

**TRUTH-IN-SAVINGS
AND
ELECTRONIC SERVICES
DISCLOSURE AND AGREEMENT**

**PLEASE KEEP THIS BROCHURE
FOR YOUR RECORDS**

THIS DISCLOSURE SUPERSEDES ALL DISCLOSURES
PRIOR TO THE EFFECTIVE DATE SHOWN BELOW.

EFFECTIVE JANUARY 1, 2011



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YOUR TRUTH-IN-SAVINGS DISCLOSURE

To open your account, complete the appropriate account card 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 term 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 Western Federal Credit Union is \$5.

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 share account 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 fails to complete payment of one share six (6) months of his admission to membership, or within six (6) months from the increase in the par value in shares, or a member who reduces his 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 six (6) 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 shares by nonmembers. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than seven (7) days and not more than sixty (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 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 his/her primary or contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom he/she is comaker, endorser, or guarantor are delinquent, without the written consent of a loan officer.

REQUIREMENT TO MAINTAIN A REGULAR SAVINGS ACCOUNT

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

ABOUT OUR SAVINGS ACCOUNTS

Western Federal 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 Regular Savings, Youth Savings, Holiday Club, Money Market Savings, IRA Savings, and Coverdell Education Savings Account.

BALANCE INFORMATION

We compute the balance in our savings accounts to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

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.

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

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 (6) transfers or withdrawals made by check, draft, Check Card or similar order payable to a third party may be made from each savings account or money market deposit 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.

➔ *About Our Regular Savings Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Regular Savings Account is \$5. You must maintain the minimum average daily balance of \$200 to obtain the Annual Percentage Yield stated on the Rate Schedule.

ACCOUNT LIMITATIONS

Your statements will be delivered to you by U.S. Mail and your account may be assessed the Paper Statement Fee as stated on the Fee Schedule. If you maintain an average daily balance that exceeds \$200 during the month, the Paper Statement Fee will be waived.

➔ *About Our Youth Savings Account*

Upon reaching 18 years of age, the Youth Savings Account will convert to a Regular Savings Account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Youth Savings Account is \$5.

➔ *About Our Holiday Club Account*

The Holiday Club Account is a tiered-rate account as stated on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Holiday Club Account is \$5. The minimum balance required for you to obtain the Annual Percentage Yield is stated on the Rate Schedule.

TRANSACTION LIMITATIONS

The Holiday Club Account may be opened at any time. Funds will be disbursed to you on or about November 1 of each year by transfer to your Regular Savings Account. No withdrawals may be made prior to November 1. If a withdrawal is necessary, the full balance must be withdrawn and the account will be closed.

➔ ***About Our eSavings Account***

The eSavings Account is offered to members who elect to receive electronic statements (eStatements).

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum balance for you to open the eSavings account is \$5.

ACCOUNT LIMITATIONS

If you terminate eStatements or your e-mail address cannot accept delivery of the eStatement notice, your account will be converted to paper statements and you will be charged the Paper Statement Fee as stated on the Fee Schedule.

➔ ***About Our Money Market Savings Account***

The Money Market Savings Account is a tiered-rate variable savings account as stated on the Rate Schedule.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Money Market Savings Account is \$2,500. You must maintain the minimum daily balance of \$2,500 to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance falls below \$2,500, your Money Market Savings Account will earn the Regular Savings Account rate as stated on the Rate Schedule.

TRANSACTION LIMITATIONS

There is no check writing option available on this account.

➔ ***About Our IRA Savings Account***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Savings Account is \$5. You must maintain the minimum daily balance of \$5 to obtain the Annual Percentage Yield as 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.

➔ ***About Our Coverdell Education Savings Account***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Coverdell Education Savings Account is \$5.

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.

ABOUT OUR CHECKING ACCOUNTS

Western Federal 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, Premier Checking, Right Start Checking, and eChecking Account.

➔ ***About Our Free Checking Account***

The Free Checking Account is a non-dividend earning checking account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Free Checking Account is \$25.

➔ *About Our Premier Checking Account*

BALANCE INFORMATION

We compute the balance in our Premier Checking Account to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

RATE INFORMATION

Our Premier Checking Account is designated as a variable rate account on the Rate Schedule. This rate and yield may change at any time as determined by the credit union board of directors.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the Premier 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. 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.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Premier Checking Account is \$2,000. You must maintain the minimum daily balance of \$2,000 to avoid a service fee as stated on the Fee Schedule.

➔ *Right Start Checking Account*

The Right Start Checking Account is a non-dividend earning account.

ACCOUNT ELIGIBILITY

To open a Right Start Checking Account, eligible members must meet all of the following criteria:

- Consumer-reporting agency records must not indicate any outstanding balances owed to financial institutions at account opening; and
- Must log on to the Take Charge America Financial Services website at www.takechargeamerica.org and complete a self-study financial class and pass the online examination with a 90% or higher score.

If there are no non-sufficient funds or negative balance activity for twelve (12) months or if the member has not caused a loss to the Credit Union, the Right Start Checking Account may be converted to a Free Checking Account at the member's request.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to your Right Start Checking Account is \$25. Your account will be assessed the monthly service fee as stated on the Fee Schedule. You will be assessed the reduced monthly service fee amount as stated on the Fee Schedule if a minimum of \$200 is directly deposited into the account each month.

ACCOUNT LIMITATIONS

There is no ATM deposit or Shared Branch deposit access or Courtesy Pay service available for this account. We will review your account periodically and if there is a negative balance or non-sufficient funds activity on your account, your account is subject for immediate closure.

➔ *About Our eChecking Account*

ACCOUNT ELIGIBILITY

The following fees as stated in the Disclosure of Fees and Charges will be waived:

- Foreign ATM withdrawal fees;
- Traveler's check, gift check, Cashier's Check and Teller's check fees; and
- Reimbursement of other financial institution-imposed ATM surcharges

so long as you meet **all** of the following criteria each calendar month:

- Must have a minimum of eight (8) debit card (signature or PIN-based) transactions;

- Must have a minimum of one (1) log-in to the On-Line Banking service; and
- Must elect to receive electronic notices (eNotices) and statements (eStatements).

If you do not meet the qualifications of the account, your account will be assessed the monthly service account fee stated in the Disclosure of Fees and Charges and the above service fees will not be waived.

BALANCE INFORMATION

We compute the balance in our eChecking Account to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

RATE INFORMATION

Our eChecking Account is designated as a variable rate account on our Rate Disclosure. This rate and yield may change at any time as determined by the credit union's board of directors.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded and paid monthly. For the eChecking Account, the dividend period is monthly. For example, the beginning date for the first dividend period 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.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

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

ABOUT OUR TERM SHARE CERTIFICATE ACCOUNTS

Western Federal Credit Union's term share certificate accounts let you deposit your money for a specified period of time. Our term share certificate accounts are the Term Share Certificates and the IRA Term Share Certificates.

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 term share certificate accounts to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the term share certificate 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.

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 ten (10) days after maturity.

ACCOUNT LIMITATIONS

You may not make deposits into or withdrawals of principal from this account until the maturity date. See **Early Withdrawal Penalty**. You may make withdrawals of earned dividends from your account at any time.

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw principal from your account before the maturity date. The penalty imposed shall be forfeiture of an amount equal to all dividends earned for ninety (90) days.

EXCEPTIONS TO PENALTIES

The penalties stated above will not apply if:

1. 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.
2. 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 59 1/2 years of age, or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

➔ **About Our Term Share Certificates**

RATE INFORMATION

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

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Term Share Certificate Account is indicated on the Rate Schedule. You must maintain the minimum balance stated on the Rate Schedule to avoid closure.

➔ **About Our IRA Term Share Certificates (Fixed Rate Accounts)**

The IRA Term Share Certificates include the Traditional IRA, Roth IRA, and Coverdell Education Savings Account. The fixed rate IRA Term Share Certificates are offered with maturities ranging from 12 months to 60 months.

FIXED RATE INFORMATION

Our IRA Term Share Certificates are designated as fixed rate accounts on the Rate Schedule. You will be paid this rate and yield until maturity.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Term Share Certificate Account is indicated on the Rate Schedule.

➔ **About Our IRA Term Share Certificates (Variable Rate Accounts)**

The IRA Term Share Certificates include the Traditional IRA, Roth IRA, and Coverdell Education Savings Account. The variable rate IRA Term Share Certificates are offered with maturities of 18 months and 36 months.

VARIABLE RATE INFORMATION

Our IRA Term Share Certificates are designated as variable rate accounts on the Rate Schedule. The rate and yield may change as determined by our index and margin. The index is the Wescorp Term Floating Certificate Market Daily Index. This index changes monthly. The margin and index are stated on the accompanying Rate Schedule. For information about this index call us at 877.254.9328.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Term Share Certificate Account is \$1,000.

ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT

This Electronic Fund Transfer Disclosure and Agreement as amended from time to time ("Agreement") sets forth the terms and conditions governing the use of the Western Federal Credit Union electronic transfer services. Disclosure information that applies to all electronic services offered by Western Federal Credit Union is given below, followed by specific disclosure information for each service. 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 Western Federal 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 Western Federal 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 Check Card for transactions that require the use of a PIN. This number should be memorized-DO NOT write it on your ATM Card or Check Card. After memorizing your PIN, you should destroy the notice disclosing your PIN. If you forget 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 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 sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If 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 CHECK CARDS

Tell us AT ONCE if you believe your Check 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 CHECK CARDHOLDERS

If there is an unauthorized use of your VISA Check Card or an Interlink transaction, and the transaction takes place on the VISA network, then your liability will be zero (\$0.00). This provision limiting your liability does not apply to either VISA commercial cards, ATM cash disbursements, or non-VISA PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law, if the credit union reasonably determines, based on substantial evidence, that you were grossly 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 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 or Check 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 877.254.9328 or write to us at P.O. Box 10018, Manhattan Beach, CA 90267. 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:

- a) through no fault of ours, you do not have enough money in your account to make the transaction;
- b) the transaction would go over the credit limit on your credit line;
- c) the terminal where you were making the transaction did not have enough cash;
- d) the ATM or network system was not working properly and you were aware of the malfunction when you started the transaction;
- e) circumstances beyond our control (such as fire, flood, power failure, or computer down-time) prevented the transaction, despite reasonable precautions that we have taken;
- f) the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- g) your ATM Card or Check Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;
- h) your ATM Card, Check Card or PIN has been reported lost or stolen and we have blocked the account; or
- i) 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 877.254.9328 or write us at P.O. Box 10018, Manhattan Beach, CA 90267 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. 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. 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. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number (if any).
2. 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.
3. Tell us the dollar amount of the suspected error.

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

We will tell you the results of our investigation 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.

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.

* If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

** If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

CHARGES

In order to obtain the electronic services listed, you must open and maintain a share or share draft account. All charges associated with our electronic fund transactions are disclosed in our Rate and Fee Schedule 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:

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

ADDRESS CHANGE

Keep the Credit Union informed of your current address to ensure correct mailing of monthly statements.

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, Check 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, Check Card or PIN with or without cause. We may do so immediately if:

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

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.

➔ **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 sixty (60) days from the same person or company, you can call us at 877.254.9328 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.

DISCLOSURE OF RIGHT TO STOP PAYMENT

a) 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. Here's how:

Call us at 877.254.9328, or write to us at P.O. Box 10018, Manhattan Beach, CA 90267, in time for us to receive your request three 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 14 days after you call.

b) 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;
- Authorize a merchant or other payee to make a one-time electronic payment from your share draft/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 ATM and POS Services**

RULES FOR USE

By using your ATM Card or Check 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 Check 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 Western Federal 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 fund transfer. A fee will not be imposed for use of an ATM Card or Check Card issued by Western Federal Credit Union for use of an electronic terminal operated by Western Federal 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 account;
- Transfer funds between your savings and checking 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 for a maximum of \$525 each 24-hour period as long as your available balance will cover the transaction. This daily limit is part of the aggregate limit of purchases and ATM/POS transactions of \$2,500. If you use your VISA Check Card for a POS transaction, your aggregate daily limit will be \$2,500. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

ACCESS CARDS

All ATM Card or Check Card are non-transferable and belong to the Credit Union. The Credit Union may cancel, modify and restrict the use of any ATM Card or Check 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.

FOREIGN TRANSACTIONS

ATM withdrawals made in foreign currencies 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 the percentage point fee as stated on the Fee Schedule charged by the Issuer.

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 Check 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 Check 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 Check Card or anywhere else in your wallet; thieves can easily figure out the reason for "hidden" or "secret" numbers.

➡ ***Additional Disclosures Applicable to Automated Telephone Banking Services***

TRANSACTIONS AVAILABLE

You may use your Automated Telephone Banking Service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and pay off information;
- Obtain clearance of specific checks;
- Request a check withdrawal from your savings or checking account;
- Transfer funds between your savings and checking accounts; and
- Make loan payments.

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

➔ **Additional Disclosures Applicable to VISA Check Card Services**

ISSUANCE OF CARD

"Card" means the Western Federal Credit Union VISA Check Card and any duplicates, renewals or substitutions the Credit Union issues to you; "Account" means the account designated on the application for your VISA Check 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 Check 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

The aggregate daily limit for VISA Check Card purchases, ATM cash withdrawals, and POS transactions is \$2,500 as long as your available balance will cover the transaction.

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 Check Cards;
- Transfer funds between your savings or checking account you have with the Credit Union; 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 Check Cards (these are point-of-sale or POS transactions);
- Order goods or services by mail or telephone from places that accept VISA Check 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 Check 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 Check 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 CHECK CARD

You agree that your VISA Check 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 currencies 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 the percentage point fee as stated on the Fee Schedule charged by the Issuer.

➡ *Additional Disclosures Applicable to Home Banking Services*

SYSTEM REQUIREMENTS

Home Banking allows convenient access to your account information 24 hours a day. To use Home Banking you must have a computer, modem, Internet Service, browser, your account number and a PIN or Access Code.

TRANSACTIONS AVAILABLE

You may use your Home 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;
- Transfer funds between your checking, savings account and Line of Credit;
- Make loan payments; and
- Pay bills through Bill Pay from checking.

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the Credit Union's Home Banking Service:

- 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 (6) transfers or withdrawals made by check, draft, Check Card or similar order payable to a third party may be made from each savings account or money market deposit 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.

➡ *Additional Disclosures Applicable to Bill Pay Services*

SYSTEM REQUIREMENTS

To use Bill Pay you must have a computer, modem, Internet Service, browser, your account number and a PIN or Access Code.

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

a) 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 877.254.9328 for Bill Pay Services or write to us P.O. Box 10018, Manhattan Beach, CA 90267, in time for us to receive your request three 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.

b) 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 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:** View History permits you to see payments made over a specified time period.

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the Credit Union's Bill Pay Service:

- Bill payments can only be made from your checking account; and
- If you close the designated bill payment checking account, all scheduled payments will be stopped.

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 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.

REGULATIONS RELATING TO 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 12:00 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/FEEES

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 and Charges 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 FEDWIRES

If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.

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 clearinghouse (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 (OR INTEREST)

If the Credit Union becomes obligated under Article 4A to pay interest (or dividends) to you, you agree that the rate of interest (or 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, electronic direct deposits, and check deposits available to you on the same business day we receive your 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 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 (2nd) business day after the day of your deposit, including deposits made at shared branches or Remote Capture deposits. The first \$100 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first 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 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 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 business day after the day of your deposit.

Funds from all other check deposits will be available on the fourteenth (14th) 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. All ATM's that we own or operate are identified as our machines. Deposits made at shared branch locations may not be available for immediate withdrawal.

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 share, share draft, 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.

GENERAL TERMS AND CONDITIONS OF YOUR CREDIT UNION ACCOUNTS

DEFINITIONS

ACCOUNT AGREEMENT means any savings, checking, term share certificate, or 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 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.

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 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.

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:

1. You have been appointed to act in the capacity of executor/executrix, administrator/administratrix, guardian or conservator.
2. 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.

PARTNERSHIP AND UNINCORPORATED ASSOCIATION

If your account is in the name of a partnership or unincorporated association, the persons whose signatures appear on the Account Signature Card represent, warrant and agree that all items and funds deposited in this Account belong to the partnership or unincorporated association, that each of them has been duly authorized by the partnership or unincorporated association and has the power and authority to act, sign and bind the partnership or unincorporated association, that we may rely on such authority until written notice of revocation is received by us from one of the authorized signers, and that no dissolution of the partnership or unincorporated association has occurred. If the partnership or unincorporated association uses an assumed name for its business, it has a current Assumed Name Certificate file in the Office of the County Clerk in each county in which it conducts business. If the partnership or unincorporated association uses a name for the business other than the name of the partnership or unincorporated association, a current fictitious business name statement is on file in the county clerk's office in each county in which the partnership or unincorporated association conduct business. Funds received may not be withdrawn until collected. Partnership and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

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:

- a) 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;
- b) 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
- c) 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.

SOLE PROPRIETORSHIP ACCOUNTS

If your account is in the name of a sole proprietorship, the person(s) whose signature appears on the Account Signature Card represents and warrants that the Account Owner is an unincorporated business owned wholly and exclusively by an individual and agrees that the Credit Union is authorized to act upon the instructions of such person(s) until the Credit Union receives written notice of others to sign for the sole proprietorship. You agree to inform us in writing promptly of any changes in the organizational status of your business. You further certify that if you use a name for the business other than the name of the individual, a current fictitious business name statement is on file in the county clerk's office in each county in which you conduct business. Funds received may not be withdrawn until collected.

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.

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.

NOTIFICATION OF CHANGES

The right or authority of the Credit Union under an Account Agreement shall not be changed or terminated by the Account Holder(s), except by written notice to the Credit Union, which written notice shall not affect transactions previously made. All parties to an Account Agreement shall keep the Credit Union informed of any change in their address(es).

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 share or share/draft account or the issuance of an ATM card, check 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 Western Federal Credit Union, P.O. Box 10018, Manhattan Beach, CA 90267, 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 fee schedules 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.

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.

OTHER 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.

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).

SUSPENSION OF SERVICES

Services and/or accounts may be suspended, denied or closed by us if you 1) engage in abusive behavior towards our employees or other members, 2) damage us or our affiliates property, or 3) engage in any behavior, we in our sole and absolute discretion, deem inappropriate or detrimental to us.

➡ *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 (6) transfers or withdrawals made by check, draft, Check Card or similar order payable to a third party may be made from each savings account or money market deposit 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.

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 check blanks and other methods approved by the Credit Union may be used to withdraw funds from a share draft 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, checks 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 checks shall be the same as if it were a check 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 check which exceeds the balance in an account; the Credit Union may, however, pay such a check 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.

STALE-DATED CHECKS

The Credit Union is under no obligation but may pay a check 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 fee schedules 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 fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that fourteen (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 checks 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 check 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 check 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 check 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.

FOR CHECKING ACCOUNTS WITH COURTESY PAY

The Credit Union recognizes that sometimes you may overdraw your checking account. In such cases the Credit Union may decide to honor checks for which there are insufficient funds. This is the Credit Union's Courtesy Pay Program. The Credit Union provides the Courtesy Pay 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.

The Credit Union may honor overdrafts, including checks, automated debits (ACH), check card transactions, point of sale (POS) transactions, and Bill Pay transactions so long as you are a member in good standing.

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, please contact us using one of the following methods: call us at 877.254.9328 or by writing to us at P.O. Box 10018, Manhattan Beach, CA 90267. Complete, sign, and return the Overdraft Consent Form, which is provided with this disclosure, or mail it to us at the address shown. The Credit Union will provide you with written confirmation of your opt-in choice.

When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft plus the amount of the Courtesy Pay fee. If we honor multiple overdrafts we may honor them in any order at the Credit Union's option or return any such items. The maximum dollar amount of overdrafts the Credit Union will cover for each member is \$750 including the Courtesy Pay fee.

When the Credit Union honors overdraft items, you must deposit funds immediately, but in no case more than fifteen (15) days from the date of the notice sent to you. If you fail to cover the total overdraft amount within fifteen (15) days, the Credit Union may pursue all collection options available to it. The Credit Union may, but is not obligated to, transfer funds from your other accounts with us to cover the overdraft.

The Courtesy Pay Program fee is a flat fee charged regardless of the amount the account is overdrawn and will be charged for each overdraft item presented and paid by the Credit Union. The charge for Courtesy Pay Service is described in our Fee Schedule. The Credit Union will send you a notice for each item covered by the Courtesy Pay service.

The Courtesy Pay Program service is a discretionary privilege offered members and not a right of membership. The Credit Union encourages you to properly maintain your accounts with us. You agree that the Credit Union will not be held liable for either paying or refusing to pay any overdraft item. The Credit Union reserves the right to discontinue this service at any time without any notice.

If you do not want the Courtesy Pay Program, you must inform the Credit Union by sending written notice to Western Federal Credit Union, P.O. Box 10018, Manhattan Beach, CA 90267.

➡ **Term Share Certificate Account Agreement**

PLEDGING OF FUNDS

Term 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) 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.

