

ABOUT YOUR

Credit Union

Accounts

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Funds Availability
Unclaimed Property Law
Account Agreements



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YOUR TRUTH-IN-SAVINGS DISCLOSURE

To open your account, complete the appropriate account agreement and return it to our Member Services Representative. Please read this brochure completely and retain it with your personal records.

All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Share ("savings") accounts, share draft ("checking") accounts and share certificate accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements.



INFORMATION REGARDING MEMBER IDENTIFICATION

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for our Members: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying objects.

GENERAL INFORMATION ABOUT ALL OF OUR ACCOUNTS

PAR VALUE

The par value of a share in the Valley First Credit Union is \$25.

ACCRUAL OF DIVIDENDS

Dividends begin to accrue on the business day you deposit cash or non-cash items (e.g., checks) to your account if deposited before close of business. If you close your savings, checking and term share certificate accounts before dividends are credited, you will not receive accrued dividends.

DIVIDEND RATES

The dividend rate and Annual Percentage Yield on our savings, checking and term share certificate accounts are stated on the Rate Schedule accompanying this Disclosure.

Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

BYLAW REQUIREMENTS

The maximum amount of shares which may be held by any one member shall be established from time to time by resolution of the board.

A member who reduces their share balance below the par value of one share and does not increase the balance to at least the par value of one share within 3 months of the reduction may be terminated from membership at the end of a dividend period.

Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. No transfer of voting rights or other membership privilege is permitted by virtue of transfer to or co-ownership of share by nonmembers. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than 7 days' and not more than 60 days' notice of intention to withdraw the whole or any part of the amounts so paid in by them.

No member may withdraw shareholdings that are pledged as required for security on loans without the written approval of the credit committee or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. No member may withdraw any shareholdings below the amount of their primary or contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom he/she is co-maker, endorser, or guarantor are delinquent, without the written consent of the credit committee or loan officer.

REQUIREMENT TO MAINTAIN A PRIMARY SHARE ACCOUNT

You must open a Primary Share Account to open any subsequent accounts. You must maintain the Primary Share Account to avoid closure of that account and any subsequent accounts.

SAVINGS ACCOUNTS

Valley First Credit Union's savings accounts let you deposit your money in a savings account and withdraw your money generally at any time. Our savings accounts are: the Primary Share, Starter Savings, Adventure Savings, Frequency Savings, Club Account, Money Market Account and IRA Savings Accounts.

RATE INFORMATION

Our savings accounts are designated as variable rate accounts on the Rate Schedule. This rate and yield may change at any time as determined by the credit union board of directors.

BALANCE INFORMATION

We compute the balance in our savings accounts to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the savings accounts, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule.

TRANSACTION LIMITATIONS

According to Regulation D (12 CFR, Part 204), no more than six preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

➔ *Primary Share Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Primary Share Account is \$25. You must maintain the minimum balance of \$1,000 to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain the minimum balance of \$25 to avoid the service fee as stated on the Schedule of Fees and to avoid closure.

➔ *Club Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Club Account is \$25. There is no minimum balance required to obtain the Annual Percentage Yield stated on the Rate Schedule.

TRANSACTION LIMITATIONS

Your Club Account may be opened at any time. Funds will automatically be disbursed to you on or about the maturity date designated at account opening. Withdrawals made prior to the maturity date will result in the Early Withdrawal Fee as stated in the Schedule of Fees.

➔ *Starter Savings Account*

The Starter Savings Account is offered to eligible members 0-5 years of age. Upon reaching 6 years of age, the Starter Savings Account will automatically convert to an Adventure Savings Account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Starter Savings Account is \$1. You must maintain the minimum balance of \$1 to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain the minimum balance of \$1 to avoid the service fee as stated on the Schedule of Fees and to avoid closure.

➔ **Adventure Savers Account**

The Adventure Savings Account is offered to eligible members 6-12 years of age. Upon reaching 13 years of age, the Adventure Savings Account will automatically convert to a Frequency Savings Account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Adventure Savings Account is \$1. You must maintain the minimum balance of \$1 to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain the minimum balance of \$1 to avoid closure.

➔ **Frequency Savings Account**

The Frequency Savings Account is offered to eligible members 13-17 years of age. Upon reaching 18 years of age, the Frequency Savings Account will automatically convert to a Primary Share Account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Frequency Savings Account is \$10. You must maintain the minimum balance of \$10 to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain the minimum balance of \$10 to avoid closure.

➔ **Money Market Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There is no minimum deposit required for you to open your Money Market Account. You must maintain the minimum balance of \$2,500 to obtain the Annual Percentage Yield stated on the Rate Schedule.

TRANSACTION LIMITATIONS

The maximum number of transfers or withdrawals you may make within a calendar month is stated on the Schedule of Fees. Excessive transactions may result in the fee stated on the Schedule of Fees. If you exceed the transfer/withdrawal limitations in any calendar month, your account will be subject to the fee stated on the Schedule of Fees.

➔ **Kasasa Saver Account**

The Kasasa Saver Account is offered to members maintaining a Kasasa Cash Checking or Kasasa Cash Back Checking Account.

The Kasasa Saver Account is a tiered rate savings account.

ACCOUNT ELIGIBILITY FOR KASASA REWARDS BENEFITS

To obtain the higher dividend rate applicable to that tier as stated on the accompanying Rate Schedule and other reward benefits pertaining to that Kasasa Cash Checking or Kasasa Cash Back Checking Account, you must meet **all** of the following criteria during the monthly qualification cycle*:

- Must qualify for and maintain each month a Kasasa Cash Checking or Kasasa Cash Back Checking Account;
- Must be enrolled to receive statements electronically (eStatements);
- Must have at least twelve (12) debit card purchase transactions posted and cleared during the monthly qualification cycle; and
- Must access the Online Banking or Mobile Banking service at least once a month.

If you do not meet the above monthly qualification of the account, your account will earn the lower dividend rate as stated on the Rate Schedule. Dividends will be calculated and credited to your account on the last day of the monthly statement cycle.

* *The monthly qualification cycle means a period beginning one day prior to the first day of the current statement cycle through one day prior to the close of the current statement cycle, subject to weekends and holidays.*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the Kasasa Saver Account.

In order to maintain the Kasasa Saver Account, you must meet **all** of the following criteria:

- Must be enrolled to receive statements electronically (eStatements); and
- Must have at least twelve (12) debit card purchase transactions posted and cleared during three consecutive monthly qualification cycles.

If you are unable to meet the above qualifications on your Kasasa Saver Account for three consecutive monthly qualification cycles, your Kasasa Saver Account will automatically be closed and your funds will be deposited into your Primary Share Account.

➔ ***IRA Savings Accounts (Traditional, Roth, SEP and Coverdell Education Savings)***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Savings Account is \$25. You must maintain the minimum balance of \$1,000 to obtain the Annual Percentage Yield stated on the Rate Schedule.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

CHECKING ACCOUNTS

Valley First Credit Union offers the following checking accounts which let you withdraw your money and write checks against your account at any time. Our checking accounts are: the Free Checking, Choice Checking, OnTrak Checking, Kasasa Cash Checking, Kasasa Cash Back Checking and Kasasa Tunes Checking Account.

➔ ***Free Checking Account***

The Free Checking Account is available to members who elect to receive electronic statements (eStatements). The Free Checking Account is a non-dividend earning account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the Free Checking Account.

ACCOUNT LIMITATIONS

If you no longer receive eStatements, your Free Checking Account will convert to a Choice Checking Account.

➔ ***Choice Checking Account***

The Choice Checking Account is a non-dividend earning account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit requirements for the Choice Checking Account.

There is a monthly service fee as stated on the Schedule of Fees. The monthly service fee may be reduced by meeting at least one of the following criteria:

- \$1 reduction in the monthly service fee for election to receive statements electronically (eStatements);
- \$0.20 reduction in the monthly service fee for each Debit Card purchase posted and cleared during the monthly qualification cycle*; and
- \$1 reduction in the monthly service fee for a direct deposit or automatic payment (ACH) posted and settled during the monthly qualification cycle*.

* *The monthly qualification cycle means a period beginning one day prior to the first day of the current statement cycle through one day prior to the close of the current statement cycle, subject to weekends and holidays.*

ACCOUNT LIMITATIONS

ATM withdrawal, deposits and balance inquiry transactions do not count towards qualifying Debit Card transactions. ATM receipts may be requested by the Credit Union.

➔ ***OnTrak Checking Account***

The OnTrak Checking Account is a non-dividend earning account.

ACCOUNT ELIGIBILITY

To open an OnTrak Checking Account, eligible members must meet **all** of the following criteria:

- Consumer-reporting agency records must not indicate any outstanding balances owed over \$500 to financial institutions at account opening;
- Must not exceed two (2) consumer-reporting agency records at account opening; and
- Must be 18 years of age or older.

ACCOUNT LIMITATIONS

If there are no non-sufficient funds, negative balance activity or newly reported credit or account problems for twelve (12) months from the date of opening and the member has not caused a loss to the Credit Union, the OnTrak Checking Account may be converted to another offered checking account at the member's request. For additional limitations, please see Additional Disclosures Applicable to ATM and Point-of-Sale ("POS") Services: Limitations on Transactions and Additional Disclosures Applicable to Visa Debit Card Services: Limitations on Dollar Amounts and Frequency of Transactions.

The Overdraft Privilege service is not available for this account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the OnTrak Checking Account. There is a monthly service fee as stated on the Schedule of Fees.

➔ Kasasa Cash Checking Account

The Kasasa Cash Checking Account allows members to obtain the higher dividend rate applicable to that tier as stated on the accompanying Rate Schedule and to receive refunds on domestic ATM fees.

The Kasasa Cash Checking Account is a tiered rate account.

ACCOUNT ELIGIBILITY FOR KASASA CASH REWARDS BENEFITS

To obtain the higher dividend rate and receive ATM fee refunds up to \$30, you must meet **all** of the following criteria during the monthly qualification cycle*:

- Must be enrolled to receive statements electronically (eStatements);
- Must have at least twelve (12) debit card purchase transactions posted and cleared during the monthly qualification cycle; and
- Must access the Online Banking or Mobile Banking service at least once a month.

If you do not meet the above monthly qualifications of the account, your account will earn the lower dividend rate as stated on the Rate Schedule and ATM fees will not be refunded. ATM fees must post and clear the account during the monthly qualification cycle*. Transactions may take one or more banking days from the date the transaction was made to post to and settle the account. For Kasasa Cash Checking Account holders maintaining a Kasasa Saver Account, dividends earned in the Kasasa Cash Checking Account will automatically be transferred to the Kasasa Saver Account each statement cycle.

* *The monthly qualification cycle means a period beginning one day prior to the first day of the current statement cycle through one day prior to the close of the current statement cycle, subject to weekends and holidays.*

BALANCE INFORMATION

We compute the balance in your Kasasa Cash Checking Account to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

RATE INFORMATION

Our Kasasa Cash Checking Account is designated as a variable rate account on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

DIVIDEND COMPOUNDING AND CREDITING

For Kasasa Cash Checking Account holders not maintaining a Kasasa Saver Account, dividends will be compounded monthly and will be credited monthly. For our Kasasa Cash Checking Account, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates.

For Kasasa Cash Checking Account holders maintaining a Kasasa Saver Account, dividends earned in your Kasasa Cash Checking Account will not be compounded and will automatically be transferred to your Kasasa Saver Account each statement cycle. As a result, the actual dividend amount paid may be less than the Annual Percentage Yield stated on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the Kasasa Cash Checking Account.

In order to maintain the Kasasa Cash Checking Account, you must meet **all** of the following criteria:

- Must be enrolled to receive statements electronically (eStatements); and
- Must have at least twelve (12) debit card purchase transactions posted and cleared during three consecutive monthly qualification cycles.

If you are unable to meet the above qualifications on your Kasasa Cash Checking Account for three consecutive monthly qualification cycles, your Kasasa Cash Checking Account will automatically convert to a Choice Checking Account.

ACCOUNT LIMITATIONS

Qualifying ATM transactions that incurred ATM fees must be made with a Credit Union issued Debit Card associated with your Kasasa Cash Checking Account. ATM withdrawal, deposit and balance inquiry transactions do not count towards qualifying debit card transactions. ATM receipts may be requested by the Credit Union. Limit one Kasasa Account product type per Social Security Number (SSN).

➔ Kasasa Cash Back Checking Account

The Kasasa Cash Back Checking Account allows members to receive cash back on Debit Card purchases per month and receive refunds on domestic ATM fees incurred using a Valley First Credit Union Debit Card as indicated on the Schedule of Fees.

ACCOUNT ELIGIBILITY FOR KASASA CASH BACK REWARDS BENEFITS

To receive cash back on Debit Card purchases and ATM fee refunds, you must meet all of the following criteria during the monthly qualification cycle*:

- Must be enrolled to receive statements electronically (eStatements);
- Must have at least twelve (12) Debit Card purchase transactions posted and cleared during the monthly qualification cycle; and
- Must access the Online Banking or Mobile Banking service at least once per monthly qualification cycle.

If you do not meet the above monthly qualifications of the account, you will not receive cash back on Debit Card purchases and ATM fees will not be refunded. Debit Card purchases and ATM fees must post and clear the account during the monthly qualification cycle*. Cash back on Debit Card purchases and ATM fee refunds will be calculated and credited to your account as follows:

- For Kasasa Cash Back Account holders maintaining a Kasasa Saver Account, cash back on Debit Card purchases and ATM fee refunds will first be credited to your Kasasa Cash Back Checking Account on the last day of the monthly statement cycle and then will automatically be transferred to your Kasasa Saver Account on the last day of the monthly statement cycle.
- For Kasasa Cash Back Account holders not maintaining a Kasasa Saver Account, cash back on Debit Card purchases and ATM fee refunds will be credited to your Kasasa Cash Back Checking Account on the last day of the monthly statement cycle.

* *The monthly qualification cycle means a period beginning one day prior to the first day of the current statement cycle through one day prior to the close of the current statement cycle, subject to weekends and holidays.*

BALANCE INFORMATION

We compute the balance in your Kasasa Cash Back Checking Account to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

RATE INFORMATION

Our Kasasa Cash Back Checking Account is designated as a variable rate account on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

DIVIDEND COMPOUNDING AND CREDITING

For Kasasa Cash Back Checking Account holders not maintaining a Kasasa Saver Account, dividends will be compounded monthly and will be credited monthly. For our Kasasa Cash Back Checking Account, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates.

For Kasasa Cash Back Checking Account holders maintaining a Kasasa Saver Account, dividends earned in your Kasasa Cash Checking Account will not be compounded and will automatically be transferred to your Kasasa Saver Account each statement cycle. As a result, the actual dividend amount paid may be less than the Annual Percentage Yield stated on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the Kasasa Cash Back Checking Account.

In order to maintain the Kasasa Cash Back Checking Account, you must meet **all** of the following criteria:

- Must be enrolled to receive statements electronically (eStatements); and
- Must have at least twelve (12) debit card purchase transactions posted and cleared during three consecutive monthly qualification cycles.

If you are unable to meet the above qualifications on your Kasasa Cash Back Checking Account for three consecutive monthly qualification cycles, your Kasasa Cash Back Checking Account will automatically convert to a Choice Checking Account.

ACCOUNT LIMITATIONS

Qualifying ATM transactions that incurred ATM fees must be made with a Credit Union issued Debit Card associated with your Kasasa Cash Checking Account. ATM withdrawal, deposit and balance inquiry transactions do not count towards qualifying Debit Card transactions. ATM receipts may be requested by the Credit Union. Limit one Kasasa Account product type per Social Security Number (SSN).

➔ Kasasa Tunes Checking Account

The Kasasa Tunes Checking Account allows members to receive reimbursement for Online purchases made at either the iTunes® Store or at Amazon.com® during the monthly qualification cycle* up to a maximum of \$5 (which includes any applicable sales tax). In order to be reimbursed, purchases must be completed using the debit card associated with your Kasasa Tunes account and must post and settle the account during the monthly qualification cycle* following the monthly qualification cycle* in which you met the qualification requirements. Transactions may take one or more banking days from the date the transaction was made to post and settle the account. The reimbursement amount will be credited on the banking day after the end of the monthly qualification cycle* in which the purchases posted and settled your account. If you close your account, you will not receive reimbursements that have not yet been credited to your account.

The Kasasa Tunes Checking Account is a non-dividend earning account.

Sign-Up Bonus. We will reimburse Online purchases made during the first 60-days after you open the account at either the iTunes® Store or at Amazon.com® up to a maximum of \$10 (which includes any applicable sales tax). Purchases must be completed using the debit card associated with your Kasasa Tunes account and must post and settle the account within the 90-day period in order to be reimbursed. Transactions may take one or more banking days from the date the transaction was made to post and settle the account. The reimbursement will be credited to your account on the last day of the statement cycle in which your purchases posted and settled your account. Purchases that post and settle to your account on the last day of your statement cycle will be reimbursed on the last day of the following statement cycle. There is no minimum balance requirement to receive the sign-up bonus.

ACCOUNT ELIGIBILITY FOR KASASA TUNES REWARDS BENEFITS

To receive refunds of digital download purchases and ATM fees, you must meet **all** of the following criteria during the monthly qualification cycle*:

- Must be enrolled to receive statements electronically (eStatements);
- Must have at least twelve (12) debit card purchase transactions posted and cleared during the monthly qualification cycle; and
- Must access the Online Banking or Mobile Banking service at least once a month.

If you do not meet the above monthly qualifications of the account, digital download purchases and ATM fees will not be refunded. Digital download purchases and ATM fees must post and clear the account during the monthly qualification cycle*. Refunds of digital download purchases and ATM fees will be credited to your account on the last day of the statement cycle in which refundable purchases were made.

** The monthly qualification cycle means a period beginning one day prior to the first day of the current statement cycle through one day prior to the close of the current statement cycle, subject to weekends and holidays.*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There are no minimum deposit or balance requirements for the Kasasa Tunes Checking Account.

In order to maintain the Kasasa Tunes Checking Account, you must meet **all** of the following criteria:

- Must be enrolled to receive statements electronically (eStatements); and
- Must have at least twelve (12) debit card purchase transactions posted and cleared during three consecutive monthly qualification cycles.

If you are unable to meet the above qualifications on your Kasasa Tunes Checking Account for three consecutive monthly qualification cycles, your Kasasa Tunes Checking Account will automatically convert to a Choice Checking Account.

ACCOUNT LIMITATIONS

Digital download purchases and qualifying ATM transactions that incurred ATM fees must be made with a Credit Union issued Debit Card associated with your Kasasa Tunes Checking Account. ATM withdrawals, deposits and balance inquiry transactions do not count towards qualifying Debit Card transactions. ATM receipts may be requested by the Credit Union. Limit one Kasasa Account product type per Social Security Number (SSN).

SHARE CERTIFICATE ACCOUNTS

Valley First Credit Union's share certificate accounts let you deposit your money for a specified period of time. Our share certificate accounts are: the Regular Share Certificate, Premium Share Certificate, Adventure Savers Share Certificate, Frequency Share Certificate, IRA Share Certificate and IRA Premium Share Certificate accounts.

ANNUAL PERCENTAGE YIELD

The Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. If you make a withdrawal from your account, your earnings will be reduced.

MATURITY

Your account will mature as reflected on the Rate Schedule. The maturity date will be stated on the certificate provided to you at the time of opening your account.

BALANCE INFORMATION

We compute the balance in our share certificate accounts to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

RATE INFORMATION

Our share certificate accounts are designated as fixed rate accounts on the Rate Schedule. You will be paid this rate and yield until maturity.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the share certificate accounts, the dividend period is monthly.

RENEWAL OF ACCOUNT/GRACE PERIOD

Your account will automatically renew at maturity for same time period as original term at the prevailing rate unless you withdraw all of the funds in your account at maturity or within a grace period of seven (7) days after maturity.

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw any of the funds from your account before the maturity date. The penalty imposed shall be as follows:

- For accounts with a term equal to or less than six (6) months, you will forfeit an amount equal to the lesser of all dividends earned on the amount withdrawn or sixty (60) days of dividends on the amount withdrawn.
- For accounts with a term equal to or less than eighteen (18) months, you will forfeit an amount equal to the lesser of all dividends earned on the amount withdrawn or one hundred twenty (120) days of dividends on the amount withdrawn.
- For accounts with a term greater than eighteen (18) months, you will forfeit an amount equal to the lesser of all dividends earned on the amount withdrawn or one hundred eighty (180) days of dividends on the amount withdrawn.

An early withdrawal penalty could reduce your initial investment.

EXCEPTIONS TO PENALTIES

The penalties stated above will not apply if:

- The withdrawal is made subsequent to the death of any owner of the share certificate account, or is made pursuant to the Credit Union's bylaws;
- The share certificate account is part of a pension plan which qualifies or is qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 70 1/2 years of age; or
- Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

➔ **Regular Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Regular Certificate Account is \$1,000. You must maintain the minimum balance of \$1,000 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

➔ **Premium Share Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Premium Share Certificate Account is \$10,000. You must maintain the minimum balance of \$10,000 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

➔ **Adventure Savers Share Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Adventure Savers Share Certificate Account is \$250. You must maintain the minimum balance of \$250 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

➔ **Frequency Share Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Frequency Share Certificate Account is \$500. You must maintain the minimum balance of \$500 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

➔ **IRA Share Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Share Certificate Account is \$1,000. You must maintain the minimum balance of \$1,000 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

➔ **IRA Premium Share Certificate Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Premium Share Certificate Account is \$10,000. You must maintain the minimum balance of \$10,000 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT

This EFT Disclosure and Agreement as amended from time to time ("Agreement") sets forth the terms and conditions governing the use of the Valley First Credit Union electronic transfer services. Disclosure information that applies to all electronic services offered by Valley First Credit Union is given below, followed by specific disclosure information for each service. Valley First Credit Union may also provide remittance transfers (defined by Regulation E, subpart B, as an "electronic transfer of funds of more than \$15 which is requested by a sender and sent to a designated recipient in a foreign country by a remittance transfer provider"). The terms and conditions for such electronic transfers will be disclosed to you separately when you receive those services, and may differ from the terms and conditions disclosed herein. As applicable and to the extent not in conflict with such separately provided disclosures, the terms and conditions herein shall apply to remittance transfers that also meet the definition of an "electronic fund transfer" under Regulation E, subpart A. This Agreement takes the place of all prior agreements and disclosures governing the use of all electronic services. By retaining, using, or allowing others to use the electronic services offered by Valley First Credit Union, you are agreeing to be bound by the terms and conditions of this Agreement. In this Agreement, the term "you" and "your(s)" refer to the member, and the terms "we," "us" and "our(s)" refer to Valley First Credit Union.

PERSONAL IDENTIFICATION NUMBER

The Credit Union will issue you a Personal Identification Number (PIN) that must be used with the ATM Card or Debit Card for transactions that require the use of a PIN. This number should be memorized. DO NOT write it on your ATM Card or Debit Card, or where it is easily accessible to others. After memorizing your PIN, you should destroy the notice disclosing your PIN in a secure manner. If you forget, misplace or otherwise disclose your PIN, contact the Credit Union and we will issue you a new one.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

You will get a monthly account statement reflecting all of your transactions unless there is no activity in a particular month. In any case you will get the statement at least quarterly. Depending on the terminal or if the transaction is \$15 or less, you may receive a receipt at the time you make a transaction at a terminal. If you do receive a receipt, retain the receipt to compare with your monthly statement from the Credit Union.

YOUR LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS INVOLVING AUTOMATED TELLER MACHINE (ATM) CARDS

Tell us AT ONCE if you believe your ATM Card and/or Personal Identification Number (PIN) has been lost or stolen, or if you believe that an electronic transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within two (2) business days, you can lose no more than \$50 if someone used your ATM Card or PIN without your permission. If you DO NOT tell us within two (2) business days after you learn of the loss or theft of your ATM/POS Card or PIN, and we can prove that we could have stopped someone from using your ATM Card or PIN without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you have authorized someone else to use the ATM Card and/or PIN, you are responsible for all transactions that person or persons initiates at any time, even if the amount or transactions exceed what you may have authorized.

YOUR LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS INVOLVING DEBIT CARDS

Tell us AT ONCE if you believe your Debit Card and/or Personal Identification Number (PIN) has been lost or stolen or if your statement shows an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within sixty (60) days of our sending your statement, you can lose no more than \$50 if someone used your debit card without your permission. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the close of the sixty (60) days and before notice to us. If your delay in notifying us was due to extenuating circumstances beyond your reasonable control, including extended travel, your or a member of your family's death or serious illness, hospitalization, permanent mental impairment or serious physical impairment, unless the circumstance did not reasonably contribute to your delay in notifying us within the sixty (60) day period, we will extend the sixty (60) day period by a reasonable period.

SPECIAL NOTICE TO VISA® DEBIT CARDHOLDERS

If there is an unauthorized use of your Visa Debit Card or a Plus network or Interlink transaction, and the transaction takes place on the Visa network, then your liability will be zero (\$0). This provision limiting your liability does not apply to Visa Corporate Card Transactions, Visa Purchasing Card Transactions, Anonymous Visa Prepaid Card Transactions, ATM cash disbursements processed on non-Visa or non-Plus networks, or non-Visa PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero (\$0) liability limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that you were negligent or fraudulent in the handling of your account or card. In any case, to minimize your potential liability you should notify us of any unauthorized use no later than sixty (60) days after your statement was mailed to you.

HOW TO NOTIFY THE CREDIT UNION IN THE EVENT OF AN UNAUTHORIZED TRANSACTION

If you believe your ATM Card, Debit Card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us at (877) 549-4567; or by sending us a Secure Message through Online Banking; or write to us at P.O. Box 1411, Modesto, CA 95353-1411. You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.

BUSINESS DAYS

Our business days are Monday through Friday, excluding holidays.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transaction to or from your savings or checking account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance, if:

- through no fault of ours, you do not have enough money in your account (your available balance) to make the transaction;
- the transaction would go over the credit limit on your credit line;
- the terminal where you were making the transaction did not have enough cash;
- the ATM or network system was not working properly and you were aware of the malfunction when you started the transaction;
- circumstances beyond our control (such as fire, flood, power failure, or computer down time) prevented the transaction, despite reasonable precautions that we have taken;
- the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- your ATM Card or Debit Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;
- your ATM Card, Debit Card or PIN has been reported lost or stolen and we have blocked the account; or
- the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at (877) 549-4567 or write us at P.O. Box 1411, Modesto, CA 95353-1411 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

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

We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. (If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.) If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

CHARGES

In order to obtain the electronic services listed, you must open and maintain a savings or checking account. All charges associated with our electronic fund transactions are disclosed in our Schedule of Fees which accompanies this Disclosure and Agreement.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

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

- when it is necessary to complete the transaction;
- in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- in order to comply with government agency or court orders or other legal process; or
- if you give us your prior oral or written permission.

ADDRESS CHANGE

Keep the Credit Union informed of your current address and email address to insure correct mailing of monthly statements and other account specific notifications. If you have elected to receive statements electronically, it is also your responsibility to keep the Credit Union informed of your current email address.

AMENDMENTS

The Credit Union may change the terms and conditions of this Agreement from time to time by mailing written notice to your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least twenty-one (21) days prior notice of the change. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of ATM Cards, Debit Cards or designated accounts.

TERMINATION

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of your ATM Card, Debit Card or PIN with or without cause. We may do so immediately if:

- you or any authorized user of your ATM Card, Debit Card, PIN or account breaches this or any other agreement with the Credit Union;
- we have reason to believe that there has been, or might be, an unauthorized use of your ATM Card, Debit Card, PIN or account; or
- you or any authorized user of your ATM Card, Debit Card, PIN or account request that we do so.

ATTORNEYS' FEES

You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

ADDITIONAL BENEFITS/CARD ENHANCEMENTS

The Credit Union may from time to time offer additional services to your Account. Some may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

WAIVER OF RIGHTS

The Credit Union can delay enforcing any of the provisions under this Agreement or the law any number of times without losing its right to enforce them at a later date.

OTHER AGREEMENTS

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

SEVERABILITY

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

WHO IS BOUND BY THIS AGREEMENT

Each person who signs the Application agrees to be bound by the terms and conditions of this Agreement. If more than one person signs the application, all signers are jointly and severally liable. The Credit Union can waive or delay enforcement of its rights as to one signer without affecting its ability to enforce its rights as to the other signers. The Agreement is also binding upon your heirs, personal representatives and successors.

SIGNATURES

By using your access to the system, or authorizing anyone else to use your access to the system, and/or by signing the application, you agree to be bound by the terms and conditions of this Agreement and Disclosure.

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a savings or checking account or the issuance of an ATM Card, Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

TRANSACTION LIMITATIONS

According to Regulation D (12 CFR, Part 204), no more than six preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six (6) transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

➔ ***Additional Disclosures Applicable to ACH Services***

DOCUMENTATION OF DIRECT DEPOSIT

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (877) 549-4567 to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits or preauthorized deposits, you will get at least a quarterly statement from us.

CHOICE OF LAW

We may accept, on your behalf, payments to your account that have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Funds Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of California as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

DISCLOSURE OF RIGHT TO STOP PAYMENT

- *Right to stop payment and procedure for doing so.* If you have told us in advance to make regular payments out of your account, you can stop any of these payments by calling us at (877) 549-4567, or write to us at P.O. Box 1411, Modesto, CA 95353-1411, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.
- *Notice of varying amounts.* If these regular payments vary in amount, the person you are going to pay will tell you ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

TRANSACTIONS AVAILABLE

You may use your ACH services to perform the following transactions:

- Make deposits to your savings or checking account;
- Make loan payments;
- Pay bills directly from your savings or checking account in the amounts and on the days you request (Transaction limitations apply to payments from savings accounts. Refer to "Transaction Limitations" section within this disclosure);
- Authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay bills or pay for purchases; and
- Authorize a merchant or other payee to debit your checking account for returned check fees or returned debit entry fees.

All payments and deposits are subject to later verification by us.

➔ ***Additional Disclosures Applicable to "Valleyline" Audio Response Services***

TRANSACTIONS AVAILABLE

You may use your Valleyline service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and pay off information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;

- Request a check withdrawal from your savings or checking account;
- Transfer funds between your savings and checking accounts;
- Access your Line of Credit Account to request loan advances;
- Transfer funds from your Line of Credit to your savings or checking account;
- Make loan payments; and
- Activate or cancel ATM Cards or Debit Cards.

All payments and deposits are subject to later verification by us.

➔ ***Additional Disclosures Applicable to ATM and Point-of-Sale (“POS”) Services***

RULES FOR USE

By using your ATM Card or Debit Card with your personal identification number (PIN) at automated teller machines (“ATM’s”) or other electronic terminals operated by a participating institution, network system, or company (collectively “terminals”), you authorize us to effect the transactions from or to your savings or checking account(s) in accordance with the instructions given at the terminals. All ATM Card or Debit Card transactions are subject to the terms and conditions of your account agreements with us governing the affected accounts.

ATM FEES

When you use an ATM not owned by Valley First Credit Union, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer. A fee will not be imposed for use of an ATM or Debit Card issued by Valley First Credit Union for use of an electronic terminal operated by Valley First Credit Union.

TRANSACTIONS AVAILABLE

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

- Make deposits to your savings or checking account;
- Withdraw cash from your savings or checking and loan account;
- Transfer funds between your savings and checking and loan account;
- Make point-of-sale payments for goods and services to others from your checking account; and
- Make account balance inquiries.

Some of the transactions listed above may not be available at all terminals. All payments and deposits are subject to later verification by us.

LIMITATIONS ON TRANSACTIONS

You may make ATM cash withdrawals or POS transactions up to the following limits as long as your available balance will cover the transaction: up to \$310 for ATM cash withdrawals, and up to \$310 for POS transactions, each 24-hour period.

In accordance with Credit Union policy, the Credit Union may permit a higher ATM cash withdrawal or POS transaction limit for qualifying members up to the following limits as long as your available balance will cover the transaction:

- For OnTrak Checking Account holders, up to \$500 for ATM cash withdrawals, and up to \$500 for POS transactions, each 24-hour period.
- For all other account holders, up to \$2,000 for ATM cash withdrawals, and up to \$2,000 for POS transactions, each 24-hour period. Various institutions that participate in networks of which the Credit Union is a member may have lower ATM withdrawal limits than those set forth herein. In that event, you may not be able to withdraw more than the cash limit of that particular ATM.

ACCESS CARDS

All ATM Cards and Debit Cards are non transferable and belong to the Credit Union. The Credit Union may cancel, modify and restrict the use of any ATM Card or Debit Card upon proper notice or without notice if your account is overdrawn or where necessary to maintain or restore the security of accounts on the ATM system.

ATM SAFETY

An ATM provides a quick and convenient way to access your money. However, use caution and remember the following safety tips whenever you use an ATM:

- Be aware of the surroundings, particularly at night.
- Look for well lighted ATM’s when transacting at night.

- If you notice anything suspicious when approaching the ATM, return later or use another ATM.
- Have your transaction ready before you go to the ATM. When you can, fill out any deposit or withdrawal slips/envelopes before leaving your vehicle.
- Have your ATM Card or Debit Card ready, to avoid going through your purse or searching through the contents of your wallet at the ATM site.
- If you notice anything suspicious while you are transacting business, immediately stop your transaction, put your ATM Card or Debit Card away and leave.
- Consider having another person accompany you to the ATM.
- Immediately report all crimes to the ATM operator and to local law enforcement officials.
- Stand close to the ATM and away from others in line to avoid detection of your PIN or other account information.
- Put your cash away as soon as the transaction is complete; count the cash later in the safety of your vehicle or home.
- Never give information to strangers at the ATM or to anyone over the phone. Be aware of fraud or people who pose as Credit Union employees who try to get information from you. This information should only be discussed in person by you at the Credit Union.
- Remember to keep your PIN a secret. Make sure not to write it on your ATM Card or Debit Card or anywhere else in your wallet; thieves can easily figure out the reason for “hidden” or “secret” numbers.

➔ ***Additional Disclosures Applicable to Visa® Debit Card Services***

ISSUANCE OF CARD

“Card” means the Valley First Credit Union Visa Debit Card and any duplicates, renewals or substitutions the Credit Union issues to you; “Account” means the account designated on the application for your Visa Debit Card.

RESPONSIBILITY FOR TRANSACTIONS

You are responsible for all transactions you make with the Card or that you authorize another person to make with the Card. You understand that if you disclose your Card PIN to anyone, they will have access to all accounts identified by your account number. If the Account is a joint account, all transactions involving the account are binding on all Account holders.

MERCHANT DISPUTES

For POS transactions directly accessing a line of credit, the Credit Union is not responsible for the refusal of any merchant or financial institution to honor the card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you or (b) your purchase cost more than \$50 and was made in your state or within one hundred (100) miles of your home.

LIMITATIONS ON DOLLAR AMOUNTS AND FREQUENCY OF TRANSACTIONS

You may make Visa Debit Card transactions up to the following limits as long as your available balance will cover the transaction: up to \$310 for ATM cash withdrawals, up to \$310 for POS transactions, and up to \$310 for Visa Debit Card signature-based transactions, each 24-hour period.

In accordance with Credit Union policy, the Credit Union may permit a higher Visa Debit Card transaction limit for qualifying members up to the following limits as long as your available balance will cover the transaction:

- For OnTrak Checking Account holders, up to \$500 for ATM cash withdrawals, up to \$500 for POS transactions, and up to \$500 for Visa Debit Card signature-based transactions, each 24-hour period.
- For all other account holders, up to \$2,000 for ATM cash withdrawals, up to \$2,000 for POS transactions, and up to \$2,000 for Visa Debit Card signature-based transactions, each 24-hour period.

Various institutions that participate in networks of which the Credit Union is a member may have lower ATM withdrawal limits than those set forth herein. In that event, you may not be able to withdraw more than the cash limit of that particular ATM. Purchases made above the floor limit of the merchant will require an authorization number from Visa.

USE OF THE CARD

You may use the Card and PIN to:

- Withdraw cash from your savings or checking account at ATMs, merchants, or financial institutions that accept Visa Debit Cards;
- Transfer funds between your savings or checking account you have with the Credit Union;

- Purchase goods or services at places that accept Visa Debit Cards. These are PIN accepted point of sale (POS) transactions; and
- Make deposits to your savings or checking account at the Credit Union.

You may use the Card without the PIN to:

- Purchase goods or services at places that accept Visa Debit Cards These are signature accepted point of sale (POS) transactions;
- Order goods or services by mail, telephone or online from places that accept Visa Debit Cards;
- Order goods or services without a PIN by mail, online, or telephone at merchants who offer the payment transactions processed through the STAR, PULSE, CO-OP, ACCEL/Exchange or any other Debit Card network; and
- Make automatic payments from your checking account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

Some of these services may not be available at all terminals.

Use of the card, the account number on the card, the PIN or any combination of the three for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor Visa Debit Cards is an order by you for the withdrawal of the amount of the transaction from your account. Each transaction with the card will be charged to your account on the date the transaction is posted to your account. When the Credit Union receives notification of a Visa Debit Card transaction, it will put a hold on an equivalent amount of funds in your checking account for three (3) days or until the day the transaction is charged to your account.

All card transactions covered by this agreement are subject to the terms and conditions of your account agreements with us governing the affected accounts, except as modified by this agreement. Any future changes to your account agreements may affect the use of the card.

ILLEGAL USE OF VISA® DEBIT CARD

You agree that your Visa Debit Card Account will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under this Agreement. You agree that the Credit Union has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

OVERDRAFTS

You promise to pay the Credit Union immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. If you do not have overdraft privileges, the Credit Union may deduct the amount of any overdraft on your Account from any other account you have with the Credit Union, except an Individual Retirement Account.

REFUSAL TO HONOR CARD

The Credit Union is not liable for the refusal or inability of any electronic terminal to honor the card or to complete a withdrawal from your account, or for their retention of the card. The Credit Union is also not responsible for the refusal of any merchant or financial institution to honor the card or for their retention of the card.

FOREIGN TRANSACTIONS

Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by Visa from a 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 in each instance, plus or minus any adjustment determined by the Issuer.

➡ *Additional Disclosures Applicable to Online Banking Services*

SYSTEM REQUIREMENTS

Online Banking services allows convenient access to your account information 24 hours a day. To use Online Banking, you must have a computer, modem, Internet Service, browser, your account number and a Login ID and Password.

TRANSACTIONS AVAILABLE

You may use the Online Banking service to perform the following transactions:

- Obtain account/loan balance information;
- Obtain loan payment due date and payoff information;

- Obtain clearance of specific checks;
- Request check withdrawals from your checking and savings account;
- Transfer funds between your checking account, savings account and Line of Credit;
- Download transaction information to personal financial management software from checking and savings account;
- Make loan payments;
- Pay bills through Bill Pay from checking;
- Activate your ATM Card or Debit Card through Secure Message;
- Make a single transfer to a Valley First member or link to another member's account to set up recurring transfers;
- Link your account from another financial institution for electronic transfers;
- Send a Secure Message to the Credit Union regarding any account concerns; and
- Apply for a loan.

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the Online Banking service:

- The maximum you may withdraw by check is \$10,000, with a minimum check withdrawal of \$10 during any 24-hour period.

➔ Additional Disclosures Applicable to Bill Pay Services

SYSTEM REQUIREMENTS

To use Bill Pay, you must have a computer, modem, Internet Service, browser, your checking account number and Online Banking Login ID and Password.

RIGHT TO STOP PAYMENT OF PREAUTHORIZED TRANSFERS AND RIGHT TO RECEIVE NOTICE OF VARYING AMOUNTS

- *Right to stop payment and procedure for doing so.* If you have told us in advance to make regular payments out of your account, you can also stop any of these payments. Here's how: Call us at (877) 549-4567, or write to us at P.O. Box 1411, Modesto, CA 95353-1411 in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.
- *Notice of varying amounts.* If these regular payments vary in amount, the person you are going to pay will tell you ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

TRANSACTIONS AVAILABLE

You may use the Bill Pay service to perform the following transactions:

- **Add/Edit Merchants:** Merchant refers to the entity to which you pay bills. The merchant can be a company, organization, or individual. The Add/Edit Merchant feature allows you to add merchants to, delete merchants from or edit merchant information on your personal list of merchants.
- **Make nonrecurring payments from checking:** This feature allows you to schedule one-time payments to merchants. This feature enables you to specify the amount of the payment and the processing date.
- **Make recurring payments from checking:** This feature allows you to schedule recurring payments to merchants.
- **View History:** This feature permits you to see payments made over a specified time period.

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the Bill Pay service:

- The maximum transaction amount is \$2,500 during any twenty-four (24) hour period;
- Bill payments can only be made from your checking account;
- Payments cannot be made for tax payments, court-ordered payments or payments to payees outside of the United States;
- If you close the designated bill payment checking account, all scheduled payments will be stopped;
- You cannot stop a payment if the payment has already been processed; and
- You can schedule payments twenty-four (24) hours a day, seven (7) days a week, however, payments scheduled on a Saturday, Sunday, or holiday will be processed within one (1) to two (2) business days.

METHODS AND RESTRICTIONS

Payments are made to your payee either electronically via the Automated Clearing House (ACH) or by check or laser draft. The method of payment depends upon the processing method that can be accommodated by the payee or by our bill payment service provider.

It is important that you take into consideration what method of bill payment will be used when scheduling bill payments to ensure payment deadlines are met. If the payee accepts electronic bill payment, the payment may take up to four (4) business days to process. If the payee does not accept electronic bill payment, the payment will be sent in a check form, and may take up to ten (10) business days to process.

MEMBER RESPONSIBILITIES

You are responsible for:

- Any late payment, late fees, interest payments, and service fees charged by merchant(s);
- Any overdraft, NSF or stop payment fees charged by the Credit Union as a result of these transactions;
- Data input of payee information (payment amount(s), name, address and any other pertinent information);
- Written notification to the Credit Union in the event you wish to cancel this service; and
- You must allow sufficient time for bill payments to be processed so that the funds can be delivered to the merchant on or before the due date.

➔ Additional Disclosures Applicable to Mobile Banking Services

SERVICES

The Mobile Banking service allows you to access your account information through your mobile device. You may access the Mobile Banking service by mobile Web browser and/or Mobile Banking application. The Mobile Banking service also allows you to request and receive account information and notification via text message.

SYSTEM REQUIREMENTS

To use the Mobile Banking service, you must have a mobile device with a service plan that includes data, text messaging and Internet access with Secure Socket Layer (SSL) capability and an Online/Mobile Banking service Login ID and Password. Third party fees may apply for data, text messaging and Internet access. Contact your mobile device carrier for additional information.

- To access the Mobile Banking service using the Mobile Web Banking option, visit www.valleyfirstcu.org on your mobile Web browser.
- To access the Mobile Banking service using the application option, download the Valley First Credit Union Mobile Application from your device's application store. Search "Valley First Credit Union" on the App Store or "Valley First CU" on Google Play. The Operating System version must be compatible with the latest version of the application, as determined by your device's application store.
- To use the Text Banking option, you must be enrolled in Online/Mobile Banking. While logged into the Online/Mobile Banking service, activate the Text Banking feature by selecting: "Preferences", then "Text Enrollment." Turn "Text Enrollment" to "on" and then add your mobile number. You must accept the terms and conditions before you can save and activate Text Banking.

TRANSACTIONS AVAILABLE

You may use the Mobile Banking service to perform the following transactions:

- Obtain account/loan balance information;
- Obtain loan payment due date and payoff information;
- Obtain clearance of specific checks;
- Request check withdrawals from your checking and savings account;
- Transfer funds between your checking account, savings account and Line of Credit;
- Make loan payments;
- Pay bills through Bill Pay from checking;
- Activate your ATM Card or Debit Card through Secure Message;
- Make a single transfer to a Valley First member or link to another member's account to set up recurring transfers;
- Link your account from another financial institution for electronic transfers;
- Send a Secure Message to the Credit Union regarding any account concerns; and
- Apply for a loan.

MOBILE DEPOSIT DISCLOSURE AND AGREEMENT

This Mobile Deposit Disclosure and Agreement, as amended from time to time (“Agreement”), sets forth the terms and conditions governing the use of Valley First Credit Union’s Mobile Deposit services (“Mobile Deposit”). Please read this Agreement completely and retain it with your personal records. By using, or allowing another person to use, Mobile Deposit services offered by Valley First Credit Union, you agree to be bound by the terms and conditions of this Agreement. In this Agreement, the terms “you” and “your(s)” refer to the member, and the terms “we”, “us”, “our(s)” and “Credit Union” refer to Valley First Credit Union.

WHAT IS MOBILE DEPOSIT?

Mobile Deposit Service allows you to remotely deposit paper checks from your mobile device to your Credit Union account by electronically transmitting a digital image of the paper check to the Credit Union.

ELIGIBILITY REQUIREMENTS FOR MOBILE DEPOSIT SERVICE

To be eligible for Mobile Deposit Capture you must be at least 18 years old, be a member in good standing, have a share draft/checking account open for a minimum of 60-days, and have a debit card.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

You will receive a monthly account statement reflecting all of your transactions unless there is no activity in a particular month. In any case you will receive a statement at least quarterly.

SYSTEM REQUIREMENTS

To use the Mobile Deposit service, you must have an eligible account, be a member in good standing, have a mobile device with a camera and Internet access and maintain the hardware and software as specified by Valley First Credit Union from time to time. Third party fees may apply for data and Internet access. Contact your mobile device carrier for additional information. You may only submit items through the Mobile Deposit service using the Valley First Credit Union mobile application specifically designated by the Credit Union for such purpose.

HOW TO NOTIFY US IN CASE OF ERRORS

If you believe there has been an error with respect to any original check or Electronic Image transmitted to the Credit Union for deposit, call us at (877) 549-4567 or write to us at P.O. Box 1411, Modesto, CA 95353. You will be asked to produce the original item and may be asked to complete a written statement in support of your claim.

SERVICE AND MAINTENANCE

From time to time, the Credit Union may disable the Mobile Deposit service without prior notice for scheduled maintenance and upgrades to the system. The Credit Union will display a message on our Online Banking home page or send a secure message or text message notifying users of any scheduled down time.

FEES

All fees or charges associated with the Mobile Deposit service are disclosed in our Schedule of Fees, as amended from time to time, a copy of which accompanies this Agreement. At any time, in our discretion, we may add to or modify disclosed fees, subject to any prior notice requirements under applicable law (see Amendments). Your continued use of the Mobile Deposit service after the change becomes effective shall constitute your agreement to pay the disclosed fee. You may designate in writing the account from which such fees may be charged; however, you authorize us to charge such fees to any account you maintain with us in the event that a specific account has not been designated by you in writing or if there are insufficient funds in the designated account.

RECORD RETENTION

It is your responsibility to ensure the safekeeping or destruction of the original item after the item has been transmitted. You should securely store each original check(s) for a period of ninety (90) days after you receive confirmation that your deposit has been accepted. Please note that you are solely responsible for the security and storage of the original checks and you are solely liable for any loss or misappropriation of these checks. Original checks that are no longer stored should be disposed of in a secure manner designed to ensure that they cannot be read or recreated.

FUNDS AVAILABILITY

Items transmitted using the Services are not subject to the funds availability requirements of Federal Reserve Board Regulation CC. Our policy is to make funds available from an image of an item you submit through the Services when the image is received, reviewed and approved before 2:00 p.m. Pacific Time during a business day on which we are open, then we consider that day to be the day of your deposit. Your funds will typically be available by the next business day if your deposit is made after 2:00 p.m. or on a non-business day. Otherwise, we will consider that the deposit was made on the next business day we are open.

The first \$200 of each total deposit(s) will be made available within two (2) business days or after a review and approval of the deposited document(s). Total funds deposited using the Services will generally be made available within three (3) business days from the day of deposit or until reviewed and approved.

REQUIREMENTS FOR ELECTRONIC IMAGES

Prior to photographing the check, you must add: "For Mobile Deposit Only;" your Credit Union account number; and your signature endorsement to the back of the check, or as otherwise instructed by the Credit Union. You agree to follow any and all other procedures and instructions for use of the Services as Valley First Credit Union may establish from time to time.

An "Electronic Image" must contain: (i) a complete, legible and accurate image of the front of the check showing the name of the drawer/payor, signature(s), the paying bank's pre-printed information, MICR encoded information, the name of the payee and the payment amount information; and (ii) a complete, legible and accurate image of the back of the check showing your signature endorsement.

RESTRICTIVE ENDORSEMENT REQUIRED: Your check must bear the following restrictive endorsement: "For Mobile Deposit Only to the account of [member name] on [date]." The Credit Union reserves the right to refuse to accept any check for deposit through the Mobile Deposit service that does not bear the above restrictive endorsement.

You agree to scan and deposit only "checks," which includes:

- Items that do not contain the above-described restrictive endorsement.
- A negotiable demand draft drawn on or payable through or at an office of a bank;
- A negotiable demand draft drawn on a Federal Reserve Bank or a Federal Home Loan Bank or the Treasury of the United States;
- A state government or unit of general local government that is not payable through or at a bank;
- A U.S.P.S. money order; or
- A traveler's check drawn on or payable through or at a bank.

When the image of the check transmitted to Valley First Credit Union is converted to an Image Replacement Document for subsequent presentment and collection, it shall thereafter be deemed an "item" within the meaning of, and subject to, Divisions 3 and 4 of the California Commercial Code.

PROCESSING ELECTRONIC IMAGES

We will review each Electronic Image received to determine whether it is eligible for processing. If eligible, we will: (a) present the Electronic Image directly or indirectly to the bank on which the original check is drawn or through which the original check is payable ("Paying Bank"); (b) create a substitute check that we will present directly or indirectly to the Paying Bank; or (c) if we are the Paying Bank, present or post the Electronic Image. If we determine for any reason that the Electronic Image is illegible, incomplete, or otherwise ineligible for processing, we will require you to present the original item for deposit. It is your responsibility to retain the original item for a reasonable period of time to ensure that it is properly credited to your account. The Credit Union is not responsible for errors in Electronic Images that may prevent or delay the deposit of funds into your account. The Credit Union is not responsible for any image that we do not receive for any reason, including transmission interruptions.

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Mobile Deposit service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned. You are solely responsible for paying any overdraft or insufficient funds (NSF) fee charged by the Credit Union or any third party as a result of the Credit Union's rejection of any item(s), or for any item(s) returned unpaid.

DEPOSIT LIMITATIONS

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the Mobile Deposit service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned.

The current daily deposit dollar limit is \$5,000. per business day and/or \$5,000. per deposit item, whichever comes first. There is no daily or monthly statement cycle deposit limit on the number of items, as long as the respective dollar limits are not exceeded.

The following are check items not accepted for deposit through the Mobile Deposit service:

- Checks made payable to any person or entity other than the person or entity who owns the account in which the check is being deposited (third-party checks).
- Checks containing an alteration on the front of the check or item, or which you know or suspect, or should know or suspect, are fraudulent or otherwise not authorized by the owner of the account on which the check is drawn.
- Checks payable jointly, unless deposited into an account in the name of all payees
- Checks previously converted to a substitute check, as defined in Reg. CC.

- Checks drawn on a financial institution located outside the United States.
- Checks that are remotely created checks, as defined in Reg. CC.
- Checks not payable in United States currency.
- Checks dated more than six (6) months prior to the date of deposit.
- Checks or items prohibited by Valley First Credit Union's current procedures relating to the services or are otherwise not acceptable under the terms of your Credit Union account.
- Checks payable on sight or payable through Drafts, as defined in Reg. CC.
- Checks with any endorsement on the back other than what is specified in this agreement.
- Checks that have previously been submitted through the Services or through a remote deposit service offered at any other financial institution.
- Checks or items that are drawn or otherwise issued by the U.S. Treasury Department.
- Checks that are in violation of any federal or state law, rule, or regulation.

You agree to follow any and all other procedures and instructions for use of the Mobile Deposit service as the Credit Union may establish from time to time.

MEMBER WARRANTIES AND INDEMNIFICATION

By using the Mobile Deposit service, you represent and warrant all of the following to be true:

- The item transmitted is a complete, accurate and unaltered item payable to you, that it originated as a paper item, and that you are legally entitled to negotiate it.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the Mobile Deposit service.
- No other duplicate images of the original check have been made.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union's network, data, or related system.
- You will not attempt to deposit or otherwise negotiate any original check that you have previously presented to us as an Electronic Image through the Mobile Deposit service. You will not attempt to present a duplicate Electronic Image.

You agree to indemnify, defend and hold the Credit Union, its directors, officers, employees, and agents harmless for any losses, liabilities, damages, claims, costs, or expenses (including reasonable fees) arising from its reliance on these representations and warranties, as well as any of the following:

- Any negligent or intentional act or omission by you in the performance of your obligations under this Agreement.
- Calculation or data entry errors made by you.
- Any material breach of this Agreement or violation of any applicable law, statute, or regulation in the performance of your obligations.
- Your failure to securely maintain your hardware, your security credentials, or to securely maintain or dispose of any original check.

This indemnification will be effective regardless of whether the check accepted for deposit by the Credit Union contained a restrictive endorsement.

This section shall survive the termination of the Mobile Deposit service.

SERVICE AND MAINTENANCE

We may periodically audit the Mobile Deposit service and infrastructure. From time to time, the Credit Union may disable the Mobile Deposit service without prior notice for scheduled maintenance and upgrades to the system. In the event the Mobile Deposit service is unavailable, you may deposit the original item in person at a Credit Union branch location during regular business hours, at a Credit Union ATM, or by mailing the item to us at P.O. Box 1411, Modesto, CA 95353.

OUR RIGHT TO AUDIT

We may periodically audit your individual transactions and use of the Mobile Deposit service to verify your compliance with this Agreement. You agree to cooperate with any such audit and to provide, at your expense, such information or documents as we may reasonably request.

TERMINATION

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of Mobile Deposit service at any time with or without cause. We may do so immediately if:

- You or any authorized signer on your account breaches this or any other agreement with the Credit Union;
- We have reason to believe that there has been or might be an unauthorized use of your account; or
- You or any authorized signer on your account requests that we do so.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

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

- When it is necessary to complete the transaction;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders or other legal process; or
- If you give us your prior oral or written permission.

ADDRESS CHANGE

You are required to keep the Credit Union informed of your current address to insure correct mailing of monthly statements. You can do this through Online Banking under Update Profile or by calling us at (877) 549-4567.

ADDITIONAL BENEFIT ENHANCEMENTS

The Credit Union may from time to time offer additional services to you in connection with your accounts. Some services may be at no additional cost to you and others may involve a specified fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

AMENDMENTS

The Credit Union may change the terms and conditions of this Agreement from time to time by sending written notice to you at your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least thirty (30) days prior notice of the change to the extent required by applicable law. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of the Mobile Deposit service or designated accounts.

RESERVATION OF RIGHTS

Failure or delay by the Credit Union to enforce any provision of this Agreement or to exercise any right or remedy available under this Agreement, or at law, shall not be deemed a waiver and the Credit Union expressly reserves the right to enforce such provision, or to exercise such right or remedy, at a later date.

OTHER AGREEMENTS

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

SEVERABILITY

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

REGULATIONS RELATING TO WIRE FUND TRANSFERS

APPLICABLE LAW

This agreement and notice applies to funds transfers as defined in the Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System.

FUNDS TRANSFER CUT-OFF TIME

The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time will be at 12:30 p.m. on each weekday that the Credit Union is open excluding holidays. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.

SERVICE CHARGES/FEES

The Credit Union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made. Please refer to our Schedule of Fees for current fees.

SECURITY PROCEDURES

The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.

USE OF FEDWIRE

If you send or receive a wire transfer, Fedwire may be used. Regulation J will govern Fedwire transactions, except to the extent of a conflict between Regulation E and Regulation J with respect to remittance transfers, in which case, Regulation E shall govern.

IDENTIFICATION OF BENEFICIARY

If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's bank on the basis of the identifying or bank account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identification number you provided the Credit Union.

IDENTIFICATION OF BENEFICIARY AND INTERMEDIARY BANK BY NUMBER

If you give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different bank than the named bank. This means that you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

PROVISIONAL ACH PAYMENTS

The Credit Union may at its discretion give you credit for Automated Clearing House (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account and you would be liable to repay the Credit Union.

NOTICE OF RECEIPT OF ACH FUNDS

ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

RECEIPT OF INCOMING (NON-ACH) FUNDS TRANSFERS

If the Credit Union receives a funds transfer for you or for other persons authorized to have access to your account, you agree that the Credit Union is not obligated to provide you with next day notice of the receipt of the funds transfer. The Credit Union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.

PAYMENT OF DIVIDENDS

If the Credit Union becomes obligated under Article 4A to pay dividends to you, you agree that the rate of dividends to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.

YOUR ABILITY TO WITHDRAW FUNDS

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you on the first (1st) business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, may be available on the first (1st) business day.

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

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

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first thirty (30) days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth (9th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second (2nd) business day after the day of your deposit.

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

DEPOSITS AT AUTOMATED TELLER MACHINES

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

UNCLAIMED PROPERTY LAW – IMPORTANT NOTICE ABOUT YOUR ACCOUNT(S) OR SAFE DEPOSIT BOX (CALIFORNIA RESIDENTS)

In accordance with California's Unclaimed Property Law, C.C.P. §1500, et seq., any funds held by the Credit Union (including, without limitation, funds in a savings, checking, certificate, or other account, sums for the payment of cashier's checks, teller's checks, etc.) may be transferred to the Unclaimed Property Division of the California State Controller's Office if no activity occurs in the account within the time period specified by state law. In addition, any property held in a Credit Union safe deposit box may be transferred upon the running of the time period specified by state law from the date any lease or rental period expires or any agreement for the safe deposit box terminates.

We may assess a fee for sending you notice regarding your unclaimed property as set forth in our Fee Schedule.

GENERAL TERMS AND CONDITIONS OF YOUR CREDIT UNION ACCOUNTS

DEFINITIONS

ACCOUNT AGREEMENT means any savings, checking, share certificate, custodial (UTMA), fiduciary, living trust, payable-on-death or totten trust account.

TIS AGREEMENT means Truth In Savings Agreement entitled, "About Your Credit Union Accounts."

MEMBERSHIP & ACCOUNT APPLICATION

The terms, conditions and information contained in the Membership & Account Application, and all amendments thereto, are by this reference hereby incorporated in their entirety into this TIS Agreement and become an integral part of the General Terms and Conditions of the Credit Union Accounts.

ACCOUNT OWNERSHIP

The ownership of custodial (UTMA), fiduciary, living trust, payable-on-death and totten trust accounts shall be governed by the applicable Account Agreement. Unless otherwise specified in the Account Agreement, the parties who sign an Account Agreement agree with each other and with the Credit Union that all funds in the accounts shall be owned as follows:

- **Individual Accounts:** The account or certificate is owned by the party named on the Account Agreement (“Account Holder”). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Agreement.
- **Joint Accounts:** The account or certificate is owned by the parties named on the Account Agreement (“Account Holder”). Upon the death of any of them, ownership passes to the survivor(s). Upon the death of all of them, ownership passes to the named pay-on-death payee(s), designated as the beneficiary named on the Account Agreement.

CUSTODIAL (UTMA) ACCOUNT

This Custodial Account is established as a result of the transfer of the funds deposited in the Custodial Account for the benefit of the minor named as beneficiary on the Account Signature Card. This transfer is irrevocable and includes all earnings on this Account. Neither the donor of the funds nor the custodian is entitled to the use or benefit of the funds, except for the benefit of the minor as allowed by California Uniform Transfers to Minors Act. The Credit Union is authorized to act without further inquiry in accordance with writings bearing the signature of the custodian. The terms of the California Uniform Transfers to Minors Act, as amended, are hereby incorporated herein by this reference.

FIDUCIARY ACCOUNTS

In order to open your fiduciary account, you shall present to the Credit Union the court order appointing you as executor/executrix, administrator/administratrix, guardian or conservator. Immediately upon receipt or as otherwise required by the court, you shall present to the Credit Union any court order modifying your appointment or your powers to transact business on this Account.

In your capacity as executor/executrix, administrator/administratrix, guardian or conservator, you certify to the Credit Union that:

- You have been appointed to act in the capacity of executor/executrix, administrator/administratrix, guardian or conservator.
- You are authorized and empowered to transact any and all business on this account. Your authority shall continue in force until written notice to the contrary is received by the Credit Union.

LIVING TRUST ACCOUNT

You understand and agree that this Living Trust Account will be governed by the terms and conditions of this Agreement. For a revocable living trust at least one trustor of the trust must be a member of the Credit Union, and for an irrevocable living trust either all of the trustors or all of the Beneficiaries of the Trust must be members of the Credit Union. Regarding any transaction on this account, the Credit Union may ask the trustee to provide a certification of trust, and the Credit Union will not read, interpret or retain copies of the trust agreement. The trustee agrees to notify the Credit Union of any changes in the terms of the trust that would affect the trustee’s authority to transact business on the Living Trust Account or status of the membership of the parties to the trust.

PAYABLE ON DEATH ACCOUNTS

A pay on death account (“P.O.D. Account”) is an account payable on request to one or more Account Owner(s) during their lifetime and on the death of all Account Owners to one or more pay on death beneficiaries. The pay on death beneficiaries are the person or persons designated as such on the Account Signature Card; you may modify the pay on death beneficiaries by completing a new Account Signature Card or completing a new designation of beneficiary on the form provided by the Credit Union. The pay on death beneficiary has no rights to the funds in the Account during the lifetime of any Account Owner.

On death of the sole Account Owner or of the survivor of two or more Account Owners:

- Any funds remaining in the Account belong to the P.O.D. payee or payees if surviving, or to the survivor of them if one or more die before the death of the sole Account Owner or the last surviving Account Owner;
- If two or more P.O.D. payees survive, any funds remaining on deposit belong to them in equal and undivided shares unless the Account Signature Card expressly provides for different shares; and
- If two or more P.O.D. payees survive, there is no right of survivorship in the event of death of a P.O.D. payee.

The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the sole Account Owner or the last surviving Account Owner, payment on a P.O.D. Account will be made to the beneficiaries within a reasonable time. Until final payment is made, the Credit Union shall continue to operate the Account according to the terms of this Agreement. The terms of this Account may not be altered by will or other testamentary instrument.

TOTTEN TRUST ACCOUNTS

All shares in this Totten Trust Account and all dividends paid or credited thereon shall be held by the Trustee(s) in trust for the beneficiary(ies) named below subject to the right of the Trustee(s) or any one of them from time to time and in their sole discretion to revoke the same to the extent of any withdrawal of funds from this Account. In the case of multiple trustees, each trustee shall be considered the joint tenant of the other. Upon the death of the Trustee, (or if more than one, upon the death of the last surviving Trustee), the balance remaining in this Account shall be distributed to the beneficiaries in equal shares. If there are no surviving beneficiaries, the balance remaining in this Account shall be distributed to the estate of the last surviving Trustee.

The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the trustee or the last surviving trustee, payment on a Totten Trust Account will be made to the beneficiaries within a reasonable time. Until final payment is made, the Credit Union shall continue to operate the Account according to the terms of this Agreement. The terms of this Account may not be altered by will or other testamentary instrument.

SPECIAL RULES FOR JOINT ACCOUNTS

Withdrawals by and Liability of Joint Owners - The Account Holders of an account agree with each other and with the Credit Union that all funds and all accumulations thereon are and will be owned by all Account Holders jointly and equally regardless of their net contributions and are subject to the withdrawal or receipt by any of the Account Holders, and payment to any of them shall be valid and discharge the Credit Union from any and all liability for such payment. The Account Holders of an account expressly agree that each Account Holder is jointly and severally liable for any and all overdrafts, losses or charges to an account created by any Account Holder(s).

Deposits – The Credit Union may cash or deposit all checks payable to any signer when endorsed by any other signer.

Disputes – If there is a dispute about ownership or control of an account, the Credit Union may place a hold on the account and not release funds until the Credit Union receives either a court order or an instruction signed by all persons claiming an interest in the account.

CHANGES IN TERMS AND CONDITIONS

The use of an account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time. The Credit Union has the right to change the terms and conditions of this Agreement at any time, in any manner, and for any reason. We may delete or modify existing terms. We may add new terms without regard to whether the matter is already addressed by this Agreement. We may offer new or different services at any time, and may convert an existing account or service into a new account or service. We will generally notify you in advance of changes by sending written notice to your address as it appears on our records. However, we may make changes without sending you advance notice, unless such notice is required by law. By continuing to use or keep your account open, you will be deemed to accept and agree to any such changes in terms.

CONSENT TO CONTACT (NON-TELEMARKETING ONLY)

You give your express consent for the Credit Union and others acting on our behalf to contact you at any telephone number you give to us or we obtain from any other source (including any wireless phone or VoIP number), using any calling or texting technology (including any automatic telephone dialing system, artificial voice or prerecorded voice), regarding this account or any other relationship you now or later have with the Credit Union. You agree that you have not provided, and will not provide to us, any telephone number unless you are the subscriber to the service or the customary user of the telephone to which that number relates unless you tell us in writing. If you revoke this authorization, you agree to do so in a way that is likely to provide us with notice in time to process that revocation before we make any further calls or send any further texts, such as by using one of the methods designated by the Credit Union for such purpose.

NOTICE

Notice to one Account Holder shall constitute notice to all persons authorized to have access to the account.

ABILITY TO PLEDGE FUNDS

Any or all of the joint Account Holders may pledge all or any part of the funds as security for a loan or loans with the Credit Union only.

ENFORCEMENT OF LIENS

All funds in an account remain subject to any and all liens, including but not limited to statutory liens and/or consensual liens, security interests, rights of set off and charges, notwithstanding the source of the contribution.

LOST, STOLEN OR DESTROYED CASHIER'S CHECK

You may make a claim for a lost, stolen, or destroyed Credit Union issued cashier's check by notifying the Credit Union as soon as possible so as to afford the Credit Union a reasonable opportunity to act upon it before the check is paid. Your notice must describe the check with reasonable certainty and request payment of the amount of the check. The Credit Union will require you to provide identification and sign a written declaration under penalty of perjury stating the following:

- You lost possession of the check;
- You are the rightful owner of the check;
- The check was not voluntarily transferred to a third party or lost through lawful seizure; and
- You cannot reasonably obtain possession of the check because it was destroyed, its whereabouts are unknown, or it is in the wrongful possession of an unknown person or a person that cannot be found or is not amenable to service of process.

Your claim becomes enforceable at the time the claim has been made or sixty (60) days after the date the check was issued, whichever is later. The Credit Union may pay the check to a person entitled to enforce it at any point prior to that time without liability. Upon expiration of the sixty (60) day waiting period, if payment of the check has not been made to the person entitled to enforce it, the Credit Union will pay the amount of the check to you. However, if the check is later presented for payment by a holder in due course, and the Credit Union honors the check, you will be obligated to return the funds to the Credit Union.

NOTIFICATION OF CHANGES

Each Account Holder agrees to promptly notify us in writing of any change in address(es). If you fail to do so, we may send notices, statements or other important information to the address shown in our records and you agree to release us from any liability for doing so. You also agree to notify us in writing of any change in ownership or authorized signers, or if an owner or authorized signer dies or is placed under legal guardianship or conservatorship. We may, at our option, require a new Account Agreement to be completed before any such change takes effect. Any such changes shall not affect transactions previously made.

INACTIVE AND DORMANT ACCOUNTS

Inactive Account Relationship

If your account relationship has had no withdrawals or deposits, other than credited dividends, for a period of 12-consecutive months or more, it may be considered "inactive" and charged an Inactivity Fee as set forth in the Schedule of Fees. To avoid the fee, you must perform at least one of the following activities:

- Make a deposit or withdrawal;
- Write a check that clears your account;
- Use a Valley First Credit Union Visa® debit card at an ATM, for a Point-of-Sale (POS) transaction or make a signature-based purchase;
- Use Valley First Credit Union's online Bill Pay service;
- Have an ACH deposit or withdrawal post to your account;
- Have a direct deposit post to your account;
- Make deposits to or withdrawals from your account
- Consent to receive eStatements (instead of paper statements);
- Open an active checking account;
- Open and maintain a certificate account;
- Obtain a loan; or
- Contact Valley First Credit Union to discuss your savings needs.

If you do not perform one of these activities within the previous 12 months, the Credit Union will assess you an Inactivity Fee for each month the inactivity continues. If your account falls below the \$25.00 minimum balance required to keep your account open and maintain your membership, we may place you on Inactive Status and charge your account a Below Minimum Balance Fee in accordance with the Schedule of Fees until the account is closed.

Inactive account relationship status does not apply to members:

- Who have an open Valley First loan;
- Who have other active Valley First accounts, such as a checking, IRA or certificate account;
- Who have a savings account where the primary account owner is under age 18; or
- To those accounts that have been open for less than one year.

We will attempt to notify you in writing at least 30 days prior to assessing the Inactivity Fee and/or closing your account, and provide you with the reasonable opportunity to keep your account relationship active and open.

FINANCIAL ABUSE REPORTING

Account Holder(s) understand(s) and agree(s) that the Credit Union may report known or suspected illegal or fraudulent activity including, but not limited to, the following:

- Financial abuse involving an elder or dependent adult;
- Where the ownership or collectibility of funds are subject to dispute; or
- Misuse or abuse of account services;

to appropriate law enforcement or government entities, as required or permitted by law. In addition, the Credit Union reserves the right to suspend, restrict, deny or terminate account services and activity, including the placement of an administrative hold (freeze) on account proceeds, or take such other actions as deemed necessary under the circumstances. Account Holder(s) agree(s) to indemnify and hold the Credit Union harmless from and against all claims, actions, damages, losses, and expenses, including attorneys' fees, as a result of any action or inaction taken in relation to the matters described here.

WAIVER OF CERTAIN RIGHTS

The Credit Union reserves the right to waive the enforcement of any of the provisions of this TIS Agreement with respect to any transaction or series of transactions. Any such waiver will not affect the right of the Credit Union to enforce any of its rights with respect to later transactions and is not sufficient to modify the terms and conditions of this TIS Agreement.

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a savings or checking account or the issuance of an ATM Card, Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

NEGATIVE CREDIT REPORTING

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

REPORTING INACCURATE INFORMATION

If you believe the Credit Union is reporting inaccurate information to a credit reporting agency, please notify us at Valley First Credit Union, P.O. Box, 1411, Modesto, CA 95353-1411, so we can investigate.

POST-DATED SHARE DRAFTS AND CHECKS

The Credit Union will treat all share drafts or checks as though the share drafts or checks were written on the date presented.

EXAMINATION OF STATEMENTS

The Account Holder(s) to whom the periodic statement of account is sent agree(s) to exercise reasonable care and promptness in examining the statement to discover any errors or discrepancies, and to promptly notify the Credit Union after discovery thereof.

NON-CASH PAYMENTS

Non-cash payments deposited into an account may be credited subject to final payment.

FEES AND CHARGES

All accounts shall be subject to service charges in accordance with the Schedule of Fees adopted by the Credit Union as amended from time to time.

CREDIT UNION'S RIGHT TO OFFSET

Account Holder(s) agrees that the Credit Union has the right to offset against any account of any Account Holder to cover any amount owing to the Credit Union for any reason. Account Holder(s) understand that this means that the Credit Union has the right to impress and enforce a statutory lien against the Account Holder(s)'s share and dividends in the event of the failure of the Account Holder(s) to satisfy any financial obligation due and payable to the Credit Union. Account Holder(s) understand that the Credit Union may enforce this right without further notice except Individual Retirement Accounts (IRA), Keogh Plan, Social Security/SSI, and as otherwise prohibited by law.

ATTORNEYS' FEES AND OTHER FEES

You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

GOVERNING LAW

This TIS Agreement shall be construed in accordance with the laws of the State of California, including the California Uniform Commercial Code (UCC).

➔ ***Savings Account Agreement***

TRANSFERS TO THIRD PARTIES

No more than six (6) preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or money market account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

WITHDRAWALS, PRIOR NOTICE REQUIREMENT

The Credit Union reserves the right to require prior written notice of intention to withdraw all or any part of shares not to exceed the notice requirement as set forth in the Credit Union's bylaws.

➔ ***Checking Account Agreement***

WITHDRAWALS, APPROVED METHODS

Only checks and other methods approved by the Credit Union may be used to withdraw funds from a checking account.

ELECTRONIC CHECK CONVERSION

Upon prior notification from the merchant to the Account Holder, a purchase made with a share draft or check can be converted to a one-time electronic fund transfer (EFT) if authorized by the Account Holder. The Account Holder may also authorize merchants to electronically debit the account for returned check fees. It is agreed that the Account Holder authorizes the electronic funds transfers if the transaction is completed after being told (orally or by a notice posted) that the transfer may be processed electronically or if the Account Holder signs a written authorization.

DEMAND DRAFTS

The Credit Union may pay and charge to the applicable checking account, share drafts drawn by and payable to any person, organization, association or corporation that has been authorized by an Account Holder to be paid, by the provision of MICR encoded information on the account. It is agreed that the Credit Union's rights in respect to such share drafts shall be the same as if it were a share draft drawn and signed by an Account Holder(s) personally. This authority shall remain in effect until revoked by an Account Holder in writing. It is agreed that the Credit Union shall be fully protected in honoring such share drafts. It is further agreed that if any such share draft is dishonored, whether with or without cause, and whether intentionally or inadvertently, the Credit Union shall incur no liability whatsoever, even though such dishonor results in the forfeit of insurance, loss or damage of any kind.

OVERDRAFTS

The Credit Union is under no obligation to pay a share draft which exceeds the available balance in an account; the Credit Union may, however, pay such a share draft and recover or obtain a refund of the amount of the resulting overdraft plus a service charge from any of the Account Holders of this account, each of whom expressly agrees that each Account Holder is jointly and severally liable for any and all overdrafts of this account and any and all associated costs created by any Account Holder.

Order of Posting: The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. We will pay checks, automated debits (ACH), Debit Card transactions, ATM withdrawals and point-of-sale transactions in the order presented to the Credit Union. Multiple checks presented for payment on the same day will be paid in the order received. For ACH transactions, both deposits and debits are posted by settlement date in the order presented. For ATM Card and Debit Card transactions, items are posted in the order received. You understand that the order in which items are processed can affect the total amount of fees that may be assessed against your account. The Credit Union reserves the right to adjust the above processing times in its sole discretion.

Actual and Available Balances: It is also important that you understand the difference between your “actual balance” and your “available balance” in order to properly manage the money in your account and avoid overdraft and insufficient fund fees. Your “actual balance” is the beginning of the day balance after the prior evening’s posting. This balance is changed at the close of business every day and stands as is until the close of business on the following day. Your “available balance” is the amount you have in your account at a particular time that is available for immediate withdrawal. Your available balance is updated throughout the day to reflect holds, pending transactions and cleared deposits. The difference between your actual balance and your available balance is the result of pending activity that has not yet posted to the account (example, any “pending” deposits, checks, transfers and withdrawals or holds on your account). We will use the “available balance” in your account to determine if you have sufficient funds to cover your transactions. You can determine your available balance at the ATM, by phone or by accessing your account online or with mobile banking.

You understand that you may be overdrawn even when your actual balance is positive. You also understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you wish to make because your available balance will not reflect all your outstanding checks, automatic bill payments or recent deposits. In addition, your available balance will not reflect all of your 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), we are required to release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account. We do not determine and are not responsible for any hold amounts placed by merchants. We encourage you discuss such holds with merchants to determine how much the merchant may place on hold. You must also keep careful records and practice good account management to avoid making transactions without sufficient funds available for withdrawal. For additional details on the availability of your funds for withdrawal, see the section entitled “Funds Availability Policy.” If you have additional questions about your available or actual balance, please see a branch representative or call (209) 549-8500 or (877) 549-4567.

Example 1: If you write a check for \$25 but it has not yet cleared your account, your available balance will be \$25 less than what is reflected by your actual balance.

Example 2: If you authorize a debit card transaction for \$30 but it has not yet posted to your account, your available balance will be \$30 less than what is reflected by your actual balance.

Example 3: The following transactions are not reflected in your available balance:

- Any checks you have written that have not yet been presented for payment.
- Any automatic bill payments you have scheduled that have not yet been sent.
- Any debit card transactions where the authorization hold has been released but the transaction has not yet been submitted to the Credit Union.

STALE-DATED SHARE DRAFTS

The Credit Union is under no obligation but may pay a share draft which is presented more than six (6) months after it is dated. The Credit Union may assess a special handling charge upon receipt of any such item in addition to a service charge upon the account in accordance with the Schedule of Fees adopted by the Credit Union and as amended from time to time.

STOP PAYMENTS

Any Account Holder(s) of this account may stop payment of any item drawn against the account. The Stop Payment Order must describe the item with reasonable certainty and must be received in such time and manner as to afford the Credit Union a reasonable opportunity to act upon it. A Stop Payment Order is effective for six (6) months, but it lapses after 14 calendar days if the original order was oral and was not confirmed in writing within that 14 day period. The Stop Payment Order may be renewed in writing for an additional six (6) month period.

TRUNCATION OF DRAFTS

The Account Holder(s) acknowledges that share drafts are truncated and hereby waives any and all rights to receive the items without prejudice to any of the Credit Union’s defenses available under the California Uniform Commercial Code (UCC).

LIABILITY OF CREDIT UNION

Except for its own lack of good faith or failure to exercise ordinary care, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a share draft, even if nonpayment results in the forfeit of insurance, loss or damage of any kind.

CLOSURE OF ACCOUNT

The Credit Union may close a checking account at any time. Closure of a checking account will not affect the obligation to pay any outstanding balances or charges owed.

FOR CHECKING ACCOUNTS WITH SAVINGS OVERDRAFT PROTECTION

If any Account Holder(s) writes a share draft that would result in this Checking Account being overdrawn, the Credit Union is authorized to charge the designated savings account(s), regardless of which party signed the item, in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor the share draft and to credit such charge to this Checking Account. No share draft overdraft may be paid by charging a savings account if, as a result of such charge, that savings account would be subject in any one (1) month to more than six (6) pre-authorized, automatic or telephonic transfers.

FOR CHECKING ACCOUNTS WITH LOAN OVERDRAFT PROTECTION

If any Account Holder(s) writes a share draft which would result in this Checking Account being overdrawn, and if at that time any Account Holder(s) is eligible to receive loan advances from this Credit Union on a loan designated on the Overdraft Agreement, the Credit Union is authorized to make an advance from the designated loan account, and to credit the advance to this Checking Account in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor such share draft and any associated fees.

OVERDRAFT PRIVILEGE

The Credit Union recognizes that sometimes you may overdraw your checking account. In such cases the Credit Union may decide to honor drafts for which there are insufficient funds. This is the Credit Union's Overdraft Privilege Program. The Credit Union provides the Overdraft Privilege Program as an accommodation to you and is not obligated to do so, even when it has done so in the past. You do not apply for this service.

Qualification

To be eligible for the Overdraft Privilege Program, the member must meet all of the following criteria:

- Must be a member in good standing;
- Checking account must be opened for a minimum of sixty (60) days;
- Cannot be delinquent on any loan or other obligation to the Credit Union; and
- Account must not be subject to any legal or administrative order or levy.

DESCRIPTION OF SERVICE

By participating in the program, the Credit Union may honor overdrafts, including share drafts, in-person withdrawals, debit card transactions, ATM withdrawals or transfers, and point-of-sale (POS) transactions.

HOW TO OPT-IN FOR ATM WITHDRAWALS AND DEBIT CARD TRANSACTIONS

Unless the Credit Union currently has your affirmative consent (opt-in) on file, we will not pay your overdrafts for ATM withdrawals and debit card purchases at a store, online, or by telephone. You must tell us you want overdraft coverage for these transactions. To request overdraft coverage for your ATM withdrawals and debit card purchases, you may: 1) visit us in person; 2) call us at (877) 549-4567; 3) send Member Service a Secure Message within Online Banking requesting overdraft coverage; or 4) complete and sign the Overdraft Consent Form provided with this disclosure and mail it to us at P.O. Box 1411, Modesto, CA 95353-1411, Attn: O.D.P. Administrator. The Credit Union will provide you with written confirmation of your opt-in choice.

OVERDRAFT PROTECTION/PRIVILEGE FEES

We pay overdrafts at our discretion and we do not guarantee that we will always authorize and pay any type of transaction, even if you consent to have ATM withdrawals and everyday debit card transactions paid. If we do not authorize and pay an overdraft, your transaction will be declined. When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft plus the amount of the Overdraft Protection/Privilege Fee as stated on the Schedule of Fees. If we honor multiple overdrafts, we may honor them in any order at the Credit Union's option or return any such items. The Overdraft Protection/Privilege Fee is a flat fee charged regardless of the amount by which the account is overdrawn and will be charged for each overdraft item presented to the Credit Union. There is a limit of seven (7) per day in total fees we can charge for overdrawing your account.

OVERDRAFT PRIVILEGE COVERAGE LIMIT

The total dollar amount of overdrafts the Credit Union will cover for each eligible account is \$500, plus the associated Overdraft Protection/Privilege Fee(s) assessed for utilization of the service.

ADDITIONAL INFORMATION

When the Credit Union honors overdraft items, you must deposit funds immediately, but no more than thirty (30) days from the date you became overdrawn. If you fail to cover the total overdraft amount, plus applicable fees, within thirty (30) days, the Credit Union may pursue all collection options available to it. The Credit Union may, but is not obligated to, transfer funds without notice from your other accounts with us to cover the overdraft and/or fees.

Overdraft Privilege Coverage is a discretionary benefit offered to members and not a right of membership. The Credit Union encourages you to properly maintain your accounts with us. The Credit Union is not liable for either paying or refusing to pay any overdraft item. The Credit Union reserves the right to discontinue this service at any time with or without advance notice.

OVERDRAFT PRIVILEGE COVERAGE CANCELLATION

If you do not want Overdraft Privilege Coverage, you must inform the Credit Union in person, by phone or by sending a Secure Message within Online Banking requesting to cancel Overdraft Privilege Coverage.

➔ *Share Certificate Account Agreement*

PLEDGING OF FUNDS

Share certificates may not be pledged, transferred, or assigned to any party other than the Credit Union unless otherwise provided by statute. Shares invested for an Individual Retirement Account (IRA) or Keogh Plan may not be pledged as security for any loan. The Credit Union reserves the right to offset this certificate except as otherwise precluded by law. If the Credit Union offsets funds from this certificate, the funds withdrawn are subject to the early withdrawal penalty.

