropriation of Credit Union funds, property or other material proprietary to the Credit Union.
- (l) Deliberate or repeated violations of security procedures or safety rules.
- (m) Any other act which endangers the safety, health or well being of another person or which is of sufficient magnitude that it causes disruption of business at the Credit Union.

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

"NO HATS, NO HOODS, NO SUNGLASSES" SECURITY PROGRAM

You acknowledge that the Credit Union participates in the "No Hats, No Hoods, No Sunglasses" Security Program, a bank robbery prevention initiative endorsed by the Federal Bureau of Investigation (FBI) which is part of a nationwide effort to make financial institutions safer for its employees and for you. For your safety, you agree to remove your hat, hood and/or sunglasses before entering any Credit Union branch. You acknowledge and agree that if you do not remove these items before entering a Credit Union branch, you may be approached by designated Credit Union personnel and asked to remove these items. If you refuse to remove your hat, hood and/or sunglasses after being directly asked to do so by Credit Union personnel, you acknowledge and agree that you may be denied service and asked to leave the premises. You further acknowledge and agree that if you refuse to remove your hat, hood and/or sunglasses or otherwise refuse to cooperate with Credit Union personnel in the enforcement of this policy (e.g., you become belligerent, refuse to leave Credit Union premises after being asked, or engage in "abusive behavior" as defined above), Credit Union personnel may contact local law enforcement for assistance in removing you from the premises. You acknowledge and agree that your failure to comply with the "No Hats, No Hoods, No Sunglasses" policy may result in the Credit Union deeming you a member "not in good standing" and as such, may serve as a basis for limiting member services.

POLICY

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

1. Denial of all services other than the right to maintain a non-dividend bearing share account and the right to vote at annual and special meetings.
2. Preclusion from personal contact with Credit Union employees or volunteers such that Credit Union services may be available only through written communication through the U.S. mail, ATM, online banking, or other remote access device designated by Credit Union Senior Management.
3. Preclusion from access to the Credit Union premises.
4. Taking any other action deemed appropriate under the circumstances that is not precluded by the Federal Credit Union Act, NCUA Rules and Regulations, the Credit Union's Bylaws or other applicable federal or state law.

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

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

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