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Convenient ATM Access

You can access your accounts FEE-FREE at almost ANY credit union!¹ Find nearly 30,000 locations by visiting schools.org or texting² your ZIP code to MYCOOP. You can also look for the CO-OP Network logo.



Shared Branching

Access your accounts at more than 5,000 locations. Visit schools.org for locations, or look for the CO-OP Shared BranchSM logo.



BE CONNECTED



1 30,000 CO-OP Network ATMs. 5,000 shared branching locations.

2 Standard text messaging rates apply.



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.



CREDIT UNIONS

BR103 5/2015

Agreement Disclosure
Effective May 2015
Important document. Please keep for your records.

About Your Credit Union Account



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ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

In this Account Agreement and Truth-in-Savings Disclosure ("Agreement and Disclosure"), the words "I," "me," "mine," "my" and "our" mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing a Signature Card and Membership Application or opening one or more account(s) with you. The words "you," "your" and "yours" mean Schools Financial Credit Union. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my accounts and/or in connection with making future credit opportunities available to me. I certify that I am within the Credit Union's field of membership and agree to conform to the Credit Union's bylaws (including any amendments thereto) and agree to be bound by the terms and conditions of this Agreement and Disclosure.

USA PATRIOT ACT NOTIFICATION

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 to Me. When I open an account, you will ask my name, address, date of birth and other information that will allow you to identify me. You may also ask to see my driver license or other identifying documents. The Credit Union must verify and maintain records of the information used to verify my identity. For the purposes of this paragraph, "account" means "each formal banking or business relationship established to provide ongoing services, dealings or other financial transactions." For example, a deposit account, a transaction or asset account and a credit account or other extension of credit would each constitute an account.

SECTION I. PAYMENT OF DIVIDENDS

Dividend Rates. The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Credit Union's bylaws, California law and the Federal Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. For all accounts except Premium Rate ("term share") Certificate accounts,

the dividend rate and Annual Percentage Yield (APY) may change at any time without prior notification as determined by the Credit Union's Board of Directors. For specific dividend rates for each type of dividend-bearing account, I will refer to the Savings and Certificate Rates which accompany this Agreement and Disclosure and are incorporated by this reference. For savings (excluding Banking for Everyone Savings and Banking for Youth accounts), Holiday Savings Club and Summer Reserve accounts, dividends will be compounded quarterly and credited quarterly. For example, the beginning date of the first dividend period of the calendar year for these accounts is January 1 and the ending date of this first dividend period is March 31. Dividends on savings (excluding Banking for Everyone Savings and Banking for Youth accounts), Holiday Savings Club and Summer Reserve accounts are paid on the dividend declaration date. The dividend declaration date follows the ending date of a dividend period. In the example above, the dividend declaration date is April 1.

For all Banking for Everyone Savings accounts:

1. Dividends are paid according to a split rate structure where the dividend rate and APY are based on the daily balance in the account. The Credit Union reserves the right to change the split rate structure at any time at the sole discretion of the Board of Directors. I will refer to the Savings and Certificate Rates, which accompanies this Agreement and Disclosure and is incorporated herein by reference, for current information on the split rate structure and dividend compounding.
2. The following account criteria must be satisfied as of the ending date of the dividend period in order to qualify for the split rate dividend:
 - a. I have agreed to receive my monthly statements electronically by setting my Statement Delivery preference to eStatements through SchoolsOnline.
 - b. I have a checking account under the same account number as the Banking for Everyone Savings account.
 - c. I am actively using BillPay (completing at least one BillPay payment every 60 calendar days), direct deposit or payroll deduction under the same account number as the Banking for Everyone Savings account.
 - d. Only one account number per Social Security Number qualifies as the Banking for Everyone Savings account. If there is more than one Banking for Everyone Savings account with the same Social Security Number, the account number with the earliest open date qualifies for the Banking for Everyone Savings split rate. The remaining

Banking for Everyone Savings accounts will earn the regular share dividend rate. Business and organizational accounts are not eligible for the split rate.

For all Banking for Youth accounts:

1. Dividends are paid according to a split rate structure where the dividend rate and APY are based on the daily balance in the account. The Credit Union reserves the right to change the split rate structure at any time at the sole discretion of the Board of Directors. I will refer to the Savings and Certificate Rates, which accompanies this Agreement and Disclosure and is incorporated herein by reference, for current information on the split rate structure and dividend compounding.
2. The following account criteria must be satisfied as of the ending date of the dividend period in order to qualify for the split rate dividend:
 - a. I have agreed to receive my monthly statements electronically by setting my Statement Delivery preference to eStatements through SchoolsOnline.
 - b. The minor identified on the Signature Card and Membership Application must be under age 18.
 - c. Only one account number per Social Security Number qualifies as the Banking for Youth account. If there is more than one Banking for Youth account with the same Social Security Number, the account number with the earliest open date qualifies for the Banking for Youth split rate. The remaining Banking for Youth accounts will earn the regular share dividend rate.

For Super\$hare, Premier Money Market and Interest Checking accounts, dividends will be compounded monthly and credited monthly. For example, the beginning date of the first dividend period of the calendar year for these accounts is January 1 and the ending date of this first dividend period is January 31. Dividends on these accounts are paid on the dividend declaration date. The dividend declaration date follows the ending date of a dividend period. In the example above, the dividend declaration date is February 1.

Dividends on Premium Rate Certificate accounts are compounded quarterly and will be credited as set forth in my Premium Rate Share Certificate Disclosure, IRA Premium Rate Certificate Disclosure or Deferred Compensation Premium Rate Certificate Disclosure when issued.

For all accounts except certificates, IRAs and Deferred Compensation accounts, if I close my account before dividends are credited, I will not receive the accrued dividends.

Balance Computation Method. Dividends are based on a 365-day year and are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day on which I deposit noncash items (e.g., checks) to my account.

SECTION II. TERMS AND CONDITIONS

MEMBER CONDUCT AND LIMITATION OF SERVICES FOR MEMBERS NOT IN GOOD STANDING POLICY

The privilege of Schools Financial Credit Union services available to members is reserved for members who are in “good standing.” I acknowledge and agree that the purpose of this policy is to protect the employees, volunteers and members of the Credit Union from abusive members. This policy addresses standards of member conduct in order to assure the rights and protection of the Credit Union’s employees, volunteers and members. I further acknowledge and agree that this policy also defines what constitutes a “pecuniary loss” which may serve as a basis for limiting member services.

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

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

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 me who is considered to be “not in good standing” with the Credit Union.

I will not be considered to be in “good standing” with the Credit Union if:

1. I fail to comply with the terms and conditions of any lawful obligation with the Credit Union and as a result, the Credit Union suffers a “pecuniary loss” as defined in “Definitions;”

2. I manipulate or otherwise abuse Credit Union services or products to the detriment of the Credit Union’s membership; or
3. I engage in “abusive behavior,” as defined below, or otherwise injure any person or damage any property while on Credit Union premises, at any Credit Union function or while on the premises of any CO-OP Network location.

This list is nonexhaustive; the determination of whether I am in “good standing” with the Credit Union will be made at the sole discretion of the senior management of the Credit Union.

This policy also extends to member conduct at any CO-OP Shared Branch location or any other shared branching network.

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 “pecuniary loss” to the Credit Union occurs when the Credit Union writes off as uncollectible any monies which I owe, for whatever reason, to the Credit Union.
 - a. For loans: the pecuniary loss is defined as the principal amount of any monies owed and written off as uncollectible. The amount of the pecuniary loss does not include interest and expenses.
 - b. For shares: the pecuniary 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, an employee or a volunteer engaged in Credit Union business.
 - b. Any form of action which may constitute harassment under the Credit Union’s harassment policy. For example:
 - (i) Any type of harassment, including age, sexual, ethnic or racial harassment; making racial or ethnic slurs; engaging in sexual conduct or making sexual overtures.
 - (ii) Inappropriate touching.
 - (iii) 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.

- (iv) 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:
 - (i) Engaging in offensive or abusive physical contact.
 - (ii) 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. Cursing or other abusive or vulgar language directed towards a Credit Union member, employee or volunteer engaged in Credit Union business. For example:
 - (i) Using profane, abusive, intimidating or threatening language.
- e. Bringing or possessing firearms or weapons or any hazardous or dangerous device on Credit Union premises or to a Credit Union function or on the premises of any CO-OP Network or CO-OP Shared Branch location.
- 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 or on the premises of any CO-OP Network or CO-OP Shared Branch location.
- 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; writing on Credit Union property without management authorization.
- k. Appropriation or misappropriation of Credit Union funds, property or other material proprietary to the Credit Union; immoral conduct or indecency on Credit Union premises.
- 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 nonexhaustive and is used only as an example of types of behavior that may be deemed "abusive" by the Credit Union.

POLICY

The availability of member services for members who are "not in good standing" with the Credit Union will be restricted. Any or all of the following actions may be imposed against an individual who is deemed to be not in "good standing:"

1. Denial of all services other than the right to maintain a share account and the right to vote at annual and special meetings.
2. Preclusion from personal contact with Credit Union employees or volunteers such that Credit Union services may be available only through written communication through the U.S. mail, SchoolsOnline (your online banking system) or other remote access device designated by Credit Union senior management.
3. Preclusion from access to the Credit Union premises.
4. Preclusion from access to any CO-OP Shared Branch location or any other shared branching network and revoking any shared branching privileges.
5. Taking any other action deemed appropriate under the circumstances that is not precluded by California Credit Union Law, NCUA Rules and Regulations, the Credit Union's bylaws or other applicable federal or state law.

I understand 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, I will be subject to removal from membership at a special meeting of the members or at the next annual meeting of the membership.

These limitations will not prohibit me from exercising my rights under federal or state law or regulation.

BINDING ARBITRATION CONSENT AND AGREEMENT

You and I agree to attempt to informally settle any disputes affecting my accounts which might arise under this Agreement and Disclosure. If that cannot be done, you and I agree that any claim or dispute ("Claim"), whether in contract, tort, statute or otherwise, affecting my accounts and/or arising out of or relating to this Agreement and Disclosure will, at the election of either you or me, be resolved by BINDING ARBITRATION administered by either JAMS, Inc. ("JAMS") or the American Arbitration Association ("AAA") in accordance with their applicable rules and procedures for consumer disputes

("Rules"). AS A RESULT, IF EITHER YOU OR I ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, I WILL GIVE UP MY RIGHT TO GO TO COURT TO ASSERT OR DEFEND MY RIGHTS UNDER THIS AGREEMENT AND DISCLOSURE (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION).

I acknowledge that by consenting to BINDING ARBITRATION, I understand and agree with the following terms:

Selection of Arbitration. If either you or I elect to resolve a Claim through binding arbitration, my 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. 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. The party filing a Claim in arbitration will select either JAMS or AAA as the arbitration administrator. If both AAA and JAMS are unavailable to resolve the Claim, and if you and I do not agree on a substitute, then either you or I will be able to request that a court appoint a substitute.

Waiver of Jury Trial. I UNDERSTAND AND AGREE THAT I AM WAIVING THE RIGHT TO A TRIAL BY JURY.

Arbitration Proceedings. Arbitration proceedings provide me a fair hearing, but the arbitration procedures are simpler and more limited than rules applicable in court. Arbitration decisions are as enforceable as any court order and are subject to very limited review by a court. Arbitrators can award the same remedies including damages, injunctive relief on an individual basis and other remedies that a court can award.

Class Action Waiver. ANY ARBITRATION UNDER THIS AGREEMENT AND DISCLOSURE WILL BE ON AN INDIVIDUAL BASIS. I UNDERSTAND AND AGREE THAT I AM WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION.

Location. The place of arbitration shall be in the federal district where I reside.

Costs. I understand you will reimburse me for any filing, administration and arbitrator fees as imposed by AAA or JAMS. HOWEVER, IF THE ARBITRATOR DETERMINES THAT MY CLAIM IS FRIVOLOUS, UNWARRANTED OR BROUGHT FOR AN IMPROPER PURPOSE (IN ACCORDANCE WITH THE FEDERAL RULES OF CIVIL PROCEDURE SECTION 11(B)), I WILL RETURN

TO YOU ANY FILING, ADMINISTRATION AND ARBITRATOR FEES YOU PAID.

Attorneys' Fees. If I prevail on the merits of my Claim in arbitration, you will pay my attorneys' fees. I will not be required to pay your attorneys' fees if you prevail.

Right of Opt-Out. I have the right to opt-out of this Binding Arbitration Consent and Agreement, provided that I notify you of my intent to opt-out within 60 days after you provide me this Binding Arbitration Consent and Agreement. My opt-out is only effective if I notify you in writing at PO Box 526001, Sacramento, CA 95852 or by calling to **916-569-5400** (Sacramento area) or **800-962-0990** within such 60 day time period. If I fail to opt-out within this 60 day time period, I will be deemed to have provided my consent to the resolution of our disputes through binding arbitration.

FOR MORE DETAILS, I should check AAA's or JAMS's website, www.adr.org and www.jamsadr.com respectively, OR call AAA at 800-778-7879 or JAMS at 800-352-5267. I understand that any debt or loan obligation I may have with you 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.

TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS:

1. I must be and remain a member in good standing to maintain any account and be eligible for Credit Union services. The par value of a share in the Credit Union is \$1. In order to become and remain a member of the Credit Union, I must purchase and retain the par value of one (1) share in my Banking for Everyone Savings account. I may be terminated from membership if I fail to complete payment of one (1) share within thirty (30) days of my admission to membership. Also if I reduce my Banking for Everyone Savings account balance below the par value of one (1) share and do not increase the balance to at least the par value of one (1) share within six (6) months of the reduction, I may be terminated from membership at the end of the dividend period. Checking accounts are transferable. All other accounts are not transferable except as defined in 12 CFR Part 204.
2. For all accounts (except checking accounts), during any statement period, I may not make more than six (6) withdrawals or transfers to another Credit Union account of mine or to a third party using any combination of preauthorized or automatic transfers or telephone orders

or instructions. I may make an unlimited number of withdrawals from, or transfers among, my savings accounts by mail, in person at the Credit Union or at an ATM. I may also make an unlimited number of withdrawals from my savings accounts through Audio Teller telephone banking if I request that you send me a check. If I exceed the transfer limitations set forth above in any statement period, you may deny the transaction and my account will be subject to an assessment of a fee as set forth in the Schedule of Fees and Charges, and you may reclassify or close the account.

3. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure will not prohibit you from enforcing such terms and conditions at a later date.
4. You reserve the right, upon thirty (30) days written notice, to change any provision of or establish new provisions to this Agreement and Disclosure.
5. You may refuse to follow any of my instructions, accept for deposit, or process any transaction that in your sole judgment are illegal or would expose you to potential liability. Alternatively, you may require adequate security or invoke other security measures to protect you from all losses and expenses incurred if you follow my instructions. I agree to reimburse you for any damages, losses, liabilities, expenses and fees (including, but not limited to, reasonable attorneys' fees) that you incur in connection with my account if you take an action in accordance with my, or what purports to be my, oral, written or electronic instructions.
6. You reserve the right to refuse to open any account, to provide any service or to accept additional deposits to an existing account.
7. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. This means that you do not individually examine all of my 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 you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.
8. I authorize you to accept deposits to my account at anytime, 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 me. This includes items mailed to you for deposit to my savings or checking account. The Credit Union may also refuse to accept all or any part of any deposit.

9. If you receive a deposit for my account, I agree that you do not have to provide me with notice of the deposit other than by reflecting the deposit in my next regular deposit account statement, even if the Automated Clearing House (ACH) or wire transfer rules would otherwise require such a notice. Further, I 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 me.
10. I authorize you to supply my endorsement on any item that you take for collection, payment or deposit to my account. I also authorize you to collect any unendorsed item that is made payable to me without first supplying my endorsement, provided the item was deposited to my account. If I deposit items that bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorser(s) to be present with valid government issued identification (e.g., California Driver License) or to have their endorsements guaranteed before you accept the item. All multiple party checks without proper identification are subject to being returned.
11. It is not your practice 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, however, you accept any such item for deposit or collection; I accept all risks and understand that this item will not be processed by you.
12. You have the right to charge back to or otherwise debit any account(s) I maintain with you for any deposited item that is returned (and assess any associated fees and reverse or recover any associated interest that may have accrued), even if I have made withdrawals against it. This right of charge back or debit is not affected by the expiration of any applicable midnight deadline, provided you do not have actual knowledge that such deadline has expired or, having such knowledge, you conclude that:
 - a. The deposited item is returned in accordance with the laws governing my account or rule (including a clearing house rule).
 - b. You have received a breach of warranty claim in connection with the deposited item.

You 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. You may, without notice to me, redeposit a returned deposited item and re-present it for payment by any means (including electronic means), unless you have received instructions from me not to redeposit such deposited item. You will have no liability for taking or failing to take any action to recover payment of a returned deposited item.

If one of my deposited items is returned with a claim that there is a breach of warranty (e.g., it bears a forged endorsement or is altered in any way), you may debit my account for the amount of the item (plus any associated fees) and pay the amount to the claiming party. You 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.

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

13. You act only as a collecting agent for any items deposited to my account. Any deposit that you accept will be subject to subsequent payment and collection verification. In addition, you may reverse or otherwise adjust any credit you believe you have erroneously made to my account at any time without prior notice to me. You are not responsible for any deposits or other transactions initiated by mail until the item is actually received by you. You will not be responsible for any deposits or other transactions during the course of delivery to you by any courier or other third party until the item(s) is actually received by you.
14. I agree to pay your costs of collection, including reasonable attorneys' fees and court costs, with regard to any check drawn on you by me or any item I deposit with you that causes you to incur a loss.
15. I acknowledge and agree that you may, at your option, choose to create and retain electronic copies of original account records and any other records, and thereafter dispose of the originals. I further agree that electronically

scanned and stored images of records will have the same effect as the original records.

16. You will mail, send electronically or otherwise make available to me, periodic statements for my account, notices and other information regarding my account (collectively "account-related information") to the postal or electronic address of the owner as reflected in your records for my account. If there is more than one owner on my account, you may send account-related information to any one of them.
 - a. If my account is in a combined statement, my statement will be sent to the address associated with the savings account in the combined statement.
 - b. Mailed account-related information will be deemed to have been delivered the second business day following the day account-related information was mailed.
 - c. Account-related information made available electronically will be deemed to have been delivered when you make it available to me.I will exercise reasonable care and promptness in examining my statements and must promptly notify you of and reimburse you for any erroneous credit to my account. Within sixty (60) days after you mail or otherwise make statements available to me, I must notify you of any claim for credit or refund due to an unauthorized transaction. For purposes of this Agreement and Disclosure, an unauthorized transaction is a transaction that was not authorized by me, 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 me.

If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if you suffer a loss on the item because of my failure, or you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you.

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

17. Unless otherwise prohibited by the laws governing my account, if account-related information documents are returned or in the case of online statement email notifications the email notice is returned undeliverable, you may classify my account as "inactive." This means you may discontinue sending and may destroy account-related information sent to me until I provide a valid postal or electronic address to you.
18. You agree to investigate any transaction I have reported to you as unauthorized (a "claim of unauthorized transaction"). I agree to:
 - a. Submit my claim of unauthorized transaction in writing to you by completing a declaration under penalty of perjury describing my claim of unauthorized transaction (in an affidavit form approved by you, if so requested).
 - b. File a police report.
 - c. Complete and return to you any documents requested of me.
 - d. In all respects, cooperate fully with you in your investigation of my claim of unauthorized transaction. You reserve the right to reverse any credit made to my account if I fail to sign such documents, cooperate fully with your investigation of my claim of unauthorized transaction or your efforts to recover funds related to my claim of unauthorized transaction or if you determine that the transaction that gave rise to my claim of unauthorized transaction was proper.
19. You or I may close any of my account(s) at any time. I may terminate my account in person, in writing by sending a notice to Schools Financial Credit Union, PO Box 526001, Sacramento, CA 95852, or by calling **916-569-5400** (Sacramento area) or **800-962-0990**. I understand and agree, however, that your authority may not be changed or terminated except by written notice to you, which will not affect prior transactions. If the account is closed, you may send the collected balance on deposit in my account by regular mail to my most recent address shown in your records. Items presented for payment after the account is closed may be dishonored.
20. If you receive conflicting claims regarding funds in my 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 my account, you may, without liability to me and in your sole and absolute discretion, take one or more of the following actions:
 - a. Restrict the account by placing an administrative hold ("freeze") on all or part of the funds and deny access to all until such time as the conflicting claims are resolved to your satisfaction.
 - b. Close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address.
 - c. Interplead all or any portion of the funds from the account into an appropriate court for resolution.
 - d. Restrict the account until your 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 you to distribute the funds. You may charge my account for expenses (including attorneys' fees and expenses) and fees you incur. In addition, if you receive written notice from any account owner that withdrawals, in accordance with the terms of the account, should not be permitted, you 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 you have had a reasonable opportunity to act thereon.
21. You reserve the right to close any of my accounts and terminate my membership should you discover that any of my accounts with you have been deliberately manipulated by me to your detriment, or to the detriment of any other accountholder. "Manipulation" includes, but is not limited to: making unauthorized withdrawals or other transactions, kiting and repeated patterns of transactions that have no apparent business purpose other than to take advantage of Regulation CC hold periods and/or "interest float" to your detriment.
22. I acknowledge that you may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If you suspect such financial abuse, I understand and agree that, in addition to reporting such abuse as may be required under law, you have the right to freeze the account, refuse to complete transactions on the account or to take any other action(s) that you deem appropriate under the circumstances. I agree to indemnify and hold you harmless from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.
23. You may rely solely on your records to determine the form of ownership of my account. You may presume that any

person named in addition to me in your records for my account owns the funds in my account with me as a joint owner, unless your records indicate that the person has some other relationship to the account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure and/or your records will be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.

24. I understand and agree that joint and Pay-on-Death accounts may be subject to the Division 5 of the California Probate Code, as now in effect or hereafter amended.
25. Ownership of the Banking for Everyone Savings account and all subaccounts will be established and determined by the most recent Signature Card and Membership Application or other document(s) evidencing such account(s). A different form of ownership may be established by executing a new Signature Card and Membership Application and a new account number may 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 or other account with multiple parties. Owner(s) agree that any and all sums on deposit will be subject to withdrawal or receipt by any owner and any such withdrawal or receipt will be valid and discharge you from any liability.
26. I understand that all subaccounts may be opened and maintained with a deposit of \$1. If a monthly fee is imposed and can be waived by either maintaining a minimum balance or aggregate balance you will disclose the amount required herein under the section applicable for that account. I will refer to the Schedule of Fees and Charges for the amount of the fee.
27. I am required to keep you informed of my current address. A current address applies to my mailing, physical and email addresses. I agree to notify you promptly of any change of address. I must notify you either in person at one of your branches, by contacting you at **916-569-5400** (Sacramento area) or **800-962-0990** or by sending a written and signed notice to Schools Financial Credit Union, PO Box 526001, Sacramento, CA 95852. In the event that I fail to do this, a

charge may be assessed to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address. This charge will be imposed in accordance with your bylaws and as set forth in the Schedule of Fees and Charges. An administrative hold may also be placed on the funds in my account if mail is returned to you.

28. I agree to notify you immediately of the death or court-declared incompetence of any owner of my account. I agree to inform each owner of my account of the obligation to notify you of such an event as well. If I die or am declared legally incompetent, you can continue to accept and collect items deposited to my account until you know of my death or adjudication of incompetency and have a reasonable opportunity to act.
29. All noncash payments will be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks or other items I deposit may be delayed for several days. I will be notified if my right to withdraw such funds will be delayed. I will refer to the Credit Union's Funds Availability Policy in Part III of this Agreement and Disclosure for further details.
30. If a check or other item that you cash for me or that I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, any item that was paid originally and later returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount of the returned item without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned item. You may re-present a returned item for payment by the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but you are not required to do so. If you choose to re-present the item, you may do so without telling me the item was not paid or that you are presenting it again. You may charge a fee for each deposited or cashed check, or any other item, charged back to my account after being returned (in accordance with your business practices). You may, at your option, notify me by telephone or in writing if a check or other item has been returned unpaid and the fee charged as set forth in your Schedule of Fees and Charges.

31. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you that is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by me or a prior endorser.
32. You use automated means to process checks which prevent you 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 the back, in any form or format. For this reason, you are not required to honor any restrictive legend placed on checks I write unless you have agreed in writing to the restrictions. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
33. A stale-dated check is a check which is presented more than six (6) months after its date. You are under no obligation to pay a stale-dated check, but you may do so at your discretion and charge my account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. I agree that you are not required to identify stale-dated checks or seek my permission to pay them.
34. All accounts are subject to your Schedule of Fees and Charges, which accompanies this Agreement and Disclosure and is incorporated by this reference. You will debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA, Deferred Compensation and certificate accounts, without prior notice to me. Only fees related to IRAs, Deferred Compensation and certificate accounts will be deducted from those accounts. If there are insufficient funds available in my checking or savings accounts, the funds available on an overdraft Line of Credit account may be used to pay service charges or fees. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
35. California law states that inactive account balances in savings, checking and matured certificate accounts must be transferred ("escheated") to the appropriate state within the time period specified by state law. In the State

of California, my property will escheat to the state after a period of three (3) years since the last time I have:

- Increased or decreased the amount of funds on deposit with you or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you;
- Corresponded in writing or electronically with you concerning any of my accounts with you; or
- Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with you.

Funds in an IRA or Deferred Compensation account will escheat to the state if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable: a. Increased or decreased principal; b. Accepted payment of principal or income (dividends); c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with you.

My deposit account will not escheat to the state, however, if, during the previous three (3) years, I have owned another deposit account (or individual retirement or similar account) with the Credit Union and, with respect to that deposit account, I have done any of the acts described in paragraphs (a), (b) or (c) above (or, with respect to an individual retirement or similar account, I 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, you have "communicated" (i.e., sent account statements or statements of interest paid for federal and state income tax purposes) electronically or in writing with me at the address to which communications regarding the other deposit account are regularly sent. You may charge a fee for mailing an escheat notice as set forth in your Schedule of Fees and Charges. To recover funds turned over to the state, I must come into a Credit Union branch to process a claim for reimbursement with a Member Service Representative and/or file a claim with the state.

36. Your relationship with me concerning my account is that of creditor and debtor; no fiduciary, quasi-fiduciary or special relationship exists between you and me.
37. Cash withdrawals made in person at a branch are limited to your discretion per 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 at the branch location of my choice. Large cash withdrawal requests may require up to two (2) business days' advance notice so that you may order the cash from your vault. I understand and agree that I will be responsible for all fees that may be assessed by a third party on the Credit Union in connection with my request (e.g., cash delivery charges). In addition, I may be asked to sign a form releasing you from any liability.

38. You may, but are not obligated to, transfer funds from my deposit accounts or Line of Credit loan accounts on my written, oral or electronic request. I understand and agree that if my deposit account or Line of Credit loan does not have sufficient available funds for the requested transfer that you may make either a partial transfer up to the available amount or you may deny my request. I agree that any such transfer(s) will be in the exact amount authorized or lesser amount if a partial transfer occurs. A scheduled transfer will occur on the authorized transfer day or the following business day.
39. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
40. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records will be available to me for the time period required by law. I agree to pay applicable fees as set forth in the Schedule of Fees and Charges for such copies.
41. I understand and agree that you must comply if you 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 my account that you know or otherwise believe in good faith is valid. I direct you not to contest any such notice of legal process and understand that, except as otherwise required by applicable law, you are under no obligation to notify me of the legal process. To the extent permitted by applicable law, you may charge a fee, as set forth in your Schedule of Fees and Charges, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process. I understand and agree that if a subpoena or legal process requires you to release information about an owner and/or signer on an account, you must comply

with such request and the information released pursuant to such legal process may include information about other owners and/or signers on the account, even if their information was not expressly requested by the subpoena or legal process.

42. I understand and agree that I am not permitted to place a stop payment on a cashier's, counter, teller's or certified check unless such check is lost, stolen or destroyed. In the event that a cashier's, counter, teller's or certified check that I have requested or received is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim for Reimbursement and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Affidavit of Loss and Claim for Reimbursement is not enforceable until the time the Declaration of Loss and/or Claim for Reimbursement is properly delivered to you. I agree to defend, indemnify and hold you harmless from any loss or claim occasioned by your attempt to or stop payment of such check.
43. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my accounts and/or in connection with making future account or credit offers available to me. I understand that you reserve the right to withhold any service based upon information received from eFunds, Experian,SM Chexsystems and/or any other credit and/or consumer reporting agency. I authorize you to give information concerning your experiences with me to others, including if my account is closed due to my lack of financial responsibility.
44. It is my responsibility to protect the account numbers and electronic access devices (e.g., a debit card) you provide me for my account(s). I agree not to discuss, compare or share information about my account number(s) with anyone unless I am willing to give them full use of my money. An account number can be used by thieves to encode my number on a false demand draft which looks and functions like an authorized check. If I furnish my access device and grant actual authority to make transfers to another person (e.g., a family member or friend) who then exceeds that authority, I am liable for the transfers unless you have been notified that transfers by that person are no longer authorized.

My account number can also be used to electronically remove money from my account. If I provide my account number to a third party for the purpose of making a transfer (e.g., to purchase a service or merchandise), payment can be made from my account even though I did not contact you directly and order the payment.

I must also take precaution in safeguarding my blank checks. I will notify you at once if I believe my checks have been lost or stolen. As between me and you, if I am negligent in safeguarding my checks, I must bear the loss entirely myself or share the loss with you (you may have to share some of the loss if you failed to use ordinary care and if you substantially contributed to the loss).

I agree that if you offer me services appropriate for my account to help identify and limit fraud or other unauthorized transactions against my account, such as positive pay or commercially reasonable security procedures, and I decline those services, I will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services you offered, unless you acted in bad faith or to the extent your negligence contributed to the loss.

45. Federal law requires that we obtain and have certified by you a Taxpayer Identification Number (TIN) on all accounts. We will not open an account without this identification number. To avoid backup withholding tax on accounts that earn interest or dividends, you must submit Internal Revenue Service (IRS) Form W-9 or Form W-8BEN and supporting information and/or documentation to us. U.S. citizens or other U.S. persons, including resident alien individuals, must provide a Form W-9. If you are a nonresident alien as defined in IRS Regulations, you must provide a Form W-8BEN. Until we have received the completed Form W-9 or W-8BEN and supporting information and/or documentation, we will pay interest and comply with the backup withholding requirements of the IRS. If, at any time, we receive information which indicates that someone other than you is using the same TIN that you certified as your TIN on Form W-9, and we are not able to determine to our own satisfaction that the TIN has been assigned to you, we will pay interest and comply with the backup withholding requirements of the IRS and/or take any other action which we believe is reasonable under the circumstances. Upon the death of the primary owner, we must be provided with the estate's or successor's TIN or we may either refuse to pay interest earned on the account since the date of the death or withhold a portion of the interest that has been earned

on the account since the date of the death. For additional information on this requirement, I will refer to "Instruction to Payer's Request for Taxpayer Identification Number and Certification (IRS Form W-9)."

46. In the event that a negative balance is created in my account (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges or otherwise) or if I have other outstanding financial obligations of any kind owed to you which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA, Deferred Compensation and certificate accounts), including account(s) upon which I am a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation which is in default. In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of offset for any liabilities, obligations or other amounts owed to you by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. I understand that you may enforce this right without further notice. Moreover, I knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as Social Security and other public benefit funds) deposited in my account to the maximum extent permitted by applicable state and federal law.
47. I acknowledge that if I give anyone access to my account (e.g., providing any person with my debit card, debit card PIN, ATM Card, ATM PIN or online banking password), or grant any person power to act as my agent under a power of attorney or trustee for a trust account, I understand that any transaction completed by such person will be considered authorized by me.
48. An action or proceeding by me to enforce an obligation, duty or right arising under this Agreement and Disclosure or by law with respect to my account must be commenced within one (1) year after the cause of action accrues.
49. I agree to indemnify, defend and hold you and your employees harmless from and against every claim, demand, action, cost, loss, liability and expense including, without limitation, attorneys' fees, collection costs, skip-tracing fees, and outside service fees that you incur by

acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.

50. My account will be governed by California law to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules will not be applied if that would result in the application of non-California law.
51. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund (NCUSIF).
52. I agree that you and any of your agents may monitor and/or record telephone calls regarding my account to assure the quality of your service or for other reasons.
53. I agree, in order for you to service my account or to collect any amounts I owe, you may from time to time make calls and/or send text messages to me at any telephone number(s) associated with my account, including wireless telephone numbers that could result in charges to me. The manner in which these calls or text messages are made to me may include, but is not limited to, the use of prerecorded/artificial voice messages and/or an automatic telephone dialing system. Also, I agree to maintain and continue to provide a current, active and correct telephone number associated with my account. If I change my telephone number, then I will contact you immediately to update it. I further agree that, in order for you to service my account or to collect any amounts I owe, you may send emails to me at any email address I provide to you. This consent covers all accounts and services that I maintain with you currently and any accounts and services I open in the future. I understand and agree that I may opt out of calls to my wireless telephone numbers by contacting you at **916-569-5400** (Sacramento area) or **800-962-0990**.
54. If I choose to appoint an attorney-in-fact or agent to act on my behalf pursuant to a power of attorney ("POA"), you may rely on instructions provided by the attorney-in-fact or agent and will have no liability or responsibility to verify the transactions. The POA will be properly executed, facially valid under California law and the form of appointment must be acceptable to you. In accordance with the terms of the POA, the attorney-in-fact or agent I designate to act on my behalf will be authorized to transact business on my account(s) pursuant to the terms of such POA. Notwithstanding the foregoing, you reserve the right to contact me as the principal under the POA, and/or the attorney-in-fact or agent to verify my intent, prior to acting

under the authority of the POA. I further agree that unless prohibited by law, you may refuse, with or without cause, to accept or otherwise act under a POA, which I grant to others.

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

You are not liable for any transactions or changes made to or by an attorney-in-fact or agent for a deceased or incompetent account owner, unless you have received written notice that I, as the principal under the POA, am deceased, have revoked the powers of the attorney-in-fact or agent, or I am adjudicated totally or partially incapacitated by a court of competent jurisdiction, and you have had a reasonable opportunity to act on that notice.

55. I UNDERSTAND AND AGREE THAT YOU WILL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT OR PUNITIVE DAMAGES IN ANY CLAIM OR ACTION ARISING FROM THIS AGREEMENT AND DISCLOSURE, REGARDLESS OF WHETHER I HAVE ADVISED YOU OF THE POSSIBILITY THAT I MAY INCUR SUCH DAMAGES.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS:

An individual account is an account in the name of one person. A joint account is an account that is owned by the named parties. Upon the death of any joint account owner, ownership passes to the survivor(s).

1. If there is more than one owner, all owners agree with each other and with you that all sums now paid in or hereafter paid in by any one or all account owner(s), including all dividends thereon, if any, are and 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). Any such payment will be valid and will discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.

3. No transfer of voting rights or other membership privileges are permitted by virtue of a transfer of funds.
4. Being a joint owner of a member's account does not constitute Credit Union membership for the joint owner; joint owners may be nonmembers.
5. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to the current loan policies. Further, a pledge of funds by any owner will be binding on all owners. I may not withdraw funds that are pledged as security on loan(s) without the written approval of a loan officer, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my total primary and contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am a co-borrower, co-signer, endorser or guarantor are delinquent, without the written approval of a loan officer.
6. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

TERMS AND CONDITIONS APPLICABLE TO ALL PAY-ON-DEATH DESIGNATIONS:

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

TERMS AND CONDITIONS APPLICABLE TO ALL TRUST ACCOUNTS:

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

- my power as a trustee prior to opening the account.
2. You are not required to know, understand, interpret or enforce the terms of my written trust (the "Trust Instrument").
3. I acknowledge that the trust account is governed by the applicable terms and conditions set forth in this Agreement and Disclosure and by the terms and conditions set forth in my Application and Agreement for Credit Union Account in the Name of Trustee(s) ("Application and Agreement") which I must complete when opening a trust account with you.
4. Trust accounts are not subject to the Multiple Party Accounts Law.
5. YOU WILL NOT RECEIVE A COPY OF THE TRUST INSTRUMENT, AND YOU WILL IN NO EVENT BE LIABLE FOR ITS CONTENTS. Trustee(s), not the Credit Union, assume(s) full responsibility for enforcing the provisions of the Trust Instrument.
6. If this is a revocable trust, one or more trustor(s) must be eligible for membership with the Credit Union. If this is an irrevocable trust, either the trustor or beneficiary must be eligible for membership with the Credit Union or, in the case of multiple trustors or beneficiaries, all the trustors or all of the beneficiaries must be eligible for membership with the Credit Union. All accounts opened in the name of the trust belong solely to the trust. No transfer of voting rights or other membership privileges are permitted by virtue of a transfer of shares. It is understood that the trust under the Application and Agreement has no voting rights at any membership meeting, although the individual member/ trustor(s) retain their personal voting rights if they retain individual membership at the Credit Union.
7. Trustee(s) affirm that the successor trustee(s) is/are bound under the Trust Instrument to serve, and are authorized and fully qualified to act as trustee(s) in the event that all of the trustee(s) named in the Application and Agreement resign, die, become incapacitated or otherwise become unable to act as trustee(s) of the trust. An Application and Agreement will not be approved unless successor trustee(s) is/are designated.
8. In the event that all named trustee(s) and successor trustee(s) die, resign, become incapacitated, refuse to act or you receive conflicting instructions, you reserve the right to interplead any and all funds held in accounts opened under the Application and Agreement and to deduct your

- attorneys' fees for the interpleader action from the trust's account funds.
9. If there is a change in the parties or terms of the trust, including, but not limited to, a change in trustor(s) or trustee(s), all trustor(s) and trustee(s) agree to execute a new Application and Agreement. Such change will not be effective until you receive a properly completed and executed Application and Agreement and have had a reasonable opportunity to act on it.
 10. In the event of a change of address of trustor(s)/trustee(s), the trustee(s) agree(s) to notify you promptly of such change(s).
 11. Trustee(s) certify that they are duly appointed under the Trust Instrument and that by the authority vested in them under the Trust Instrument, any trustee, acting alone or jointly, is authorized and empowered to transact business of any kind in connection with the trust's accounts at the Credit Union. It is agreed that any transaction by the trustee(s) set forth in the Application and Agreement, acting alone or jointly, will be valid and discharge you from any liability.
 12. Trustee(s) may authorize the transaction of any business on accounts held at the Credit Union in the name of the trust by their oral or written instruction to you. Trustee(s) may obtain funds from the trust's accounts in their name(s) or the name(s) of third parties upon the trustee's written or oral instruction.
 13. If the trustee(s) named on the Application and Agreement borrow from the Credit Union and the Trust Instrument must be examined by a third party (e.g., a title company), you agree to forward a copy of the Trust Instrument from the trustee(s) to the third party only if trustee(s) present(s) the Trust Instrument to you in a sealed envelope. You will not accept a Trust Instrument that is not presented in a sealed envelope. Further, you will not keep any Trust Instrument in your files or be liable for the contents of the Trust Instrument. The trustee(s) will sign a form designated by you that states you have received the Trust Instrument in a sealed envelope when the trustee(s) present(s) the Trust Instrument to you.
 14. Trustee(s) agree that if they borrow from the Credit Union and use trust assets as collateral, then the trustor(s) or the trustee(s), as member(s) of the Credit Union, will, by signing all documents relating to the loan, obligate themselves as individuals in addition to the signatures of the trustee(s) on behalf of the trust.
 15. Trustee(s) agree(s) to promptly notify you if any of the trustor(s) or trustee(s) die, resign or become incapacitated. Prior to any successor trustee(s) transacting business on accounts held at the Credit Union in the name of the trust (including any withdrawal pursuant to #16), the successor trustees must provide you with either a letter of resignation signed by the existing trustee(s), a judicial declaration of incapacity or a certified copy of the death certificate for the trustee(s). The successor trustee(s) must complete a new Application and Agreement as well as a Certification of Trust. Death, resignation or incapacity of any trustee or trustor will not revoke your authority to act under the Application and Agreement until written notice of the death, resignation or incapacity has been presented to you, and you have reasonable opportunity to act on it. However, upon presentation of a certified copy of the trustee(s)' death certificate(s), resignation or the judicial declaration(s) of incapacity, you are authorized to act upon designated successor trustee(s)' instructions in accordance with the terms of the Application and Agreement.
 16. Successor trustee(s) will close all accounts opened under the Application and Agreement within ninety (90) days after receiving notification of death, resignation or incapacity of the trustee(s). You are authorized, but not required, to close any accounts opened under the Application and Agreement upon the 91st day after receiving notice of the trustee(s)' death(s) and mail a check to the designated successor trustee(s) for the balance of the account and made payable to the designated successor trustee(s) as trustee(s) for the above-named trust. The parties may be able to maintain the trust's accounts at the Credit Union under a new Application and Agreement. See a Credit Union account representative for eligibility.
 17. Trustor(s) and trustee(s) acknowledge and agree that your sole obligation to the trustor(s)/trustee(s) is as a depository institution and is a debtor/creditor relationship and nothing in the Application and Agreement or in the Trust Instrument will be construed to impose any duties or obligations whatsoever upon you as trustee or other fiduciary under the Trust Instrument or otherwise.
 18. Trustor(s) and trustee(s) hereby agree for the trust, themselves and all trust beneficiaries for the life of the trust and the statutory life of any cause of action involving any account of the trust to indemnify and hold harmless the Credit Union from any and all claims, suits, actions, damages, judgments, costs, charges and expenses,

including but not limited to, court costs and attorneys' fees, resulting from any and all liability, loss or damage of any nature whatsoever that you will or may sustain resulting from the establishment, maintenance and transaction of any business on any trust account at the Credit Union. The trustor(s) and trustee(s) on behalf of the trust agree to pay any necessary expenses, attorneys' fees or costs incurred in the enforcement of the Application and Agreement.

19. Trustor(s) and trustee(s) acknowledge and agree that you are relying upon the statements, representations and warranties made by the trustor(s) and trustee(s) contained in the Application and Agreement and that you will not be responsible in any way for verifying either the existence, validity or legality of the trust itself or the authority or powers of the trustee(s) under the governing Trust Instrument to establish, maintain or transact any business on the trust's accounts. You reserve the right at any time to require the trustee(s) to execute and provide a Certification of Trust pursuant to California Probate Code Section 18100.5, in form and substance acceptable to you, affirming the existence of the trust and the authority and powers of the trustee(s) thereunder.

TERMS AND CONDITIONS APPLICABLE TO ALL CALIFORNIA UNIFORM TRANSFERS TO MINORS ACT (UTMA) ACCOUNTS:

1. The transferor/custodian is opening an account as custodian for the minor named on the Signature Card and Membership Application under the UTMA. The transfer of money to the minor named on the Signature Card and Membership Application, 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 hereafter amended.
2. I acknowledge that by signing the Signature Card and Membership Application, I have received the funds deposited to the account as custodian for the minor named therein under the UTMA, and I agree to the applicable terms and conditions set forth in this Agreement and Disclosure, as well as the terms and conditions of the Signature Card and Membership Application. You have no duty whatsoever to monitor or ensure that the acts of the custodian (or successor custodian) are for the minor's benefit.
3. The successor custodian named on the Signature Card and Membership Application will serve if I should be unable

to act as custodian because I resign, die or become legally incapacitated.

4. Custodial accounts are not subject to the Multiple Party Accounts Law.
5. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
6. Upon the minor reaching the age of eighteen (18), Banking for Youth savings changes to Banking for Everyone Savings.
7. I acknowledge that as the transferor/custodian it is my responsibility to transfer all the funds to the beneficiary. This transfer will close the UTMA account and will be executed when the beneficiary reaches the age of majority or the age indicated on the Signature Card and Membership Application.

TERMS AND CONDITIONS APPLICABLE TO ALL MINOR ACCOUNTS:

If I establish an account with you as a joint owner on a minor's account, the following terms and conditions apply to me:

1. I understand and agree that I am responsible and legally liable for any and all transactions on the minor's account including, but not limited to:
 - a. Any withdrawals on the account made by the minor by check, ATM, debit card, Audio Teller, SchoolsOnline or otherwise.
 - b. Any overdrafts or negative balance on the account created by the minor by whatever means.
 - c. Any claims by third parties upon the account, the account funds and/or any other matter related to account transaction(s) by the minor.
2. To the extent that there is any conflict between this Agreement and Disclosure and the California Uniform Commercial Code (or other applicable law), I hereby waive any protections afforded under the California Uniform Commercial Code (or other applicable law) to the extent permitted by law.

TRUSTEE BLOCKED ACCOUNT IN THE NAME OF A MINOR

If I ("trustee") have established a blocked account with you in the name of a minor, the following terms and conditions apply to such account:

1. The funds in the blocked account are controlled by court order, and a copy of this order must be provided to the Credit Union when the account is opened.

2. The minor (“beneficiary”) and I must qualify for membership with the Credit Union. If I have accounts with you then I must be in good standing with the Credit Union, and agree to remain so while this account is open.
3. The trustee agrees to:
 - a. Provide the Credit Union with a copy of all court orders affecting the account immediately;
 - b. Provide the name and address of the trustee and the beneficiary;
 - c. Notify the Credit Union in writing if a change of trustee occurs;
 - d. Notify the Credit Union if any beneficiary listed in the Signature Card and Membership Agreement ceases to be a beneficiary or changes address; and
 - e. Notify the Credit Union if any person becomes a beneficiary in the future. Providing such a notice of termination of beneficiary or additional beneficiary will impose no obligation on the Credit Union for the contents of the notice.
4. The following rules will govern disbursements of funds in a blocked account:
 - a. No withdrawal of funds will be made unless the trustee seeking the funds presents a certified copy of an order of the court.
 - b. Any payment in accordance with such court order will be valid and will discharge the Credit Union from any liability.
 - c. The Credit Union is required to report all income earned on accounts. The trustee is required to provide the beneficiary’s Social Security Number to comply with this reporting requirement and will complete a Request for Taxpayer Identification Number form.
 - d. Death or incompetence of the trustee will not revoke the Credit Union’s authority until the Credit Union has written notice of the fact of death or adjudication of incompetence and has had a reasonable opportunity to act on it.
 - e. The trustee hereby agrees for the beneficiary for the life of the account and the statutory life of any cause of action involving any account to indemnify and hold harmless the Credit Union from any and all claims, suits, actions, damages, judgments, costs, charges and expenses, including court costs and attorneys’ fees, against any and all liability, loss and damage of any nature whatsoever that the Credit Union will or may sustain resulting from the establishment, maintenance and transaction of any business on this trustee blocked account at this Credit Union.

TERMS AND CONDITIONS APPLICABLE TO COOGAN TRUST ACCOUNTS

If I (“Trustee”) establish a Minor’s Coogan Account (“Account”) with you in the name of a minor, the following terms and conditions apply to such account:

1. This account has been established for the purpose of preserving for the benefit of the minor (“beneficiary”) certain earnings pursuant to California Family Code §§ 6750 et seq.
2. The trustee named on this account must be a member in good standing with the Credit Union and agrees to remain so while this account is open.
3. The trustee agrees to provide a copy of all court orders affecting the account to the Credit Union immediately. The trustee agrees to inform the Credit Union in writing if a change is made in any court order and to provide the Credit Union copies of the court orders.
4. The trustee agrees to notify the Credit Union in writing if a change of trustee occurs.
5. The trustee agrees to notify the Credit Union if any beneficiary listed in the Coogan Trust Account Signature Card ceases to be a beneficiary or changes address. Providing such a notice of termination of beneficiary shall impose no obligation on the Credit Union for the contents of the notice.
6. The following rules shall govern disbursements of account funds:
 - a. No withdrawal of funds shall be made unless the trustee seeking the disbursement of funds presents a certified copy of a court order, or the beneficiary seeking the disbursement of funds upon reaching the age of 18 presents a certified copy of the beneficiary’s birth certificate or upon reaching an age designated by the court if other than 18 years.
 - b. No transfer of funds shall be permitted unless the transfer is to another account at the Credit Union, and the funds transferred shall continue to be held in a Coogan Trust Account, or the transfer is to another financial institution or company, the funds transferred will continue to be held in trust pursuant to California Family Code §6750 et seq., and the Credit Union has provided written notification to the transferee financial institution or company of the application and requirements of California

Family Code § 6750 et seq.

7. Any payment in accordance with the above shall be valid and shall discharge the Credit Union from any liability.
8. Death or incompetence of the Trustee shall not revoke the Credit Union's authority until the Credit Union has written notice of the fact of death or adjudication of incompetence and has had reasonable opportunity to act on it.
9. Trustee acknowledges and agrees that the Credit Union's sole obligation to the trustee and the account is as a depository institution and is a debtor/creditor relationship and nothing in the Coogan Trust Account Signature Card or in any Trust Instrument shall be construed to impose any duties or obligations whatsoever upon the Credit Union as a trustee or other fiduciary under any Trust Instrument or otherwise.
10. The trustee hereby agrees for the beneficiary for the life of the account and the statutory life of any cause of action involving any account to indemnify and hold harmless the Credit Union from any and all claims, suits, actions, damages, judgments, costs, charges and expenses, including court costs and attorneys' fees, against any and all liability, loss and damage of any nature whatsoever that the Credit Union shall or may sustain resulting from the establishment, maintenance and transaction of any business on this account at this Credit Union. The trustee agrees to pay any necessary expenses, attorneys' fees or costs incurred in the enforcement of this hold harmless and indemnity agreement.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS:

1. 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. In my capacity as a fiduciary, I, acting individually or jointly, am authorized and empowered to transact business of any character in connection with this account. My authority will continue in force until written notice to the contrary is received by you.
2. If the account is blocked, I understand and agree that I will file with the court a written receipt, including an agreement with you, that the funds in the account,

including any dividends, may not be withdrawn or pledged except upon court order.

3. I may not pledge any or all funds on deposit in the account as security for any loan(s).
4. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS:

1. If I request to open a sole proprietorship account with you, I affirm that I am the sole proprietor of the sole proprietorship named on the Business/Organization Account Signature Card and Membership Application. You may pay out funds with my signature. You may accept and/or endorse checks made payable to me or to the sole proprietorship named on the Business/Organization Account Signature Card and Membership Application that you receive for deposit.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
3. Sole proprietorship accounts are not subject to the Multiple Party Accounts Law.

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

1. To qualify for membership, the entity must be located within your field of membership.
2. The person(s) named on the Business/Organization Account Signature Card and Membership Application, duly authorized to make the certification, certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership and that by virtue of the authority vested in me by the constitution, bylaws or otherwise, any one (1) of the signators, as named on the Business/Organization Account Signature Card and Membership Application, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Signature Card and Membership Application are the genuine signature(s) of said authorized person(s) and that my authority will continue in force until written notice to the contrary is received by you, and you have had a reasonable opportunity to act on it.

3. A Banking for Everyone Savings account must be established by the entity in order to be eligible to establish other Credit Union deposit accounts. Corporate, partnership and unincorporated association savings accounts are not eligible for split rate dividends.
4. Funds on deposit in corporate, partnership and unincorporated association accounts may not be pledged as security for any loan(s).
5. Corporate, partnership and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL BANKING FOR EVERYONE SAVINGS AND ADDITIONAL SAVINGS ACCOUNTS:

1. The minimum deposit required to open and maintain a Banking for Everyone Savings account is \$1.
2. No minimum daily balance requirements apply to this account in order to earn dividends at the disclosed Annual Percentage Yield (APY).
3. I may open an additional savings account under my membership account number or open additional savings accounts under separate account numbers. If under a separate account number, I must maintain a minimum balance of \$1 in the Banking for Everyone Savings associated with that account.
4. I must maintain a daily balance of \$300 in my savings account or have another account or loan relationship under my account number to avoid the assessment of a monthly service charge. If, during any month, my account balance falls below this daily balance, and I do not have another account or loan relationship under my account, my account will be subject to a service charge for that month. I will refer to the Schedule of Fees and Charges for the fee assessed if the minimum requirements are not met. The charge will be deducted from my savings account. I may increase my account balance to \$300 or establish another account or loan relationship under my account to avoid further service charges.
5. I may pledge any or all of the available funds on deposit in my savings account(s) as security for any loan with you.

TERMS AND CONDITIONS APPLICABLE TO ALL BANK ON SACRAMENTO ACCOUNTS:

1. The minimum deposit required to open a Bank on Sacramento account is \$1.
2. No minimum daily balance requirements apply to this account in order to earn dividends at the disclosed APY.
3. I may be required to show proof satisfactory to you of my completion of a financial literacy course in order to qualify for membership.
4. I must establish a checking account under my Bank on Sacramento membership account.
5. I am eligible for one nonsufficient funds (NSF) fee waiver on this account. This fee waiver is only applicable to accounts qualified through the Bank on Sacramento program.
6. I may pledge any or all of the funds on deposit in this account as security for any loan with you.
7. If I close my Bank on Sacramento account, my Credit Union membership will be terminated. If I later reapply for a Credit Union membership, I will be subject to the Credit Union's standard policies and procedures for account opening, including without limitation, a ChexSystems and credit history review. I may not open another account under the Bank on Sacramento qualifications.

TERMS AND CONDITIONS APPLICABLE TO ALL CASH-TRANSACTION-ONLY SAVINGS ACCOUNTS:

1. The minimum deposit required to open this account is \$1.
2. No minimum daily balance requirements apply to this account in order to earn dividends at the disclosed APY.
3. I understand that a Cash-Transaction-Only Savings account may be the only type of deposit account available to me if you receive negative information about me from any credit reporting agency that you use during account opening or during periodic account verification.
4. I understand that Cash-Transaction-Only Savings accounts are restricted accounts that are limited to cash transactions only. That is, all transactions, including withdrawals, must be made with cash or cashier's, certified or teller checks or any other type of guaranteed funds.
5. I understand and agree that if I am offered a Cash-Transaction-Only Savings account, I do not qualify for any other Credit Union account, service or product, including, but not limited to: additional savings accounts, checking

accounts of any type, shared branching, certificates, IRAs, ATM Cards, Audio Teller, SchoolsOnline and BillPay transactions and any preauthorized electronic payments. I also understand and agree that I cannot be a joint owner on any other Credit Union account except another Cash-Transaction-Only Savings account.

6. To avoid a monthly service charge, I must maintain a daily balance of \$300 in my Cash-Transaction-Only Savings account or have an existing loan relationship in good standing under this account number. I will refer to the Schedule of Fees and Charges for the monthly service charge. If, during any month, my account falls below the required daily balance, I will be charged a monthly service charge. The charge will be deducted from my account. I may increase my account balance to the required minimum balance to avoid further service charges.
7. I may apply for an unrestricted Banking for Everyone Savings account after a period of two (2) years if:
 - a. At the time my Cash-Transaction-Only Savings account was opened, fraudulent activity or monies owed were not reported by a credit reporting agency (such records will be confirmed by the Credit Union before I can apply for a Banking for Everyone Savings account);
 - b. I have maintained my Cash-Transaction-Only Savings account in good standing with the Credit Union during this two-year (2-year) period; and
 - c. You do not receive any additional negative information about me from any credit reporting agency.
8. I may pledge any or all of the funds on deposit in this account as security for any loan with you.

TERMS AND CONDITIONS APPLICABLE TO ALL SENIOR SAVER CLUB MEMBERS:

1. If I am 55 years of age or older, I am eligible to enroll in the Senior Saver Club.
2. When I am enrolled in the Senior Saver Club, if I have an Interest Checking account, the standard monthly service charge will be waived under my membership account number.
3. To maintain Senior Saver Club membership, I must either have direct deposit into the account or maintain an aggregate balance of \$5,000 between all accounts under the same account number, including outstanding loan balances. If I do not have direct deposit or meet the aggregate balance I will be subject to the Senior Saver Club

fee. I will refer to the Schedule of Fees and Charges for the monthly fee.

TERMS AND CONDITIONS APPLICABLE TO ALL EDUCATOR REWARDS MEMBERS:

1. If I am employed with or retired from an educational institution, I am eligible to enroll in the Educator Rewards program.
2. To maintain the Educator Rewards program benefits I must either maintain my employment with or be retired from an educational institution.

TERMS AND CONDITIONS APPLICABLE TO ALL HOLIDAY SAVINGS CLUB AND SUMMER RESERVE ACCOUNTS:

1. The minimum deposit required to open and to maintain either of these accounts is \$1.
2. No minimum daily balance requirements apply to this account in order to earn dividends at the disclosed APY.
3. A Holiday Savings Club account allows me to deposit funds into this account to cover holiday expenses. With the exception of \$1 required to open and maintain the account, the balance will be automatically transferred by you to my designated savings or checking account (under the same account number as the Holiday Savings Club account) on November 1 of each year. If November 1 falls on a nonbusiness day, the transfer will occur on the next business day.
4. A Summer Reserve account allows me to deposit funds into this account each month to supplement summer pay or cover other summer expenses. With the exception of \$1 required to open and maintain the account, the balance will be automatically transferred by you to my designated savings or checking account (under the same account number as the Summer Reserve account) on August 1 of each year. If August 1 falls on a nonbusiness day, the transfer will occur on the next business day.
5. I may not pledge any or all of the funds on deposit in these accounts as security for any loan.

TERMS AND CONDITIONS APPLICABLE TO ALL BANKING FOR YOUTH ACCOUNTS:

1. The minimum deposit required to open and maintain this account is \$1.

2. All primary savings accounts for members under age 18 will be named Banking for Youth.
3. All Banking for Youth accounts require a parent or legal guardian to sign as a joint owner on the account. The joint owner must agree to the terms set forth in the "Terms and Conditions Applicable to All Minor Accounts" section of this Agreement and Disclosure in addition to the terms and conditions in the Signature Card and Membership Agreement that governs this account.
4. There is no minimum daily balance required to earn dividends at the disclosed APY.
3. 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 License) or have their signatures guaranteed by another financial institution. All multiple party checks without proper identification are subject to being returned.
4. You may pay and charge to my applicable account checks or other debit items ("items") drawn by and payable to any person, organization, association or corporation whom I have authorized by providing sample Magnetic Ink Character Recognition (MICR)-encoded information identifying my account, provided there are sufficient funds in my account to pay such items. I agree that your rights in respect to such items will be the same as if it were an item drawn and signed by me personally. This authority will remain in effect until revoked by me in writing (to you and to the agency to which the sample MICR information was provided) and you have had a reasonable opportunity to act on it. I agree that you will be fully protected in honoring such items. I further agree that if any such item is dishonored, whether with or without cause, and whether intentional or inadvertent, you will have no liability whatsoever, even if such dishonor results in the forfeiture of insurance or loss or damage to me of any kind.

TERMS AND CONDITIONS APPLICABLE TO ALL SUPER\$HARE AND PREMIER MONEY MARKET ACCOUNTS:

1. The minimum deposit required to open and maintain either of these accounts is \$1.
2. Dividends are paid on a tiered structure that provides for dividend rates and APYs based upon the daily balance in the account. You reserve the right to change the tiers from time to time at the sole discretion of the Board of Directors. I will refer to the Savings and Certificate Rates Disclosure, which accompanies this Agreement and Disclosure, for current information on applicable tier information.
3. I must maintain the minimum daily balance as set forth in the Savings and Certificate Rates Disclosure to obtain the APY disclosed for each tier. I will refer to the Schedule of Fees and Charges for the fee assessed if the minimum daily balance requirement is not met.
4. I may not pledge any or all of the funds on deposit in these accounts as security for any loan.

TERMS AND CONDITIONS APPLICABLE TO ALL CHECKING (SHARE DRAFT) ACCOUNTS:

1. The minimum deposit required to open a checking account is \$1.
2. You may, at your discretion, but are not obligated to, nor will you be liable for, refusal to pay funds from this account when:
 - a. Such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts").
 - b. Such payment is drawn by means not authorized in advance by you.

5. If you have made a good faith payment to a holder, you may charge my account according to the original terms of my check, or the terms of my completed check unless you have notice that any such completion is improper.
6. I, or any other person authorized to draw on the account, may request a stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. A stop payment order takes effect after verification that the check has not been paid. I may also stop payment on a Line of Credit loan check. My stop payment request must be made in writing and 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. A stop payment request made via SchoolsOnline will be treated as a written request. If my stop payment request is incomplete or incorrect, you will not be responsible for paying the check over my request. I agree to indemnify, defend and hold you harmless for all claims, actions and damages related to or arising from your action in stopping payment of any check pursuant to my request. A stop payment fee will be assessed for each stop payment request as set forth in

the Schedule of Fees and Charges. An acknowledgement will be mailed to the account owner for stop payment requests made by telephone, fax or mail. If I 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 for six (6) months. You are not obligated to notify me when a stop payment order expires. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. I may not stop payment on completed electronic point of sale (POS) transactions, teller checks or checks issued or guaranteed by you. I assign to you all rights against the payee or any other holder of the item. I agree to cooperate with you in any legal actions that you may take against such persons. I should be aware that anyone holding the item may be entitled to enforce payment against me despite the stop payment order. I agree to indemnify, defend and hold the Credit Union harmless for all claims, actions and damages related to or arising from your action in stopping payment of any check pursuant to my request.

7. My death, dissolution or incompetence will not revoke your authority to accept, pay or collect a check or to account for proceeds of its collection until you know of the fact of death, dissolution or adjudication of incompetence and have a reasonable opportunity to act on it. Even with this knowledge, you may, for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by you. I will notify you if any of us dies, becomes incapacitated or our organization is dissolved.
8. If you have paid a check under circumstances giving a basis for objection by me, you 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.
9. In the event of wrongful dishonor that occurs by mistake, your liability will be limited to actual damages I prove. In the event of a dishonor of any check or other debit on my

account, your determination of whether sufficient funds exist in my account may be made at any time between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the latest balance in deciding whether to dishonor the check or other debit.

10. I agree that in the event I draw a check on my account with you that I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscures any depository endorsement placed by you or your agent.
11. Each account owner is authorized to transact business of any kind on this account including, but not limited to, the causing or making of overdrafts and endorsement of checks payable to any owner of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by any of us whether or not any of us participate in the transaction or benefit from its proceeds.
12. If this is a joint checking account, all of us further agree as between ourselves and you:
 - a. All amounts now and hereafter in the account, regardless of source, are owned by us jointly and equally regardless of our net contributions, with right of survivorship, and subject to withdrawal(s) and/or receipt of or by any of us, and payment to any of us or any of our survivors will be valid and discharge you from any liability for such payment; and
 - b. We hereby appoint each other as agents and attorneys-in-fact to overdraft from any of our deposit or loan accounts (including accounts on which we are a joint owner, except IRAs).
13. I will notify you immediately at **916-569-5400** (Sacramento area) or at **800-962-0990** if my checks are lost or stolen. I agree that I will be responsible for losses caused by a delay in my notification to you.
14. I acknowledge that you do not sell checks. As a member service, you will submit my initial check order and any reorders for personalized checks to the printer named on the face of the order. I may also request reorders through SchoolsOnline. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to you in care of me. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs, at

the fee quoted at the time of my order. I am responsible for verifying the accuracy of all information shown on my checks whether I order them through you or elsewhere. I agree to imprint only the names of authorized owners on my checks.

15. You may provide me with temporary checks that include the exact MICR line, including routing number and account number, necessary for the proper processing of my checks. I am responsible for ensuring that any checks I use to draw on my account include this same MICR encoding. I understand that it is my responsibility to ensure that checks I 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. I understand that if checks I 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.
16. Paid checks remain the property of the Credit Union upon payment. Checks are imaged on both sides and stored for seven (7) years from the date of posting. I may request, and you will provide me with, a photocopy of a requested item within a reasonable time. Imaged checks are also available on your online banking system (SchoolsOnline). You will not charge me for the first two (2) photocopies of items I request appearing on a given statement; however, additional copies will be subject to an assessment of a fee as set forth in your Schedule of Fees and Charges. If I have not ordered my Credit Union checks through your approved check vendor, I understand and agree that you are not responsible for the quality of any check copy that I request from you. If at any time I should use checks printed by a check vendor that was not approved by you, you reserve the right to reject any check of poor quality.
17. A postdated check is one which bears a date later than the date on which the check is written. You may refuse to accept postdated checks. However, in the event that you accept such checks, you may charge against my account a postdated check even though payment is made before the date of the check. If you accept a postdated check and I notify you within a reasonable time to permit you to act and identify the check with reasonable certainty, you cannot pay the check until the due date. Notice may be written or oral and it must include the exact amount, account number, check number, date of check and name of payee. If oral, the notice will be valid for fourteen (14) days. If written, the notice will be valid for up to six (6)

months, and can be renewed within six (6) months for another successive six (6) month period. A stop payment fee may be assessed for this service as set forth in the Schedule of Fees and Charges.

18. All checks written on my account must be drawn in U.S. dollars.
19. For purposes of this Agreement and Disclosure, 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. If a transaction involves a remotely created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely created check is drawn, in the amount stated on the check, and to the payee stated on the check. If a remotely created check which I have deposited into my account is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand.
20. Your measure of damages for failure to exercise ordinary care in handling a check will not exceed the amount of the item.

My Available Balance. The available balance in my account plays an important role in the operation of my account. My available balance is the balance in my account that you use to determine if I have sufficient funds to cover a transaction. My available balance is the most current record you have about the funds that are available for withdrawal from my account. My available balance may be disclosed to me through SchoolsOnline, Mobile Banking, Audio Teller, teller receipts or at a Credit Union-owned ATM. When my available balance is disclosed to me through SchoolsOnline, Mobile Banking, Audio Teller, teller receipts or at a Credit Union-owned ATM, you will use the term "available" or "available balance." Differing amounts shown as "balance" are not used by you to determine whether I have sufficient funds to cover a transaction because "balance" does not reflect holds, pending transactions or other amounts that reflected in my "available balance."

My “available balance” is the balance in my account after deducting:

- a. Deposits that are not yet available for withdrawal under your Funds Availability Policy;
- b. Debit card or other transactions you are legally obligated to pay or have already paid out in cash;
- c. Other pending transactions (such as ACH transactions, or pending debit card purchases and related authorization holds on funds in my account that the Credit Union has authorized but that have not yet posted to my account); and
- d. Any holds on my account, such as holds on funds to comply with court orders or other legal requirements.

My account is considered overdrawn when the available balance in my account is negative (less than \$0). **It is very important to understand that I may still overdraw my account even though the available balance appears to show there are sufficient funds to cover a transaction that I want to make.** My available balance does not reflect all my outstanding checks, automatic bill payments that I have authorized or other outstanding transactions that have not been paid from my account. For example, outstanding checks I have written will not be reflected in my available balance until they are presented to you and paid from my account.

In addition, my available balance may not reflect all of my debit card transactions. For example, if a merchant obtains your 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), you must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released, however, even if you release the hold, if you subsequently receive the transaction from the merchant, you are generally required to and will pay the transaction from my account. I will refer to the section entitled “Authorization Holds for Debit Card Transactions” below for information about how authorization holds affect my available balance.

Also, my available balance may not reflect the most recent deposits to my account. I will refer to the section entitled “Funds Availability Policy” for information regarding the availability for withdrawal of my deposits.

You encourage me to record and closely track all of my transactions to confirm that my available balance accurately reflects my spending of funds from the account linked to my debit card.

Operation of Account and Order of Posting. You can receive

deposit and withdrawal transactions in many different forms at various times each day. You reserve the right to determine the timing and order in which such transactions are posted to my account to the extent permitted by law. You determine the order in which you process and post deposits and other credits and checks and other items to my account based on a number of factors.

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

Some items are received by you individually and others are received in batches at various times each day. For example, items that you currently receive individually include ATM withdrawals and most teller transactions. Individual items are generally posted to my account as they are received by you each day. Items that you currently receive in batches may include checks drawn on my account, ACH and debit card transactions. If multiple checks are presented on any given day, they are cleared in check order sequence, beginning with lower check numbers clearing first, followed by higher check numbers. You generally post batched transactions as they are received throughout each day (subject to certain exceptions). For noncheck batched transactions you receive on a particular day, you will generally post those noncheck batched transactions in the order that the transactions were submitted for payment.

The timing and order used to post items to my account will depend upon a number of factors. You reserve the right to establish different categories of items, a posting order for each category of item(s) and different posting orders for items within each category. You also reserve the right to change the timing of when items are posted during the day and whether they are posted individually or in batches. Except to the extent limited by applicable law, you have the right to change any of the factors listed above at any time without notice to me. I agree that you may in your discretion make these changes at any time to the extent permitted by law without notice to me.

Authorization Holds for Debit Card Transactions. When I make a purchase with my debit card, the merchant may seek your prior authorization for the transaction. You generally place a temporary hold against some or all of the funds in the

account linked to my debit card if and when an authorization request is obtained. You refer to this temporary hold as an “authorization hold,” and the amount of the authorization hold will be subtracted from my available balance (generally in real time as they are received by you throughout each day).

The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted (such as a gas station purchase). This can happen when a merchant processes a charge where my debit card is swiped before my actual transaction amount is known. For example, the total charge at a restaurant or a gas station may be unknown when my card is swiped, because I may choose to add a tip to a restaurant transaction or because the amount of gas I pump is unknown when my card is swiped. This may also occur with other types of transactions as well. 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 you may not receive an authorization request from the merchant, and there will be no authorization hold reflected in my available balance.

You are permitted to place an authorization hold on my account for up to three (3) business days from the time of the authorization. If the transaction is not submitted for payment by the merchant within the specified time period, however, you will release the authorization hold, which will increase my available balance until the transaction is submitted for payment by the merchant and finally posted to my account. If this happens, you must honor the prior authorization and will pay the transaction from my account.

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

You encourage me to record and closely track all of my transactions to confirm that my available balance accurately reflects my spending of funds from the account linked to my debit card.

Insufficient Funds

General. I am responsible for keeping track of the funds in my account that are available for me to use before I write a check, schedule online payments, make a cash withdrawal at an ATM or use my debit card for a transaction. You encourage me to

manage my funds responsibly. Among other things, I should keep a running balance that reflects all of my transactions. It is imperative that I keep track of the outstanding transactions I may have authorized (e.g., outstanding checks or automatic bill payments), as my available balance will not reflect these transactions until they are paid from my account. As discussed in the section entitled “My Available Balance,” your record of my available balance may also not reflect all of my debit card transactions. I should not assume that I can avoid overdrafting my account by making a deposit before a check or other item is presented for payment because my deposit may not be immediately available for withdrawal. I will refer to the section entitled “Funds Availability Policy” for complete details.

Overdrafts and Returned Items. “Overdrawing” my account means that my account balance, minus any deposits I have made that are not yet available, and minus any holds on my account, is less than \$0 or that my available balance is not enough to pay all the items that have been presented to you in a day.

You will charge a fee for any item presented for payment on a day when my account is overdrawn. If you pay it, you will charge a Courtesy Pay Fee. If you return it, you will charge a Nonsufficient Funds Fee. I will refer to the Schedule of Fees and Charges for a listing of fees. You will only charge a Courtesy Pay Fee for a nonrepeating (“everyday”) debit card transaction if I have notified you to pay debit card transactions.

I can avoid fees for overdrafts and returned items by making sure that my account always contains sufficient available funds to cover all of my transactions. You offer services that I can use to help me manage my account and help me avoid overdrafts.

You may limit the number of Courtesy Pay Fees you charge in a day for “everyday” debit card transactions as defined in the Schedule of Fees and Charges, and you will not charge a Courtesy Pay Fee if my ending account balance is overdrawn by less than \$5.

You recommend that I enroll in one of the optional overdraft protection plans described below. These plans can help me avoid overdrafts and returned items. While fees apply when I use an optional overdraft protection plan, the fees under the plan may be less expensive than the fees for overdrafts and declined or returned items. I will refer to the “Optional Overdraft Protection Services” section below for more information.

When you determine that the available balance in my

account is not sufficient to cover a check or other item, then you consider the check or other item an insufficient funds item. If I have enrolled in one of the optional overdraft protection plans and have enough available funds in the linked account or personal Line of Credit account under the overdraft protection plan, you will transfer funds to cover the item. Otherwise, without notice to me, you will either authorize and pay the insufficient funds item and overdraw my account (an overdraft item) or you will decline or return the insufficient funds item without payment (a returned item).

You pay overdrafts at your discretion, which means you do not guarantee that you will always, or ever, authorize and pay them. You are not obligated to pay any item presented for payment against my account if the available balance in my account is insufficient to cover the item. If you overdraw my account to pay items on one or more occasions, you are not obligated to continue paying future insufficient funds items. You may pay all, some or none of my overdrafts, without notice to me. If you do not authorize and pay an overdraft, then you will decline or return the transaction unpaid.

Optional Overdraft Protection Services. We offer optional overdraft protection services that you may apply for or enroll in such as a personal Line of Credit account (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 Courtesy Pay program when your account is overdrawn. A personal Line of Credit account and a linked savings account may save you money on the total fees you pay us for overdraft protection. The terms and conditions of those optional overdraft protection services, including applicable costs and fees, will be separately disclosed to me.

Overdrafts paid by a transfer from my linked savings account are subject to a per-item Overdraft Transfer Fee as set forth in the Schedule of Fees and Charges. If an overdraft is paid by a transfer from my linked savings account, you will automatically transfer available funds from my linked savings account to my checking account in the amount necessary to cover the transaction plus any applicable fees. If an overdraft is paid by an advance from my personal Line of Credit account, the advance will be in the amount of the overdraft up to the available credit limit. Transfers will appear on the periodic statements for each applicable account. The Overdraft Transfer Fee will be included in the transfer from my

linked savings account.

Limits on Overdraft Protection. You will not transfer more than the available account balance in a linked savings account or the available credit on a personal Line of Credit account, even if the amount of the overdraft is more than that available amount. If the available balance in a linked savings account or the available credit on a personal Line of Credit account is not enough to pay all the checks and other transactions I have initiated on any day plus any applicable fees, you will transfer all available funds to pay one or more transactions, plus the fee. If the available balance in a linked savings account is enough to pay one or more transactions but not the Overdraft Transfer Fee, you will transfer all available funds and charge the Overdraft Transfer Fee against the checking account, causing the account to be overdrawn. Any transactions that are not paid by the transfer will either be paid or returned, and Courtesy Pay Fees or Nonsufficient Funds Fees will be charged as if I 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. The section entitled "REGULATION "D" RESTRICTIONS ON EFTs" explains these limits in more detail. Overdraft protection will not be available if the linked savings account is closed or blocked.

Termination of Overdraft Protection. You may terminate overdraft protection services at any time by sending me written notice. Any owner of the checking account, any owner of a linked savings account used for overdraft protection or any borrower on a personal Line of Credit account used for overdraft protection may cancel overdraft protection in person or in writing. Cancellation will be effective after you have received notice and have had a reasonable time to act on it.

COURTESY PAY AGREEMENT

OVERDRAFT POLICY

In accordance with your commitment to provide valued service and benefits, you may, at your discretion, pay my overdrafts that would cause my eligible checking account to have a negative balance up to the amount of my Courtesy Pay limit, which is determined by you in your sole and absolute discretion. You refer to this service as your Courtesy Pay Service (hereinafter referred to as the "Service"). This Courtesy Pay Agreement ("Agreement") sets forth the terms and conditions applicable to the Service.

WHAT IS AN OVERDRAFT?

Some transactions can result in an overdraft (i.e., negative balance) in my checking account. These transactions include, but are not limited to:

- a. The payment of checks, electronic transfers, telephone-initiated transfers, preauthorized payments under your BillPay Service or other withdrawal requests authorized by me including, but not limited to, ATM transactions, debit card transactions, POS transactions, ACH transactions and other preauthorized transfers for which funds are insufficient;
- b. The return (unpaid) of items deposited by me;
- c. The imposition of service charges by you; or
- d. The deposit of items that are treated as not yet “available” according to your Funds Availability Policy.

WHAT OVERDRAFT TRANSACTIONS ARE COVERED?

The Service is available for electronic transfers, telephone initiated transactions, preauthorized payments under your BillPay Service, recurring debit card transactions and other preauthorized transfers. The Service is not available for Teen Package accounts and members who are not in good standing. The Service is not available for ATM transactions. The Service is available for POS transactions and one-time debit card transactions, if I opt-in, as described in the next section below.

OPTIONAL OVERDRAFT TRANSACTIONS

The following types of transactions require me to “opt in” (in other words, I must provide you with my affirmative consent) if I would like to include them in the Service. Choosing not to opt in may result in POS or one-time debit card transactions being declined.

I understand and agree that you do not require me to authorize the Service for my POS transactions and one-time debit card transactions as a condition of you providing me the Service for my checks, ACH transactions or other transactions subject to this Agreement. If I want the Credit Union to authorize and pay overdrafts for the above transactions, I must provide you with my consent by:

- a. Calling you at **800-962-0990**;
- b. Visiting any branch and speaking with a Member Service Representative; or
- c. Mailing an opt-in consent form to PO Box 526001 Sacramento, CA 95852.

ELIGIBILITY FOR COURTESY PAY SERVICE

The Service is not a credit product and requires no application or credit approval process; it is a feature that is automatically

included with my checking account (unless I opt out of the Service entirely as described below). Eligibility is at the sole discretion of the Credit Union and is based on me managing my 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 and has been open for sixty (60) days. You reserve the right to limit the Service to one (1) account per household or member. You may suspend or permanently revoke the Service from my checking account, in your sole and absolute discretion, based on any one or more of the following criteria:

- a. My membership is new (within 60 days)
- b. I am not making regular deposits into my checking account;
- c. I do not bring my checking account to a positive balance for at least one full business day within a thirty (30) day period;
- d. My membership is not in good standing;
- e. I am more than sixteen (16) days past due or am in default in any other respect on any loan or other obligation to you;
- f. I have an outstanding balance due on an overdraft repayment plan;
- g. My checking account is subject to any legal or administrative orders or levies;
- h. A ChexSystems or any other negative indicator has been reported to you;
- i. I am a party to a bankruptcy proceeding;
- j. Any or all of my account(s) with you are being reviewed for improper activity or transactions;
- k. My checking account is classified as inactive;
- l. I use the Service to pay items written to check cashing agencies;
- m. I have an unresolved prior loss with you;
- n. You do not have a valid address for me; or
- o. You believe I am not managing my checking account in a responsible manner which may harm me or you.

THE COURTESY PAY SERVICE IS A BENEFIT

ANY COURTESY PAY PAYMENT WILL BE MADE BY YOU ON A CASE-BY-CASE BASIS, IN YOUR SOLE AND ABSOLUTE DISCRETION. THE COURTESY PAY SERVICE DOES NOT CONSTITUTE AN ACTUAL OR IMPLIED AGREEMENT BETWEEN ME AND THE CREDIT UNION, NOR DOES IT CONSTITUTE AN ACTUAL OR IMPLIED OBLIGATION OF THE CREDIT UNION. THE COURTESY PAY SERVICE IS A PRIVILEGE THAT THE CREDIT UNION PROVIDES FROM TIME TO TIME AND WHICH MAY BE WITHDRAWN OR WITHHELD BY THE CREDIT UNION AT ANY TIME, WITHOUT PRIOR NOTICE, REASON OR CAUSE.

HOW THE COURTESY PAY SERVICE IS ADMINISTERED

If the Service is available to me, you will generally pay my overdraft items up to \$1,000 per account, excluding fees. I will be notified by mail, or, if I have agreed to receive notices from you in an electronic format, I will be notified electronically, of any nonsufficient funds checks, items or other transactions that have been paid or returned; however, I understand that you have no obligation to notify me before you pay or return any check, item or other transaction. You may refuse to pay any overdrafts without first notifying me even though my account is in good standing and even if you have paid previous overdrafts.

WHEN IS THE OVERDRAFT PAYMENT DUE?

The total of the overdraft (negative) balance in my checking account, including any and all fees and charges, is due and payable upon demand, and I am required to immediately deposit with you sufficient funds to cover the overdraft paid by you and pay the related fees.

COURTESY PAY FEES

A Courtesy Pay Fee will be charged to my checking account, in accordance with your Schedule of Fees and Charges, for each overdraft that is authorized and paid through the Service. This means that more than one Courtesy Pay Fee may be assessed against my 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. I understand that my Courtesy Pay Limit will be reduced by the amount of each overdraft paid by you through the Service and the amount of the related Courtesy Pay Fee imposed until such amounts are repaid by me as set forth herein at which time you may replenish my Courtesy Pay Limit by the amount of the repayment. If you choose not to pay the overdrawn check or other item/transaction under the Service, I am subject to a Nonsufficient Funds (NSF) Fee for each such item in accordance with your Schedule of Fees and Charges. My periodic statement will itemize Courtesy Pay Fees and NSF Fees for each cycle, as well as the year-to-date total of fees.

TRANSFERS TO COVER OVERDRAFTS

I understand and agree that you have the right to transfer available funds to my checking account from any of my other account(s) with you (excluding IRAs, Deferred Compensation and certificate accounts), including account(s) upon which I am a joint owner, in an amount equal to the overdraft and related fees.

RIGHT OF OFFSET

In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of offset for any liabilities, obligations or other amounts owed to you by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless I “opt out” of the Service (see below), I 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 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 you, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement.

DEFAULT

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

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

MY RIGHT TO OPT OUT OF THE COURTESY PAY SERVICE

If I prefer not to have the Service, I will visit a branch or contact you at **916-569-5400** (Sacramento area) or **800-962-0990**, and you will remove the Courtesy Pay Service from my checking account. If I opt out of the Service, I will still be charged your NSF Fee for each item returned.

OPTIONAL OVERDRAFT PROTECTION PLANS

As discussed in more detail above, you also offer optional overdraft protection plans, such as a linked savings account or

personal Line of Credit account, which may be less expensive than your Courtesy Pay Service. To learn more, I will ask you about these plans.

TERMS AND CONDITIONS APPLICABLE TO ALL INTEREST

CHECKING ACCOUNTS:

1. The minimum deposit required to open this account is \$1.
2. No minimum daily balance requirements apply to this account in order to earn dividends at the disclosed APY.
3. In order to avoid a monthly service charge, I must maintain a minimum daily balance of \$300 or more in my Interest Checking account number, or an aggregate of \$2,000 or more in all accounts under my Interest Checking account number. I will refer to the Schedule of Fees and Charges for the balance requirements and the fee assessed if the balance requirements are not met.

TERMS AND CONDITIONS APPLICABLE TO ALL BANKING FOR EVERYONE CHECKING ACCOUNTS:

1. The minimum deposit required to open this account is \$1.
2. There is no minimum daily balance required to maintain this account.
3. I understand that this is a nondividend-bearing account.
4. I understand that this account is not subject to a monthly service charge provided that I set my statement delivery option within SchoolsOnline to electronic statements only (eStatements). Thus if my statement delivery preference is set to paper statements, my account will be subject to a monthly service charge. I will refer to the Schedule of Fees and Charges for the monthly fee amount.
5. I further understand that some retailers may charge a nominal fee for PIN-based transactions. Also nonproprietary ATM operators may impose a fee to use ATMs that are not owned or operated by the Credit Union.

TERMS AND CONDITIONS APPLICABLE TO ALL TEEN PACKAGE CHECKING ACCOUNTS:

1. Teen Package checking accounts are available to members between the ages of 13 and 17. A parent or legal guardian is required as a joint owner on this account.
2. The minimum deposit required to open this account is \$1.
3. There is no minimum daily balance required to maintain this account.

4. I understand that this is a nondividend-bearing account.
5. I understand that this account is not subject to a monthly service charge provided that I set my statement delivery option within SchoolsOnline to electronic statements only (eStatements). Thus if my statement delivery preference is set to paper statements, my account will be subject to a monthly service charge. I will refer to the Schedule of Fees and Charges for the monthly fee amount.
6. I further understand that some retailers may charge a nominal fee for PIN-based transactions. Also nonproprietary ATM operators may impose a fee to use ATMs that are not owned or operated by the Credit Union.
7. The first order of one (1) box of 150 Schools Custom Checks is paid for by you.

TERMS AND CONDITIONS APPLICABLE TO ALL PREMIER MONEY MARKET CHECKING ACCOUNTS:

1. The minimum deposit required to open and maintain the account is \$1.
2. Dividends are paid on a tiered structure that provides for dividend rates and Annual Percentage Yields (APY) based upon the daily balance in the account. Schools reserves the right to change the tiers at any time at the sole discretion of the Board of Directors. I will refer to the Savings and Certificate Rates Disclosure, which accompanies this Agreement and Disclosure, for current information on applicable tier information.
3. I must maintain the daily balance as set forth in the Savings and Certificate Rates Disclosure to obtain the APY disclosed for each tier.
4. To avoid a monthly service charge, I must maintain a daily balance of \$20,000 or more in the account. I will refer to the Schedule of Fees and Charges for the fee assessed if the minimum balance requirement is not met. If the monthly service charge is not paid within two (2) consecutive months the account may be closed.
5. I may not pledge any or all of the funds on deposit in this account as security for any loan.

TERMS AND CONDITIONS APPLICABLE TO ALL PREMIUM RATE (TERM SHARE) CERTIFICATE ACCOUNTS:

The account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure, as well as the

terms and conditions set forth in Premium Rate Certificate Disclosure, which will be provided to me in accordance with applicable law.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL RETIREMENT AND DEFERRED COMPENSATION PREMIUM RATE (TERM SHARE) CERTIFICATE ACCOUNTS:

The account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure, as well as the terms and conditions set forth in my IRA agreement which will be provided to me in accordance with applicable law. Also, the terms and conditions set forth in the Premium Rate Certificate Disclosure will apply.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL RETIREMENT SHARE ACCOUNTS:

1. An Individual Retirement Account (IRA) is subject to the applicable terms and conditions set forth in this Agreement and Disclosure, as well as the terms and conditions set forth in my IRA Agreement, which will be provided to me in accordance with applicable law.
2. The minimum deposit required to open an IRA share account is \$1.
3. There is no minimum daily balance required to earn the dividends at the disclosed APY.
4. I may not pledge any or all of the funds on deposit in this account as security for any loans.
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 by this reference.
6. Unless otherwise expressly stated by me, all IRA contributions made will apply to the IRA for the calendar year in which they are posted to the account. If I wish to make additional contributions, other than through payroll deduction or automatic transfers, for the prior calendar year after December 31 of that year, then I understand and agree that I must complete a special IRA Contribution Form to designate the tax year for the contribution.
7. The Dividend Rate and Annual Percentage Yield (APY) may change every quarter as determined by the Credit Union's Board of Directors.
8. Dividends are paid on a tiered structure that provides for dividend rates and APYs based upon the daily balance in

the account. You reserve the right to change the tiers from time to time at the sole discretion of the Board of Directors. I will refer to the Savings and Certificate Rates Disclosure, for current information on applicable tier structures.

9. Funds in an IRA will escheat to the state if I have not done any of the following for a period of more than three (3) years after the funds become payable or distributable:
 - a. Increased or decreased principal;
 - b. Accepted payment of principal or income (dividends); or
 - c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.

TERMS AND CONDITIONS APPLICABLE TO ALL DEFERRED COMPENSATION ACCOUNTS:

1. A Deferred Compensation account is subject to the terms and conditions set forth in this Agreement and Disclosure, as well as the terms and conditions in the Summary of the Deferred Compensation Plan (Governmental 457(b) plan), which will be provided to me when I open the account.
2. There is no minimum deposit required to open a Deferred Compensation share account; however, there is a minimum deposit of \$500 required to open a Deferred Compensation Certificate account.
3. There is no minimum daily balance required to earn the dividends at the disclosed APY.
4. Refer to the Summary of the Deferred Compensation Plan (Governmental 457(b) Plan) for eligibility and participation requirements.

SECTION III. FUNDS AVAILABILITY POLICY

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

Your policy is to make funds from my cash and check deposits available to me on the first (1st) business day after the day you receive my deposit. Electronic direct deposits will be available on the day you receive the deposit. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) you do not own or operate may not be available until the fifth (5th) business day after the day of my deposit. This rule does not apply at ATMs that you own or operate. All ATMs that you own or operate are identified as your machines. Funds from any deposits (cash or checks) made at ATMs you own or operate may not be available until the second (2nd) business

day after the day of my deposit. Once deposited funds are available, I can withdraw the funds in cash and you will use the funds to pay checks I have written. For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If I make a deposit before 4:00 p.m. Monday through Friday or before 11:00 a.m. Saturday, you will consider that day to be the day of my deposit. However, if I make a deposit after 4:00 p.m. Monday through Friday or after 11:00 a.m. Saturday or on a day you are not open, you will consider that deposit to have been made on the next business day you are open.

Longer Delays May Apply. In some cases, you will not make all of the funds that I deposit by check available to me on the first (1st) business day after the day of my deposit. Depending on the type of check that I deposit, funds may not be available until the fifth (5) business day after the day of my deposit. However, the first \$200 of my deposit will be available on the first (1st) business day after the day of the deposit.

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

If I need the funds from a deposit right away, I should ask you when the funds will be available. In addition, funds I deposit by check may be delayed for a longer period under the following circumstances:

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

You will notify me if you delay my ability to withdraw funds for any of these reasons, and you will tell me when the funds will be available. Funds will generally be available no later than the eighth (8th) business day after the day of my deposit.

SPECIAL RULES FOR NEW MEMBER ACCOUNTS

If I am a new member, the following special rules will apply during the first thirty (30) days that my account is open.

Funds from electronic direct deposits to my account will be available on the day you receive the deposit. Funds from deposits of cash or wire transfers and the first \$5,000 of a day's total deposits of cashier's, certified, counter, teller's, traveler's, federal, state and local government checks will be available on the first (1st) business day after the day of my deposit if the deposit meets certain conditions (e.g., the checks must be payable to me). For check deposits, the excess over \$5,000 will be available on the eighth (8th) business day after the day of my deposit. If my deposit of these checks (other than a U.S. Treasury check) is not made in person to one of your employees, the first \$5,000 will not be available until the second (2nd) business day after the day of my deposit. Funds from all other check deposits will be available on the eighth (8th) business day after the day of my 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 to be kept clear and unobstructed. This rule is designed to prevent unnecessary delays in processing my deposits as well as to promote speedier returns of dishonored checks. Only the 1 and ½ inch space from the "trailing edge" (the left edge of the check when it is facing me) can be used by me for endorsements or any other markings. You will not be responsible for any damages incurred in the event I deposit an item that is subsequently returned unpaid by the paying bank, and that return is "late" due to markings on the check caused by me or a prior endorser on the back of the check. In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent, and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.

SECTION IV. ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

This Electronic Services Disclosure and Agreement, as amended from time to time ("Disclosure and Agreement"), sets forth the terms and conditions governing the use of Schools Financial Credit Union's electronic services. My

acceptance, retention or use of an ATM Card, debit card, personal identification number (PIN) or other electronic funds transfer (EFT) hereunder constitutes an Agreement between you and me as described below.

This Disclosure and Agreement is given by you 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 me of certain terms and conditions for use of the electronic services described in this Agreement.

At the present time, you offer several types of electronic services: preauthorized deposits of net paycheck, payroll deductions, preauthorized deposits of pension checks and federal recurring payments (e.g., Social Security payments), preauthorized withdrawals for bill payments and other recurring payments (BillPay Service), automated teller machine (ATM) EFTs at Credit Union-owned (“proprietary”) ATMs and on “shared network” ATMs, such as STAR,® PLUS,® Maestro® and CO-OP Network (and such other systems that may be added from time to time), point of sale (POS) transactions, debit card transactions (including PIN and signature-based transactions), telephone banking (Audio Teller), SchoolsOnline online banking (SchoolsOnline), Schools Mobile Banking, MobileCheck and electronic check (eCheck) transactions. General disclosures applicable to all electronic services offered by you are given below with certain specific disclosure information for each service following in separate actions. I understand that the agreements, terms, conditions, rules and regulations applicable to my checking account(s), savings account(s), Visa® Credit Card, Line of Credit loans and any other applicable accounts remain in full force and effect and continue to be applicable, except as specifically modified by this Disclosure and Agreement.

All applications for electronic services are subject to your approval.

GENERAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC SERVICES

Business Day Disclosure. Your business days are Monday through Friday, except for holidays. Your business hours are 9:00 a.m. to 6:00 p.m., Monday through Friday. ATMs, Audio Teller, SchoolsOnline, Mobile Banking and BillPay are generally open 24 hours a day, 7 days a week, but not always accessible. SchoolsOnline and the BillPay service may be temporarily unavailable due to Credit Union system maintenance or technical difficulties, including those of the Internet service provider and Internet software.

Disclosure of Account Information to Third Parties. You may disclose my personal information to third parties about my account or transfers I make:

1. Where it is necessary for completing transfers;
2. In order to verify the existence and condition of my account for a third party, such as a credit bureau or merchant;
3. In order to comply with a government agency or court orders; or
4. If I give you written permission.

Periodic Statements. I 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. I agree to immediately review each periodic statement mailed or otherwise made available to me to ensure that each and every transaction has been authorized by me. My failure to promptly report any allegedly unauthorized transaction may result in future allegedly unauthorized transactions to be considered authorized.

SchoolsOnline Transactions. I may print a record of individual transactions conducted through SchoolsOnline. For share transactions, records are available for eighteen (18) months after the transaction is completed. For loan transactions, records are available for twenty-four (24) months after the transaction is completed. I may also subsequently contact you to request a paper printout for any such transaction provided it is within eighteen (18) months for share transactions and twenty-four (24) months for loan transactions. A fee may be charged for such a printout as set forth in your Schedule of Fees and Charges.

In Case of Errors or Questions About My Electronic Services Transactions. I will telephone you at **916-569-5400** (Sacramento area) or **800-962-0990**, write you at Schools Financial Credit Union, PO Box 526001, Sacramento, CA 95852-6001, visit you at any Schools branch or email you at **memberservices@schools.org** as soon as possible if I think my statement or receipt is wrong or if I need more information about a transaction listed on the statement or receipt. I must contact you no later than sixty (60) days after you send me the **FIRST** statement on which the problem or error appeared. I must:

1. Tell you my name and account number;
2. Describe the error or the transaction I am unsure about and explain as clearly as I can why I believe it is an error or why I need more information; and

3. Tell you the dollar amount of the suspected error.

If I tell you orally, you may require that I send you my complaint or question in writing within ten (10) business days of my oral notice. You may also require me to complete an affidavit of forgery and file a police report. You will determine whether an error occurred within ten (10) business days after you hear from me and will correct any error promptly. If you need more time, however, you may take up to forty-five (45) days to investigate my complaint or question. If you decide to do this, you will provisionally credit my account within ten (10) business days for the amount I think is in error so that I will have use of the money during the time it takes you to complete your investigation.

If you ask me to put my complaint or question in writing and you do not receive it within ten (10) business days, you may not credit my account.

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

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

For errors involving new accounts, an ATM or debit card, POS or foreign-initiated transactions, you may take up to ninety (90) days to investigate my complaint or question. For new accounts, you may take up to twenty (20) business days to credit my account for the amount I think is in error. My account is considered a new account for the first 30 days after the first deposit is made, unless each account owner has had, within thirty (30) calendar days before the account is established, another account with you for at least thirty (30) calendar days before this account is opened. You will tell me the results within three (3) business days after completing

your investigation. If you decide that there was no error, you will send me a written explanation. If you provisionally credited my account, you will reverse the provisional credit and notify me of the date you reversed the credit and the amount of the debit. I may ask for copies of the documents that you used in your investigation.

Your Liability for Failure to Make or Complete Electronic Funds Transfers (EFTs). If you do not properly complete an EFT to or from my account on time or in the correct amount according to your Agreement with me, you may be liable for my losses and damages. However, there are some exceptions. You will not be liable, for instance, if:

1. Circumstances beyond your control (such as fire, flood, earthquake, electronic failure or malfunction of central data processing facility, etc.) prevent the transaction, despite reasonable precautions;
2. Through no fault of yours, I do not have enough money in my account or sufficient collected funds to complete the transaction;
3. The funds in my account are subject to an uncollected funds hold, legal process or other circumstances restricting such transaction or payment;
4. You received incorrect or incomplete information from me or from third parties (e.g., the U.S. Treasury, an automated clearing house or a terminal owner);
5. The ATM, debit card, Audio Teller, SchoolsOnline, Mobile Banking, MobileCheck, BillPay or other electronic services contemplated hereunder was not working properly and I knew about this breakdown when I started the transaction;
6. The ATM where I was making the transaction did not have enough cash or cash in the denominations I requested;
7. My ATM Card, debit card, Visa Credit Card, ATM Card PIN, debit card PIN, Visa Credit Card PIN, Audio Teller access code, or SchoolsOnline password I provide is incorrect or incomplete, have been reported lost or stolen, have expired, are damaged so that the terminal cannot read the encoding strip, are inactive due to nonuse, are retained by you due to my misuse or suspected fraudulent activities, are retained by you at my request or because my ATM Card PIN, debit card PIN, Visa Credit Card PIN, Audio Teller access code or SchoolsOnline/BillPay password has been repeatedly entered incorrectly by me;
8. The transaction would exceed an unused line of credit (e.g., my Line of Credit limit or Visa Credit Card);

9. Your failure to complete the transaction or the placement of a block on my account is done to protect the security of my account and/or the electronic terminal system;
10. I make an error in keying my deposit at an ATM, through MobileCheck, Mobile Banking or SchoolsOnline (and if I make such error, you 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 BillPay Service;
12. Any transaction is prohibited by law, regulation, court order or would be considered illegal activity;
13. I have not provided your BillPay service provider with the correct names, phone numbers or account information for those persons or entities to which I 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 you cause an incorrect amount of funds to be removed from my account, or caused funds from my account to be directed to a person or entity which does not comply with my bill payment instructions, you will be responsible for returning the improperly transferred funds to my account and for directing to the proper recipient any previously misdirected bill payments or transfers.

THE FOREGOING CONSTITUTES YOUR ENTIRE LIABILITY AND MY EXCLUSIVE REMEDY. IN NO EVENT WILL YOU 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): I understand that I cannot use my debit card or Visa Credit Card at a Visa terminal or ATM without the applicable identification number which you refer to as a PIN. I am responsible for the safekeeping of my PIN provided by you or selected by me and for all transactions by use of a PIN. I will notify you immediately and send written confirmation if my PIN(s) are disclosed to anyone other than the joint owner of my account. I understand and agree that I must change the PIN immediately to prevent transactions on my account(s) if anyone not authorized by me has access to the PIN. If I disclose my PIN(s) to anyone,

however, I understand that I have given them access to my account(s) via the applicable electronic transfer system and that I am responsible for any such transaction. I further understand that my PIN(s) are not transferable and I will not disclose the PIN(s) or permit any unauthorized use thereof.

Charges for EFTs. Charges associated with my EFTs are disclosed either in your Schedule of Fees and Charges, which accompanies this Disclosure and Agreement and is incorporated herein by reference, or at the time I enroll, register or request an additional service provided by you. A stop payment placed on a preauthorized electronic payment is subject to a fee for each stop payment order I give. There may be a charge assessed if you reject a preauthorized payment from my account because of nonsufficient funds (NSF) in my account. If I provide you my prior written consent for overdraft services covering ATM Card withdrawals and debit card one-time debit transactions, you will assess charges for such overdraft transactions in accordance with your Schedule of Fees and Charges. If I request a copy of the documentation relative to an ATM or debit card transaction (except if the documentation is for resolution of a billing error), a fee equal to your reasonable cost of reproduction will be charged. There will also be fees assessed for ATM deposit errors and dishonored ATM deposits as set forth in the Schedule of Fees and Charges. Any fees charged will be deducted from my checking or savings account.

If I have been issued an additional card for a joint owner or authorized user on my account, any applicable transaction fees outlined in your Schedule of Fees and Charges will be charged on a per-card basis. Generally, transaction fees will be charged to my account on the same business day they are incurred. The fee will not be recorded on the transaction receipt produced, but it will be itemized on my periodic statement.

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

Change in Terms. You may change the terms and charges for the services indicated in this Agreement and Disclosure and may amend, modify, add to or delete from this Disclosure and Agreement from time to time. If I have an account with you through which electronic transfers are being processed, I will receive written notice at least twenty-one (21) days

prior to the effective date of the change(s) or as otherwise provided by law. Further, the Credit Union may, from time to time, revise or update the programs, electronic services and/or related materials rendering such prior versions obsolete. Consequently, the Credit Union reserves the right to terminate this Agreement and Disclosure 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.

Termination of Electronic Services. I may, by written request, terminate any of the electronic services provided for in this Disclosure and Agreement. Termination by any one account owner will be binding on all account owners and you are not required to notify other account owners of the termination. You reserve the right to terminate this Agreement and Disclosure and my 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 my accounts or if any of my accounts are not in good standing as defined in your Limitation of Services for Members Not in Good Standing Policy. After suspension, electronic services may be reinstated, at your discretion, once there are sufficient funds in my account(s) to cover any fees and other transfers and debits. If I ask you to terminate my account or my access to any of the electronic services, I will remain liable for subsequent, authorized transactions performed on my account. Termination of electronic services does not terminate my accounts or agreements with you and will not affect my authorization for transfers and payments made prior to termination. Upon termination of this Agreement and Disclosure or the electronic services, the Credit Union will use commercially reasonable efforts to cancel any applicable account transactions I have previously authorized, but you make no guarantee that you will be able to do so. I 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 Disclosure and Agreement, all notices required to be sent to me will be effective when you mail or deliver them to the last known address that you have for me in your records or when you email such notices to me to the last known email address for me in your records, if I have agreed to receive notices from you in an electronic format. I am

required to keep you informed of my current mailing and/or email address. I agree to notify you promptly of any change of either my mailing and/or email address. I may notify you in person at any of your offices, via SchoolsOnline or by sending a written and signed notice to Schools Financial Credit Union, Attention: Member Services Department, PO Box 526001, Sacramento, CA 95852.

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

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

No Waiver. No delay or omission on your 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.

Prohibited Activity. My account(s), 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. I understand that I may not utilize my accounts, 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 may not be limited to, any quasi-cash or online gambling transaction, electronic commerce gambling transaction conducted over an open network and any betting transaction including the purchase of lottery tickets, casino gaming chips or off-track betting or wagering. You may deny authorization of any transactions identified as gambling. However, in the event that a transaction described in this paragraph is approved and processed, I will still be responsible for such charges.

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 me that restricted transactions are prohibited from being processed through my account or banking relationship with you. "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 I do engage in an Internet gambling business and open a new account with you, you will ask that I provide evidence of my legal capacity to do so.

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

Governing Law. I understand and agree that this Disclosure and 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. I agree to submit to the personal jurisdiction of the courts of the State of California. In the event of a lawsuit, I agree that proper venue for any such action will be federal or state courts located in Sacramento County, California.

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

Recording of Phone Calls and Email. I authorize you and your agents to record any phone call made to or email sent to me concerning the electronic services.

Assignment. I may not assign this Agreement and Disclosure to any other party. The Credit Union may assign this Agreement and Disclosure at any time in its sole discretion. The Credit Union may also assign or delegate any of its rights

and responsibilities under this Agreement and Disclosure 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 and Disclosure.

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

EXCEPT AS EXPRESSLY SET FORTH ON THE CREDIT UNION WEBSITE OR IN THIS AGREEMENT AND DISCLOSURE, 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 NONINFRINGEMENT 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 ME 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 MY USE OF OR MY INABILITY TO USE THE ELECTRONIC SERVICES,

ANY INACCURACY OF ANY INFORMATION OR AMOUNT RETRIEVED BY ME 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.

My Agreement to Indemnify You. Except to the extent that the Credit Union is liable under the terms of this Agreement and Disclosure or another agreement governing the applicable account, I 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 attorneys' fees) arising from:

- a. A third-party claim, action or allegation of infringement, misuse or misappropriation based on information, data, files or other materials submitted by me to you;
- b. Any fraud, manipulation or other breach of this Agreement and Disclosure by me;
- c. My violation of any law or rights of a third party; or
- d. The provision of the electronic services or use of the electronic services by me or any third party.

You reserve the right, at your own expense, to assume the exclusive defense and control of any matter otherwise subject to indemnification by me, in which event I will cooperate with you in asserting any available defenses. I will not settle any action or claims on your behalf without your 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 me or a joint account owner or other authorized person.

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

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

If I have arranged to have preauthorized electronic deposits of my net paycheck (if available from my employer), payroll

deductions, pension checks or federal recurring payments (e.g., Social Security payments), the following information applies to me:

Account Access. Preauthorized deposits may be made to my savings or checking account only.

Notification of Preauthorized Deposits. If I have arranged with a third party (e.g., the Social Security Administration) to make preauthorized deposits to my account at least once every sixty (60) days, that third party making preauthorized deposits may have agreed to notify me every time the party sends you money to deposit to my account. If I have not made such an arrangement, I may telephone you at **916-569-5400** (Sacramento area) or **800-962-0990**, and you will advise me whether or not the preauthorized deposit has been made.

Documentation of Preauthorized Deposits. Generally, I will receive a monthly account statement for each month in which a preauthorized deposit is made but at least quarterly if no preauthorized deposits are made. However, if the only EFT service I have with you is preauthorized deposits, then you reserve the right to send me a quarterly statement only.

Direct Deposits. If, in connection with a direct deposit plan, you deposit any amount in an account which should have been returned to the federal government for any reason, I authorize you to deduct the amount of your liability to the federal government from the account or from any other account I have with you, without prior notice and at any time, except as prohibited by law. You may also use any other legal remedy to recover the amount of your liability.

ADDITIONAL DISCLOSURES APPLICABLE TO PREAUTHORIZED PAYMENT SERVICES

If I have requested a preauthorized payment to a third party from my Credit Union checking account, the following information applies to me:

Account Access. Preauthorized payments may be made from my checking account only. If my preauthorized payment due date is scheduled to occur on a nonbusiness day, it will be sent out the next business day. If a payment is scheduled for the 29th, 30th or 31st day of a month, and the current month does not include that date (e.g., February), then the payment will be sent on the last business day of the month.

Right to Receive Documentation of Preauthorized Payment.

Initial Authorization. I can get copies of the preauthorized payment documentation from the third party being paid at the time I give them the initial authorization. If the preauthorized payment is initiated at the Credit Union, I can get copies of the preauthorized payment documentation from you.

Notice of Varying Amounts. If my preauthorized payment may vary in amount, the party who will receive the payment is required to tell me ten (10) days before such payment when it will be made and how much it will be. I may agree with the 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 I set.

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

Right to Stop Preauthorized Payment. If I want to stop a preauthorized payment or revoke a preauthorized payment authorization, I must call you at **916-569-5400** (Sacramento area) or **800-962-0990** or write you at PO Box 526001, Sacramento, CA 95852-6001, in time for you to receive my stop request no less than three (3) business days or more before the next payment is scheduled to be made. If I call, you may also require me to put my request in writing and get it to you within fourteen (14) days after I call. An oral request to stop payment ceases to be binding after fourteen (14) days if I have not provided you with any required written confirmation of my request. You will charge me for each stop payment or revocation request I give pursuant to your current Schedule of Fees and Charges. Such stop payment request will apply only to that particular payment. If I have given you a request to revoke an entire preauthorized payment authorization, I understand and agree that I must also promptly contact the third party to cancel (revoke) the entire preauthorized payment authorization and provide you with a copy of my written revocation notice to the third party.

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

Liability for Unauthorized Electronic Payments. I may be liable for unauthorized transfers made from my account by a third party. If I believe such a transfer has occurred, I must follow the procedures outlined in the "General Disclosures

Applicable to All Electronic Services" section above for resolving errors. I should also refer to the section entitled "Additional Disclosures Applicable to ATM EFTs, Electronic Check (eCheck) Transactions, Point of Sale Transactions, Audio Teller and SchoolsOnline Transactions."

ADDITIONAL DISCLOSURES APPLICABLE TO AUDIO TELLER TELEPHONE BANKING

Audio Teller is a telephone banking service which allows me to perform monetary transactions and make account balance inquiries without assistance from your staff. I will actually "talk" directly with your computer through the use of a touch-tone phone. Audio Teller is available for my convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties.

Audio Teller Access Code. Before I can use Audio Teller, I must call **916-569-5400** (Sacramento area) or **800-962-0990** and press 9 and follow the prompts to create my initial access code. I understand that I cannot use Audio Teller without an access code and that I will choose my Audio Teller access code through the Audio Teller service. Once I have chosen my access code, I understand that for security purposes, I must change the access code through the Audio Teller system from time to time. I am responsible for the safekeeping of my Audio Teller access code and for all transactions made by use of Audio Teller. I understand that my Audio Teller access code is not transferable, and I will not disclose my Audio Teller access code or permit any unauthorized use thereof. I will notify you immediately by phone and send written confirmation if my Audio Teller access code is disclosed to anyone other than a joint owner of my account. If I disclose my Audio Teller access code to anyone, however, I understand that I have given them access to my account via Audio Teller and that I am responsible for any such transactions. If I do not guard against improper access to my access code, I may be subject to loss of Audio Teller privileges. I understand and agree that I must change my access code immediately to prevent transactions on my accounts if anyone not authorized by me has obtained my access code. You are authorized to act on any instructions received under my Audio Teller access code.

Types of Available Transactions. I may use my access code to:

1. Make transfers between my share accounts under the same account number;
2. Request withdrawals from savings and checking accounts by teller check. Checks will be mailed to me at my last

address of record within three (3) business days of the request.

3. Make inquiries regarding account balances and loan payment data;
4. Make transfers to make loan payments; and
5. Access my Line of Credit to request loan advances.

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

Limitations on Frequency and Dollar Amount of Transactions:

1. Account withdrawals through Audio Teller are unlimited to the extent that I have sufficient collected funds available in my account(s), or available credit from my Line of Credit account, and there are no dollar limitations on transfers. However, the frequency of telephone transfers is limited pursuant to Regulation D restrictions as disclosed in this Agreement and Disclosure.
2. For security reasons, in the event my Audio Teller access code is lost or stolen, there may be limitations on the transactions I can make using the Audio Teller service.

ADDITIONAL DISCLOSURES APPLICABLE TO SCHOOLSONLINE ONLINE BANKING

SchoolsOnline is a proprietary Internet access service that provides access to my accounts without assistance from your staff by using your website, schools.org, and my own selected SchoolsOnline username and password. SchoolsOnline is available for my convenience 24 hours a day, 7 days a week, with minor interruptions for system maintenance or technical difficulties. Your BillPay service is an electronic method of paying bills. I must have a checking account with you to use this service. If I have multiple accounts with you, I may direct you to make transfers between my accounts by means of the SchoolsOnline service. If I would like to take advantage of these online services, I may visit your website and enroll with my eligible Credit Union accounts. Additional disclosures and specific terms and conditions for using the online services will be provided when I enroll.

ADDITIONAL DISCLOSURES APPLICABLE TO ATM CARDS AND SCHOOLS DEBIT CARDS

In this section, "Card" refers to my Schools Financial Credit Union ATM Card or debit card and any duplicates,

renewals or substitutions the Credit Union issues to me, unless otherwise noted. The disclosures in this section apply to the use of my Card to conduct EFTs, including, but not limited to, use of the Card at ATMs and POS terminals. By use of my Card at a participating POS terminal, I authorize you to make withdrawals from my checking account for cash advances and/or purchases. Access to ATMs is through the use of a Card and a PIN which you will provide me or that I may select.

The disclosures in this section do not apply if my ATM Card is linked only to a savings account. I understand that if my ATM Card is linked only to a savings account, I will not be able to conduct PIN-based or signature-based POS transactions with my ATM Card. This means that if my ATM Card is linked only to my savings account, I will not be able to use my ATM Card to purchase goods or services; I will only be permitted to conduct transactions (withdrawals, deposits, balance inquiries, etc.) using the ATM Card at ATMs.

Account Access. I may use my Card to withdraw cash from my checking account by way of a cash advance from merchants, financial institutions or others who honor the Card and/or to pay for purchases from merchants, financial institutions and others who honor the Card. However, you 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. I understand that my Card is not a credit card and does not provide "credit" which means that I may not defer payment of Card transactions.

Types of Available ATM Transactions. Transaction types and services may be limited at certain ATMs on the systems which you do not own ("nonproprietary 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.

Available Transactions. I can use my Card to perform the following ATM transactions:

1. Deposits to my Banking for Everyone Savings or Banking for Youth account and checking account(s) at your proprietary ATMs and CO-OP Network ATMs only;
2. Withdrawals from my Banking for Everyone Savings or Banking for Youth account and checking account(s) at your proprietary ATMs or any ATM displaying the STAR, PLUS, Maestro and/or CO-OP Network logos;
3. Transfers between my Banking for Everyone Savings or

Banking for Youth account and checking account(s) within the same account number at your proprietary ATMs (and some CO-OP Network ATMs);

4. Cash advances from my Visa Credit Card account by using my credit card at ATMs displaying the Visa logo; and
5. Balance inquiries at your proprietary ATM(s) and at any ATM displaying the STAR, PLUS, Maestro and/or CO-OP Network logos.

ATM Transaction Limitations.

1. I understand and agree that I may use my Card at ATMs, using my PIN to withdraw up to a maximum of \$500 each day. 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 you receive it. Notwithstanding the foregoing, withdrawal limitations may vary between networks and individual machines. In addition, you reserve the right to adjust my maximum per day cash disbursement levels from time to time at your sole discretion.
2. The minimum withdrawal and increment amount is generally \$20, but minimum withdrawal amounts and increment amounts may vary depending on the system or machine I access.
3. For security reasons, in the event my Card or PIN is lost or stolen, there may be restrictions on transactions I can make on the ATM system.

ATM Transaction Fees. ATM transactions at your proprietary or CO-OP Network ATMs will not be subject to a surcharge. When I use an ATM not owned by you, I may be charged a fee by the ATM operator and/or any network used, and you will charge a fee in accordance with your Schedule of Fees and Charges (and I may be charged a fee for a balance inquiry even if I do not complete a funds transfer). Transaction fees for withdrawals, balance inquiries and transfers at network ATMs are deducted on the same day of the transaction from the account on which the transaction was made and will appear on my periodic statement. There will be no charges for deposits or incomplete/denied transactions at your proprietary ATMs.

Authorized Use — Card and PIN. A Card, Card number and/or PIN will be used each time I use an ATM, engage in a POS transaction or other EFT. I agree to memorize my PIN and I will not write it on the Card(s). If the wrong PIN is entered

at an ATM three (3) times, the Card may be retained by that ATM. If I forget the PIN, I may contact you and you will issue a replacement PIN. I must observe the following conditions for both the privacy and protection of my account and the system:

1. I must keep my Card in a safe place and never allow an unauthorized person to use, borrow or obtain the Card or the PIN;
2. I must not tell any unauthorized person my PIN or write my PIN on my Card (or any place) or otherwise make it available to anyone else;
3. I must tell you immediately of any loss or theft of my Card and/or PIN;
4. If a Card (or any other access device) is validly issued to anyone else (including any account owner), I authorize that individual to withdraw funds from any account that 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; and
5. If I give my Card or PIN to anyone, any withdrawal or funds transfer by that person will be considered to be authorized by me, even if they exceed my authority.

Safety at the ATM. I understand I should use caution at all times when using an ATM. Some precautions I can take are:

1. Prepare for my transactions at home to minimize my time at the ATM.
2. Avoid ATMs that are obstructed from view or unlit at night.
3. Observe the area for anything unusual or suspicious.
4. When possible, bring a companion along, especially at night.
5. Lock my vehicle when I leave it.
6. Have my Card in my hand as I approach the ATM and avoid reaching in my wallet or purse in front of the ATM.
7. Prevent others from seeing me enter my PIN by using my body to shield their view.
8. Avoid counting my cash at the ATM.
9. Do not accept assistance from anyone I do not know when using an ATM.
10. At a drive up facility, make sure all the car doors are locked and all of the windows are rolled up except the driver's window. Keep the engine running and remain alert to my

surroundings.

I understand that you want ATMs to be safe and convenient for me. I agree to tell you if I know of any problem with the facility. For example, I will let you know if a light is not working or there is any damage to the facility. If I feel unsafe for any reason, I should leave the area immediately. If someone follows me after using the ATM, I should quickly go to a safe area that is well populated and well lit. I should report any suspicious activity or crimes to both the operator of the facility and local law enforcement immediately.

Ownership of the Card. The Card remains your property and I agree to surrender the Card(s) to you upon demand. You may cancel, modify or restrict the use of any Card upon proper notice or without notice if: (1) any of my accounts are overdrawn; (2) I use my Card in a manner which may cause a loss to you; (3) my account is inactive, which is defined by you as an account that has had no member-initiated transaction activity for three hundred and sixty-five (365) consecutive days; (4) any mail sent to my address is returned to you as undeliverable; (5) any email sent to me by you is returned as undeliverable; (6) my account has one (1) or more NSF items or transactions; (7) you are aware that I have violated any term of this Agreement and Disclosure, whether or not you suffer a loss; or (8) where necessary to maintain or restore the security of my account(s) or the POS system. You also reserve the right to recall the Card(s) through retrieval by any of the ATMs.

Making Electronic Fund Transfers. I agree to follow the instructions posted or otherwise given by you or any ATM network or POS terminal concerning use of ATMs.

Point of Sale (POS) Transactions — Dollar Limitations (Schools Debit Card). The following daily limits apply to POS transactions I make with my Card to the extent I have available funds in my checking account.

I may use my debit card for POS transactions: (1) up to \$1,000 or my available account balance, whichever is less, each twenty-four (24) hour period using my PIN; and (2) up to \$2,500 or my available account balance, whichever is less, each twenty-four (24) hour period for signature-based transactions. At my request, you may make an exception to the dollar limits for each twenty-four (24) hour period on debit card transactions to accommodate a single transaction in excess of such limit, provided my 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, I 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 I may make using my Card. ATM & POS terminal owners, merchants and retailers may restrict cash withdrawals and purchases to lower limits and charge proprietary fees.

ADDITIONAL DISCLOSURES APPLICABLE TO MOBILE WALLET

Accessing My Account by Using My Mobile Device: I understand that I may be able to, presently or in the future, utilize my smartphone, tablet or other mobile device (each, a "Device") to store and access my account information in order to use the Device to initiate transactions on my account. I can use my Device for account transactions by adding my Card to a mobile wallet service ("Wallet Service") offered by a third party Wallet Service provider, and subject to that third party's terms and conditions. The Credit Union will additionally provide its terms and conditions that will apply when I add my Card to a Wallet Service ("Credit Union T&C"), and my use of the Wallet Service to transact on my account will constitute my agreement to the Credit Union T&C.

I acknowledge that the Wallet Service is provided to me by a third party that has no affiliation or relationship with the Credit Union. Such third party Wallet Service provider will disclose the terms and conditions applicable to my enrollment in and use of the Wallet Service. The Credit Union is not the provider of a Wallet Service, and is in no way responsible for providing the Wallet Service to me. I understand and agree that your only responsibility in relation to Wallet Services is supplying information securely to the Wallet Service provider to allow my use of the Wallet Service. You expressly disclaim any responsibility for the Wallet Service, how the Wallet Service functions or my use or inability to use the Wallet Service for any transaction. You are also not responsible for the Wallet Service provider's or any other third party's conduct, including their performance or failure to perform duties, contractual or otherwise, relating to my use of the Wallet Service.

Following my enrollment in a third party's Wallet Service, my Device could be used to initiate purchases of goods or services at a participating merchant similar to using my Card at a merchant, or for "in-app" purchases or other available transactions in digital commerce, and any such transactions will be treated as purchases made on my account. Such Wallet Service transactions are subject to the terms and conditions of this Agreement and Disclosure.

I understand that when I use my Device to access my account, I must protect my Device from unauthorized access and use. In the event that I lose my Device or if it is stolen, I should treat such loss or theft as if I lost my Card, and contact you immediately. If I allow any person access to my Device, I understand that the person will be able to use my Device to access my account, and I am responsible for any transactions initiated by that person using the Device.

ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK (ECHECK) TRANSACTIONS

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

Types of Available Transactions. I may authorize a merchant or other payee to make a one-time eCheck transaction from my checking account using information from my check to pay for purchases or pay bills. I may also authorize a merchant or other payee to debit my checking account for returned check fees or returned debit entry fees. I may make such a payment via ACH where I have provided a paper check to enable the merchant or other payee to capture the routing, account and serial numbers to initiate the transfer whether:

- a. The check is blank, partially completed or fully completed and signed;
- b. The check is presented at a POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT;
- c. The check is retained by the consumer, the merchant, the payee or the payee’s financial institution; or
- d. I 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. eCheck transactions may be made from my checking account only.

Limitations on Dollar Amount of Transactions. I may make eCheck transactions only to the extent that I have available funds in my checking account.

Remotely Created Checks. For purposes of this Agreement and Disclosure, 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. If the

eCheck transaction involves a remotely created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely created check which I have deposited into my account is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand.

Right to Receive Documentation. Generally I will receive a receipt from the merchant or financial institution at the time I make a purchase and/or a cash disbursement. I should retain this receipt to compare with my statement from you.

Returns and Adjustments (Debit Cards). Merchants and others who honor debit cards may give credit for returns and adjustments, and they will do so by sending you a credit slip that you will post to my checking account.

Foreign Transactions (Debit Cards). Purchases, cash advances and credits made in foreign currencies will be billed to my account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the Visa operating regulations for international transactions. 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 either be a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. The rate in effect on the applicable processing date may differ from the rate on the date I used my debit card. When a credit to the account does not fully offset a charge to the account due to changes in the rate, I am responsible for the difference. Visa USA charges the Credit Union a 0.8% International Service Assessment fee on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, Visa charges the Credit Union an International Service Assessment fee of 1% of the transaction. In either case, you pass this international transaction fee on to me. The 0.8% currency exchange fee for single currency international transactions

does not apply to transactions originating on U.S. military bases, U.S. embassies and consulates. An international transaction is a transaction where the country of the merchant is outside the U.S.

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

ADDITIONAL DISCLOSURES APPLICABLE TO PINLESS DEBIT CARD TRANSACTIONS

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

There are two types of authenticated transactions when using a debit card: PIN and signature. In a PIN-debit transaction, a cardholder enters a PIN to authorize the transaction. In a signature debit transaction, a cardholder signs a receipt. I may choose to purchase goods and services with my debit card through a PIN-debit network without the requirement of entering my PIN. The networks that support PINless transactions for the Credit Union are CO-OP Network and STAR Network.

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

I understand that the terms and conditions of my agreement with you relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's Zero Liability program), \$50 loss cap, provisional credit policies and the streamlined error resolution procedures offered on Visa debit card transactions are not applicable to transactions processed on a PIN-debit network.

ADDITIONAL DISCLOSURES APPLICABLE TO ATM EFTS, ELECTRONIC CHECK (ECHECK) TRANSACTIONS, POINT OF SALE TRANSACTIONS, AUDIO TELLER AND SCHOOLS ONLINE TRANSACTIONS

Right to Receive Documentation of Transactions.

- 1. Transaction Receipt.** In most cases, I will receive a receipt at the time I make any transfer to or from my account using an ATM or when I make a purchase using a POS terminal. I should retain this receipt to compare with my statement from you. Federal law provides that a receipt need not be made available to me if the amount of the transfer initiated at an electronic terminal is \$15 or less.
- 2. Periodic Statement.** I will receive a monthly statement for the account(s) I have accessed via an EFT, which will show the calendar date that I initiated the transaction, the type of transaction and the account(s) accessed by the transaction and the number of transactions occurring in that statement period. I will receive a statement at least quarterly if I have had no EFTs.
- 3. SchoolsOnline Transaction.** I may print a record of any individual transaction conducted through SchoolsOnline at any time after the transaction is completed. I may subsequently access my eStatement free of charge or contact you to request a paper receipt for any such transaction provided it is no more than three (3) months old. A fee may be charged for such paper copy, subject to your Schedule of Fees and Charges.

MY LIABILITY FOR UNAUTHORIZED TRANSACTIONS AND ADVISABILITY OF PROMPT REPORTING

I must notify you AT ONCE if I believe my check(s), ATM Card, debit card, Visa Credit Card, Audio Teller access code, SchoolsOnline password, ATM Card PIN, debit card PIN or Visa Credit Card PIN (collectively, "check(s), Card(s) and/or PIN(s)") has/have been lost or stolen or if I believe that an EFT

has been made without my permission using information from my check. Notifying you by telephone is the best way of keeping my possible losses to a minimum; however, a written notification to you should follow my telephone call. I understand that I could lose all the money in my account (plus my maximum overdraft Line of Credit). However, if I believe my check(s), Card(s) and/or PIN(s) has/have been lost or stolen, and I notify you within two (2) business days after I learn of the loss or theft, I can lose no more than \$50 if someone used my check(s) (in an eCheck transaction), my Card(s) and/or PIN(s) without my permission.

If I do NOT notify you within two (2) business days after I learn of the loss or theft of my check(s), Card(s) and/or PIN(s) and you can prove you could have stopped someone from using my check(s) (in an eCheck transaction), my Card(s) and/or PIN(s) without my permission if I had notified you, I could lose as much as \$500.

Also, if my statement shows transfers that I did not make, including those made by Card, PIN or other means, I must notify you at once to avoid liability for subsequent transfers. If I do NOT notify you within sixty (60) days after the statement was delivered to me, I may not get back any money I lost after the sixty (60) days if it can be established that you could have stopped the subsequent transfers if I had notified you in time.

If I can document that a valid reason (such as a long trip or hospital stay) kept me from notifying you, you will extend this time period. If I use my debit card to conduct transactions on the Visa network system, I understand that the Visa Operating Rules and Regulations provide for zero liability for losses from unauthorized (fraudulent) activity. The zero liability provision removes both the \$50 cardholder liability and the two (2) business days reporting requirement for fraudulent transactions on the Visa network system. Zero liability does NOT apply to ATM or POS transactions that are not processed through Visa (such as a cash withdrawal from my checking account). I must refer to the section of this Agreement and Disclosure regarding liability for unauthorized ATM transactions. Zero liability also will not apply to debit cards issued outside the U.S. or to Visa commercial cards. I must provide a written statement regarding any claim of unauthorized Visa transactions.

If I notify you of unauthorized transactions which were processed through Visa (this does not include cash disbursements at an ATM using my debit card), you will provide provisional credit to my account within five (5) business days of the notification. If I tell you orally, you will

require that I send you my complaint in writing within ten (10) business days. You will not credit my account until my written complaint is received. "Unauthorized" means the use of my debit card by a person, other than me, who does not have actual, implied or apparent authority for such use and from which I receive no benefit.

UNAUTHORIZED TRANSACTION NOTIFICATION TELEPHONE NUMBER AND ADDRESS

If I believe my Card(s), PIN(s) or check(s) have been lost or stolen or that someone will or may use it to transfer money from my account(s) without my permission, I must telephone you at **916-569-5400** (Sacramento area) or **800-962-0990** during business hours. After business hours I will telephone you at **888-292-9245** for a debit card, **888-241-2510** for an ATM Card or **866-820-4928** for a Visa Credit Card. I may also write to you at: Schools Financial Credit Union, PO Box 526001, Sacramento, CA 95852-6001.

REGULATION "D" RESTRICTIONS ON EFTs

Any combination of preauthorized, automatic or telephone withdrawals or transfers, overdraft transfers, SchoolsOnline transfers or transfers made by check, debit card or similar order made by me and payable to a third party from savings accounts are limited to no more than six (6) transfers in each calendar month. However, I may make an unlimited number of withdrawals or transfers among my own savings accounts if I sign for each transaction. I may also make an unlimited number of withdrawals from my savings accounts by mail, messenger, in person at the Credit Union, through ATMs, Audio Teller, SchoolsOnline or by telephone if I request that you send me a check. Withdrawals or transfers in excess of the above limitations will not be honored.

Each transfer or payment through the SchoolsOnline service from my savings account is counted as one of the six (6) limited transfers I am permitted each statement period. You recommend that I not use a savings account as my bill payment account because of these limits on transfers.

VERIFICATION OF TRANSACTIONS

All transactions affected by use of the ATMs, POS terminals, eChecks, Audio Teller, SchoolsOnline or other electronic means contemplated hereunder, which would otherwise require my actual signature or other authorization, will be valid and effective as if actually signed by me when accomplished by use of the eCheck(s), Card(s) and/ or PIN(s) or as otherwise authorized under this Agreement and Disclosure.

