

About Your Credit Union Accounts

Share Accounts
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Certificate Accounts
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Funds Availability
Unclaimed Property Law
Account Agreements



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YOUR TRUTH IN SAVINGS DISCLOSURE

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

All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Share accounts, share draft "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 and/or copy your driver's license or other identifying objects.

GENERAL INFORMATION ABOUT ALL OF OUR ACCOUNTS AND SERVICES

PAR VALUE

The par value of a share in the Central State Credit Union is \$5.

ACCRUAL OF DIVIDENDS

Dividends begin to accrue on the business day you deposit noncash items (e.g., checks) to your account if deposited before the close of business. If you close your share, 50+ Dividend Checking, Direct Dividend Checking or Premium Dividend Checking Account before dividends are credited, you will not receive accrued dividends.

DIVIDEND RATES

The initial dividend rates and Annual Percentage Yields on our share, 50+ Dividend Checking, Direct Dividend Checking, Premium Dividend Checking and 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, 50+ Dividend Checking, Direct Dividend Checking, Premium Dividend Checking 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.

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. The Credit Union requires that members purchase 1 share each with a par value of \$5.

A member who reduces their share balance below the par value of 1 share and does not increase the balance to at least the par value of 1 share within 3 months of the reduction may be terminated from membership at the end of a dividend period.

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

No member may withdraw shareholdings that are pledged as required for security on loans without the written approval of 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 co-maker, endorser, or guarantor are delinquent, without the written consent of a loan officer.

MARIJUANA OR HEMP RELATED BUSINESS

The Credit Union will not provide any financial services to marijuana-related businesses, or allow any transactions that benefit those businesses, though it may do so for hemp-related businesses in its sole discretion, in accordance with its then-current policies and to the extent allowed by law.

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.

REQUIREMENT TO MAINTAIN A REGULAR SHARE ACCOUNT

Our general rule is that you must open a Primary Share, Joint Member Share, Planet M, or BOOM! Account to open any subsequent accounts and you must maintain the Primary Share, Joint Member Share, Planet M, or BOOM! Account to avoid closure of that account and any subsequent accounts.

ABOUT OUR SHARE ACCOUNTS

Central State Credit Union's share accounts let you deposit your money in a savings account and withdraw your money at any time (with the exception of IRAs and Holiday Club Accounts). Our share accounts are the Primary Share Account, Joint Member Share Account, Other Share Account, Holiday Club Account, Planet M Account, BOOM! Account, Share Plus Account, and IRA Share Accounts.

RATE INFORMATION

Our share accounts are designated tiered variable rate accounts on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

DIVIDEND COMPOUNDING AND CREDITING

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

A dividend is declared at the end of a dividend period. The date on which the dividend is declared is known as the dividend declaration date. The most recent dividend declaration date is stated on the Rate Schedule accompanying this Truth in Savings disclosure.

TRANSACTION LIMITATIONS

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

► *About Our Primary Share Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Primary Share Account is \$5. You must maintain a minimum average daily balance of \$500 in order to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain a \$300 minimum balance in this account in order to avoid the Quarterly Low Balance Maintenance Fee as stated on the accompanying Fee Schedule. This service fee is waived for minor accounts, have opened an account with the credit union within the last six months, or maintain an active checking, Share Plus, certificate, IRA or loan account. You must maintain a \$5 minimum balance in this account to avoid closure.

► *About Our Joint Member Share Account*

These accounts are opened when a member from our primary field of membership wishes to open an account with a family member or someone else who is entitled to membership in the Credit Union because of their relationship with the primary member.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Joint Member Share Account is \$10. You must maintain a minimum average daily balance of \$500 in order to obtain the Annual Percentage Yield stated on the Rate Schedule. You must maintain a \$300 minimum balance in this account in order to avoid the Quarterly Low Balance Maintenance Fee as stated on the accompanying Fee Schedule. This service fee is waived for minor accounts, have opened an account with the credit union within the last six months, or maintain an active Share Plus, checking, certificate, IRA or loan account. You must maintain a \$10 minimum balance in this account to avoid closure.

► *About Our Other Share Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Other Share Account is \$5. You must maintain a minimum average daily balance of \$500 in order to obtain the Annual Percentage Yield stated on the Rate Schedule.

► *About Our Holiday Club Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Holiday Club Account is \$5. You must maintain a minimum average daily balance of \$100 to obtain the Annual Percentage Yield as stated on the Rate Schedule.

TRANSACTION LIMITATIONS

Your Holiday Club Account may be opened at any time. Funds will be disbursed to you on or about October 25th each year. Upon maturity, funds will be transferred into a Credit Union account designated by the member. The account will automatically remain open for your convenience after the disbursement date unless instructed by you to close. No withdrawals may be made prior to the disbursement date. If a withdrawal is necessary prior to the disbursement date, the full balance must be withdrawn, accrued dividends will be forfeited, and the account will be closed.

▶ *About Our Planet M Account*

Our Planet M Account is for our minor members age 12 years and younger. A parent or guardian must be a joint signer on the account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Planet M Account is \$5. You must maintain a minimum average daily balance of \$1 to obtain the Annual Percentage Yield stated on the Rate Schedule.

▶ *About Our BOOM! Account*

Our BOOM! Account is for minor members from ages 13 to 18 years old. A parent or guardian must be a joint signer on the account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your BOOM! Account is \$5. You must maintain a minimum average daily balance of \$1 to obtain the Annual Percentage Yield stated on the Rate Schedule.

▶ *About Our Share Plus Account*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Share Plus Account is \$2,500. You must maintain a minimum average daily balance of \$2,500 in order to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid a monthly service fee as stated on the Fee Schedule. You must maintain a minimum balance of \$5 to avoid closure.

TRANSACTION LIMITATIONS

The maximum number of withdrawals you may make is 3 within a calendar month. If you exceed the withdrawal limitations in any calendar month, your account will be subject to the service fee stated on the Fee Schedule.

▶ *About Our Traditional IRA, Roth IRA, and Coverdell Education Savings Accounts*

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open an IRA Share Account is \$5. You must maintain a minimum average daily balance of \$500 in order to obtain the Annual Percentage Yield stated on the Rate Schedule. Your IRA account is subject to an annual maintenance fee stated on the fee schedule.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Traditional IRA Custodial Agreement and Disclosure Statement, the Roth IRA Custodial Agreement and Disclosure Statement, and the Coverdell Education Savings Account Custodial Agreement and Disclosure Statement which by this reference are incorporated into the account disclosure in their entirety. When you open your Individual Retirement Account, the Credit Union Agreement and Disclosure Statement will be provided to you.

ABOUT OUR SHARE DRAFT/CHECKING ACCOUNTS

Central State Credit Union offers share draft/checking accounts that let you withdraw your money and write checks against your account at any time. Our share draft/checking accounts are the Absolutely Free Checking, 50+ Dividend Checking, Direct Dividend Checking, Premium Dividend Checking, and the Boom! Draft Account.

▶ *About Our Absolutely Free Checking Account*

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

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Absolutely Free Checking Account is \$45. There are no minimum balance requirements for you to maintain an Absolutely Free Checking Account.

▶ *About Our 50+ Dividend Checking Account*

Our 50+ Dividend Checking Account is for our members age 50 years and older.

RATE INFORMATION

Our 50+ Dividend Checking Account is designated a variable rate account on the Rate Schedule. This rate and yield may change at any time at the Credit Union's discretion.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your 50+ Dividend Checking Account is \$45. There are no minimum balance requirements for you to obtain the Annual Percentage Yield stated on the Rate Schedule. There are no minimum balance requirements to maintain the 50+ Dividend Checking Account.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the 50+ Dividend Checking Account, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. A dividend is declared at the end of a dividend period. The date on which the dividend is declared is known as the dividend declaration date. The most recent dividend declaration date is stated on the Rate Schedule accompanying this Truth in Savings disclosure.

▶ *About Our Direct Dividend Checking Account*

The Direct Dividend Checking Account is offered to members receiving ACH deposits into or ACH automatic payments from the account.

RATE INFORMATION

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

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Direct Dividend Checking Account is \$45. There are no minimum balance requirements for you to obtain the Annual Percentage Yield stated on the Rate Schedule. There are no minimum balance requirements to maintain the Direct Dividend Checking Account.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the Direct Dividend Checking Account, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. A dividend is declared at the end of a dividend period. The date on which the dividend is declared is known as the dividend declaration date. The most recent dividend declaration date is stated on the Rate Schedule accompanying this Truth in Savings disclosure.

► **About Our Premium Dividend Checking Account**

RATE INFORMATION

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

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open your Premium Dividend Checking Account is \$45. You must maintain a minimum balance of \$1,000 in order to avoid a service fee as stated on the Fee Schedule.

DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded monthly and will be credited monthly. For the Premium Dividend Checking Account, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. A dividend is declared at the end of a dividend period. The date on which the dividend is declared is known as the dividend declaration date. The most recent dividend declaration date is stated on the Rate Schedule accompanying this Truth in Savings disclosure.

► **About Our BOOM! Draft Account**

Our BOOM! Draft Account is for our minor members from ages 13 to 18 years old. A parent or guardian must be a joint signer on the account. The BOOM! Draft Account is a non-dividend earning account.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required to open your BOOM! Draft Account is \$5.

ABOUT OUR DISCONTINUED SHARE DRAFT/CHECKING ACCOUNTS

The Regular Share Draft and e-College Share Draft accounts are no longer offered as new checking account products.

Members who currently maintain any of these checking account products can continue to maintain the account as long as the account remains open. Once closed, these accounts may not be reopened. The following information applies only to the discontinued checking accounts described below.

► **About Our Regular Share Draft Account**

Our Regular Share Draft Account is a non-dividend earning account.

► **About Our e-College Share Draft Account**

Our e-College Share Draft Account is a non-dividend earning account.

ACCOUNT ELIGIBILITY

In order to maintain the e-College Share Draft Account, eligible members must meet all of the following criteria:

- Must be twenty-five (25) years of age or younger;
- Must be currently enrolled in college or university;
- Maintain continued access to the Online Banking Service; and
- Maintain enrollment in electronic statements (e-statements).

ACCOUNT LIMITATIONS

Upon reaching twenty-five (25) years of age, your e-College Share Draft Account will be converted to the Absolutely Free Checking Account.

If you no longer maintain continued access to the Online Banking Service or no longer elect to receive e-statements, your e-College Share Draft Account will convert to the Absolutely Free Checking Account and your e-College Share Draft Account will be closed.

ABOUT OUR CERTIFICATE ACCOUNTS

Central State Credit Union's Certificate Accounts let you deposit your money for a specified period of time. Our Certificate Accounts are the Share Certificates, Planet M and Boom! Share Certificates, Traditional IRA, Roth IRA, and Coverdell Education Savings 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 dividend withdrawal from your account, your earnings will be reduced.

MATURITY

Your account will mature as reflected on the Rate Schedule.

RATE INFORMATION

Our Certificate Accounts are designated fixed rate accounts on the Rate Schedule. You will be paid these dividend rates and Annual Percentage Yields until maturity.

DIVIDEND COMPOUNDING AND CREDITING

All certificates will be compounded monthly and will be credited monthly and at maturity.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open a Share Certificate, Planet M and Boom! Share Certificate, Traditional IRA, Roth IRA, or Coverdell Education Savings Certificate Account is indicated on the Rate Schedule. You must maintain the minimum balance to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

RENEWAL OF ACCOUNT/GRACE PERIOD

Your account will automatically renew at maturity for the same time period as the original term unless you withdraw all of the funds in your account at maturity or within a grace period of 7 days after maturity. For any special or promotional certificate of deposit, please refer to the disclosure related to that specific account or promotion for its terms and conditions. Funds added to the Certificate Account during the grace period will earn dividends from the date of deposit.

ACCOUNT LIMITATIONS

For the Share Certificates, Traditional IRA, Roth IRA, and Coverdell Education Savings Certificate Accounts, you may not make deposits into or withdrawals of principal from this account, except at maturity. You may make withdrawals of earned dividends from your account at any time.

For the Planet M and Boom! Share Certificate Account, you may make minimum deposits of \$100 into this account any time during the term of the certificate. You may not make withdrawals of principal from this account, except at maturity. You may make withdrawals of earned dividends from your account at any time.

EARLY WITHDRAWAL PENALTY

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

1. If funds are withdrawn in the first six days of issuance, a minimum penalty of seven days dividends will be imposed.
2. If the certificate term is less than one year, the member shall forfeit an amount equal to all dividends paid for the first 90 days since the date of issuance or renewal and the account will be closed.
3. If the certificate term is one year or more, the member shall forfeit an amount equal to all dividends paid for the first 180 days since the date of issuance or renewal and the account will be closed.

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 Account or the Certificate Account, or is made pursuant to the Credit Union's bylaws.
2. The Certificate Account is part of a pension plan which qualifies or is qualified to 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 72 years of age, or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

► About Our Traditional IRA, Roth IRA, and Coverdell Education Savings Certificates

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Traditional IRA Custodial Agreement and Disclosure Statement, the Roth IRA Custodial Agreement and Disclosure Statement, and the Coverdell Education Savings Account Custodial Agreement and Disclosure Statement which by this reference are incorporated into the account disclosure in their entirety. When you open your Individual Retirement Account, the Credit Union Agreement and Disclosure Statement will be provided to you. Your IRA account is subject to an annual maintenance fee as stated on the fee schedule.

ELECTRONIC FUND TRANSFER DISCLOSURE & AGREEMENT

This EFT Disclosure and Agreement as amended from time to time ("Agreement") sets forth the terms and conditions governing the use of the Central State Credit Union electronic transfer services. Disclosure information that applies to all electronic services offered by Central State Credit Union is given below, followed by specific disclosure information for each service. Central State 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 Central State Credit Union, you are agreeing to be bound by the terms and conditions of this Agreement. In this Agreement, the term "you" and "your(s)" refer to the member, and the terms "we," "us" and "our(s)" refer to Central State Credit Union. In order to qualify for the Credit Union's EFT services, you must maintain a \$5 balance in your Share Account.

PERSONAL IDENTIFICATION NUMBER

Once you receive your card, you must select a PIN. To select your PIN, call the 800 number provided on the sticker on the face of the card. You must call from the primary phone number you provided the credit union, that is associated with your account. The PIN selected must be used with ATM or Debit Card transactions that require the use of a PIN. This number should be memorized. DO NOT write it on your ATM Card, Debit Card, or anywhere it is easily accessible by others. DO NOT share your PIN with anyone. If you forget your PIN, contact the credit union.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

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

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

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

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

Tell us AT ONCE if you believe your Debit Card and/or Personal Identification Number (PIN) has been lost or stolen or if your statement shows an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within 60 days of our sending your statement, you can lose no more than \$50 if someone used your Debit Card without your permission. If you do not tell us within 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 extending 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. If you have authorized someone else to use the Debit 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.

SPECIAL NOTICE TO MASTERCARD® DEBIT CARDHOLDERS

A cardholder will have zero liability for unauthorized use of a Mastercard Debit Card so long as the cardholder has exercised reasonable care in safeguarding the Debit Card from risk of loss or theft and upon becoming aware, the cardholder has promptly reported the loss or theft to the Credit Union. If the cardholder cannot meet these requirements then the liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law. Zero liability does not apply to Mastercard branded cards issued to entities that are not natural persons, or issued for a commercial purpose unless the card is issued for a "small business" program as described on Mastercard's website, or issued until the person's identification is registered by or on behalf of the card issuer in connection with such issuance and/or sale which registration may include customer identification program requirements. 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.

Mastercard® is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

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

If you believe your ATM Card, Mastercard Debit Card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us at (209)444-5300 or (800) 675-5114, or write to us at P.O. Box 1329, Stockton, California 95201.

You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.

BUSINESS DAYS

Our business days are Monday through Friday, excluding holidays.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transaction to or from your 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 (your available balance) to make the transaction;
- b) the transaction would go over the credit limit on your credit line;
- c) the terminal where you were making the transaction did not have enough cash;
- d) the ATM or network system was not working properly and you were aware of the malfunction when you started the transaction;
- e) circumstances beyond our control (such as fire, flood, power failure, or computer downtime) prevented the transaction, despite reasonable precautions that we have taken;
- f) the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- g) your ATM Card or Mastercard Debit Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;
- h) your ATM Card or Mastercard Debit Card or PIN has been reported lost or stolen and we have blocked the account; or
- i) the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at (209) 444-5300 or (800) 675-5114 or write to us at P.O. Box 1329, Stockton, CA 95201 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 determine whether an error occurred 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 the error you assert is an unauthorized Mastercard transaction, other than a cash disbursement at an ATM, we will credit your account within 5 business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within 10 business days.) 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.

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

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

CHARGES

In order to obtain the electronic services listed, you must open and maintain a share account. All charges associated with our electronic fund transactions are disclosed in our Fee Schedule that was provided to you 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 government agency or court orders or other legal process; or
- d) if you give us your prior oral or written permission.

ADDRESS CHANGE

Keep the Credit Union informed of your current address by written notification, to insure correct mailing of monthly statements. If you have elected to receive statements electronically, it is also your responsibility to keep the Credit Union informed of your current email address.

AMENDMENTS

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

TERMINATION

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

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

ADDITIONAL BENEFITS/CARD ENHANCEMENTS

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

WAIVER OF RIGHTS

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

OTHER AGREEMENTS

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

SEVERABILITY

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

WHO IS BOUND BY THIS AGREEMENT

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

SIGNATURES

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

► Additional Disclosures Applicable to ACH Services

DOCUMENTATION OF DIRECT DEPOSIT

If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (209)444-5300 or (800) 675-5114 or the Audio Response System at (209) 943-6803 or (800) 217-4939, or you can access your account through our Online Banking service 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 (209)444-5300 or (800) 675-5114, or write to us at P. O. Box 1329, Stockton, California 95201, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call we will 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 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
- Pay bills directly from your share or share draft/checking account in the amounts and on the days you request.
- Authorize a merchant or other payee to make a one-time electronic payment from your share draft/checking account using information from your check to pay bills or pay for purchases; and
- Authorize a merchant or other payee to debit your share draft/checking account for returned check fees or returned debit entry fees.

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

► ***Additional Disclosures Applicable to ATM and POS Services***

RULES FOR USE

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

FEES

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

TRANSACTIONS AVAILABLE

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

- Make deposits to your share or share draft/checking account;
- Withdraw cash from your share or share draft/checking account;
- Transfer funds between your share and share draft/checking accounts;
- 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 checking and share savings accounts;
- Make loan payments; and
- Make account balance inquiries.

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

LIMITATIONS ON TRANSACTIONS

You may make ATM cash withdrawals or POS transactions up to \$500 each 24-hour period as long as your available balance will cover the transaction. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

ACCESS CARDS

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

MASTERCARD® CROSS-BORDER AND VISA® FOREIGN TRANSACTIONS

For transactions processed through Mastercard:

- Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. If a cross-border transaction on a U.S.-issued credit or debit card is submitted to Mastercard in the currency of the country of the merchant, Mastercard will convert the transaction to the cardholder's billing currency using its currency conversion procedure. Mastercard uses either a government-mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The government-mandated exchange rate or wholesale exchange rate Mastercard uses for a particular transaction is the rate Mastercard selects for the applicable currency on the day the transaction is processed, which may differ from

that applicable to the date the transaction occurred or when it is posted to your account. Added to your cross-border transaction are a Mastercard Issuer cross-border assessment of nine-tenths of one percent (.9%) and currency conversion assessment of two-tenths of one percent (.2%). Cross-Border Transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country.

For transactions processed through Visa:

- Foreign Transactions in Foreign Currency- 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. Foreign transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country. The conversion rate in dollars will be a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.
- Foreign Transactions in U.S. Currency- Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. Transactions processed outside of the United States, in U.S. dollars, may be charged a foreign transaction fee of point eight percent (.8%), regardless of whether there is a currency conversion associated with the transaction. Foreign transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country.

ATM SAFETY

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

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

► ***Additional Disclosures Applicable to Mastercard® Debit Card Services***

ISSUANCE OF CARD

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

Mastercard is a registered trademark, and the circles design is a trademark of Mastercard International Incorporated.

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 Mastercard Debit 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

You may make ATM cash withdrawals up to \$1,000 in each 24-hour period as long as your available balance will cover the transaction. You may make Mastercard Debit Card signature based or point-of-sale (“POS”) transactions using your Card and PIN up to \$2,500 in each 24-hour period as long as your available balance will cover the transaction.

Purchases and cash withdrawals made at merchants and financial institutions that accept cards with the Mastercard logo will require an authorization number from Mastercard.

USE OF THE CARD

You may use the Debit Card and PIN to:

- Withdraw cash from your share or share draft accounts at ATMs, merchants, or financial institutions that accept Mastercard Debit Cards;
- Transfer funds between your account and another account you have with the Credit Union; and
- Make deposits to one of your accounts at the Credit Union.

You may use the Debit Card without the PIN to:

- Purchase goods or services at places that accept Mastercard Debit Cards (these are point-of-sale or POS transactions).
- Order goods or services by mail, telephone or online from places that accept Mastercard Debit Cards; 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 Mastercard Debit Cards is an order by you for the withdrawal of the amount of the Transaction from your Account. Each Transaction with the Card will be charged to your Account on the date the Debit Card Transaction is posted to your Account. When the Credit Union receives notification of a Debit Card transaction, it will put a hold on an equivalent amount of funds in your share draft/checking account for 3 days.

All Debit 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 MASTERCARD® DEBIT CARD

You agree that your Mastercard Debit Card Account will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under

this Agreement. You agree that the Credit Union has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

OVERDRAFTS

You promise to pay the Credit Union immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. If you do not have overdraft privileges, the Credit Union may deduct the amount of any overdraft on your Account from any other account you have with the Credit Union, except an Individual Retirement Account. For more information, refer to the Courtesy Pay Disclosure section within this Truth in Savings Disclosure.

MASTERCARD® CROSS-BORDER AND VISA® FOREIGN TRANSACTIONS

For transactions processed through Mastercard:

- Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. If a cross-border transaction on a U.S.-issued credit or debit card is submitted to Mastercard in the currency of the country of the merchant, Mastercard will convert the transaction to the cardholder's billing currency using its currency conversion procedure. Mastercard uses either a government mandated exchange rate, or a wholesale exchange rate selected by Mastercard. The government-mandated exchange rate or wholesale exchange rate Mastercard uses for a particular transaction is the rate Mastercard selects for the applicable currency on the day the transaction is processed, which may differ from that applicable to the date the transaction occurred or when it is posted to your account. Added to your cross-border transaction are a Mastercard Issuer cross-border assessment of nine-tenths of one percent (.9%) and currency conversion assessment of two-tenths of one percent (.2%). Cross-Border Transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country.

For transactions processed through Visa:

- Foreign Transactions in Foreign Currency- 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. Foreign transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country. The conversion rate in dollars will be a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.
- Foreign Transactions in U.S. Currency- Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. Transactions processed outside of the United States, in U.S. dollars, may be charged a foreign transaction fee of point eight percent (.8%), regardless of whether there is a currency conversion associated with the transaction. Foreign transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country.

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.

► ***Additional Disclosures Applicable to Telephone Banking Audio Response Services***

TRANSACTIONS AVAILABLE

You may use your Telephone Banking Audio Response Services to perform the following transactions:

- Obtain account and loan balances;
- Obtain account and loan transaction history;
- Obtain loan payment due date and pay off information;
- Obtain current and prior year dividends earned;
- Obtain current and prior year loan interest paid;
- Obtain clearance of specific checks;
- Request a check withdrawal from your share or share draft/checking account;
- Transfer funds between your share and share draft/checking accounts;
- Access your Line of Credit Account to request loan advances;
- Transfer funds from your Line of Credit to your share checking and share savings accounts;
- Transfer funds between accounts;
- Make loan payments;
- Obtain IRA contribution information;
- Request a copy of a cancelled check; and
- Request a stop payment on a check you have written.

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

LIMITATIONS ON TRANSACTIONS

The maximum amount you may withdraw by check is \$10,000 during any 24 hour period. The minimum amount you may withdraw by check is \$5. The maximum number of withdrawals or transfers you may make from your Share Account is six (6) per calendar month.

► ***Additional Disclosures Applicable to Online Banking Services***

Online Banking Services allow convenient access to your account information 24 hours a day. To use Online Banking you must have a computer, modem, Internet Service, browser, your account number, an access code, and a secret password.

TRANSACTIONS AVAILABLE

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

- Obtain account/loan balance;
- View account/loan history;
- Obtain last dividend, date and amount;
- Obtain images of cancelled checks;
- Transfer funds between your share and share draft/checking accounts;
- Transfer funds from your Line of Credit or Mastercard Credit Card to your share or share draft/checking accounts;
- Transfer funds from your share or share draft/checking accounts to make your loan payments;
- Send secure emails via the service's messaging system;
- Perform online check reorders;
- Download transaction information to personal financial management software from share or share draft/checking accounts;
- Use the Bill Pay service to pay your bills (optional service); and
- Access Online Statements.

LIMITATIONS ON TRANSACTIONS

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

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

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

► ***Additional Disclosures Applicable to Bill Pay Services***

SYSTEM REQUIREMENTS

To use Bill Pay, you must have a computer, modem, Internet Service, browser, your Access Code and Personal Security Code and you must be enrolled in the Central State Credit Union Online Banking services with an active Access Code and Personal Security Code.

RIGHT TO STOP PAYMENT OF PRAUTHORIZED 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 209.444.5300 or write to us at P.O. Box 1329, Stockton, CA 95201-1329, in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.

b) Notice of varying amounts.

If these regular payments vary in amount, the person you are going to pay will tell you ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

TRANSACTIONS AVAILABLE

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

- Add/Edit Merchants: Merchant refers to the entity to which you pay bills. The merchant can be a company, organization, or individual. The Add/Edit Merchant feature allows you to add merchants to, delete merchants from or edit merchant information on your personal list of merchants.
- Make nonrecurring payments from 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 Bill Pay service:

- The maximum you may withdraw by check is \$10,000 during any 24-hour period;
- The maximum transaction amount is \$10,000 during any 24-hour period;
- 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;
- 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 Funds 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 3:30 p.m. P.S.T. for domestic funds transfers and 12:30 p.m. P.S.T. for international funds transfers 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 and Charges for current fees.

SECURITY PROCEDURES

The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not

agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.

USE OF FEDWIRES

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

IDENTIFICATION OF BENEFICIARY

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

IDENTIFICATION OF BENEFICIARY AND INTERMEDIARY BANK BY NUMBER

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

PROVISIONAL ACH PAYMENTS

The Credit Union may at its discretion give you credit for automated 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 LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS INVOLVING YOUR PIN OR ACCESS CODE

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

PERSONAL IDENTIFICATION NUMBER

You will select a Personal Identification Number (PIN). This number should be memorized. Your accounts can only be accessed by the use of an access device with the PIN. If you forget your PIN, contact the Credit Union to re-set your PIN.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transaction to or from your accounts 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 (your available balance) to make the transaction;
- b) the transaction would go over the credit limit on your credit line;
- c) the network system was not working properly and you were aware of the malfunction when you started the transaction;
- d) circumstances beyond our control (such as fire, flood, power failure, or computer down-time) prevented the transactions despite reasonable precautions that we have taken;
- e) the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- f) your PIN/Access Code has been entered incorrectly;
- g) the payee mishandles or delays a payment sent by our bill payment service provider;
- h) you have not provided our bill payment service provider with the correct names, phone numbers, or account information for those persons or entities to whom you wish to direct payment; 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.

CHARGES

There are no fees for using the Mobile Banking Services. However, your mobile carrier may charge for Internet access or text messaging associated with SMS Banking. Contact your mobile device carrier for additional information.

AMENDMENTS

The Credit Union may change the terms and conditions of this Agreement from time to time by mailing written notice to you at your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your accounts, you will be given at least 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 our services or designated accounts.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

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

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

TRANSACTIONS AVAILABLE

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

- Obtain account balance information;
- Obtain up to twenty-four (24) months of History on your accounts;
- Transfer funds between your accounts within the same membership number;
- Send and receive SMS messages (SMS Banking) to obtain balance and history information;
- Send money to a third party through Pay Someone service from your checking account;
- Access your Bill Pay; and
- Make remote capture deposits.

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

- A service charged as stated on the Fee Schedule will be assessed to your account for each Pay Someone transaction.
- No more than six preauthorized, automatic, online, or telephone transfers may be made from your Share/Savings account or money market deposit account to another account at the Credit Union or to a third party in any calendar month, and no more than three of these six transfers may be made by check, draft, debit card, or similar order payable to a third party. 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 request, and the Credit Union may reclassify or close your account.

YOUR ABILITY TO WITHDRAW FUNDS

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

We will generally make funds from your deposited checks available to you sooner than we are able to collect the funds for that check. In some cases, checks you deposit may be returned unpaid. You are responsible for your deposits, even if we previously made those funds available to you and you withdrew them. If a check you deposited is returned unpaid for any reason, you will have to repay us and we may assess a returned item fee as set forth in our Fee Schedule, even if doing so causes your account to become overdrawn.

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 the close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Deposits made at an ATM on a Credit Union business day are not available until after 12:00 a.m. on the second business day.

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. The first \$275 of your deposits, however, may be available on the first business day.

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

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$6,725.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$6,725 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$6,725 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the 9th business day after the day of your deposit.

HOLDS ON OTHER FUNDS (OTHER ACCOUNT)

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

DEPOSITS AT AUTOMATED TELLER MACHINES

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

IMPORTANT NOTICE ABOUT YOUR ACCOUNT(S) (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.

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

GENERAL TERMS AND CONDITIONS OF YOUR CREDIT UNION ACCOUNTS

DEFINITIONS

ACCOUNT AGREEMENT means any share, share draft/checking, certificate, trust, totten trust or UTMA account agreement.

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

MEMBERSHIP & ACCOUNT APPLICATION

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

ACCOUNT OWNERSHIP

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

Individual Accounts: The account or certificate is owned by the party named on the Account Agreement ("Account Holder"). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Agreement.

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

SPECIAL RULES FOR JOINT ACCOUNTS

Withdrawals by and Liability of Joint Owners – The Account Holders of an account agree with each other and with the Credit Union that all funds and all accumulations thereon are and will be owned by all Account Holders jointly and equally regardless of their net contributions and 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.

ACCESS TO CREDIT UNION SERVICES

Although Credit Union membership eligibility may be based on place of employment, continued membership and access to credit union services are not employment benefits and may be provided or withheld based on credit union policies.

CONSENT TO CONTACT (NON-TELEMARKETING ONLY)

You give your express consent for the Credit Union and others acting on our behalf to contact you at any telephone number you give to us or we obtain from any other source (including any wireless phone or VoIP number), using any calling or texting technology (including any automatic telephone dialing system, artificial voice or prerecorded voice), regarding this account or any other relationship you now or later have with the Credit Union. You agree that you have not provided, and will not provide to us, any

telephone number unless you are the subscriber to the service or the customary user of the telephone to which that number relates unless you tell us in writing. If you revoke this authorization, you agree to do so in a way that is likely to provide us with notice in time to process that revocation before we make any further calls or send any further texts, such as by using one of the methods designated by the Credit Union for such purpose.

NOTICE

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

ABILITY TO PLEDGE FUNDS

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

ENFORCEMENT OF LIENS

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

PAYMENT ORDER OF ITEMS

We will pay checks, automated debits (ACH), Debit Card transactions, ATM withdrawals and point-of-sale transactions in the order presented to the Credit Union. Multiple checks presented for payment on the same day will be paid in check number order. For ACH transactions, deposits are posted first then debits are posted by settlement date, then lowest to highest amount. For ATM Card and Debit Card transactions, items are posted in the order received.

The Credit Union reserves the right to adjust the above processing times in its sole discretion.

FINANCIAL ABUSE REPORTING

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

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

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

NOTIFICATION OF CHANGES

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

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, Debit Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

NEGATIVE CREDIT REPORTING

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

REPORTING INACCURATE INFORMATION

If you believe the Credit Union is reporting inaccurate information to a credit reporting agency, please notify us at Central State Credit Union, P.O. Box 1329, Stockton, CA 95201, 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. The Credit Union shall not be liable for payment of a postdated check or preauthorized debit on the date presented unless a stop payment has been placed in accordance with Credit Union policy and procedure.

EXAMINATION OF STATEMENTS

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

NON-CASH PAYMENTS

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

FEES AND CHARGES

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

CREDIT UNION'S RIGHT TO OFFSET

Account Holder(s) agrees that the Credit Union has the right to offset against any account of any Account Holder to cover any amount owing to the Credit Union for any reason. 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.

TERMINATION OF MEMBERSHIP

Once you become a member of Central State Credit Union, you may always remain a member; however, Central State Credit Union has the right to terminate your membership for any of the following reasons:

1. Conviction of a criminal offense involving moral turpitude.
2. Failure to carry out contracts, agreements or obligations with the Credit Union.
3. Refusal to comply with the provisions of the California Credit Union Law or of the Credit Union bylaws.
4. Abuse, verbal abuse or mistreatment of Credit Union employees.

DENIAL OF SERVICES

The Credit Union reserves the right to limit, restrict or deny any credit union product(s) or service(s) to any Member who, in its sole discretion: (i) causes a loss to the Credit Union; (ii) misuses any Credit Union product or service; (iii) causes willful destruction or damage to Credit Union property; (iv) mistreats, or acts without civility, to any Credit Union staff or volunteers; (v) provides false or misleading information in connection with any transaction or Credit Union product or service; (vi) fails to comply with the terms and conditions of any agreement with the Credit Union; or (vii) poses an undue risk to the Credit Union or its membership. Notwithstanding, all Members retain the right to maintain a basic share account and to vote in annual and special meetings. No action to limit, restrict or deny services will relieve a Member of the obligation to pay any outstanding balances, charges, or other amounts owed to the Credit Union.

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.

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).

CLASS ACTION WAIVER

No member or accountholder may maintain or pursue against the credit union a class action, class-wide arbitration, or private attorney general action. Nor shall any class action, class-wide arbitration, or private attorney general action be pursued by a member against the credit union in any arbitration or in any court proceeding, regardless of when the claim or cause of action arose or accrued, or when the allegations or facts underlying the claim or cause of action occurred.

► *Share Account Agreement*

TRANSFERS TO THIRD PARTIES

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

WITHDRAWALS, PRIOR NOTICE REQUIREMENT

The Credit Union reserves the right to require prior written notice of intention to withdraw all or any part of shares not to exceed the notice requirement as set forth in the Credit Union's bylaws. Cash withdrawals exceeding \$3,000 may require seven business days prior notice. The Credit Union may limit total cash withdrawals within seven business days to a maximum of \$25,000.

► *Share Draft/Checking Account Agreement*

WITHDRAWALS, APPROVED METHODS

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

ELECTRONIC CHECK CONVERSION

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

DEMAND DRAFTS

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

► *Substitute Checks and Your Rights*

WHAT IS A SUBSTITUTE CHECK?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

WHAT ARE MY RIGHTS REGARDING SUBSTITUTE CHECKS?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than forty-five (45) calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

HOW DO I MAKE A CLAIM FOR A REFUND?

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at (209)444-5300 or (800) 675-5114. You must contact us within sixty (60) calendar days of the date that we mailed (or otherwise delivered by a means to which you

agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check and the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, and the amount of the check.

OVERDRAFTS

The Credit Union is under no obligation to pay a share draft which exceeds the available balance in an account; the Credit Union may, however, pay such a share draft and recover or obtain a refund of the amount of the resulting overdraft plus applicable service charges 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. See Courtesy Pay disclosure for more information.

NOTICE REGARDING NSF FEES: When an item is returned unpaid due to insufficient available funds [and not covered by the Courtesy Pay Program,] you will be charged a Non-Sufficient Funds (NSF) fee, as stated in the Credit Union's Fee Schedule. If multiple items are returned unpaid due to insufficient available funds on the same day, you will be charged an NSF fee for each returned item. The same item may be presented for payment more than once, and you will be charged an NSF fee each time that item is presented and returned due to insufficient available funds.

Multiple NSF Fees: You understand and agree that a merchant or other entity may make multiple attempts to submit a returned item for payment. Consequently, because we may charge a service fee for an NSF item each time it is presented, we may charge you more than one service fee for any given item. Therefore, multiple fees may be charged to you as a result of a returned item and resubmission regardless of the number of times an item is submitted or resubmitted to us for payment, and regardless of whether we pay the item or return, reverse, or decline to pay the item. When we charge a fee for NSF items, the charge reduces the available balance in your account and may put your account into (or further into) overdraft.

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

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

You understand that you may be overdrawn even when your actual balance is positive. You also understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you wish to make because your available balance will not reflect all your outstanding checks, automatic bill payments or recent deposits. In addition, your available balance will not reflect all of your debit card transactions. For example, if a merchant obtains your prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions), we are required to release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account. We do not determine and are not responsible for any hold amounts placed by merchants. We encourage you discuss such holds with merchants to determine how much the merchant may place on hold. You must also keep careful records and practice good account management to avoid making transactions without sufficient funds available for withdrawal. For additional details on the availability of your funds for withdrawal, see the section entitled "Your Ability to Withdraw Funds." If you have additional questions about your available or actual balance, please see a branch representative or call (209)444-5300 or (800) 675-5114.

COURTESY PAY DISCLOSURE

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 for which there are insufficient funds. This is the Credit Union's Courtesy Pay Program. The Credit Union provides the Courtesy Pay Program as an accommodation to you and is not obligated to do so, even when it has done so in the past. You do not apply for this service.

QUALIFICATION

To be eligible for the Courtesy Pay Program, the member must meet all of the following criteria:

- Must be a member in good standing;
- Must be a minimum of 18 years of age;
- Cannot be delinquent on any Credit Union loans or other obligations to the Credit Union beyond thirty (30) days; and
- Must not have a negative record reported to a consumer credit reporting agency.

Only one (1) account per Social Security Number will be eligible to receive the Courtesy Pay service. If the member maintains more than one account with the Credit Union, the member must designate which account may obtain the service. Accounts that are held in sole or joint ownership by a current Credit Union employee, board member, or other Credit Union volunteers are not eligible for the Courtesy Pay service. To be eligible, the designated account must meet all of the following criteria:

- Account must have been opened for at least ninety (90) days and maintained good standing throughout the entirety of this ninety (90) day evaluation period;
- Account must receive minimum monthly deposits totaling at least \$500 after the first 30 days from account opening;
- Account must not be overdrawn for more than 15 consecutive days;
- Must not have an outstanding balance on an Overdraft Repayment Plan;
- Account must not have any legal or administrative orders, levies, garnishments, or bankruptcy proceedings on the account;
- Account must not be a fiduciary or escrow account; and
- Account must not be inactive for more than 1 year.

DESCRIPTION OF SERVICE

By participating in the program, the Credit Union may honor overdrafts, including checks, automated debits (ACH), debit card transactions, ATM withdrawals, and point-of-sale transactions.

Unless the Credit Union currently has your affirmative consent (opt-in) on file, we will not approve your overdrafts for ATM withdrawal or debit card transactions. You must tell us you want overdraft coverage for these transactions.

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

To request overdraft coverage for your ATM withdrawal or debit card purchases, contact us at (209) 444-5300 or write to us at P.O. Box 1329, Stockton, CA 95201-1329. Complete the Overdraft (Courtesy Pay) Consent Form, which is provided with this disclosure, and return it to any Credit Union branch or mail it to us at the address shown. The Credit Union will provide you with written confirmation of your opt-in choice.

COURTESY PAY FEES

When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft, plus the amount of the Courtesy Pay fee. The Courtesy Pay Program fee is a flat fee charged for each overdraft item presented and paid by the Credit Union. The Credit Union will not charge the Courtesy Pay fee for an item that causes an overdraft balance amount of \$10 or less. The charge for the Courtesy Pay service is described in our Fee Schedule. If your account remains overdrawn for more than ten (10) business days, you may also be assessed a Sustained Overdraft Fee for each additional day your account has a negative balance.

There is no limit on the total fees we can charge you for overdrawing your account.

COURTESY PAY LIMITS

The maximum dollar amount of overdrafts the Credit Union will cover for each member is:

- \$250, beginning the 91st day after the account is open;
- \$500, beginning the 181st day after the account is open; and
- \$750, beginning the 366th day after the account is open.

These maximum overdraft amounts include the Courtesy Pay fee.

ADDITIONAL INFORMATION

If we honor multiple overdrafts, we may honor them in the order presented to the Credit Union or return any such items. The Credit Union reserves the right to adjust the processing times in its sole discretion. Refer to "Payment Order of Items" in the General Terms and Conditions of Your Credit Union Accounts for information regarding payment order of items.

When the Credit Union honors overdraft items, you must deposit funds immediately, but in no case more than thirty (30) days from the date of any notice sent to you. To satisfy your obligation in bringing your account positive, funds deposited to cover a negative balance must remain in the account until the next business day. If you fail to cover the total overdraft amount within thirty (30) days, the Credit Union may pursue all collection options available to it. The Credit Union may, but is not obligated to, transfer funds from your other accounts with us to cover the overdraft.

The Courtesy Pay service is a discretionary privilege offered to 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.

OPT-OUT

If you do not want the Courtesy Pay service you must complete an opt-out form. To obtain this form, call the Credit Union at (209) 444-5300 or write to us at P.O. Box 1329, Stockton, CA 95201-1329.

STALE-DATED SHARE DRAFTS

The Credit Union is under no obligation but may pay a share draft which is presented more than six (6) months after it is dated. The Credit Union may assess a special handling charge upon receipt of any such item in addition to a service charge upon the account in accordance with the fee schedules adopted by the Credit Union and as amended from time to time. However, the Credit Union shall not be liable for payment of a stale dated check.

LOST OR STOLEN SHARE DRAFTS

If your checkbook or any check has been lost or stolen, please notify any Credit Union office or the Member Service Call Center immediately. The Credit Union may, in its sole discretion, close your account and open a new one for you. Outstanding checks will not be paid under the old account number, unless you have given us specific written instructions to pay them and sufficient funds are available to do so. No electronic debits will be paid under the old account number, and you are responsible for completing new instructions to transfer them to the new account if you so desire.

STOP PAYMENTS

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

TRUNCATION OF DRAFTS

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

LIABILITY OF CREDIT UNION

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

CLOSURE OF ACCOUNT

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

FOR SHARE DRAFT/CHECKING ACCOUNTS WITH SHARE OVERDRAFT PROTECTION

If any Account Holder(s) writes a share draft that would result in the share draft/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 share draft and any associated fees and to credit such charge to the share draft/checking account. No share draft 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 SHARE DRAFT/CHECKING ACCOUNTS WITH LOAN OVERDRAFT PROTECTION

If any Account Holder(s) writes a share draft which would result in the share draft/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 the share draft/checking account in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor such share draft and any associated fees.

► *Certificate Account Agreement*

PLEDGING OF FUNDS

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.



AMERICA'S
CREDIT UNIONS™

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

NCUA

National Credit Union Administration, a U.S. Government Agency