



Chaffey Federal Credit Union

P.O. Box 660 • Ontario, California 91762-8660

(909) 986-4552 • (626) 968-9329

chaffeymail@chaffey.com

www.chaffey.com

**Deposit Account Agreement
and
Truth-In-Savings Disclosure**

SECTION 1

**DEPOSIT ACCOUNT AGREEMENT AND
TRUTH-IN-SAVINGS DISCLOSURE**

- Privacy Notice 1
- I. Payment of Dividends 1
- II. Terms and Conditions 1
 - All Accounts 1
 - Individual and Joint Accounts 3
 - Pay on Death Accounts 3
 - Passbook Trust Accounts 3
 - Custodial Accounts 3
 - Fiduciary Accounts 3
 - Sole Proprietorship Accounts 3
 - Corporate, Partnership, Association Accounts 3
 - Savings Accounts (Regular and Christmas Club) 4
 - Money Market Accounts 4
 - Individual Retirement Accounts 4
 - Checking Accounts 4
 - Courtesy Pay 5
 - Disclosure of Delayed Availability of Funds 5

**PLEASE KEEP THIS
BROCHURE FOR YOUR
RECORDS**

**THIS DISCLOSURE SUPERCEDES
ALL DISCLOSURES PRIOR TO THE
EFFECTIVE DATE SHOWN BELOW**

EFFECTIVE 8-1-08



SECTION 1

DEPOSIT ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

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

IMPORTANT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an Account. What this means for me: When I open an Account, you will ask for my name, address, date of birth, and other information that will allow you to identify me. You may also make a copy of my driver's license or other identifying documents.

PRIVACY NOTICE

The credit union understands the importance of protecting the privacy of the members. As such, the credit union is committed to maintaining the confidentiality of each member's financial records consistent with state and federal laws. The following sets forth your policies regarding your use and protection of my financial information.

During the course of business you collect nonpublic personal information about me from the following sources:

- Information you receive from me on applications or other forms;
- Information you obtain when verifying the information you receive from me;
- Information about my transactions with you, your affiliates, or others; and
- Information you receive from a consumer reporting agency.

Generally, you may share all information you collect about me as described above, with nonaffiliated third parties to complete transactions and maintain accounts and related records (such as data processing transactions and records). You may also share such information with select nonaffiliated third parties if: 1) I request or authorize it; 2) the information is provided to help complete a transaction initiated by me; 3) the information is provided to a consumer reporting agency in accordance with the Fair Credit Reporting Act; or 4) the disclosure otherwise is lawfully required or permitted.

Also, you may enter into agreements with other businesses to provide support or services to you or for one or more of your products, such as mailing houses that assist you in delivering my statements and other promotional materials. Under certain circumstances you may also enter into joint marketing agreements with other financial service providers, such as mortgage bankers, securities broker-dealers, and insurance companies and agents. Before entering into relationships with such entities, you require them to agree to safeguard my member information and to comply with all applicable privacy laws.

Furthermore, you may also disclose nonpublic personal information about me to other nonaffiliated and affiliated third parties not described above as permitted by law and by your policies.

Because of the limited way you share information with nonaffiliated third parties, you are not required to provide me with the opportunity to opt-out from the disclosure of information to nonaffiliated third parties.

If I decide to terminate my membership or become an inactive member, you will adhere to the privacy policies and practices as described in this notice.

Pursuant to the Fair Credit Reporting Act ("FCRA"), it is the Credit Union's practice to share Transaction / Experience Information (as defined by the FCRA) with its affiliates and nonaffiliated third parties to the extent permitted by law.

You restrict access to my personal and account information to those employees who need to know that information to provide products or services to me. Your employees access information about me when needed to administer my accounts, to provide requested services, or in response to a legally valid outside request or order (such as a subpoena). In addition, your employees may also access information to exercise my rights under the law or pursuant to any agreement with me. You maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard my nonpublic personal information.

You strive to ensure that my records contain accurate information about me. If I see any inaccuracies in my statements, please call (909) 986-4552 or (626) 968-9329. You will promptly investigate and make any necessary changes to update my records.

You reserve the right to revise your policy as your business needs change or as the law requires. If you revise your policies, you will provide me with copies of your new policies at that time.

I. PAYMENT OF DIVIDENDS

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

For specific dividend rate(s) for each type of dividend-bearing deposit account, I will refer to the attached Dividend Rate Sheet, which is incorporated by this reference.

For all accounts except term share certificate accounts and checking accounts, dividends will be compounded quarterly and will be credited quarterly. For such

accounts the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example is April 1.

Dividends on term share (certificate) accounts are compounded and will be credited as set forth in my term share certificate, when issued. Dividends are not paid on checking accounts.

The Dividend Rate and Annual Percentage Yield (APY) on Share Accounts and Money Market Accounts are tiered. A tier is a range of Account balances; different Rates and APYs may apply to different tiers. When the balance increases or decreases to a different tier, the Account balance will be subject to the Rate and APY applicable to that tier for the time the balance is at the higher or lower level. This means if an Account balance goes below or above a certain level even for one day, the Account will be subject to that tier for one day. These rates are subject to change without notice. The current Savings Rates Sheet will show Rates, APYs and tiers.

If I close my account before dividends are credited, I will not receive the accrued dividends.

Balance Computation Method: Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Dividends will begin to accrue on the business day I deposit noncash items (e.g. checks) to my account.

II. TERMS AND CONDITIONS

TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS:

1. I must be and remain a member in good standing to maintain any account. The par value of a share in this Credit Union is \$5.00. If I fail to complete payment of one (1) share within six (6) months of my admission to membership, or within six (6) months from the increase in the par value in shares, or if I reduce my primary share account balance below the par value of one (1) share and do not increase the balance to at least the par value of one (1) share within six (6) months of the reduction, I may be terminated from membership at the end of a dividend period.
2. All accounts (except checking accounts) are not transferable except as defined in 12 CFR, Part 204. For all accounts except checking accounts, during any statement period, I may not make more than six (6) withdrawals or transfers to another credit union account of mine or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If I exceed the transfer limitations set forth above in any statement period, my account will be subject to closure by you.
3. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit you from enforcing such terms and conditions at a later date.
4. You reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this Agreement and Disclosure.
5. You reserve the right to refuse to open any account or to service or to accept additional deposits to an existing account.
6. I understand that the availability of Member Services as defined below shall be limited for members who are in good standing with you who seek Member Services whether directly or indirectly through a Credit Union account with another member.
I will not be considered to be in "good standing" with you if:
 - a. I fail to comply with the terms and conditions of any lawful obligation with you and cause you to suffer a pecuniary loss;
 - b. I manipulate or otherwise abuse Member Services or products to the detriment of your membership; or
 - c. I engage in threatening, disruptive, harassing or illegal behavior or otherwise injure any person or property while on your premises or at any of your functions.I understand and agree that the determination of whether I am in "good standing" with you will be made pursuant to the sole discretion of the Senior Management.
You define Member Services as any products or services now or hereafter provided or sponsored by you or otherwise made available to your members.
Notwithstanding the foregoing, I understand that if my access to Member Services is limited pursuant to the foregoing I shall be permitted to maintain a share account with you and shall be permitted to vote at annual and special meetings subject to your bylaws and policies. In the event that I have limited access to Member Services due to my threatening, disruptive, harassing or illegal behavior or for injuring any person or property on your premises, your Senior Management, at their sole discretion may limit any further contact with you to written communication through the U.S. mail only.
7. I authorize you to accept items payable to any account owner for deposit to my account from any source without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by me.
8. You may endorse and/or collect items deposited to my account without my endorsement, but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than

one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorsers to be present or to have their endorsements guaranteed before you accept the item.

9. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on your account, I understand and agree reasonable commercial standards do not require you to do so.
10. You will mail all statements and other notices only to the person whose signature appears first on the Account Signature Card. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment including but not limited to an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if: 1) you suffer a loss on the item because of my failure; or 2) you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you. Notification must be within thirty (30) days of the date of the statement. If I fail to uphold my duties but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item one (1) year or more after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.
11. You or I may terminate an account(s) at any time. I understand and agree, however, that your authority may not be changed or terminated except by written notice to you which will not affect prior transactions. Moreover, if you receive conflicting claims to funds in an account I hold, you may, at your discretion, restrict the account and deny access to all; close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address; interplead all or any portion of the funds from an account to the court; or hold the funds, without liability to anyone, pending resolution of the claim to your satisfaction.
12. You reserve the right to close any account(s) discovered to be deliberately manipulated to your detriment and/or your membership. "Manipulation" includes, but is not limited to, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to your detriment.
13. You may recognize the signature of anyone who signed an Account Signature Card as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure, any Term Certificate Account Agreement and Disclosure and/or the Account Signature Card shall be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.
14. You reserve the right to require me to give not less than seven (7) and up to sixty (60) days written notice of my intention to withdraw funds from any account except Checking Accounts.
15. I understand and agree that Individual, Joint, Trust (Totten) and Pay-on-Death accounts may be subject to Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
16. Ownership for the Regular Share account and all sub-accounts shall be established and determined by the most recent Account Signature Card or other document(s) evidencing such account(s). A different form of ownership may be established by executing an additional Signature Card(s). The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties.

Owner(s) agree that any and all sums heretofore or hereafter on deposit shall be subject to withdrawal or receipt by any owner and any such payment shall be valid and discharge you from any liability.
17. I agree to notify you promptly of any change of address. I may notify you in person at your office or by sending a written and signed notice to Chaffey Federal Credit Union, P.O. Box 660, Ontario, CA 91762.
18. I am required to keep you informed of my current address. In the event that I fail to do this, a charge may be made to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address. This charge will be imposed in accordance with your Bylaws.
19. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy herein for further details.
20. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation.

You may also charge back any amount of accrued or paid dividends related to the returned check.

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

21. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by me or a prior endorser.
22. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
23. You are under no obligation to pay a check which is presented more than six (6) months after its date, but you may do so at your discretion and charge my account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. I agree that you are not required to identify stale checks or seek my permission to pay them.
24. All accounts are subject to your Schedule of Fees and Charges, which accompanies this Agreement and Disclosure and is incorporated by this reference. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Accounts. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
25. California law states that inactive account balances must be turned over ("escheat") to the state after a period of three (3) years if I have not:
 - a. Increased or decreased the amount of any of my account(s) with you (if the account statements are sent to the same address) or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you; or
 - b. Corresponded in writing or electronically with you concerning any of my accounts; or
 - c. Otherwise indicated an interest in the account as evidenced by a memorandum on file with you.You may charge a fee for mailing an escheat notice and/or a service charge for money orders escheated to the state. To recover funds turned over to the state, I must file a claim with the state.
26. You may but are not obligated to transfer funds from my savings, checking or loan accounts on my written, oral or electronic request. I understand and agree that no transfer will be made unless there are sufficient clear funds on deposit or sufficient credit available at the time of transfer. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days." If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer will occur when sufficient funds become available.
27. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at Chaffey Federal Credit Union.
28. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records for the time frame required by law will be available to me. I agree to pay applicable fees for those copies.
29. I understand and agree that you must comply if you are served with any notice of garnishment or of attachment, tax levy, injunction, restraining order, subpoena or other legal process relating to my account that you reasonably believe is valid. You may charge a Compliance With Legal Order fee, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process.
30. In the event that a cashier's, teller's, or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim For Reimbursement and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Loss and Claim For Reimbursement is not enforceable until the later of (i) the time the Declaration of Loss and Claim For Reimbursement is properly delivered to you, or (ii) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to, or stopping payment on such check.
31. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account and/or in connection with making future credit opportunities

available to me. I authorize you to give information concerning your experiences with me to others.

32. You are not responsible for any loss or damage which results from my negligence, including without limitation, my failure to adequately safeguard my blank checks or other personal information or means of access to my account.
33. Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number. For additional information on this requirement, I will read "INSTRUCTION TO PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION (IRS FORM W-9)."
34. In the event that a negative balance is created in my account (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise), or I have other outstanding financial obligations of any kind owed to you, which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation which is in default.

In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of offset for any liabilities, obligations or other amounts owed to you by me (such as, for example overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, I knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as Social Security and other public benefit funds) deposited to my Account.

35. Member accounts in this Credit Union are federally insured by National Credit Union Share Insurance Fund.
36. An action or proceeding by me to enforce an obligation, duty or right arising under this Agreement or by law with respect to my account must be commenced within one year after the cause of action occurs.
37. I agree to indemnify, defend and hold you and your employees harmless from and against every claim, demand, action, cost, loss, liability and expense (not including attorneys' fees) which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.
38. My account will be governed by California law, to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules shall not be applied if that would result in the application of non-California law.
39. You and I agree to attempt to informally settle any problems which might occur. If that cannot be done, you and I agree that a judge will hear our claims without a jury.
40. You may report information about my account to credit bureaus. Late payments, missed payments, or other defaults on my account may be reflected in my credit report.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS:

1. If there is more than one owner, all agree with each other and with you that all sums now paid in or hereafter paid in by any one or all account owner(s) including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of funds.
4. Joint ownership of an account does not constitute credit union membership. Joint owners may be non-members.
5. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us. I may not withdraw funds that are pledged as security on loan(s) without the written approval of the credit committee or a loan officer, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am comaker, endorser, or guarantor are delinquent, without the written approval of the credit committee or a loan officer.
6. A right of survivorship arising from the express terms of a joint account cannot be changed by will.

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

1. If I have made a Pay-On-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and upon my death to my designated P.O.D. payee(s) or if the account is jointly owned, to one or more account owner(s) during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. As between P.O.D. payees, there is

no right of survivorship.

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

TERMS AND CONDITIONS APPLICABLE TO PASSBOOK TRUST ACCOUNTS (TOTTEN TRUST):

1. The trustee(s) declare(s) that the account is, and any and all sums credited to such account are and shall be, held by me, as joint tenants and equally regardless of our net contributions with right of survivorship if there is more than one trustee in trust for the Beneficiary(ies) named on the Account Signature Card, reserving to me the right: (1) to have dividends declared on the account paid to me; and (2) to revoke such trust in whole or in part, at any time by executing and delivering to you a request for withdrawal or pledge of funds of the whole or a part of the account, and such trust shall be revoked as to the whole or part to which such request relates.
2. In the event of my death or, if the account is held by more than one person, upon the death of my survivor owner(s), then and only then, you shall pay such account funds to the Beneficiary if then living (if more than one Beneficiary is designated then equally to those Beneficiaries living at the later of the date of my death or the death of my survivor owners), but if no Beneficiary is living at my death or the death of my survivor owner(s), you shall pay such account funds to my estate or the estate of my survivor owner(s). There is no right of survivorship between Beneficiaries.
3. I may not pledge any or all of the funds on deposit in the account as collateral security for any loan(s).
4. A right of survivorship or a Beneficiary designation in such a passbook trust account cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO ALL CUSTODIAL ACCOUNTS:

1. The transferor/custodian is opening an account as custodian for the minor named on the Account Signature Card under the Uniform Transfers to Minors Act. The transfer of money to the minor named on the Account Signature Card, which transfer shall be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.
2. I acknowledge that by signing the Account Signature Card, I have received the funds deposited to the account as custodian for the minor named herein under the Uniform Transfers to Minors Act.
3. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
4. The successor custodian named on the Account Signature Card shall serve if I should be unable to act as custodian because I resign, die, or become legally incapacitated.
5. Custodial accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS:

1. I am duly appointed and acting in the capacity of Executor/Executrix, Administrator/Administratrix, Guardian or Conservator. By the authority vested in me, I am acting individually or jointly, authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you.
2. I may pledge any or all funds on deposit in the account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us.
3. If the account is blocked, I understand that I shall file with the court a written receipt including an agreement with you that the funds in the account, including any dividends, shall not be withdrawn or pledged except upon court order.
4. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS:

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

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

1. The person(s) named on the Account Signature Card duly authorized to make the certificate, certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in me by the constitution, bylaws or otherwise, any one (1) of the signators, as named on the Account Signature Card, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Account Signature Card are the genuine signature(s) of said authorized person(s); and that my authority shall continue in force until written notice to the contrary is received by you.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).

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

TERMS AND CONDITIONS APPLICABLE TO ALL SAVINGS ACCOUNTS (REGULAR SHARES AND CHRISTMAS CLUB):

1. The minimum balance required to open the Regular Share account is the purchase of a \$5.00 [par value of a share] share. The minimum balance required to open all other Savings Accounts is as disclosed on the Savings Rates sheet.
2. I must maintain a minimum daily balance as disclosed on the Savings Rates sheet in my account each day to obtain the disclosed Annual Percentage Yield (APY).
3. No minimum balance requirements apply to these accounts in order to avoid the imposition of a monthly service fee.
4. Funds from the Christmas Club Account will be transferred to my Regular Share or Checking Account on 11-15 each year.

TERMS AND CONDITIONS APPLICABLE TO MONEY MARKET ACCOUNTS:

The minimum deposit required to open this account and the minimum daily balance which must be maintained in the account each day in order to obtain the disclosed annual percentage yield (APY) is as disclosed on the Savings Rates sheet. The minimum daily balance must be maintained in order to avoid a monthly service fee as stated on the Savings Rates sheet and Schedule of Fees and Charges. If the minimum daily balance is not maintained, the dividend rate and APY will be the same as then currently paid for a Regular Share Account for any day the balance falls below the minimum requirement.

EARLY WITHDRAWAL PENALTY: If I close my Money Market Share Account before dividends are credited, I will not receive dividends.

DIVIDEND RATE AND APY: The variable dividend rate and the annual percentage yield (APY) shall be indexed to the 3 month T-Bill Rate, less a variable margin. The variable margin is as disclosed on the Savings Rates sheet. The rate and margin are subject to change monthly. The monthly dividend rate and APY will be predetermined by averaging the 3 month T-Bill Rate as reported in the Wall Street Journal on the first day of the month, less a margin within the guidelines set above.

Dividends will compound monthly and credit monthly and 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 the same pattern of dates. The dividend declaration date follows the ending date of the dividend period, and for example, is February 1.

WITHDRAWALS: The Money Market Account allows up to three (3) withdrawals per calendar month. The minimum amount of any withdrawal shall be \$500. Withdrawals for less than \$500 will not be honored unless the account balance is less than \$500 in which case the only withdrawal must be the total account balance.

The account may not be accessed by Automatic Teller Machine (ATM). **WITHDRAWALS IN EXCESS OF THREE (3) PER CALENDAR MONTH WILL BE SUBJECT TO A SERVICE FEE AS DISCLOSED ON THE SCHEDULE OF FEES AND CHARGES.**

The Money Market Share Account imposes no monthly service fee. There is no per check charge except for excess withdrawals as described above.

ELIGIBILITY: Purchasers must be members and maintain a Regular Share Account.

TERMS AND CONDITIONS APPLICABLE TO INDIVIDUAL RETIREMENT ACCOUNTS (IRA, Roth IRA, Education IRA):

1. The minimum balance required to open these accounts is as disclosed on the Savings Rates sheet. Additional deposits are permitted to contributory IRAs only.
2. I may not pledge any of the funds on deposit in these accounts as security for any loan(s).
3. Certain federal and state penalties apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.

TERMS AND CONDITIONS APPLICABLE TO ALL CHECKING ACCOUNTS:

1. The minimum balance required to open a checking account is \$25.00.
2. No minimum balance requirements apply to this account in order to avoid the imposition of a monthly service charge.
3. You may, at your discretion, but are not obligated to nor shall you be liable for refusal to pay funds from this account:
 - a. When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts").
 - b. If drawn by means not authorized in advance by you.
 - c. Against checks presented over six (6) months past their dates.
4. You may pay and charge to my applicable account, checks drawn by and payable to any person, organization, association or corporation whom I have authorized by providing sample MICR encoded information identifying my account, provided there are sufficient funds in my account to pay such checks. I agree that your rights in respect to such checks shall be the same as if it were a check drawn and signed by me personally. This authority shall remain in effect until revoked by me in writing (to you and to the agency to whom the sample MICR writing was provided) and you have had a reasonable opportunity to act on it. I agree that you shall be fully protected in honoring such checks. I further agree that if any such check is dishonored, whether with or without cause, and whether intentional or inadvertent, you shall be under no

liability whatsoever, even though such dishonor results in the forfeit of insurance, loss or damage to me of any kind.

5. If you have made good faith payment to a holder, you may charge my account according to:
 - a. The original terms of my check; or
 - b. The terms of my completed check unless you have notice that any such completion is improper.
6. I, or any other person authorized to draw on the account, may order stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on a line of credit check. A stop payment fee will be assessed for each stop payment as set forth in your Schedule of Fees and Charges. If I give a stop payment order orally, the order shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written orders shall be valid no longer than six (6) months, but may be renewed for additional six (6) month periods by written notice given during the time that the stop payment order was effective. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment order.
7. Death, dissolution or incompetence of me (or any of us) shall not revoke your authority to accept, pay or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have the reasonable opportunity to act on it. Even with knowledge, you may for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by you. We shall notify you if any of us die, become incapacitated or our organization is dissolved.
8. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of:
 - a. Any holder in due course on the check against the drawer or maker;
 - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
 - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
9. You may without liability accept, pay, guarantee or charge checks to the account in any order convenient to you.
10. In the event of wrongful dishonor which occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any check, share draft or other debit on my account, your determination of whether sufficient funds exist in my account may be made at anytime between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft or other debit.
11. You are neither given notice or otherwise affected by a restrictive endorsement of any person or entity except your immediate transferor.
12. I agree that, in the event I draw a check on my account with you, I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by you or your agent.
13. I may authorize all checks from my checking account(s) to be cleared pursuant to a separate written "Automatic Overdraft Protection Request" from which I must execute. I agree that overdrafts, if paid in excess of funds in any loan or savings account, are payable on demand. If overdrafts are to be covered by a transfer of funds from my savings account(s), such transfer(s) will generally be made only if there are sufficient funds on deposit at the time of transfer. Overdrafts, if paid in excess of funds available in any savings account, are payable on demand.
14. You may recognize the signature of anyone who signed the Account Signature Card as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts (for which all of us shall be liable) and endorsement of checks payable to any signer of this account.
15. No funds in this account may be pledged by any or all of said owner(s) as security for any loan(s).
16. If the Account Signature Card is signed by more than one person, we hereby appoint each other as agents and attorneys-in-fact to overdraft any of our loan accounts (including accounts on which we are joint owners).
17. If this is an ORGANIZATION account (i.e., corporate, partnership or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account.
18. I will notify you immediately if my checks are lost or stolen.
19. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to me in care of you. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the current Schedule of Fees and Charges.
20. This is a truncated checking account. Checks are provided with carbonless copies and are not returned with statements. I may request and you will provide me with a legible copy of a requested item within a reasonable time.

You will not charge me for the first two copies of items I request on any statement. Additional copies will be subject to an assessment of a fee as set forth in your Schedule of Fees and Charges. If I have not ordered my Credit Union checks through your approved check vendors, I understand that you are not responsible for the quality of any check copy that I request from you.

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

22. No Dividends are paid on Checking Accounts.

COURTESY PAY

Courtesy Pay service means the Credit Union may honor and pay transactions drawn against insufficient funds so that the transactions are not returned unpaid. I will receive written notice any time transactions are paid against insufficient funds in my account.

Courtesy Pay service cannot be applied for and is made available only to members meeting specific qualifying criteria. In order to be eligible to receive Courtesy Pay service, I must be a member in good standing and have a Checking Account that has been open for at least 60 days. Other qualifying criteria apply. Not all members may qualify. If I prefer not to have Courtesy Pay service I will notify you in writing at: P.O. Box 660, Ontario, CA 91762-8660. The Credit Union may limit Courtesy Pay to only one account per household.

Courtesy Pay service may apply, but is not limited to, checks, ATM transactions, Point-of-Sale purchases, debit card purchases and other pre-authorized transfers drawn against insufficient funds. The Credit Union may, at its sole discretion, but is not obligated to, make payment on such overdrawn checks, ATM transactions, Point-of-Sale purchases, debit card purchases and other pre-authorized transfers in any order at the Credit Union option or return the transactions unpaid. Regardless, the Credit Union is not liable for any action you take regarding payment or non-payment of transactions presented against an account in which sufficient funds are unavailable.

If you choose to pay an overdrawn check, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfer, I will be subject to a Courtesy Pay fee in the amount set forth in the Schedule of Fees and Charges. In that event, I understand and agree that I am obligated to reimburse you "on demand". I am required to immediately deposit with you within 7 days, sufficient funds to cover the overdrawn check, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfer paid by you under this Courtesy Pay service.

If you choose not to pay the overdrawn check, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfer, I am subject to the NSF (non-sufficient funds) fee for each such item as set forth in the Schedule of Fees and Charges.

The Credit Union reserves the right to limit the number of overdrawn checks in any calendar month and the total number of overdrawn checks, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfers that may be paid under the Courtesy Pay service during any calendar month. Further, the Credit Union does not guarantee payment of any overdrawn check, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfer. I understand that if the Credit Union permits payment of an overdrawn check, ATM transaction, Point-of-Sale purchase, debit card purchase or other pre-authorized transfer, the Credit Union is not required to notify me. In addition, the Courtesy Pay service may be discontinued at any time without prior notice.

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

1. The terms and conditions set forth in my Term Share Certificate and Disclosure are incorporated by this reference.

TERMS AND CONDITIONS APPLICABLE TO LIVING TRUST ACCOUNTS:

1. The terms and conditions set forth in my "Application for Joint Membership and Agreement for Credit Union in the Name of Trustee(s)" are incorporated by this reference.

DISCLOSURE OF DELAYED AVAILABILITY OF FUNDS (REGULATION CC)

Your policy is to make funds from my cash and check deposit available to me no later than the first business day after you receive my deposit. Electronic direct deposit will be available on the effective date of the deposit. Once they are available, I can withdraw the funds in cash and you can use the funds to pay checks that I have written.

DETERMINING THE AVAILABILITY OF A DEPOSIT

The length of the delay is counted in business days from the day of my deposit. Every day is a business day except Saturday, Sundays, and Federal holidays. If I make a deposit before 5:00 p.m. on a business day that you are open, we will consider that day to be the day of my deposit. However, if I make a deposit after 3:00 p.m., or on a day you are not open, you will consider that the deposit was made on the next day you are open.

LONGER DELAYS MAY APPLY

In some cases, you will not make all of the funds that I deposit by check available to me on the first business day after my deposit. Depending on the type of check that I deposit, funds may not be available until the fifth business day after the day

of my deposit. The first \$100 of my deposit, however, may be available on the first business day.

If you are not going to make all the funds from my deposit available on the first business day after my deposit, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees (for example, at an ATM, or Night Drop), or if you decide to take this action after I have left the premises, you will mail me the notice by the day after you receive my deposit.

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

- You believe the collectibility of a check I deposited is doubtful.
- My deposit checks total more than \$5000 on any one day.
- I re-deposit a check that has been returned unpaid.
- I have overdrawn my account three or more times in a six month period.
- There is an emergency, such as failure of communications or computer equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

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

Funds from electronic direct deposits to my account will be available on the effective date of the deposit. Funds from deposits of cash, wire transfers, and the first \$5000 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 of my deposit if the deposit meets certain conditions. For example, the checks must be payable to me. The excess over \$5000 will be available no later than the 9th business day after the day of my deposit. If my deposit of these checks (other than a U.S. Treasury check) is not made in person to one of your employees, the first \$5000 will not be available until the second business day after the day of my deposit. Funds from all other check deposits will be available on the fifth business day after day of my deposit.

DEPOSITS MADE AT AUTOMATED TELLER MACHINES

Funds from any deposits (cash or checks) made at automated teller machines (ATM's) you do not own or operate may not be available until the fifth business day after the day of my deposit. If I make a deposit at an ATM that you do not own or operate before 1:30 p.m. on a business day that you are open, you will consider that day to be the day of my deposit. If I make a deposit at an ATM that you do not own or operate after 1:30 p.m. or on a day you are not open, you will consider that the deposit was made on the next business day you are open, and the funds will be available by the fifth business day thereafter. This rule does not apply at ATM's that you own or operate. A list of ATM's where I can make deposits but that are not owned or operated by you is available at www.co-opnetwork.org. Holds may be extended on a case-by-case basis.

OTHER METHODS OF HOLDS ON FUNDS

Holds on Other Funds (Check Cashing): If you cash a check for me that is drawn on another bank, you may withhold the availability of a corresponding amount of funds that are already in my account. Those funds will be available at the time funds from the check you cashed would have been available if I had deposited it.

Holds on Other Funds (Other Account): If you accept for deposit a check that is drawn on another bank, you may make funds from the deposit available at the time funds from the check I cashed would have been available for withdrawal immediately but delay my availability to withdraw a corresponding amount of funds that I have on deposit in another account with you. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that I deposited.

SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS

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

1. You will not be responsible for any damages incurred in the event I deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by me or a prior endorser on the back of the check.
2. In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.

