

About Your Credit Union Accounts

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Dividend Earning Organizational Account

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Wire Transfers

Funds Availability

Unclaimed Property Law

Account Agreements



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By continuing beyond this page you are agreeing to the terms and conditions in the Truth in Savings Disclosure and Agreement below. Please read this disclosure carefully and print it for your records. This page will not appear again. A copy of this Agreement can be printed by using your browser's print command and a printer. If you are unable to print this document, a copy can be provided to you by the Credit Union upon request.

YOUR TRUTH-IN-SAVINGS DISCLOSURE

INTRODUCTION

Mission Statement: We are deeply passionate about serving our members based upon our rich military heritage of honesty, integrity, and excellence.

Edwards Federal Credit Union is a not-for-profit, member-owned financial cooperative. Established in 1962, Edwards Federal Credit Union is a community Credit Union that exists solely to provide quality financial services and maximum return on equity to each member. By saving systematically and collectively, Credit Union members earn a high return on their savings and create a source of low-cost credit for themselves and their families.

This Truth in Savings Disclosure is provided to Credit Union members, and potential members, for use in comparing important account information offered by the Credit Union. The Credit Union wants you to know the nature and terms of dividends, fees, conditions and penalties applicable to your account(s). To open your account, complete the appropriate Membership Application & Account Agreement and return it to our Member Services Representative. Please read this brochure completely and retain it with your personal records. All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Share accounts, share draft ("checking") accounts and share certificate accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements.



INFORMATION REGARDING MEMBER IDENTIFICATION

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

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

GENERAL INFORMATION ABOUT ALL OF OUR ACCOUNTS

PAR VALUE

The par value of a share in the Edwards Federal Credit Union is \$1.

MEMBERSHIP ELIGIBILITY

Credit Union membership is granted to applicants within Edward Federal Credit Union field of membership (Antelope Valley) as outlined in the Credit Union's Charter, which includes any person that lives, works, worships, attends school or is a family member of a current member.

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 at a Credit Union office, or before 3:00 p.m. if the deposit is made through an on-site Automatic Teller Machine (ATM). Deposits made at an off-site ATM will be credited the following business day, along with on-site ATM deposits made after 3:00 p.m.

DIVIDEND RATES

The dividend rate and the Annual Percentage Yield on our share accounts and 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.

BALANCE INFORMATION

We compute the balance in our share accounts and 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.

In order to open an account with Edwards Federal Credit Union, an opening deposit of \$1 is required. This covers the purchase of one share per account in the Credit Union.

REQUIREMENT TO MAINTAIN A SHARE SAVINGS ACCOUNT

You must open a Share Savings Account to open any subsequent account except for the ELF or UTMA Accounts. You must maintain your Share Savings Account, ELF or UTMA Account to avoid closure of that account and any subsequent accounts.

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 within one (1) day of 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 ninety (90) days of the reduction may be terminated from membership.

Shares may be transferred only from one (1) 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.

MEMBERS IN GOOD STANDING

The account services described in this brochure are available to those members in good standing with the Credit Union. We reserve the right to suspend services to a member who is not in good standing, which includes members that have:

- A delinquent loan;
- A primary share balance below \$1.00;
- An unresolved deposited returned check;
- Any unpaid and uncollected credit union fees;
- A negative balance on an account;
- Caused a financial loss to the credit union;
- Failed to meet other obligations to us;
- Failed to comply with applicable law and/or our then-existing Bylaws and Amendments;
- Been directly involved in any fraudulent activity;
- Been convicted of a financial crime or crimes against the Patriot Act;
- Committed, or threatened, acts of violence against our employees, agents or members; or
- Failed to conduct themselves in a civil and businesslike manner.

UNLAWFUL INTERNET GAMBLING

The Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG prohibit any person, including a business, engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in unlawful Internet gambling. Such transactions ("Restricted Transactions") are prohibited from being processed through the account or Credit Union relationship.

POWERS OF ATTORNEY

If you appoint a person to act as your agent or attorney-in-fact in connection with your account, we reserve the right to require satisfactory evidence of the validity of the appointment, the nature and scope of the authority given, the identity of the agent or attorney in fact, and compliance with applicable law.

ABOUT OUR SHARE ACCOUNTS

At Edwards Federal Credit Union, you can deposit your money in a savings account and withdraw your money generally at any time. Our share accounts are the Share Savings Account, Holiday Club Account, Edwards Little Folks (“ELF”), Uniform Transfer to Minors Account (“UTMA”), Dividend Earning Organizational Account, Non-Dividend Earning Organizational Account, Money Market Account, and the IRA Account .

RATE INFORMATION

Our share accounts are designated as variable rate accounts on the Rate Schedule. These rates and yields may change at any time and without notice at the discretion of the Board of Directors.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For share 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 is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your share account before dividends are credited, you will not receive accrued dividends.

TRANSACTION LIMITATIONS

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

➤ ***Share Savings Account***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must maintain a minimum daily balance of \$25 in your Share Savings Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your Share Savings Account falls below \$1 for one (1) day, the account will be subject to closure.

➤ ***Holiday Club Account***

This account is designed to provide for holiday season expenses. The funds will be disbursed on October 31, unless the account holder requests that they be disbursed earlier or credited back to this or another account at the Credit Union.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must maintain a minimum daily balance of \$25 in your Holiday Club Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your Holiday Club Account falls below \$1 for a period of one (1) day, the account will be subject to closure.

➤ ***Edwards Little Folks (ELF) Account and Uniform Transfer to Minors Account (UTMA)***

The ELF Account and UTMA is offered to members who are 17 years of age and under.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must maintain a minimum daily balance of \$25 in your ELF Account or UTMA to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your ELF Account or UTMA falls below \$1 for one day, the account will be subject to closure.

➤ ***Dividend Earning Organizational Account***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must maintain a minimum daily balance of \$25 in your Dividend Earning Organizational Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your Dividend Earning Organizational Account falls below \$1 for one (1) day, the account will be subject to closure.

➤ ***Non-Dividend Earning Organizational Account***

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

A minimum balance of \$1 is required to open this account. If the balance in your Non-Dividend Earning Organizational Account falls below \$1 for one (1) day, the account will be subject to closure.

➔ **Money Market Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Money Market Account is \$2,500. You must maintain a minimum average daily balance of \$2,500 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure of the account. If the account falls below \$2,500, your Money Market Account will convert to a Regular Share Account.

➔ **Individual Retirement Account (IRA)**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your IRA Account is \$50. You must maintain the minimum daily balance of \$50 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

ABOUT OUR CHECKING ACCOUNTS

Edwards Federal Credit Union offers a Checking Account which lets you withdraw your money and write checks against your account at any time.

➔ **Checking Account**

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must open either a Share Savings Account, or an Organizational Account in order to open a Checking Account. You must maintain your Share Account in order to avoid closure of your Checking Account.

DIVIDEND COMPOUNDING AND CREDITING

Our Checking Account is a non-dividend earning account.

ABOUT OUR SHARE CERTIFICATE ACCOUNTS

Edwards Federal Credit Union's share certificate accounts let you deposit your money for a specified period of time. Our certificate accounts are the Regular Share Certificate, Share Builder Certificate, Build Your Own Investment Certificate, and IRA 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 share certificate 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 or receipt provided to you at the time of opening your account.

RATE INFORMATION

Our share certificates are designated as fixed rate accounts on the Rate Schedule. You will be paid these dividend rates and yields until maturity.

EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw principal from your share certificate account before the maturity date. The penalty is the loss of ninety (90) days dividends earned, or all dividends earned on the amount withdrawn since the date of issuance, or the date of renewal, whichever is less.

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 70 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.

➔ ***Regular Share Certificates***

Our Regular Share Certificates are offered in 6 month, 1 year, 2 year, 3 year, 4 year, and 5 year terms.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded quarterly and will be credited quarterly and at maturity. For the Regular Share Certificates, 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 is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. Dividends may be credited to the Regular Share Certificate Account and will be compounded at the rate and yield stated for the Certificate. At your option, dividends may be credited to your Share Savings or Checking Account and be available for withdrawal without breaking the certificate. If credited to the Share Saving Account, dividends are not compounded at the certificate rate; dividends will be compounded at the lower Share Savings rate until withdrawn by you.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must open and maintain a Share Savings Account, ELF/UTMA or Dividend Earning Organizational Account in order to open a Regular Share Certificate Account and to avoid closure of that account and your Regular Share Certificate Account. The minimum deposit required for you to open one of our Regular Share Certificate Accounts is \$1,000. You must maintain this minimum daily balance in order to obtain the Annual Percentage Yield stated on the Rate Schedule.

RENEWAL OF ACCOUNT/GRACE PERIOD

The Regular Share Certificate is initially established to automatically renew at maturity or to transfer to the member's Share Savings or Checking Account. The Credit Union will mail you a notice ten (10) days prior to maturity. Upon receipt of this notice, you may withdraw or transfer the funds at maturity. If no action is taken on your part, the Regular Share Certificate will automatically renew at maturity for the same time period as the 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 without being charged an early withdrawal penalty.

ACCOUNT LIMITATIONS

After your Regular Share Certificate is opened, you may not make deposits into the account until the maturity date stated on the certificate. You may not make withdrawals prior to maturity without breaking the certificate.

➔ ***Share Builder Certificate***

The Share Builder Certificate is available as a Share Certificate only for a term of eighteen (18) months.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded quarterly and will be credited quarterly and at maturity. For the Share Builder Certificate 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 is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your Share Builder Certificate before dividends are credited, you will not receive accrued dividends. Dividends will be credited to the Share Builder Certificate and compounded at the rate and yield stated for the certificate.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Share Builder Certificate is \$1,000. You must maintain a minimum daily balance of \$1,000 to obtain the Annual Percentage Yield stated on the accompanying Rate Schedule.

RENEWAL OF ACCOUNT/GRACE PERIOD

Your account will not automatically renew at maturity. If you do not renew your account, your funds will be transferred to your Share Savings Account.

ACCOUNT LIMITATIONS

This account requires automatic transfers. The minimum amount you may transfer is \$20 bi-weekly, or \$22.50 semi-monthly or \$40 monthly. If the required automated deposits are discontinued, your account will be subject to closure.

➔ ***Build Your Own Investment Certificate***

Our Build Your Own Investment Certificate is a tiered rate account. The dividend rate is determined by the number of deposit accounts, loan accounts and/or services you are maintaining with EFCU at account opening. Applicable tiers and rates are stated on the accompanying Rate Schedule. The Build Your Own Investment Certificate is available for a term of 18 months.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded quarterly and will be credited quarterly and at maturity. For the Build Your Own Investment Certificate 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 is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your Build Your Own Investment Certificate before dividends are credited, you will not receive accrued dividends. Dividends will be credited to the Build Your Own Investment Certificate and compounded at the rate and yield stated for the certificate.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Build Your Own Investment Certificate is \$1,000. You must maintain a minimum daily balance of \$1,000 to obtain the Annual Percentage Yield stated on the accompanying Rate Schedule.

RENEWAL OF ACCOUNT/GRACE PERIOD

Your account will not automatically renew at maturity. Funds will be transferred to your Share Savings Account at maturity.

➡ *Individual Retirement Account (IRA) Share Certificate*

Our IRA Share Certificates are offered in six (6) month, one (1) year, two (2) year, three (3) year, four (4) year, and five (5) year terms.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded quarterly and will be credited quarterly and at maturity. For the IRA Share Certificates 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 is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your IRA Share Certificate Account before dividends are credited, you will not receive accrued dividends. Dividends will be credited to the IRA Share Certificate Account and compounded at the rate and yield stated for the certificate.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open one of our IRA Share Certificate Accounts is \$1,000. You must maintain this minimum daily balance in order to obtain the Annual Percentage Yield stated on the Rate Schedule.

RENEWAL OF ACCOUNT/GRACE PERIOD

The IRA Share Certificate is initially established to automatically renew at maturity. The Credit Union will mail you a notice ten (10) days prior to maturity. Upon receipt of this notice, you may withdraw or transfer the funds at maturity. If no action is taken on your part, the IRA Share Certificate will automatically renew at maturity for the same time period as the 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 without being charged an early withdrawal penalty.

ACCOUNT LIMITATIONS

After your IRA Share Certificate is opened, you may not make deposits into the account until the maturity date stated on the certificate. You may not make withdrawals prior to maturity without breaking the certificate.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

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

ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT

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

PERSONAL IDENTIFICATION NUMBER

The Credit Union will issue you a Personal Identification Number (PIN) that must be used with the ATM/Check Card for transactions that require the use of a PIN. This number should be memorized-DO NOT write it on your ATM/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. Do not disclose your PIN to anyone, including employees or agents of the Credit Union or any merchants. Employees or agents of the Credit Union will not request you to divulge your PIN in a verbal or written manner, nor request to enter the PIN for you.

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 MACHINES (ATM) CARDS

Tell us AT ONCE if you believe your ATM/POS 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 2 business days, you can lose no more than \$50.00 if someone used your ATM/POS card or PIN without your permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your ATM/POS card, or PIN, and we can prove we could have stopped someone from using your ATM/POS card, or PIN without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you have authorized someone else to use the ATM/POS 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 60 days of our sending your statement, you can lose no more than \$50.00 if someone used your Check Card without your permission. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the close of the 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 60-day period, we will extend the 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 a Plus network or 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 VISA Corporate Card or VISA Purchasing Card Transactions, ATM cash disbursements processed on non-VISA or non-Plus networks, or non-VISA PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) 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/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 800.449.7728 or write to us at 10 South Muroc Drive, Edwards AFB, CA 93524-8002.

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 at our Edwards branch and our Lancaster Branch, excluding federal holidays. Please visit our website for hours of operation and for holiday closures.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transaction to or from your share or share draft/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 cause you to exceed your credit limit;
- 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/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/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 TRANSACTIONS

Telephone us at 877.256.3300 or write us at 10 South Muroc Drive, Edwards AFB, CA 93524-8002, 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. We must hear from you no later than 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 10 business days.

We will tell you the results of our investigation within 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 45** days to investigate your complaint or question. If we decide to do this, we will credit your account within 10* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 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 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 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days.

** If you notice an error within 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 90 days instead of 45 to investigate.

CHARGES

In order to obtain the electronic services listed, you must open and maintain a share account. All charges associated with our electronic fund transactions are disclosed in our Fee Schedule which accompanies this disclosure or was provided at the time the account was opened.

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 a government agency or court order 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 insure correct mailing and receipt of monthly statements. You must notify us promptly in writing with your signature of any change of address. If you fail to maintain current and accurate information with the Credit Union, you may be liable for any costs, including locator fees, incurred as a result.

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

- a) you or any authorized user of your ATM/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, unauthorized use of your ATM/Check Card, PIN or account; or
- c) you or any authorized user of your ATM/Check Card, PIN or account request that we do so.

ATTORNEYS' FEES

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

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.

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.

SEVERABILITY

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

WHO IS BOUND BY THIS AGREEMENT

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

SIGNATURES

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

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a 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.

➡ ***Disclosures Applicable to ACH Services***

DOCUMENTATION OF DIRECT DEPOSIT

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at 877.256.3300 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 pre-authorized 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 877.256.3300, or write to us at 10 South Muroc Drive, Edwards AFB, CA 93524-8002 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 at least 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 share or share draft/checking account;
- Make loan payments;
- Authorize a merchant to convert your share draft/check to an electronic fund transfer, initiating a debit to your share draft/checking account for the amount of purchase; and
- Authorize a merchant to debit your share draft/checking account for returned check fees.
- 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 share draft/checking account for returned check fees or returned debit entry fees.

All payments and deposits are subject to verification by the Credit Union.

CHOICE OF LAW

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

➡ ***Disclosures Applicable to ATM and POS Services***

RULES FOR USE

By using your ATM/POS Card with your personal identification number (PIN) at automated teller machines ("ATMs") 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 share or share draft/checking account(s) in accordance with the instructions given at the terminals. All ATM/POS 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 Edwards 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 or Check Card issued by Edwards Federal Credit Union for use at an electronic terminal operated by Edwards Federal Credit Union.

TRANSACTIONS AVAILABLE

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

- Make deposits to your share or share draft/checking account at selected ATMs;
- Withdraw cash from your share or share draft/checking account;
- Transfer funds between your share and share draft/checking accounts and line-of-credit;
- Make point-of-sale payments for goods and services to others from your share draft/checking account;
- Access your line-of-credit account for loan advances;
- Transfer funds from your line-of-credit to your share draft/checking and share savings accounts; and
- Make balance inquiries on share, share draft/checking accounts and line-of-credit accounts.

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

LIMITATIONS ON TRANSACTIONS

You may make ATM cash withdrawals up to \$500 and POS transactions up to \$1,500 each 24-hour period as long as your available balance will cover the transaction. ATM withdrawals are limited to 4 per day for each account. POS transactions are limited to 10 per day for each account. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amounts 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.

RECEIPTS AND STATEMENTS

You will receive a receipt at the time you make a transaction at a terminal. Retain the receipt to compare with your monthly statement from the Credit Union.

ACCESS CARDS

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

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 ATMs 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 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 fraudsters 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.

➡ *Disclosures Applicable to “CALL-24” Audio Response*

TRANSACTIONS AVAILABLE

You may use the CALL-24 Audio Response Service to perform the following transactions:

- Obtain account and loan balances;

- Obtain loan payment due date and pay off information;
- Obtain last dividend posted, date and amount (via account history);
- Obtain last 5 deposit amounts;
- Obtain clearance information on last 5 share drafts/checks or on specific share drafts/checks by number;
- Place a stop payment request on specific share drafts/checks;
- Request a check withdrawal from your share, share draft/checking, lines of credit, and VISA Credit Card accounts;
- Transfer funds between your share and share draft/checking accounts, and line of credit accounts;
- Access your line-of-credit account to request loan advances;
- Transfer funds from your line-of-credit to your share draft/checking and share savings accounts;
- Transfer funds between related accounts (with written cross-account authorization); and
- Make loan payments from your share and share draft/checking accounts via transfer.

Other audio response services are available but not listed above. All payments and deposits are subject to verification by the Credit Union.

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

ISSUANCE OF CARD

“Card” means the Edwards 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.

LIMITATIONS ON DOLLAR AMOUNTS AND FREQUENCY OF TRANSACTIONS

Purchases made above the floor limit of the merchant will require an authorization number from VISA. You may make VISA Check Card transactions up to \$1,500 in each 24-hour period as long as your available balance will cover the transaction.

USE OF THE CARD

You may use the Card and PIN to:

- Withdraw cash from your share/savings and share draft/checking accounts at ATMs, merchants, or financial institutions that accept VISA Check Cards;
- Transfer funds between your share/savings or share draft/checking accounts, line of credit and other related accounts you have with the Credit Union;
- Make deposits to share/savings and share draft/checking accounts at the Credit Union; and
- Access line of credit for advances or payments.

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, AFFN or any other Debit Card network; and
- Make automatic payments from your 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 Check Card transaction, it will put a hold on an equivalent amount of funds in your share draft/checking account for 4 to 7 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.

➡ *Disclosures Applicable to “CLIC Online” Home Banking Services*

CLIC Online allows convenient access to your account information 24 hours a day. To use CLIC Online you must have a computer, modem, Internet Service, browser, your account number and a PIN (secret access code).

TRANSACTIONS AVAILABLE

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

- Obtain account/loan balance information;
- Obtain loan payment due date and payoff information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Request check withdrawals from your share draft/checking and share/savings account;
- Transfer funds between your share draft/checking, share/savings account and Line of Credit;
- Access your Line of Credit for loan advancements by check;
- Download transaction and account information to personal financial management software programs, Quicken and Microsoft Money 2000, from share draft/checking and share/savings account;
- Make loan payment transfers;
- Pay bills through Bill Payer from share draft/checking;
- Process stop payment requests;
- Order checks;
- Apply for a loan; and
- Obtain stock quotes.

LIMITATIONS ON TRANSACTIONS

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

- No more than six preauthorized, automatic, electronic or telephonic transfers made to another account at the Credit Union or to a third party or no more than six transfers or withdrawals made by check, draft, debit card or similar order payable to a third party may be made from each savings account or Money Market Account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be

imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

➔ ***Disclosures Applicable to Online Bill Payer***

To use Online Bill Payer you must have a computer, modem, Internet Service, browser, your account number and a PIN (secret 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 at 661.952.5945 or toll-free at 877.256.3300 for Bill Payer Services, or write to us at 10 South Muroc Drive, Edwards AFB, CA 93524-8002, 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 Payer 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 share draft/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 share draft/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 Online Bill Payer Service:

- Bill payments can only be made from your share draft/checking account;
- Payments cannot be made for tax payments, court-ordered payments or payments to payees outside of the United States;
- If you close the designated bill payment share draft/checking account, all scheduled payments will be stopped;
- You cannot stop a payment if the payment has already been processed; and
- You can schedule payments 24 hours a day, seven days a week, however, payments scheduled on a Saturday, Sunday, or holiday will be processed within one to two business days; and
- The bill being paid must be in the member's name.

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 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 1:30 p.m. for domestic wires and 11:30 a.m. for international wires on each weekday that the Credit Union is open excluding holidays. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.

SERVICE CHARGES/FEES

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

SECURITY PROCEDURES

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

USE OF FEDWIRES

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

IDENTIFICATION OF BENEFICIARY

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

IDENTIFICATION OF BENEFICIARY AND INTERMEDIARY BANK BY NUMBER

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

PROVISIONAL ACH PAYMENTS

The Credit Union may at its discretion give you credit for automated 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 generally make funds from your deposits available to you on the day of deposit, unless an exception hold is invoked as indicated below in the “Longer Delays May Apply” section. Electronic direct deposits will be available on the day we receive the deposits, or on the “effective dates,” whichever is later. Once they are available, you can withdraw the funds in cash and we will use the funds 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 at a Credit Union office or no later than 3:00 p.m., if made through an on-site ATM machine on a business day that we are open, we will consider that day to be the day of your deposit. Deposits made at an off-site ATM will be credited the next business day. However, if you make a deposit after close of business at a Credit Union office or after 3:00 p.m. at our ATM machine 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 business day after the day of your deposit. However, the first \$200 of your deposits will 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 communications or computer equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first thirty (30) days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit or on the “effective date” of the deposits, whichever is later. Funds from deposits of cash, wire transfers, and the 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 your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, it will still be available no later than the next business day after the day of your deposit. Funds from all other check deposits will be available on the seventh (7th) 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 (ATMs) 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 ATMs that we own or operate.

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/checking, certificate, or other account, sums for the payment of cashier's checks, teller's checks, etc.) may be transferred to the Unclaimed Property Division of the California State Controller's Office if no activity occurs in the account within the time period specified by state law. In addition, any property held in a Credit Union safe deposit box may be transferred upon the running of the time period specified by state law from the date any lease or rental period expires or any agreement for the safe deposit box terminates.

INACTIVE OR DORMANT ACCOUNTS

Accounts with no withdrawals from, deposits into, or transfers to or from for more than six (6) months are considered inactive and may be subject to an inactive account fee as stated on the Fee Schedule. If there is no activity in your account within the time period specified by state law, we will comply with the appropriate state Unclaimed Property Law and the funds in your account may be transferred to the applicable state agency. The Credit Union does not assume any liability relating to funds that are transferred to the appropriate state authority in accordance with applicable state law.

GENERAL TERMS AND CONDITIONS OF YOUR CREDIT UNION ACCOUNTS

DEFINITIONS

ACCOUNT AGREEMENT means any share, share draft/checking, share certificate, trust, totten trust or UTMA 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 AND TYPES

The ownership of individual, joint, pay-on-death, living trust, totten trust, unincorporated, organizational and custodial accounts (under the "Uniform Transfers to Minors Act") 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 is owned by the party named on the Account Signature Card ("Account Owner"). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Signature Card.

JOINT ACCOUNTS

The Account is owned by all the Account Owners on the Account Signature Card. Upon the death of an Account Owner of a Joint Account, any funds remaining in the Account at the death of a party to a joint account belong to the surviving Account Owners as against the estate of the deceased Account Owner. The right of survivorship continues between the surviving parties.

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.

UNINCORPORATED ASSOCIATION

If your account is in the name of an 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 unincorporated association, that each of them has been duly authorized by the unincorporated association and has the power and authority to act, sign and bind the 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 unincorporated association has occurred. If the 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 unincorporated association uses a name for the business other than the name of the unincorporated association, a current fictitious business name statement is on file in the county clerk's office in each county in which the unincorporated association conducts business. Funds received may not be withdrawn until collected. 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.

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 of 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.

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 offset and charges, notwithstanding the source of the contribution.

NOTIFICATION OF CHANGES

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

CHANGES IN TERMS AND CONDITIONS

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

FINANCIAL ABUSE REPORTING

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

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

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

WAIVER OF CERTAIN RIGHTS

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

CONSUMER REPORTS

The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a 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 Edwards Federal Credit Union, 10 South Muroc Drive, Edwards, CA 93524 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 PERIODIC STATEMENTS

You will be provided with a periodic statement showing activity on your account. If you believe any statement reflects discrepancies, you must notify us of such discrepancies within 60 days from the date we mailed the statement to you. The amount of any loss will be allocated between you and us to the extent that the respective parties actions contributed to the loss. If the discrepancy noted is the result of an electronic fund transfer, then the provisions of our Electronic Fund Transfer agreement with you will control resolution of the matter.

RETURNED ITEMS

When an item you cash or deposit into your account is returned to us unpaid, we will debit the amount of the item from your account, debit any dividends that would have been earned, and return the item to you. In the event a returned item causes your account balance to become negative, we may retain the item until the negative balance is resolved. We may choose, at our discretion, to redeposit the item. You may be assessed a returned deposit fee (please see current Statement of Fees) regardless of the action we take.

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.

ATTORNEYS' FEES

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

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

UNLAWFUL USE

You warrant and agree that you will not use Credit Union accounts or services, including but not limited to loans, to make or facilitate any illegal transactions as determined by applicable law; and that any such use, including any such authorized use, will constitute an event of default under this agreement. You agree that the credit union will not have any liability, responsibility or culpability whatsoever for any such use by you or any authorized users. You further agree to indemnify and hold the credit union harmless from any lawsuits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

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).

➡ *Share Account Agreement*

TRANSFERS TO THIRD PARTIES

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

WITHDRAWALS, PRIOR NOTICE REQUIREMENT

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

➔ *Checking Account Agreement*

WITHDRAWALS, APPROVED METHODS

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

ELECTRONIC CHECK CONVERSION

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

DEMAND DRAFTS

The Credit Union may pay, and charge to the applicable checking account, share drafts or 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 share drafts/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/checks. It is further agreed that if any such check 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.

OVERDRAFT PRIVILEGE PROGRAM

The Credit Union recognizes that sometimes you may overdraw your share draft/checking account. In such cases the Credit Union may decide to honor drafts/checks for which there are insufficient funds through its Overdraft Privilege Program. When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft plus the amount of the Overdraft fee (as disclosed in our current Schedule of Fees). When the Credit Union honors an overdraft, you must deposit funds immediately, but in no case later than 30 days.

The Credit Union provides the Overdraft Privilege Program's Standard Coverage 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. Under the Standard Coverage, the Credit Union may honor overdrafts, including checks, ACH, in-person withdrawals, or other electronic items that are paid. If you choose to give consent (opt-in) to the Overdraft Privilege Program's Extended Coverage, ATM withdrawals and everyday debit card transactions will be included with the transactions listed above.

We may not pay items under the Overdraft Privilege Program if:

- You do not maintain your account in good standing by bringing your account to a positive balance within every 30-day period for a minimum of 24 hours;
- You default on any loan or other obligation to Edwards Federal Credit Union; or
- Your account is subject to any legal or administrative order or levy.

To learn more about the Overdraft Privilege Program, or to give consent (opt-in) to the Overdraft Privilege Program's Extended Coverage, please contact the Credit Union using one of the following methods: call us at (661) 952-5945, visit our website at www.edwardsfcu.org, or complete and return the consent form available online or at any branch location. The Overdraft Privilege Program 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.

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 14 calendar days if the original order was oral and was not confirmed in writing within that 14 day period. The Stop Payment Order may be renewed in writing for an additional six (6) month period.

TRUNCATION OF CHECKS

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/check 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 SHARE 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 share 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 any associated fees and to credit such charge to this Checking Account. No check overdraft may be paid by charging a share account if, as a result of such charge, that share account would be subject in any one month to more than six pre-authorized, automatic or telephonic transfers.

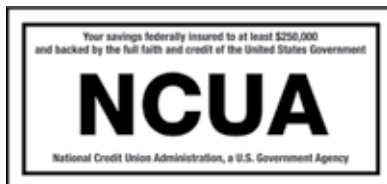
FOR CHECKING ACCOUNTS WITH LOAN OVERDRAFT PROTECTION

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 check and any associated fees.

➔ *Share Certificate Account Agreement*

PLEDGING OF FUNDS

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



Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government.