



# **ACCOUNT DISCLOSURE**

EFFECTIVE OCTOBER 16, 2023

**TRUTH-IN-SAVINGS  
YOUR ABILITY TO  
WITHDRAW FUNDS**

**IMPORTANT DOCUMENTS  
PLEASE KEEP FOR YOUR RECORDS**

FPCU.org





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

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**IMPORTANT INFORMATION ABOUT OPENING A NEW ACCOUNT**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens or signs on an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver’s license or other identifying documents.

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

In this Agreement and Disclosure (sometimes also referred to herein as “Agreement”), the words “I,” “me,” “mine,” “my,” “us” and “our” mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing the applicable Membership and Account Application or opening one or more account(s) with Financial Partners Credit Union. The words “you,” “your,” “yours” and “Credit Union” mean FINANCIAL PARTNERS CREDIT UNION.

**Please note that this Agreement and Disclosure contains a BINDING INDIVIDUAL ARBITRATION PROVISION AND JURY AND CLASS ACTION WAIVER on page 19 (Section 49) which affects my rights with respect to any claims or disputes by or against the Credit Union as described on page 9. I may opt out of that provision as described on page - 10.”**

## I. PAYMENT OF DIVIDENDS

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

For all accounts except term Share Certificate accounts, the Dividend Rate and Annual Percentage Yield (APY) may change as determined by the Credit Union's Board of Directors. For specific dividend rate(s) for each type of dividend bearing account, I will refer to the Savings Rate and Terms located online at [www.fpcu.org](http://www.fpcu.org), which is incorporated by this reference or by contacting you at 800.950.7328.

For Share Savings, First Step Savings, Christmas Club, and IRA Savings accounts, dividends will be compounded quarterly and credited quarterly. For these accounts the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example is March 31.

For Money Market Checking, Premier Money Market Savings, Premier Checking, and RMD Money Market Savings dividends will be compounded monthly and credited monthly. For these 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 of such dividend period is January 31. All other dividend periods follow this same pattern of dates.

Dividends on term Share Certificate accounts are compounded and will be credited and paid as set forth in my Share Certificate Disclosure, when issued. Dividends earned on a share certificate will be paid less any penalties, through the closure date.

If I close any account other than a term Share Certificate account before dividends are credited, I will not receive the accrued dividends.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day I deposit items to my account.

## II. TERMS AND CONDITIONS

### Terms and Conditions Applicable to All Accounts

1. I must be a member in good standing to maintain any account. I will be admitted to membership upon payment of one regular share or upon the payment of an entrance fee disclosed in the Schedule of Fees and charges, the amount of such regular share and fee to be established from time to time by the Board of Directors and upon: (1) the approval of an employee and in accordance with the Credit Union's membership plan; or (2) the affirmative vote of a majority of the Board of Directors, a Chairperson of the Membership Committee or an Executive Committee. I shall not become a member until I have qualified for membership in the manner provided herein. If I leave the field of membership I may be permitted to retain my membership in the Credit Union unless otherwise provided in the Credit Union bylaws.
2. All accounts (except checking accounts) are not transferable except as defined in 12 CFR, Part 204.
3. Federal regulations require you to retain the right to require all savings account depositors to give seven days written notice before

making a withdrawal. It is unlikely, however, that you would require this notice.

4. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit you from enforcing such terms and conditions at a later date.
5. You reserve the right to amend, modify, add to, or delete from this Agreement and Disclosure from time to time and in your sole and absolute discretion. You will provide me with any advance notice of changes as required by applicable law, and my continued use of an account constitutes my agreement with such changes.
6. You may refuse to follow any of my instructions that in your sole judgment are illegal or would expose you to potential liability. Alternatively, you may require adequate security or invoke other security measures to protect you from all losses and expenses incurred if you follow my instructions. I agree to reimburse you for any damages, losses, liabilities, expenses and fees (including, but not limited to, reasonable attorneys' fees) that you incur in connection with my account if you take an action in accordance with my or what purports to be my oral, written or electronic instructions.
7. You reserve the right to refuse to open any account, service, or to accept or reject additional deposits to an existing account.
8. I authorize you to accept items payable to any account owner for deposit to my account from any source without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by me.
9. You may endorse and/or collect items deposited to my account without my endorsement but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorers to be present or to have their endorsements guaranteed before you accept the item.
10. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.
11. You are not responsible for items lost or stolen when they are not in your possession.
12. You will forward all statements and other notices only to the person whose signature appears first (Primary Member) on the Membership and Account Application. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment, including but not limited to an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if you: 1) suffer a loss on the item because of my failure; or 2) you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you. Notification must be when I identify the error, but in no event more than sixty (60) days following the date of the statement. If I fail to uphold my duties but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item one (1) year or more after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.

13. You or I may terminate an account(s) at any time. I understand and agree; however, that your authority may not be changed or terminated except by written notice to you which will not affect prior transactions. Moreover, if you receive conflicting claims to funds in an account you hold, you may, at your discretion, restrict the account and deny access to all; close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address; interplead all or any portion of the funds from an account to the court; or hold the funds, without liability to anyone, pending resolution of the claim to your satisfaction.
14. You reserve the right to restrict, or close any share(s) or services should I engage in conduct that is abusive to the credit union. This conduct includes but is not limited to: actions that abuse products and services of the credit union; abusive or threatening behavior; or suspicious, fraudulent, illegal, dishonest, or deceptive activities. Restrictions, closure or suspension of accounts, products and/or services will be reasonably related to the nature of the abusive conduct. I understand this also applies to joint owners and authorized users of accounts, products and services.
15. I acknowledge that you may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If you suspect such financial abuse, I understand and agree that, in addition to reporting such abuse as may be required under law, you have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that you deem appropriate under the circumstances. I agree to indemnify and hold you harmless from and against all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.
16. You may recognize the signature of anyone who signed an applicable Membership and Account Application as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure, any Term Share Certificate Account Application and Agreement/Disclosure and/or the Account Application shall be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.
17. I understand and agree that Individual, Joint and Pay-On-Death accounts may be subject to Multiple Party Accounts Law, and the California Probate Code, as now in effect or hereafter amended.
18. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent applicable Membership and Account Application or other document(s) evidencing such account(s). A different form of ownership may be established by executing an additional Membership and Account Application or other required document. The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties.
19. I agree to notify you promptly in writing or by phone of any change of address. I may notify you in person at your office or by sending a written and signed notice to: Financial Partners Credit P.O. Box 7005, Downey, California, 90241
20. I am required to keep you informed of my current address. In the event I fail to do this, a charge may be made to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred

in determining my address. Furthermore, I may incur a monthly fee until such time that I provide you with a valid address as set forth in the Schedule of Fees and Charges.

21. I agree to notify you immediately of the death or court declared incompetence of any owner of my account. I agree to inform each owner of my account to notify you of such an event as well. If I die or am declared legally incompetent, you can continue to accept and collect items deposited to my account until you know of my death or adjudication of incompetency and have a reasonable opportunity to act.
22. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks, savings, or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy for further details.
23. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned check, and any fee you may customarily charge for such action. You may re-present a returned check for payment to the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but you are not required to do so. If you choose to re-present the check, you may do so without telling me the check was not paid or that you are presenting it again. You may charge a fee for each deposited or cashed check charged back to my account. You may, at your option, notify me, by telephone or in writing, if a check has been returned unpaid and the fee charged.
24. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you, which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the item caused by me or a prior endorser.
25. For purposes of this Agreement, a "remotely created check" means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. You reserve the right to accept or reject any item for deposit into any of my accounts. If I deposit a remotely created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely created check that I have deposited into my account is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand.
26. For purposes of this Agreement, a "substitute check" means a paper reproduction of an original check that contains an image of the front and back of the original check, is suitable for automated processing in the same manner as the original check, and meets the other technical requirements of Regulation "CC." You reserve the right to accept or reject any item for deposit into any of my accounts. If you accept a substitute check for deposit that I have created, I represent and warrant to you that: (1) the substitute check contains an accurate image of the front and back of the original check and a legend stating that it is the legal equivalent of the original check; (2) no depositary



bank, drawee, drawer, or endorser will be asked to pay a check that it already has paid; (3) I am entitled to enforce the substitute check; (4) all signatures on the original check are authentic and authorized; (5) the original check has not been altered; (6) I have no knowledge of any insolvency proceeding commenced with respect to the maker of the original check; and (7) all aspects of the original check are genuine. If you accept a substitute check for deposit that I have created, I further agree to indemnify and hold the Credit Union harmless from and against any and all losses that any recipient of a substitute check suffers due to the receipt of a substitute check instead of an original check.

27. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
28. All accounts are subject to your Schedule of Fees and Charges, which accompanies this Agreement and Disclosure and is incorporated by this reference. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Accounts. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
29. An account with no activity for 12 months, other than a crediting of dividends, will be considered dormant and may be subject to a monthly Dormant Account Fee, as set forth in your Schedule of Fees and Charges.
30. State law for the address you have on record for me dictates at what point an account balance is required to be turned over ("escheated") to the state after a period of inactivity. As an example: California laws state that inactive account balances in savings, checking, Individual Retirement, matured Term Share (Certificate) accounts, and safe deposit box contents must be turned over ("escheat") to the state after a period of three (3) years since the last time I: (a.) Increased or decreased the amount of funds on deposit in any account(s) with you (if the account statements are sent to the same address), or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you, or in the case of an Individual Retirement Account three years from the date funds are required to be distributed under the terms of the account or plan; or (b.) Corresponded in writing or electronically with you concerning the account; or (c.) Otherwise indicated an interest in the account as evidenced by a memorandum or other record on file with you. My deposit account will not escheat to the state, however, if, during the previous three (3) years, I have owned another deposit account with the Credit Union and, with respect to that deposit account, I have done any of the acts described in paragraphs (a), (b), or (c) above, and, with regard to the deposit account that would otherwise escheat, you have "communicated" (i.e., sent account statements or statements of interest paid for federal and state income tax purposes) electronically or in writing with me at the address to which communications regarding the other deposit account are regularly sent. You may charge a fee for mailing an escheat notice to me, and/or a service charge fee for money orders escheated to the state. To recover funds turned over to the state, I must file a claim with the state.

31. You may, but are not obligated to, transfer funds from my savings accounts or loan accounts on my written, oral, or electronic request. I understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer and you authorize the transaction. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days." If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer will not occur.
32. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
33. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records for the time frame required by California law will be available to me. I agree to pay applicable fees for such copies.
34. I understand and agree that you must comply if you are served with any notice of garnishment or of attachment, tax levy, injunction, restraining order, subpoena or other legal process relating to my account that you reasonably believe is valid. You may charge a Levy Processing fee, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process.
35. In the event that a teller, official, or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim For Reimbursement and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Loss and Claim For Reimbursement is not enforceable until the later of (i) the time the Declaration of Loss and Claim For Reimbursement is properly delivered to you, or (ii) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to or stopping payment on such check.
36. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account and/or in connection with making future credit opportunities available to me. I authorize you to give information concerning your experiences with me to others.
37. Except as otherwise provided by applicable law, you are not responsible for any loss or damage which results from my negligence, including without limitation, my failure to adequately safeguard my blank checks, debit card, personal identification numbers (PIN), online banking user ID and passwords or other personal information or means of access to my account.
38. Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number.
39. In the event that a negative balance is created in my account (whether due to ATM activity, non-sufficient funds activity, Credit Union imposed fees and charges, or otherwise) or I have other outstanding financial obligations of any kind owed to you which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation which is in default.
40. In addition to any other rights that you may have, I agree that any deposits or future deposits and or other credits to any account

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

41. I agree not to use, or allow anyone else to use, any Credit Union account or service, including but not limited to any loan, in any illegal transaction. Any illegal activity or use shall be deemed an event of default, and I agree to indemnify you for any losses you may incur as a result of such use. I agree that you may close any or all accounts if you, in your sole and absolute discretion, deem account use to be abusive or illegal.
42. I agree, in order for you to service my account(s) or to collect any amounts I owe, you may from time to time make calls and/or send text messages to me at any telephone number(s) associated with my account, including wireless telephone numbers that could result in charges to me. The manner in which these calls or text messages are made to me may include but is not limited to, the use of prerecorded/artificial voice messages and/or an automatic telephone dialing system. I further agree that, in order for you to service my account or to collect any amounts I owe, you may send emails to me at any email address I provided to you.
43. Pursuant to federal law, the Credit Union must verify the identity of any person seeking to open or add a joint owner or signer to any account and must maintain records of the information used to verify the person's identity. For the purposes of this paragraph, "account" means "each formal banking or business relationship established to provide ongoing services, dealings, or other financial transactions." For example, a deposit account, a transaction or asset account, and a credit account or other extension of credit would each constitute an account.
44. Member accounts in this Credit Union are federally insured by the National Credit Union Administration (NCUA), an independent government agency that charters, regulates, and insures credit unions.
45. An action or proceeding by me to enforce an obligation, duty or right arising under this Agreement or by law with respect to my account must be commenced within one year after the cause of action occurs.
46. I agree to indemnify, defend, and hold you, your employees and board members harmless from and against every claim, demand, action, cost, loss, liability and expense, including, without limitation, attorneys' fees, which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.
47. My account and this Agreement and Disclosure will be governed by California law, to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules shall not be applied if that would result in the application of non-California law.
48. **ARBITRATION AND WAIVER OF JURY TRIAL AND CLASS ACTION:**  
***I understand that I should read this provision carefully. It affects my rights and may have a substantial impact on how legal claims you and I have against each other are resolved if I do not opt-out as permitted below.***

#### **ARBITRATION**

Notwithstanding anything to the contrary in this Agreement, this arbitration provision shall be interpreted and enforced in accordance with the Federal Arbitration Act ("FAA") to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin

or nature of the claim. To the extent permitted by the FAA and any other applicable federal law, binding arbitration may be elected by either party with respect to any past, present or future claim or controversy arising out of or relating to this Agreement and Disclosure and/or my account, even if that party has already initiated a lawsuit with respect to a different claim. Arbitration is elected by giving a written demand for arbitration to the other party, by filing a motion to compel arbitration in court, or by initiating arbitration against the other party. You and I agree, upon such written demand, motion or initiation, to submit to, and that such claim shall be settled by, binding arbitration.

The arbitration will be subject to the Rules of the American Arbitration Association ("AAA") in effect at the time the arbitration is initiated, or such similar rules as may be adopted by AAA. Neither party will demand the arbitration of an action filed in small claims court, or its state's equivalent court, for any claim or dispute within the scope of the small claims court's jurisdiction. But if a claim is transferred, removed or appealed to a different court, such claim shall be subject to arbitration.

Notwithstanding anything to the contrary in this Agreement, this arbitration provision shall be interpreted and enforced in accordance with the FAA by a single arbitrator appointed by the AAA. The arbitrator shall be an attorney, retired judge or AAA panel member with experience and knowledge regarding financial institutions and transactions. The filing fees and costs of the arbitration pursuant to this Agreement shall be paid by the Credit Union. Each party shall each be responsible for and pay their respective costs, including attorneys' fees, incurred by them in preparing and presenting their cases during the arbitration proceedings.

Arbitration hearings will be held in a location reasonably convenient to my residence, or at another location if mutually agreed. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including issues relating to the validity or enforceability of these arbitration provisions, shall be determined by the arbitrator. Only a court, and not an arbitrator, however, shall determine the validity and effect of the class action and jury trial waivers below. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law must be followed by the arbitrator, and the commencement of an arbitration under this Agreement and Disclosure shall be deemed the commencement of an action for such purposes. The arbitrator's decision shall be final and binding and may be entered in any state or federal court having jurisdiction. The arbitrator may award any remedy provided by the substantive law that would apply if the action were pending in court. For more details, I should check the American Arbitration Association's website, [www.adr.org](http://www.adr.org), OR call the American Arbitration Association's Customer Service telephone number at (800) 778-7879.

**WAIVER OF CLASS ACTION AND JURY TRIAL**

**WE EACH AGREE THAT ANY AND ALL DISPUTES, WHETHER SUBMITTED TO ARBITRATION OR DECIDED BY A COURT, MUST BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY AND NOT AS A CLASS ACTION PLAINTIFF OR CLASS MEMBER IN ANY PURPORTED CLASS OR REPRESENTATIVE PROCEEDING. I AGREE TO WAIVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR LITIGATE ON A CLASS-WIDE BASIS. I AGREE THAT I HAVE EXPRESSLY AND KNOWINGLY WAIVED THESE RIGHTS. I HEREBY VOLUNTARILY AND KNOWINGLY WAIVE, AND YOU HEREBY VOLUNTARILY AND KNOWINGLY WAIVES, THE RIGHT TO TRIAL BY JURY OF ALL DISPUTES, CONTROVERSIES AND CLAIMS BY, BETWEEN OR AGAINST EITHER ME OR YOU WHETHER THE DISPUTE, CONTROVERSY OR CLAIM IS SUBMITTED TO ARBITRATION OR IS DECIDED BY A COURT, TO THE FULLEST EXTENT ALLOWED BY LAW.**

## **MY RIGHT TO OPT-OUT: ARBITRATION AND WAIVER OF CLASS ACTION AND JURY TRIAL**

**IF I DO NOT WANT THIS ARBITRATION AND WAIVER OF CLASS ACTION AND JURY TRIAL PROVISION TO APPLY, I MAY OPT-OUT BY SENDING A WRITTEN REQUEST TO YOU POSTMARKED WITHIN SIXTY (60) DAYS OF MY RECEIPT OF THIS AGREEMENT AND DISCLOSURE. THE OPT-OUT MUST INCLUDE MY FULL NAME, ADDRESS, TELEPHONE NUMBER, ACCOUNT NUMBER AND PERSONAL SIGNATURE, AND MUST BE MAILED TO YOU AT: 7800 E. IMPERIAL HWY., DOWNEY, CA 90242. OPTING OUT WILL NOT TERMINATE THIS AGREEMENT AND DISCLOSURE OR AFFECT ANY OTHER RIGHTS AND OBLIGATIONS I OR YOU HAVE UNDER THIS AGREEMENT AND DISCLOSURE.**

This arbitration provision does not preclude me from bringing issues regarding my accounts to the attention of any federal, state or local agency or entity. Such agency or entity may be able to seek relief on my behalf.

Nothing in this arbitration provision shall limit my or your right, whether before, during, or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to obtain provisional remedies (including but not limited to, injunctive relief or interpleader relief). The exercise of such rights will not constitute a waiver of the right to submit any dispute to arbitration.

This Arbitration and Waiver of Class Action and Jury Trial provision shall survive my death, the closing of any of my accounts, the termination of any of my business or transaction(s) with you, and any bankruptcy filing to the extent consistent with applicable bankruptcy law, and shall also survive as to any claim within the scope of this Agreement and Disclosure.

### **Terms and Conditions Applicable to All Individual and Joint Accounts**

1. If there is more than one owner, all agree with each other and with you that all sums now paid in or hereafter paid in by any one or all account owner(s) including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. You may require me to provide advanced written notice for cash withdrawals in excess of \$5000.00.
4. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of funds.
5. Being a joint owner of a member's account does not constitute Credit Union membership for the joint owner. Joint owners may be non-members.
6. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us. I may not withdraw funds that are pledged as security on loan(s) without the written approval of a loan officer, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am cosigner, endorser, or guarantor are delinquent, without the written approval of a loan officer.

7. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

### **Terms and Conditions Applicable to All Pay-On-Death (P.O.D.) Designations**

1. If I have made a Pay-On-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and upon my death to my designated P.O.D. payee(s) or if the account is jointly owned, to one or more account owner(s) during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. If a P.O.D. payee dies before all of the account owner(s), then upon the death of all of the owner(s), all sums are divided equally among the surviving P.O.D. payees.
2. A Pay-On-Death designation cannot be changed by a will.

### **Terms and Conditions Applicable to Living Trust Accounts**

1. If I am a trustor/trustee and want to establish an account in connection with a written trust, you may require me to provide you with a notarized trust certification confirming my power as a trustee, and other documents as applicable, prior to opening the account.
2. You are not required to know, understand, interpret or enforce the terms of the Trust Instrument.
3. I acknowledge that the Account is governed by the applicable terms and conditions set forth in this Agreement and Disclosure and by the terms and conditions set forth in my Account Agreement/Application in the Name of Trustee(s).
4. Living trust accounts are not subject to Multiple Party Accounts Law.

### **Terms and Conditions Applicable to All Custodial Accounts**

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

### **Terms and Conditions Applicable to All Fiduciary Accounts**

1. I am duly appointed to act in the capacity of Executor/Executrix, Administrator/Administratrix, Guardian or Conservator, when I have completed the Membership and Account Application for Custodial or Fiduciary Accounts. By the authority vested in me, I may act individually or jointly, and am authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you and you have had a reasonable opportunity within which to act.

2. I may not pledge any or all funds on deposit in the account as security for any loan(s).
3. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

## **Terms and Conditions Applicable to Savings Accounts**

### **Share Savings**

1. The minimum deposit required to open the Share Savings Account is the purchase of a \$25.00 share.
2. Fee waived with \$250 minimum balance or another product (including brokerage) OR eStatements.
3. I must maintain a minimum daily balance of \$100.00 in my account each day to obtain the disclosed Annual Percentage Yield (APY) on the Savings Rates and Terms sheet.

### **First Step Savings**

1. The minimum deposit required to open the First Step Savings Account is the purchase of a \$5.00 share.
2. A First Step Savings Account is an account for minors and requires that I, the primary member, be younger than eighteen (18) years old.
3. You reserve the right, at your sole discretion, to require that a Joint Account Holder be placed on the Account who may be a parent, grandparent or a legal guardian appointed by the court, and at least eighteen (18) years of age. This additional Joint Account Holder will be jointly and severally liable to the Credit Union for any returned item, overdraft, unpaid charges, or amounts owing on the Account and any and all additional Joint Accounts opened by the minor or Joint Account Holder regardless of the minor's rights regarding such contracts.
4. You have no duty to inquire as to the use or purpose of any transaction by a minor or any other Joint Account Holder.
5. I understand that I will earn a premium Annual Percentage Yield (APY) on balances up to \$1,000.00 and the Share Savings Annual Percentage Yield (APY) on balances of \$1,001.00 and above as disclosed on the Savings Rates and Terms located online at [fpcu.org](http://fpcu.org).
6. When I, the minor, as Primary Member reach the age of eighteen (18) years old you are not required to, and typically will not without a request from me, the minor, or the other Joint Account Holder, change the Account status to remove the Joint Account Holder from the account.
7. Upon me, the minor, reaching eighteen (18) years of age, I understand that my First Step Savings Account will automatically be converted to a Share Savings Account, thus earning rates and being assessed fees applicable with a Share Savings Account. Please see Savings Rates and Terms located online at [fpcu.org](http://fpcu.org) to better understand the difference between rates and fees applicable to First Step Savings Accounts and Share Savings Accounts.

### **Premier Money Market Savings**

1. The minimum deposit required to open a Premier Money Market Savings Account is \$25,000.00.
2. This is a tiered account with Dividend Rate and Annual Percentage Yield (APY) related to the daily balance in the account. I must maintain the minimum daily balance of \$5,000.00 in my account each day to obtain the disclosed APY for the tier as shown on the Savings Rates and Terms sheet. If I fail to maintain the required minimum balance, I may be assessed a monthly service charge.
3. I may not pledge any of the funds on deposit in the account as security for any loan(s).

### **RMD Money Market Savings**

1. The minimum deposit required to open a RMD Money Market Savings Account is \$10,000.00.

2. In order to qualify to open this account I must take a required minimum distribution (RMD) from an IRA account and place those proceeds into this account.
3. This is a tiered account with Dividend Rate and Annual Percentage Yield (APY) related to the daily balance in the account. I must maintain the minimum daily balance of \$10,000.00 in my account each day to obtain the disclosed APY for the tier as shown on the Savings Rates and Terms sheet. If I fail to maintain the required minimum balance, I may be assessed a monthly service charge.
4. I may not pledge any of the funds on deposit in the account as security for any loan(s).

### **Christmas Club Savings**

1. The minimum deposit required to open the Christmas Club Savings Account is \$25.00. There is no minimum deposit required if I sign up for direct deposit or automatic transfers to the account.
2. Fee waived with \$250 minimum balance or another product (including brokerage) plus eStatements.

### **Add-On IRA Savings**

1. The minimum deposit required to open a contributory Add-On IRA Savings Account is \$25.00.
2. There is no minimum daily balance required to obtain the disclosed Annual Percentage Yield (APY).
3. This account is subject to the terms and conditions that appear in the applicable "IRA Simplifier" which I will receive when I open the account.

## **Terms and Conditions Applicable to Checking Accounts**

### **Free Checking**

1. The minimum deposit required to open the Free Checking Account is \$25.00.
2. This is a non-dividend-bearing account.
3. There is no monthly service fee for this account.
4. A \$3.00 paper statement fee will be charged for each statement mailed to my address on file but can be waived if I opt into and maintain eStatements.
5. There is a \$5.00 fee for each automatic overdraft transfer from a Savings or other designated shares.
6. Out of Network ATM transactions (those not displaying the CO-OP logo) will be subject to a service charge of \$3.00 in addition to any surcharge the ATM provider may impose. ATMs displaying the CO-OP logo are free of any fees.
7. See section on Overdraft Privilege for details of the availability of Overdraft Privilege service with a Free Checking Account.

### **Premier Checking**

1. The minimum deposit required to open the Premier Checking Account is \$25.00.
2. This is a dividend-bearing account with no minimum daily balance required to obtain the disclosed Annual Percentage Yield (APY).
3. Fee waived with eStatements plus monthly ACH direct deposit of \$800, OR minimum average monthly balance of \$1,500.
4. Out of Network ATM transactions (those not displaying the CO-OP logo) will not be subject to a service charge in addition to any surcharge the ATM provider may impose. ATMs displaying the CO-OP logo are free of any fees.
5. Automatic overdraft transfers from Savings or other designated shares are free of any fees.
6. See section on Overdraft Privilege for details of the availability of Overdraft Privilege service with a Premier Checking account.



## **Money Market Checking**

1. The minimum deposit required to open the Money Market Checking Account is \$2,500.00.
2. I must maintain the minimum daily balances as disclosed in the Savings Rates and Terms sheet in my account each day to obtain the disclosed Annual Percentage Yield (APY) for each tier. If I fail to maintain the required minimum balance, I may be assessed a monthly service charge.

## **Terms and Conditions Applicable to All Checking Accounts**

1. You may, at your discretion, but you are not obligated to, nor shall you be liable for, refusal to pay funds from this account: (a.) When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts" see Section 11 below). (b.) If not authorized in advance by you. (c.) Against checks presented over six (6) months past their issuance dates.
2. You may pay and charge to my applicable account, checks drawn by and payable to any person, organization, association or corporation whom I have authorized by providing sample MICR encoded information identifying my account, provided there are sufficient funds in my account to pay such checks. I agree that your rights in respect to such checks shall be the same as if it were a check drawn and signed by me personally. This authority shall remain in effect until revoked by me in writing (to you and to the agency to whom the sample MICR information was provided) and you have had a reasonable opportunity to act on it. I agree that you shall be fully protected in honoring such checks. I further agree that if any such check is dishonored, whether with or without cause, and whether intentional or inadvertent, you shall be under no liability whatsoever, even though such dishonor results in the forfeiture of insurance, loss, or damage to me of any kind.
3. If you have made a good faith payment to a holder, you may charge my account according to: (a.) The original terms of my check; or (b.) The terms of my completed check unless you have notice that any such completion is improper.
4. I, or any other person authorized to draw on the account, may request a stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on a line of credit check. My stop payment must include the accurate account number, check number, and exact dollar amount. You will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. I agree to indemnify, defend and hold you harmless for all claims, actions and damages related to or arising from your action in stopping payment of any check pursuant to my request. A stop payment fee will be assessed for each stop payment request. Binding stop payment requests shall be valid no longer than six (6) months, but may be renewed for an additional six (6) month period by written notice given during the time that the stop payment request was effective. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment request. I may not stop payment on completed electronic point-of-sale transactions, certified checks, or "Official" checks issued or guaranteed by you.
5. Death, dissolution or incompetence of me (or any of us) shall not revoke your authority to accept, pay or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have the reasonable opportunity to act on it. Even with knowledge, you may for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to

stop payment by a person claiming an interest in the account under rules established by you. We shall notify you if any of us die, become incapacitated or our organization is dissolved.

6. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of: (a.) Any holder in due course on the check against the drawer or maker; (b.) The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and (c.) The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
7. You may without liability accept, pay, guarantee or charge checks to the account in any order convenient to you.
8. In the event of wrongful dishonor which occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any check, share draft or other debit on my account, your determination of whether sufficient funds exist in my account may be made at any time between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft or other debit.
9. I agree that in the event I draw a check on my account with you, that I will hold you harmless and indemnify you from any liability incurred due to a delay or misrouting of the check, where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by you or your agent.
10. You may recognize the signature of anyone who signed the Membership and Account Application as authorized to transact any business on this account, including, but not limited to, the causing or making of overdrafts and endorsement of checks payable to any signer of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by us whether or not we participate in the transaction or benefit from its proceeds.
11. I may not pledge any or all of the funds on deposit in this account as security for any loan(s).
12. If this is an ORGANIZATION account (i.e., corporate, partnership or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account. Please refer to the Business Account Agreement and Disclosures for complete details.
13. I will notify you immediately if my checks are lost or stolen. I agree that I will be responsible for losses caused by a delay in my notification to you.
14. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to me in care of you. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the Schedule of Fees and Charges. I am responsible for verifying the accuracy of all information shown on my checks whether I order them through you or elsewhere. If I obtain checks elsewhere, I agree I am responsible for paying the related fees charged by the third party.
15. This is a truncated checking account. Checks are provided with carbonless copies and are not returned with statements. Checks are microfilmed on both sides and stored for the applicable time required by law from the date of posting. I may request and you will provide me with a photocopy of a requested item within a reasonable time. You will not charge me for copies of the first two items I request

appearing on any statement. Additional copies may be subject to a fee assessment. If I have not ordered my Credit Union checks through your approved check vendors, I understand and agree that you are not responsible for the quality of any check copy that I request from you.

16. You may charge against my account a postdated check even though payment is made before the date of the check.
17. All checks written on my account must be drawn in U.S. dollars.
18. **Overdrafts.** The word "overdraft" includes a negative balance of the available balance of my account (see Understanding My Account Balance below for a more detailed explanation of my actual balance versus my available balance) that may occur for various reasons, including, but not limited to: (1) the payment of checks, electronic transfers, telephone-initiated transfers, pre-authorized payments under your bill pay service, or other withdrawal requests authorized by me including, but not limited to, ATM transactions, Debit Card transactions, Point of Sale transactions, ACH transactions, and other pre-authorized transfers, for which funds in the available balance of my account are insufficient; (2) the return (unpaid) of items deposited by me; (3) the imposition of service charges by you; or (4) the deposit of items which are treated as not yet "available" according to your Disclosure of Funds Availability. I authorize all drafts, ACH, automatic bill payments, and recurring bill payments paid with my Debit Card from my checking account(s) resulting in an account overdraft situation, to be cleared by overdraft privilege unless I otherwise opt-out of this service. I understand that I have other overdraft sources available to me I may request or opt-in to and may choose the order in which these options are implemented. Potential overdraft protection sources I can sign-up for, opt-in to, or qualify for include:
  - Share Savings Account Transfer, which authorizes you to transfer available funds from my share account to cover overdraft. This service is subject to a fee (See Schedule of Fees and Charges), but it is typically a smaller fee than the fees associated with other overdraft protection sources. See below for more details about share transfer.
  - Overdraft Privilege for ATM transactions and/or everyday debit card transactions, which is a discretionary service I must opt-in to that may be used to cover these transactions. This service is subject to an overdraft fee as stated in your Schedule of Fees and Charges. See below for further detail on this service.
  - Overdraft line of credit, which is a line of credit that I must apply for and be approved for that will be used to cover overdrafts if I opt-in for it to cover overdrafts. This service is subject to a fee as stated in your Schedule of Fees and Charges. See below for further detail.

If I do not establish another means of overdraft protection source (such as share transfer or a line of credit), and I am eligible for Overdraft Privilege service (as defined and discussed below), I agree that Overdraft Privilege may be utilized by you to pay any account overdraft(s). I further understand and acknowledge that any overdraft protection source(s), will be subject to overdraft fees. If I do not establish another means of overdraft protection source (such as share transfer or a line of credit), and am ineligible for Overdraft Privilege, I understand that any items returned unpaid, because of an insufficient available balance (see below for explanation of actual versus available balance) in my checking account will be subject to nonsufficient funds (NSF) fees. I understand if the same item previously returned for nonsufficient funds is presented or resubmitted for payment multiple times and returned for non-sufficient funds in my checking account, I will be subject to an NSF fee each time the item is presented and returned for non-sufficient funds.

**Understanding My Balance — Actual versus Available Balance:** It is important that I understand the difference between my “actual balance” and my “available balance” in order to properly manage the money in my account and avoid overdraft and NSF fees. My “actual balance” is the amount of money that is actually in my account at any given time, but not all funds included in the actual balance are considered available for transactions on my account. My actual balance reflects transactions that have posted to my account, but not transactions that have been authorized and are pending or pending deposits that are subject to holds under your Funds Availability Policy. While the term “actual” may sound as though the number I see is an up-to-date indication of what is in my account that I can spend, that is not always the case. My actual balance will not reflect any purchases, holds, fees, other charges, or deposits made on my account that have not yet posted. My “available balance” is the amount of money in my account at a particular time that is available to use without incurring overdraft and NSF fees. My available balance takes into account factors such as holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to my account. My available balance is used to determine when my account is overdrawn. I can determine my available balance at the ATM, by phone or by accessing my account via Digital Banking.

**Example 1 — If my actual balance is \$100 and I have a pre-authorized debit card hold of \$40, my available balance is \$60. Transactions/authorizations will be determined by my available balance of \$60. Transactions in excess of my available balance of \$60 may be paid by Overdraft Privilege.**

**Example 2 — If I write a check for \$25 but it has not yet cleared my account, my available balance will be \$25 less than what is reflected by my actual balance.**

**More examples — The following transactions are not reflected in my available balance:**

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

**I understand that I may be charged share transfer fees, or Overdraft Privilege fees, as applicable, if funds are nonsufficient in my available balance at the time a transaction is processed or an item presented for payment and the item or transaction is paid. If an item or transaction is returned for nonsufficient funds, I understand that I may be subject to NSF fees. See Schedule of Fees and Charges for specific fee amounts.**

I understand that I may be overdrawn even when my actual balance is positive. I also understand that I may still overdraw my account even though the available balance appears to show there are sufficient funds to cover a transaction that I want to make because my available balance does not reflect all my outstanding checks and automatic bill payments that I have authorized, recent deposits to my account, or all of my debit card transactions. I understand checks I have written will not be reflected in my available balance until they are presented to you and paid from my account. Further, if a merchant obtains my 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), you must 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 you and paid from my account. You do not determine and are not responsible for any hold amounts placed by merchants. I understand that I should discuss such holds with merchants to determine how much the merchant may place on hold. I must keep careful records and practice good account management to avoid making transactions without sufficient funds available for withdrawal. For additional details on the availability for withdrawal of deposits, see the section entitled "Funds Availability Policy."

**Order of Posting:** The order in which items are paid is important if there is not enough money in my account to pay all of the items that are presented. I understand that check items presented for payment on the same day will be paid in sequential check number order, or if no check number, then by date of presentment for payment. This means that items may not be processed in the order in which they occurred. I understand that the order in which items are processed can affect the total amount of fees that may be assessed against my Checking Account. You will pay automated debits (ACH), Debit Card transactions, bill payments, ATM withdrawals and point-of-sale transactions in the order presented to you. For ACH transactions, credits (deposits) are posted first then debits are posted by settlement date, in the order presented/listed to you by the Federal Reserve Bank. For ATM Card and Debit Card transactions, items are posted in the order received. I understand that the order in which items are processed can affect the total amount of fees that may be assessed against my account. You reserve the right to adjust the above processing times in your sole discretion. If I want to avoid overdraft, share transfer or NSF fees in connection with ACH transactions, I should make sure I have sufficient available funds in my Checking Account to cover any and all pending ACH debits.

**Overdraft Protection Sources.** The following are potential overdraft protection sources that can be used by you to cover overdrafts to my account:

**Transfer from Share Savings Account.** If I have requested for my Share Savings Account to cover overdrafts, that means that you may transfer funds from my Share Savings Account to cover overdrafts. Any such transfer(s) will generally be made only if there are sufficient available funds on deposit at the time of transfer and pursuant to the account limitations stated regarding withdrawals and transfers included in this Agreement and Disclosure. Having overdrafts covered by my Share Savings Accounts is the best way to keep fees I pay related to overdrafts lower, assuming I have sufficient available funds in my Share Savings to cover the entirety of the overdraft and any related fees, because the fee associated with a share transfer is lower than other overdraft-related fees. I understand that I will still be charged a fee for this service in accordance with your Schedule of Fees and Charges for each time a transfer is made from my Share account to cover an overdraft. Note, if the funds available in my Share Savings Account are insufficient to cover the entire overdraft, you may use all available funds in my Share Savings Account to cover a portion of the overdraft and then use Overdraft Privilege to cover any remainder. In this instance, I will only be charged the Overdraft Privilege fee. Contact us at 800.950.7328 to add this service.

**Line of Credit.** If I have applied for and been approved for a line of credit, and I have requested to overdraft from my line of credit by contacting you to enable this service. You will look to any such line of credit to cover any overdrafts if I do not have sufficient available funds in my share account to cover the overdraft unless I have requested you to transfer from my line of credit as a first option for overdrafts. Line of credit advances to cover overdrafts will require that I have credit available in my line of credit as established by the terms and conditions of that line of credit agreement. Overdrafts from lines of credit are transferred in increments of \$50 and are subject to fees and repayment. I should refer to my line of credit

agreement and the fee schedule for more information about related fees and repayment.

Example #1 If a check is presented in the amount of \$40 a loan advance in the amount of \$50 will be transferred.

Example #2 If a check is presented in the amount of \$70 a loan advance in the amount of \$100 will be transferred.

I agree that overdrafts, if paid in excess of funds available on any eligible line of credit/loan agreement or in my Share Savings Account, are payable on demand. In the event any term herein conflicts with any term(s) of my line of credit/loan agreement, the term(s) of the line of credit/loan agreement shall govern.

**Overdraft Privilege.** Pursuant to the Credit Union's commitment to provide valued service and benefits, the Credit Union may pay my overdrafts that would cause my eligible account to have a negative (or further negative) balance (based on my account's available balance) pursuant to the terms and conditions of this Agreement and Disclosure up to the amount of my Overdraft Privilege limit of \$800 or \$1000, in your discretion, if I maintain a regular monthly direct deposit of \$500 (Student Checking limit is \$100 no direct deposit is required) and otherwise qualify for the service (see below). I understand that this is a service I may opt-out of if I do not want the Credit Union to pay my overdrafts under this service. See the end of this section for more information about opting out of Overdraft Privilege.

Through Overdraft Privilege you may pay my overdrafts at your discretion, which means you do not guarantee that you will always authorize and pay the following types of transactions: checks and ACH transactions from my checking account, automatic bill payments, and recurring bill payments paid with my Debit Card. While many types of transactions are automatically included with Overdraft Privilege for those eligible (unless I opt-out), some specific types of transactions are not covered under this service unless I opt in. I understand that you may not authorize and/or pay overdrafts for the following types of transactions unless I opt into this service:

- ATM transactions
- Everyday debit card transactions

I should refer to the opt-in information below if I am interested in having the Overdraft Privilege service considered for these types of transactions.

The Overdraft Privilege is not a credit product and requires no application or credit approval process. The Overdraft Privilege may be applied to my Checking Account if I meet all of the following eligibility requirements:

- I am a member for at least 60 days;
- I maintain my membership in good standing;
- I make regular deposits consistent with my past practices;
- I must not be more than thirty-one (31) days delinquent or be in default in any other respect on any loan or other obligation to you;
- There must not be any legal or administrative orders or levies against my Checking Account;
- The primary account holder is 18 years of age or older; and
- For ATM and everyday debit card transactions, if I have affirmatively opted-in to this service to cover those transactions.

**ANY OVERDRAFT PRIVILEGE PAYMENT WILL BE MADE ON A CASE-BY-CASE BASIS, IN YOUR SOLE AND ABSOLUTE DISCRETION.** I will be notified of any nonsufficient funds checks, items, or other transactions that have been paid or returned in my monthly statement; however, I understand that you have no obligation to notify me before you pay or return any check, item, or other transaction. You may refuse to pay any overdrafts through Overdraft Privilege without first notifying me even though my account is in good standing and even if you have paid previous overdrafts.

The total of the actual negative balance in my Checking Account, including any and all fees and charges, is due and payable upon demand, and I am required to immediately deposit with you sufficient funds to cover the overdraft paid by you and pay the related fees.

An Overdraft Privilege Fee will be charged to my Checking Account, in accordance with your Schedule of Fees and Charges, for each overdraft that is cleared on my Checking Account through the Overdraft Privilege. This means that more than one Overdraft Privilege Fee may be assessed against my Checking Account per day depending upon the number of overdrafts cleared through the Overdraft Privilege service. I will not be charged more than a total of five Overdraft Privilege fees per day even if you pay in excess of five overdrafts. There is no fee for a transaction paid by Overdraft Privilege in the amount of \$5 or less. There is no fee for a transaction paid by Overdraft Privilege that causes an "available" negative balance of \$5 or less. I understand that my Overdraft Privilege limit shall be reduced by the amount of each overdraft paid by you through Overdraft Privilege and any related Overdraft Privilege fee imposed. I further understand that should I hit my limit for Overdraft Privilege and I overdraw further on my account (and have no other overdraft protections sources) I will also be charged an NSF fee for any further items presented for payment to my account for each time said item is presented for payment not to exceed (5) NSF fees per day.

When such amounts are repaid by me as set forth herein you may replenish my Overdraft Privilege limit by the amount of the repayment. The Overdraft Privilege Fee is generally the same amount as the NSF fee charged by you for each "nonsufficient funds" item presented for payment and returned unpaid on a Checking Account. If you choose not to pay the overdrawn check or other item/ transaction under the Overdraft Privilege (and I have no other available overdraft protection source available to cover the overdraft), I am subject to an NSF fee for each time the item is presented or submitted for payment not to exceed (5) NSF fees per day.

I understand and agree that you may transfer funds to my Checking Account from any of my other account(s) with you (excluding IRA accounts and any other account protected from such transfers under applicable law), including account(s) upon which I am a joint owner, in an amount equal to the overdraft which you may pay according to the terms and conditions of this Agreement and Disclosure and to pay the related fees. In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now, or in the future, have an interest are subject to your right of offset for any liabilities, obligations, or other amounts owed to you by me (e.g., overdrafts and any related fees and charges), and such right is applicable irrespective of any contribution to the account or source of funds in the account, as applicable law allows. Although state and federal law provide certain protections against offset to direct deposit of Social Security and other public benefits, and unless otherwise prohibited by applicable law, this does not prohibit you from applying any subsequent deposits to my account (including benefit payments) to pay any overdrafts and resulting fees I may incur from that same account. Each person who causes an overdraft, which is paid by you, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement and Disclosure. You reserve the right to limit the Overdraft Privilege to one (1) account per household or member, without notice of reason or cause to me.

I understand that if I fail to live up to any of the terms and conditions of this Agreement and Disclosure or I am in default on any loan obligation with you and/or a negative balance exists in any other deposit account with you on which I am an owner, in addition to any other rights you may have, you may temporarily suspend or terminate the Overdraft Privilege or close my Checking Account and demand immediate payment of the entire unpaid negative balance. I also agree to pay any collection costs,

attorneys' fees, and court or arbitration costs which you or I shall or may incur as a result of my default.

You may terminate or suspend my Overdraft Privilege at any time without prior notice. In no event shall any termination relieve me of my obligation to repay such sums already owed, including but not limited to account negative balances, overdraft fees, collection costs, and attorneys' fees, if any.

Opt-in required for certain transactions. I understand that you may not authorize and pay overdrafts for the following types of transactions unless I affirmatively opt-in to this service:

- ATM transactions
- Everyday debit card transactions

To opt-in to Overdraft Privilege for my ATM and debit card transactions I may contact you by phone at 800.950.7328 visit a Financial Partners Branch or complete the opt-in process myself within Financial Partner's Digital Banking if I am signed up for Digital Banking. You will provide me with written confirmation of my opt-in choice by mail to the address you have on file.

If I prefer not to have Overdraft Privilege as a service, I should contact the Credit Union at 800.950.7328, Monday through Friday, 7:00 a.m. to 6:00 pm., and on Saturday from 9:00 a.m. to 3:00 p.m., and you will remove Overdraft Privilege from my Checking Account. I may also elect to request removal of Overdraft Privilege in Digital Banking or in person at any FPCU branch. If the Membership and Account Application is signed by more than one person, we hereby appoint each other as agents and attorneys in fact to overdraft from any of our savings (including accounts on which we are joint owners except IRA accounts).

### **Terms and Conditions Applicable to the eZ Reloadable, Pre-Paid Card (eZ Card)**

A regular Savings Account with a minimum \$5.00 balance is required. The eZ Card is non-transferable. As the Primary cardholder/FPCU member I can request up to four Secondary Cards for family members or companions at the time of account set-up. Secondary Cards are personalized with each cardholder's name when ordered. When giving a Secondary Card to a minor person with no card experience, I understand that I am responsible for the card and all usage and must go over how to use and secure the card. Secondary Cards will utilize the same prepaid balance as the primary Card for all transactions and fees. Secondary Cards will function under the same terms and conditions as the primary Card. I am responsible for all authorized transactions made with the Secondary Card(s). Card balance and transaction information can be accessed via digital banking, FPCU Mobile, or may be requested by calling Member Services at **800.950.7328**.

The eZ Card can be processed as a Credit or Debit transaction. When paying as a Credit transaction, I/we may be prompted to sign a sales receipt. When paying as a Debit transaction, I/we will need to enter my PIN. The eZ Card is not a credit card. The eZ Card is funded by a deposit account insured by the NCUA. The eZ Card may not be used for recurring payments, non-financial money exchange establishments, illegal transactions, and/or gambling establishments.

The purchase amount is limited to the lesser of \$1,000 a day or the available balance on my eZ Card at the time of the purchase. Purchases and transactions (including any transaction fees) will be deducted from my eZ Card balance until the value reaches zero. If a transaction initiated by me exceeds the remaining balance on the Card, I must inform the merchant before completing the transaction. Any transaction attempted for more than the amount available on the Card may be declined. Therefore, I must know the amount available on my Card, and inform the



merchant to process the transaction in that amount and pay the difference with another form of payment. If I am given value through the use of the Card greater than the balance remaining, I will pay Financial Partners on demand the amount by which my transactions exceeded the balance remaining on the Card. I can check the balance and review transaction history by logging into Digital Banking at [www.FPCU.org](http://www.FPCU.org), at an ATM or by calling **800.950.7328**.

In the event I need to return an item I purchased with my eZ Card, the merchant will handle the return in accordance with MASTERCARD guidelines. The merchant may credit my eZ Card (put the funds back on the Card) thereby increasing my available funds. The funds may take up to 7 business days to be credited to my eZ Card.

### **Card Limits**

The maximum load value is \$3000. The daily spending limit for point-of-sale transactions at merchants is \$1,000. You may not exceed more than ten (10) purchase transactions per day, up to the lesser of \$1,000 in total or the available balance remaining on your Card. You are allowed up to two (2) ATM withdrawals and/or advances per day, the total amount not to exceed \$600 per day.

### **Fees and Charges**

There are no fees associated with the use of the Card when purchasing goods and services. See the Schedule of Fees and Charges for other applicable fees.

### **Unclaimed Funds**

The balance on an expired eZ Card may become unclaimed funds escheatable to my state of residence, if as shown by your records, I have not, within the statutory period, caused any activity with regard to the Card, corresponded with FPCU concerning the Card, or otherwise indicated an interest in the Card.

### **Terms and Conditions Applicable to Term Share Certificate Accounts**

A Term Share Certificate Account is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions set forth in the Savings Rates and Terms sheet and the Share Certificate Application and Disclosure which will be provided to me in accordance with applicable law.

### **Terms and Conditions Applicable to Individual Retirement Accounts**

1. An IRA is subject to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions set forth in the applicable "IRA Simplifier," which will be provided to me in accordance with applicable law.
2. The minimum deposit required to open this account is \$1,000. Additional deposits are permitted to contributory IRAs only.
3. I may not pledge any of the funds on deposit in the account as security for any loan(s).
4. Certain federal and state penalties apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
5. Funds in an Individual Retirement Account will escheat to the state if I have not done any of the following for a period determined by the laws of the state in which I reside (residence is determined by my address on file) after the funds become payable or distributable:
  - a. Increased or decreased principal;
  - b. Accepted payment of principal or income (dividends);
  - c. Corresponded electronically or in writing with you concerning the funds or otherwise indicated an interest therein.

### III. INSTRUCTION TO PAYER'S REQUEST FOR TAXPAYER IDENTIFICATION NUMBER AND CERTIFICATION

**IRS Form W-9.** Section References are to the Internal Revenue Code.

#### PURPOSE OF FORM.

A person (such as the Credit Union) who is required to file an information return with the IRS must get my correct taxpayer identification number (TIN) to report, for example, income paid to me, real estate transactions, mortgage interest I paid, the acquisition or abandonment of secured property, cancellation of debt or contributions I made to an IRA.

**I must use Form W-9 only if I am a U.S. person** (including a resident alien), to give my applicable to:

1. Certify that the TIN I am giving is correct (or I am waiting for a number to be issued);
2. Certify I am not subject to backup withholding; or
3. Claim exemption from backup withholding if I am an exempt payee.
4. Certify that I am exempt from FATCA reporting.

If I am a foreign person, I must use a Form W-8. See Pub 515, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

**Note:** If you give me a form other than a W-9 to request my TIN, I must use your form if it is substantially similar to Form W-9.

#### What is Backup Withholding?

Persons making certain payments to me must withhold and pay to the IRS a percentage of such payments under certain conditions. The rate of percentage is established by the IRS and is subject to change. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, non-employee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding. If I give you my correct TIN, make the proper certifications, and report all my taxable interest and dividends on my tax return, my payments will not be subject to backup withholding. Payments I receive will be subject to backup withholding if:

1. I do not furnish my TIN to you; or
2. I do not certify my TIN when required (see the Part II instructions for Certification for details); or
3. The IRS tells you that I furnished an incorrect TIN; or
4. I am told by the IRS that I am subject to backup withholding because I did not report all my interest and dividends on my tax return (for reportable interest and dividends only); or
5. I do not certify to you that I am not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding.

#### PENALTIES

**Failure to Furnish TIN.** If I fail to furnish my correct TIN to you, I am subject to a penalty of \$50.00 for each such failure unless my failure is due to reasonable cause and not to willful neglect.

**Civil Penalty for False Information With Respect to Withholding.** If I make a false statement with no reasonable basis that results in no backup withholding, I am subject to a \$500.00 penalty.

**Criminal Penalty for Falsifying Information.** Willfully falsifying certifications or affirmations may subject me to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If you disclose or use TINs in violation of Federal law, you may be subject to civil and criminal penalties.

## SPECIFIC INSTRUCTIONS

Name. If I am an individual, I must generally enter the name shown on my Federal Income Tax Return and on my Social Security Card. However, if I have changed my last name, for instance due to marriage, without informing the Social Security Administration of the name change, I enter my first name, the last name shown on my social security card and my new last name. If the account is in joint names, the number of the primary account holder is used for tax reporting purposes, unless I specify otherwise to you.

**Sole Proprietor.** I enter my **individual** name as shown on my social security card on the "Name" line. I may enter my business, trade or "doing business as (DBA)" name on the "**Business name**" line.

**Limited liability company (LLC).** If I am a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, I enter the owner's name on the "Name" line. I enter the LLC's name on the "Business name" line.

**Other Entities.** I enter the business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. I may enter any business, trade or DBA name on the "Business name" line.

**Exempt from backup withholding.** If I am exempt, I enter my name as described above, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form. Individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the Instructions for the Requester of Form W-9. If I am a nonresident alien or a foreign entity not subject to backup withholding, I give the requester the appropriate completed Form W-8.

**Note:** If I am exempt from backup withholding, I should still complete the form to avoid possible erroneous backup withholding.

## PART I. Taxpayer Identification Number (TIN)

I must enter my TIN in the appropriate box.

If I am a **resident alien** and I do not have and am not eligible to get a Social Security Number (SSN), my TIN is my IRS individual taxpayer identification number (ITIN). I enter it in the social security number box.

If I am a **sole proprietor** and I have an EIN, I may enter either my SSN or EIN. However, the IRS prefers me to use my SSN.

If I am a LLC that is **disregarded as an entity** separate from its owner (see **Limited Liability Company** above), and owned by an individual, I will enter my SSN (or "pre- LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc, I enter the owner's EIN.

## PART II. Certification

To establish to the withholding agent that I am a U.S. person, or resident alien, I sign Form W-9. I may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise. For a joint account, only the person whose TIN is shown on the Membership and Account Application or signature card should sign (when required).

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts that were considered active during 1983. I must give my correct TIN, but I do not have to sign the certification.
2. Interest, dividend, broker and barter exchange accounts opened after 1983 and broker accounts that were considered inactive during

1983. I must sign the certification or backup withholding will apply. If I am subject to backup withholding and am merely providing you with my correct TIN, I must cross out item 2 in the certification before signing the form.

3. Real Estate Transactions. I must sign the certification. I may cross out item 2 of the certification.
4. Other Payments. I must give my correct TIN, but do not have to sign the certification unless I have been notified that I have previously given an incorrect TIN. "Other payments" include payments made in the course of the requestor's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a non-employee for services, payments to certain fishing boat crew members and fishermen and gross proceeds paid to attorneys (including payments to corporations).
5. Mortgage Interest paid by me, acquisition or abandonment of secured property, cancellation of debt, qualified state tuition program payments (under section 529, IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. I must give my correct TIN, but do not have to sign the certification.

**Privacy Act Notice.** Section 6109 of the Internal Revenue Code requires me to give my correct TIN to you who must file information returns with the IRS to report interest, dividends, and certain other income paid to me, mortgage interest I paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions I made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of my tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation and to cities, states and the District of Columbia to carry out their tax laws. I must provide my TIN whether or not I am required to file a tax return. You must generally withhold 28% of taxable interest, dividend, and certain other payments to me if I do not furnish my TIN to you. Certain penalties may also apply.

#### **WHAT NAME AND NUMBER TO GIVE THE CREDIT UNION**

1. INDIVIDUAL: The individual.
2. TWO OR MORE INDIVIDUALS: The actual owner of the account or, if (JOINT ACCOUNT) combined funds, the first individual on the account.<sup>1</sup>
3. CUSTODIAN ACCOUNT OF A MINOR: The minor.<sup>2</sup> (Uniform Gift to Minors Act)
4. THE USUAL REVOCABLE SAVINGS TRUST: (GRANTOR IS ALSO TRUSTEE) The grantor-trustee.<sup>1</sup> 4a. SO-CALLED TRUST ACCOUNT THAT IS NOT A LEGAL OR VALID TRUST UNDER STATE LAW The actual owner.<sup>1</sup> SOLE PROPRIETORSHIP The owner.<sup>3</sup>
5. SOLE PROPRIETORSHIP: The owner.<sup>3</sup> FOR THIS TYPE OF ACCOUNT, give the name and EIN of:
6. SOLE PROPRIETORSHIP: The owner.<sup>3</sup>
7. A VALID TRUST, ESTATE OR PENSION TRUST: The legal entity.<sup>4</sup>
8. CORPORATE: The corporation.
9. ASSOCIATION, CLUB, RELIGIOUS, CHARITABLE, EDUCATIONAL OR OTHER TAX-EXEMPT ORGANIZATION: The organization.
10. PARTNERSHIP: The partnership.
11. A BROKER OR REGISTERED NOMINEE: The broker or nominee.
12. ACCOUNT WITH THE DEPARTMENT OF AGRICULTURE in the name of a public entity (such as a state or local government, school district or prison) that receives agricultural program payments: The public entity.

<sup>1</sup> I list first and circle the name of the person whose number I furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> I circle the minor's name and furnish the minor's SSN.

<sup>3</sup> I must show my individual name, but I may also enter my business or "DBA" name. I may use either my SSN or EIN (if I have one).

<sup>4</sup> I list first and circle the name of the legal trust, estate or pension trust. (I must not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

NOTE: If no name is circled when there is more than one name listed, the number will be considered to be that of the first name listed.

#### **IV. DISCLOSURE OF FUNDS AVAILABILITY FOR ALL ACCOUNTS OTHER THAN TERM SHARE CERTIFICATE ACCOUNTS**

Your policy is to make funds from my cash and check deposits available to me on the first (1st) business day after the day you receive my deposit. Electronic direct deposits will be available on the day you receive the deposit. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) you do not own or operate will not be available until the fifth (5th) business day after the day of my deposit. Funds deposited at ATMs that you own or operate will be available to me on the second (2nd) business day after the day you receive my deposit (except for funds from Treasury checks, which will become available for withdrawal on the first (1st) business day after the day you receive my deposit, if deposited to an account of a payee of the check). All ATMs that you own or operate are identified as your machines. Once they are available, I can withdraw the funds in cash and you will use the funds to pay checks that I have written. For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If I make a deposit in person to an automated or live teller before 5:00 p.m. on a business day that you are open, you will consider that day to be the day of my deposit. However, if I make a deposit after 5:00 p.m., or on a day you are not open, you will consider that the deposit was made on the next business day you are open.

**LONGER DELAYS MAY APPLY.** In some cases, you will not make all of the funds that I deposit by check available to me on the first (1st) business day after the day of my deposit. Depending on the type of check I deposit, funds may not be available until the second (2nd) business day after the day of my deposit. However, the first \$225.00 of my deposits may be available on the first (1st) business day after the day of deposit. If you are not going to make all of the funds from my deposit available on the first (1st) business day after the day of deposit, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees, or if you decide to take this action after I have left the premises, you will mail me the notice by the business day after the date you receive my deposit. If I will need the funds from a deposit right away, I should ask you when the funds will be available. In addition, funds I deposit by check may be delayed for a longer period under the following circumstances:

1. You believe a check I deposit will not be paid.
2. I deposit checks totaling more than \$5,525.00 on any one day.
3. I redeposit a check that has been returned unpaid.
4. I have overdrawn my account repeatedly in the last six (6) months.
5. There is an emergency, such as failure of communications or computer equipment.

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

**SPECIAL RULES FOR NEW ACCOUNTS.** If I am a new member, the following special rules will apply during the first thirty (30) days my account is open. Funds from electronic direct deposits to my account will be available on the day you receive the deposit. Funds from deposits

of cash, wire transfers, and the first \$5,525 of a day's total deposits of certified, teller, traveler's, and federal, state and local government checks will be available on the first (1st) business day after the day of my deposit if the deposit meets certain conditions. For example, the checks must be payable to me. The excess over \$5,525 will be available on the ninth (9th) business day after the day of my deposit. If my deposit of these checks (other than a U.S. Treasury check) is not made in person to one of your employees, the first \$5,525 will not be available until the second business day after the day of my deposit. Funds from all other check deposits will be available on the ninth (9th) business day after the day of my deposit.

**SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS.** The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing my deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing me) can be used by me for endorsements or any other markings. You will not be responsible for any damages incurred in the event I deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by me or a prior endorser on the back of the check. In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.

## **V. FUNDS TRANSFER AGREEMENT AND NOTICE**

The State of California has adopted as law Article 4A of the Uniform Commercial Code and the Board of Governors of the Federal Reserve has amended Subpart B of Regulation J. This law and regulation cover the movement of funds by means of wire transfers, Automated Clearing House (ACH) credits and some book transfers on the Credit Union's records. The law is intended to establish a comprehensive legal framework covering the duties, responsibilities and liabilities of all parties involved in a funds transfer. I understand that this Funds Transfer Agreement (Agreement) contains several notices which the Credit Union is required to provide to me and establishes other terms of agreement which will apply to all funds transfers which involve me and the Credit Union. Using the Credit Union to send or receive funds transfers shall constitute my acceptance of all of the terms and conditions contained in this Agreement. To the extent that the terms contained in this Agreement are different than those in any other agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account.

1. This Agreement applies to Funds Transfers as defined in the Article 4A of the Uniform Commercial Code (Division II of the California Uniform Commercial Code) and Subpart B of Regulation J of the Board of Governors of the Federal Reserve.
2. 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 for wire transfers will be at 2:00 p.m. P.S.T. on each weekday that the Credit Union is open which is not a federal holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next following business day and processed accordingly.
3. The Credit Union may charge my account for the amount of any funds transfer initiated by me or by any person authorized by me as a joint owner or other authorized party with the right of access to the

account from which the funds transfer is to be made.

4. The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. I 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. I agree that the authenticity of payment orders may be verified using that security procedure unless I notify the Credit Union in writing that I do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from me or other authorized parties on the account until I and the Credit Union agree, in writing, on an alternate security procedure.
5. If I send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that my rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.
6. If I give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying account number, even if the number identifies a person different than the named beneficiary. This means that I will be responsible to the Credit Union if the funds transfer is completed on the basis of the identifying account number I provided the Credit Union.
7. If I 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 person or institution than the named bank. This means that I will be responsible for any loss or expense incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number I provided.
8. The Credit Union may give me credit for Automated Clearing House (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. I am hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from me of the amount credited to me in connection with that ACH entry. This means that the Credit Union may provide me 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 my account and I would be liable to repay the Credit Union.
9. If I have preauthorized ACH payments out of my account, I can stop any of these payments by calling the Credit Union at 800.950.7328, or by writing to Financial Partners Credit Union, PO BOX 7005, Downey, CA 90241, in time for you to receive my request three (3) business days or more before the payment is scheduled to be made. You may also require me to complete Financial Partner's ACH Stop Payment Form and deliver to you within fourteen (14) calendar days. If I fail to confirm my oral request, it may lapse. You will charge me a fee for each stop payment order I give you as set forth in the Fee Schedule. This stop payment request for an ACH payment/debit may be for a single, multiple or indefinite period of time. To stop all future payments, it is my responsibility to contact the originator or the third party that I initially authorized. The stop payment order will remain in effect: (1) until payment of the entry has been stopped (for one-time requests), or (2) until you withdraw the stop payment order in writing, whichever occurs first.
10. 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 me with next day notice of receipt of ACH credit transfers to my account. I will continue

to receive notices of receipt of ACH items in the periodic account statements which the Credit Union provides.

11. If the Credit Union received a funds transfer for me or for other persons authorized to have access to my account, I agree that the Credit Union is not obligated to provide me with next day notice of the receipt of the funds transfer. The Credit Union will provide me with notification of the receipt of all funds transfers by including such items in the periodic account statements which the Credit Union provides. I may, of course, inquire between receipt of periodic statements, whether or not a specific funds transfer has been received.
12. If the Credit Union becomes obligated under Article 4A (Division II of the California Uniform Commercial Code) to pay interest to me, I agree that the rate of interest 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.
13. The Credit Union may, in its sole discretion, reject any funds transfer request which: (1) exceeds the collected and available funds on deposit in my designated account(s); (2) is not authenticated to the Credit Union's satisfaction or which the Credit Union reasonably believes may not be authorized by me; (3) contains incorrect, incomplete, or ambiguous information; or (4) involves funds subject to a lien, hold, dispute or legal process pending their withdrawal. I understand and agree that the Credit Union shall incur no liability for any loss occasioned by the Credit Union's refusal to accept any funds transfer order.
14. The Credit Union shall have the right to charge the amount of any funds transfer request to any of my accounts at the Credit Union in the event that no account is designated, or in the event that a designated account has insufficient collected funds to cover the amount of a funds transfer request. The Credit Union may charge a service charge for services relating to the sending or receiving of the funds transfer request. Such charge(s) are set forth in the Credit Union's Schedule of Fees and Charges, which was provided to me and which is incorporated by this reference.
15. If I initiate a funds transfer request denominated in United States dollars for transfer to a foreign country, the Credit Union may transfer payment in the currency of the beneficiary bank's country at the Credit Union's buying rate of exchange to United States dollars. If the transfer is returned for any reason, I agree to accept the refund in United States dollars in the amount of the foreign money credit, based on the current buying rate of the bank converting the currency to United States dollars at the date of refund, less any charges and expenses incurred by the Credit Union.
16. Except as expressly prohibited by applicable state and federal laws and regulations, I understand and agree that the Credit Union will not be liable for any loss or liability arising from: (1) any unauthorized transfer or interest thereon (including, but not limited to, fraudulent transfers and/or a transfer which the Credit Union failed to abide by the agreed upon security procedures) which I fail to report to the Credit Union within sixty (60) days after I received notification of the transfer; (2) any negligent or intentional action or inaction on the part of any person not within the Credit Union's reasonable control, including, but not limited to, the failure of other financial institutions to provide accurate or timely information; (3) the failure of other financial institutions to accept a funds transfer order; (4) my negligent or intentional action or inaction and/or breach of this Agreement; (5) any ambiguity or inaccuracy in any instruction given to the Credit Union by me or my authorized agent; or (6) any error, failure or delay in execution of any funds transfer instruction, or cancellation or amendment caused by circumstances beyond the Credit Union's reasonable control, including, but not limited to, any computer or



communication facilities malfunction. Except as otherwise provided by applicable state or federal laws or regulations, the Credit Union's liability for any negligent or intentional action or inaction in connection with any funds transfer request shall be limited to my direct loss and payment of interest. **UNDER NO CIRCUMSTANCES SHALL THE CREDIT UNION BE LIABLE FOR ANY LOST PROFITS, CONSEQUENTIAL, INDIRECT, PUNITIVE OR SPECIAL DAMAGES WHICH I MAY SUFFER IN CONNECTION WITH THIS AGREEMENT AND/OR ANY FUNDS TRANSFER REQUEST.**

17. Subject to applicable state and federal laws and regulations, the Credit Union may amend the terms of this Agreement at any time. By thereafter using or continuing to use the Credit Union's funds transfer services, I agree to such amendments.

Except as otherwise expressly provided by applicable state and federal laws and regulations, this Agreement and all transactions initiated hereunder shall be governed by and construed in accordance with the laws of the State of California, notwithstanding any conflict of law doctrines of such state to the contrary.

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



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