

# Membership and Account Agreement

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This Agreement is the contract of deposit, which covers your and our rights and responsibilities concerning Membership and Account(s) offered to you. In this Agreement, the words "you" and "yours" mean those who sign the Account Application Card ("Account Card") or approve an electronic application. The words "we," "us," and "our" mean the Pacific Cascade Federal Credit Union ("Credit Union"). The word "account" means any one or more deposit accounts you have with the Credit Union.

By signing the Account Card or completing and transmitting an online account authorization or service request that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, Funds Availability Policy, Mobile Deposit Service terms and Privacy Policy, and the Truth-in-Savings Disclosures, Rates and Fee Schedule and Electronic Services Agreement accompanying this Agreement, any account receipt, the Credit Union's Bylaws and policies, and any amendments, which collectively govern your Membership and Accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means to 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.

## I. MEMBERSHIP AND ACCOUNTS

### 1. Membership Eligibility

To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union's field of membership, have a valid Social Security Number (SSN) or Tax Identification Number (TIN) and must purchase and maintain minimum shares as required by the Credit Union's Bylaws. You authorize us to check your account, credit and employment history, and obtain credit reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request or to which you qualify.

### 2. Account Ownership & Designations

The classification and form of ownership of your accounts are designated on your Account Card. Unless you waive your rights, you understand that certain account designations, such as joint ownership with right of survivorship or POD beneficiary may be invalidated upon the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

### 3. Individual Accounts

An individual account is an account owned by one depositor including any individual, trust, or other fiduciary relationship qualified for Credit Union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent's estate or payable on death beneficiary, if applicable.

### 4. Joint Accounts

An account owned by two or more persons is a joint account. Any account in which you request joint ownership with another party will be an individual account until the Credit Union receives an Account Card signed by you and the joint owner(s), at which time the account will be a jointly owned account and the following joint ownership rights will apply.

a. *Joint Ownership.* Joint owners are not members unless they are eligible and qualified as members.

b. *Rights of Survivorship.* If your account is a joint account, the account is owned as a joint account with rights of survivorship. Upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners.

c. *Rights of Joint Account Owners.* Any joint account owner is authorized and deemed to act for the other owner(s). The Credit Union may accept orders and instructions regarding the account and requests for future services from any account owner. Each account owner guarantees the signature of the other owners. Joint owners may, by written order, remove themselves from any account. Any account owner may withdraw all funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the shares of any account (excluding funds representing a membership share), without the consent of the other account owner(s) and the Credit Union shall have no duty to notify any other joint account owner(s). If the Credit Union receives written notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a court order to act, or require that all joint account owners agree in writing to any transaction concerning the account.

d. *Joint Account Owner Liability.* If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount and any fees, regardless of who created the overdraft, deposited or cashed the

item or benefited from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

## **5. POD Beneficiaries**

A Payable on Death (POD) designation is an instruction to the Credit Union that a designated account is an account payable to the owner or owners during their lifetimes, and upon the death of the last joint account owner, payable to any named and surviving POD beneficiary designated by you. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries with rights of survivorship. Any POD beneficiary designation shall not apply to IRA accounts which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

## **6. Accounts for Minors**

For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner to have a parental joint account owner or custodian who is at least eighteen (18) years of age who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid fees or amounts on such account. The Credit Union may make payments of funds directly to the minor without regard to his or her minority. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or joint account owner. The minor account owner's tax identification number must be shown on the Account Card. The Credit Union will not change the account status when the minor reaches age eighteen (18). When the minor reaches age 18, he or she may change account ownership or status by written order.

## **7. Fiduciary Accounts**

A fiduciary account is an account opened by an executor, administrator, personal representative, trustee, conservator, or other fiduciary in such capacity authorized under a will, court order or trust instrument establishing the fiduciary relationship or a Representative Payee authorized by the Social Security Administration ("fiduciary"). The account owner is the estate, conservatorship, trust or Social Security Administration benefit recipient as the sole owner of this account. The fiduciary is authorized to act on behalf of the account owner but has no ownership interest in the account. The fiduciary is the only authorized party to transact on this account. The fiduciary is expressly authorized to endorse all items payable to or owned by the Account owner for deposit with or collection by the Credit Union and to execute such other agreements and to perform any other account transaction under the Agreement. The fiduciary is authorized to receive account information from the Credit Union, either orally or in writing, and any information related to the account. The authority given to the fiduciary shall remain in full force until a court order, termination of the account owner or written notice of revocation is received by the Credit Union either by a court appointed representative of the account owner or by the Social Security Administration, as applicable. Any such notice shall not affect any items in process at the time notice is given. The fiduciary will notify the Credit Union of any change in the account owner's status affecting the deposit relationship between the account owner and the Credit Union. The fiduciary warrants that all actions he or she takes regarding the account will be for the sole benefit of the account owner and that the fiduciary will not conduct any transaction on the account that will personally benefit the fiduciary or will not comply with the terms of the applicable laws, will, court order or instrument establishing the fiduciary relationship. The Credit Union may rely upon these representations and shall have no duty to examine such authorizing documents for compliance or inquire as to the powers and duties of the fiduciary and shall have no notice of any breach of fiduciary duties by the fiduciary unless the Credit Union has actual notice of wrongdoing. The account owner agrees that the Credit Union shall not be liable for any losses due to the account owner's failure to notify the Credit Union of any unauthorized acts of the fiduciary or changes to the relationship between the fiduciary and account owner. The account owner and fiduciary agree to indemnify and hold Credit Union harmless of any claim or liability as a result of unauthorized acts of the fiduciary upon which Credit Union relies prior to any actual notice of any account change or change of account owner.

## **8. Accounts of Businesses & Organizations**

Accounts held in the name of a business or association member are subject to the same terms set forth in this Agreement and the following additional rules. The Credit Union reserves the right to require the member to provide an Account Authorization Card informing the Credit Union who is authorized to act on its behalf. You agree to notify the Credit Union of any change in authority. The Credit Union may rely on the written authorization until such time as the Credit Union is informed of changes in writing and has had a reasonable time to act upon such notice. The Credit Union may require that third party checks payable to a business may not be cashed, but must be deposited to a business account. The Credit Union shall have no notice of any breach of fiduciary duties arising from a transaction by any agent of the account owner, unless the Credit Union has actual notice of any wrongdoing.

## **9. Deposit Requirements**

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are nonassignable and nonnegotiable to third parties. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute warranties and indemnity. If you do so, you agree to indemnify the Credit Union for all losses the Credit Union incurs in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

a. *Endorsements.* You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third party checks presented for deposit either in person or by comparison with member signature files. If an insurance, government, and certain other checks or drafts require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as

set forth on the check. Endorsements must be placed in the space between the top edge and 1 ½ inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

b. *Collection of Items.* The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection. The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items should they become lost in the collection process.

c. *Final Payment.* All items or Automated Clearing House ("ACH") transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return fee on your account. After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

d. *Direct Deposits.* The Credit Union may offer direct deposit options allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

e. *Crediting of Deposits.* Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Ask for our current deposit cutoff time. Deposits received at unstaffed facilities, such as night depositories, will be credited on the day funds are removed and processed by the Credit Union and are subject to adjustment based on our verification of the items deposited. Items drawn from an institution located outside the United States are handled on a collection basis only. Funds will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

## 10. Account Access

a. *Authorized Signature.* The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you open your account electronically and/or do not provide us with a physical signature, you agree that we may, without liability, accept as genuine any signature that appears to be yours. If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

b. *Access Options.* You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, Online Banking, or telephone). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

### c. *Electronic Check Transactions.*

i. Electronic Checks. If you authorize a merchant to electronically debit your checking account using the routing number, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully **completed and signed**, such authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer (EFT) subject to the terms of your Electronic Services Agreement. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.

ii. Electronic Re-presented Checks. If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction (Electronic Re-presented Check) to charge your account for the amount of the check. If we receive an electronic re-presented check, we will pay or return the electronic re-presented check as if the original paper check was presented to us. Any collection fee you authorize the merchant to debit from your account is an Electronic Services subject to the terms of your Electronic Services Agreement. If you want to reverse an electronic re-presented check, you must give us an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your affidavit, you must declare and swear under oath that the electronic re-presented check was ineligible or unauthorized. If we receive proper notice or affidavit from you within the 15 day period, we will re-credit your account with the amount of the charge. If you wish to stop payment of any electronic re-presented check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper

check, and we provide it to you, you agree that you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.

d. *ACH & Domestic Wire Transfers.* If offered, you may initiate or receive credits or debits to your account via wire transfer or ACH (Automated Clearing House) transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to the Credit Union. When you initiate a wire transfer, you must identify the recipient and any financial institution by name and by account number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Domestic wire transfers are governed by the Uniform Commercial Code Section 4A, and (if the transfer is cleared through the Federal Reserve) by Federal Reserve Regulation J. International wire transfers are governed by the Bureau of Consumer Financial Protection Regulation E. ACH transactions are governed by the rules of the National Automated Clearing House Association. Under those rules, if you have revoked your authorization for previously authorized ACH transactions, the Credit Union will not be responsible for the unauthorized ACH debits to your account if you fail to notify us in writing within 15 days after we send, or make available to you, the statement containing that entry. You agree that the authorized transfer to or from your account must comply with all applicable federal and state laws or regulations including OFAC (Office of Foreign Asset Control) regulations.

e. *International ACH Transactions.* You understand that in the event an International ACH Transaction ("IAT") Entry that is transmitted to or from any of your accounts is identified and designated by the Credit Union's screening criteria for review and examination under the OFAC Rules and Regulations ("OFAC Rules"). The settlement of such an IAT Entry may be delayed or suspended pending the Credit Union's review of the IAT Entry, and may be terminated under applicable OFAC Rules. You acknowledge that we may be required to place an indefinite hold on the funds covered by the IAT Entry if the IAT Entry is required to be terminated under the OFAC Rules. You agree that any delay described above will be a permissible delay under the regulations applicable to the availability of funds held in deposit accounts. In the event an IAT Entry is delayed or terminated, we will provide you such notice as may be required by applicable laws and regulations.

f. *Credit Union Examination.* The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

g. *Shared Branch Transactions.* The Credit Union participates in the CO-OP Shared Branch Network at all Credit Union branch locations. In addition, the network provides alternate locations and extended hours of service for members to conduct transactions on accounts with the Credit Union. The Credit Union and participating credit unions in the network will process transactions on your account pursuant to CO-OP Operating Rules and Regulations, which are provided by CO-OP Shared Branch and available at each branch location and will be followed at all times.

## 11. Account Rates and Fees

The Credit Union's payment of dividends on any account is subject to the account rates, fees, earnings, payment and balance requirements as set forth on the Rate and Fee Schedule. You agree the Credit Union may impose fees for the deposit account services provided by the Credit Union. A current Rate and Fee Schedule has been provided to you separately. You agree the Credit Union may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

## 12. Transaction Limitations

a. *Withdrawal Restrictions.* The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks or other transfer or payment orders which are drawn against insufficient available funds will be subject to a service fee, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds. The Credit Union may also refuse to allow a withdrawal in other cases, for example: any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal), a legal garnishment or attachment is served, the account secures an obligation to the Credit Union, any required documentation has not been presented, or you fail to pay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks) of not less than seven (7) days and up to sixty 60 days, as required by law, before such withdrawal.

b. *Transfer Limitations.* For savings and money market accounts, you may make up to six (6) preauthorized, automatic, online, telephonic or audio response transfers, to another account of yours or to a third party during any calendar month. A preauthorized transfer includes any arrangement with the Credit Union to pay a third party from the member's account upon oral or written orders including orders received through the ACH. There is no limit on the number of transactions you may make in the following manner: (i) transfers to any loan account with the Credit Union, and (ii) transfers to another Credit Union account or withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail or at an ATM. If a transfer request would exceed the transfer limitations set forth above in any statement period, the Credit Union may refuse or reverse the transfer, and your account will be subject to suspension or closure by the Credit Union and the Credit Union may impose a fee.

## 13. Overdrafts

a. *General Overdraft Liability.* If on any day the available funds in your checking account are not sufficient to cover checks and other items (ACH, debit card or ATM card transactions) posted to your account, those checks and items will be handled in accordance with our

overdraft procedures and the terms of this Agreement. If we pay a check or item that overdraws your account, you are liable for and agree to pay the overdraft amount and an insufficient funds (NSF) fee immediately. If we do not pay the check or item we will return it unpaid and you agree to pay a return item fee. We may charge a fee each time a check or item is submitted or resubmitted for payment and returned. Therefore, you may be assessed more than one fee as a result of a returned item or any resubmission(s) of the returned item. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond any midnight deadline limits

b. How We Process Checks. The Credit Union may authorize a transaction when you use your debit card to conduct transactions with merchants or POS facilities. For purposes of determining an overdraft, the Credit Union's determination of an insufficient account balance is made at the time the check or item is presented to us, which may be later than the time you conduct a transaction or receive a transaction authorization request. Overdrafts will be determined based on the available balance in your account at the time of presentment. However, the Credit Union has no control over the timing when checks or other items are presented. Your available balance may be lower than your actual balance due to funds held for debit card transactions you have authorized and deposited checks held pursuant to our funds availability policy. You can view your available balance through Online Banking to avoid an overdraft. Transactions may not be presented in the order which they occurred and the order in which checks or items are received and processed may affect if an overdraft occurs. The Credit Union processes checks and items as follows: (i) checks and items are paid in the order they are presented to us, (ii) ACH items, credits are processed first and ACH debits processed second, and (iii) debit card transactions are paid in the chronological order they are received.

c. Overdraft Protection Plans. If we approve your request for overdraft protection, we will provide an overdraft protection plan for you.

i. Transfers from Savings. We will honor checks and other items drawn on insufficient funds in your checking account by transferring the necessary funds from your primary savings account or other accounts as you designate. If you have enough funds in your savings account, you authorize us to transfer funds in amounts necessary to cover the overdraft. If your savings account balance is insufficient to cover the overdraft amount, we will not make any transfer that overdraws your savings account. Unless another overdraft protection plan applies, we will return the check or item unpaid. There is an overdraft transfer fee for each overdraft transfer as set forth on the Rate and Fee Schedule. You may opt out of this overdraft transfer service at any time by notifying us verbally or in writing.

ii. Transfers from Line of Credit. We will honor checks and other items drawn on insufficient funds in your checking account by transferring the necessary funds from your Service Line of Credit Account, if applicable, unless you designate a different order. If you are within the credit limit of your line of credit account, you authorize us to transfer funds in amounts necessary to cover the overdraft. If your credit limit is insufficient to cover the overdraft amount, we will not transfer any amount. Unless another overdraft protection plan applies, we will return the check or item unpaid. There is no cash advance fee, but interest will begin to accrue from the date of any advance transfer. You may opt out of this overdraft transfer service at any time by notifying us verbally or in writing.

iii. Privilege Pay Overdraft Protection Service. We offer a discretionary overdraft service (Privilege Pay) to cover overdrafts on your checking accounts. The Credit Union offers the Privilege Pay service to eligible consumer checking account owners who qualify. Privilege Pay is not offered to minors or anyone who has caused a financial loss to the Credit Union, anyone with a past due loan payment at the Credit Union or anyone who has enrolled in a debt management program.

- The Privilege Pay service is provided to qualified accounts for checks, ACH and online transactions only if you expressly request ("opt-in") Privilege Pay service for these transactions, and you have the option to opt-out of the service at any time.
- Privilege Pay service will be provided for ATM card and debit card (POS) purchase transactions only if you expressly request ("opt-in") Privilege Pay service for these transactions

d. Terms & Conditions of Overdraft Protection Service. The Privilege Pay service will be provided under the following terms and conditions.

iv. Discretionary Service. Under the Privilege Pay service, we are not obligated to pay any check or item presented for payment if your account does not contain sufficient funds. We may, as a discretionary service and not as a right of yours or our obligation to you, pay overdrafts up to an approved overdraft limit under the terms of this service and subject to this Agreement. This overdraft service is not a line of credit, is not guaranteed, and is independent of any loan arrangement you may have with us. We will not pay an overdraft for you in excess of any limit we have established for your account type. Also, we may refuse to pay an overdraft for you at any time, even if we have previously paid overdrafts for you.

v. Overdraft Transactions Covered. Subject to the opt-in requirement set forth above, if on any day you do not have available funds in your account, the following transactions, which may result in an insufficient or negative balance ("overdrafts"), may be covered under our service: checks, debit card purchases, online or other electronic funds transfers, ACH debits and other payments or withdrawals authorized by you, account service charges, pre-authorized drafts, and any other items that may be posted to your account. If we pay an item, we will pay the item in the order it is presented or received by us, regardless of amount and in accordance with our normal operating procedures for such checks, items or transactions.

vi. Overdraft Limit/Available Balance. If you qualify, the Credit Union may pay overdrafts up to a limit to which you qualify ("Overdraft Balance"). We may pay overdrafts up to this overdraft limit provided you continue to qualify for the service. The Credit Union's fees and charges and each paid check or item will be included in this limit. This overdraft balance will not be included or reflected in your actual or "available balance" of your account provided by a teller, at ATM or POS facilities, through online services or on your periodic statements.

vii. Overdraft Fees. There is a Privilege Pay fee for each overdraft check or item we pay as set forth on the Rate and Fee Schedule. If we do not pay the overdraft, there is a Returned Item fee for each check or item we return as set forth on the Rate and Fee Schedule.

Schedule. We may charge a fee each time a check or item is submitted or resubmitted for payment. Therefore, you may be assessed more than one fee as a result of a returned item or resubmission(s) of the returned item. There is a \$100 limit on the amount of overdraft fees that we will charge on any one day. If you have excess overdraft activity we will notify you in writing to consider discontinuing the Service. These fees may be amended as set forth in our Rate and Fee Schedule.

e. *Member Repayment Responsibility.* You agree your overdraft balance, including applicable overdraft fees, is due and payable upon demand. If there is more than one owner on an account, all owners are jointly and severally liable for repayment of the overdraft balance. If you fail to repay your overdraft balance within 45 days of notice from us, we may immediately suspend the Privilege Pay service. Accounts may be closed for failure to repay overdraft balances and we will report account closures to consumer reporting agencies.

f. *Member Opt-Out Right.* We offer the Privilege Pay service as a service and convenience to members for incidental overdrafts. We do not encourage you to repeatedly overdraw your account. We encourage you to manage your finances responsibly. You may opt out of the Privilege Pay service at any time by notifying us verbally or in writing. We may require that any verbal opt-out be confirmed in writing. You understand that by opting out of this service, we may refuse to pay any check or item that is presented against an insufficient balance on your account and you will be responsible for any Returned Item fees. You are still responsible to pay any overdraft, even if you have opted out of the service.

#### **14. Postdated and Staledated Checks**

You authorize us to accept and pay any check, even if the check is presented for payment before its date, unless you notify the Credit Union of the postdating. Your notice will be effective only if the Credit Union receives the notice in time for the Credit Union to notify its employees and reasonably act upon the notice and you accurately describe the check, including the number, date, and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the check. If you give the Credit Union an incorrect, incomplete, or untimely notice, the Credit Union will not be responsible for paying the item before the date stated and the Credit Union may charge your account as of the date the Credit Union pays the item. You may make an oral notice which will lapse within fourteen (14) days unless continued in writing, within that time. You also agree not to deposit checks, drafts, or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check drawn on your account which is presented more than six (6) months after its date.

#### **15. Stop Payment Orders**

a. *Stop Payment Request.* You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your checking account. You may request a stop payment by telephone, by mail, Online Banking or in person. For checks, the stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order. For ACH debits, the stop payment order must be received at least three banking days before the scheduled date of the transfer. You must state the number of the account, date and the exact amount of the check or ACH and the number of the check or originator of the ACH debit. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, date and number of the item, its exact amount, and to whom it was issued. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. If we recredit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check to the Credit Union, and to assist the Credit Union in legal action taken against the person.

b. *Duration of Order.* You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order on a check or an ACH transaction will continue for 180 days if the item is not returned to the payee or until you cancel the stop payment order.

c. *Liability.* The Credit Union may charge a fee for each stop payment order requested, as set forth in the Rate and Fee Schedule. You may not stop payment on any certified check or draft, cashier's check or teller's check, or any other check, draft, or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or indorsee in failing to stop payment of an item as a result of incorrect information provided by you.

#### **16. Credit Union's Liability for Errors**

If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union may be liable for your losses or damages but not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction, (b) circumstances beyond the Credit Union's control prevents the transaction, (c) your loss is caused by your negligence including your failure to examine your statements, (d) the negligence of another financial institution, or (e) the funds in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

## 17. Credit Union Lien and Security Interest

To the extent you owe the Credit Union money as a borrower, guarantor, indorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness without further notice to you. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwelling, unless prohibited by applicable law. All accounts are nonassignable and nontransferable to third parties.

## 18. Legal Process

If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

## 19. Account Information

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (a) it is necessary to complete the transaction; (b) the third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (c) such disclosure is in compliance with the law, government agencies or court orders; or (d) you give us your express permission.

## 20. Notices

a. *Name or Address Changes.* It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. The Credit Union will accept notices of a change in address and any other notice from you to the Credit Union only if provided in writing, in person, by Online Banking, or secure messaging. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth in the Rate and Fee Schedule.

b. *Notice of Amendments.* Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. The Credit Union reserves the right to require written consent of all account owners for a change of ownership, such as adding a joint owner. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

c. *Effect of Notice.* Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. The Credit Union reserves the right to accept oral instructions, and you agree to hold the Credit Union harmless from any liability as a result of such instructions. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any one account owner is considered notice to all owners of the account.

d. *Negative Information Notice.* We may report information about your loan, share or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

e. *Consent to Communications.* By providing an email address, telephone number for cellular phone, or other wireless device, you are expressly consenting to receiving communications at that address or number, including, but not limited to, prerecorded or voice mail message calls, text messages, and calls made by an automatic telephone dialing system from us and our affiliates and agents. This express consent applies to each address or telephone number that you provide to us now or in the future and permits such communication regardless of their purpose. In the regular course of our service to you, we may monitor and record phone conversations made or received by our employees. You agree that we will have this right with respect to all phone conversations between you and our employees, whether initiated by you or any of our employees. For payment authorizations you provide by telephone, we may require you to confirm such instructions in writing.

f. *Electronic Signatures. & Documents.* You understand and agree that your electronic consent is your electronic signature which specifically records your signature and assent to the Membership and Account Agreement and constitutes your agreement to the terms and conditions of the Membership and Account Agreement. You agree your electronic signature captured and stored as an image by this electronic means shall be sufficient to evidence of your assent to be contractually bound by the Agreement and shall constitute a valid signature for purposes of any provision of this Agreement. In addition you agree we may image any of your account documents and store them electronically (e-Documents) and any e-Document will have the same validity as an original document of yours.

## 21. Taxpayer Identification Numbers (TIN) and Backup Withholding

If your account is or becomes subject to backup withholding, the Credit Union is required by law to withhold and pay to the Internal Revenue Service (IRS) a required percentage of payments of interest, dividends and certain other payments under certain conditions. Your failure to furnish a correct taxpayer identification number (TIN) or meet other applicable requirements may result in backup withholding as well as civil or criminal penalties. If you refuse to provide your TIN, the Credit Union may delay the opening of your account.

## 22. Statements

a. *Contents.* If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided you agree that only one statement is necessary for a multiple party account. For checking accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. You agree to keep a copy or carbon copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically. You understand your statements and checks are made available to you on the date the statement is mailed to you.

b. *Examination.* You are responsible for examining each statement and reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized check or item drawn on your account if (i) you fail to notify the Credit Union within 30 days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item or (ii) any items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine. For Electronic Services, you have separate requirements for examining your statements and notifying us of statement errors or unauthorized electronic funds transactions as set forth in the Electronic Services Service Agreement.

c. *Notice to Credit Union.* You agree that the Credit Union's retention of checks does not alter or waive your responsibility to examine your statements and check copies, or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charged to your account unless you notify the Credit Union in writing within the above time limit after the statement and checks are made available to you.

d. *Electronic Statements (eStatements).* If you have elected to receive your statement electronically, your statement will be available through the Online Banking service to access, review, print, and otherwise copy or download by the fifth of each month for the previous month's statement as disclosed in your online statement agreement.

## 23. Small Balance, Inactive and Abandoned Accounts

For members over age eighteen (18), if you have only a primary savings account with a balance of \$100.00 or less, the Credit Union may impose a service fee as set forth on the Rate and Fee Schedule. For those members who have not made a withdrawal from, deposit to, renewal of, or transfer involving your account for more than twelve (12) months, the Credit Union may classify your account as inactive and may charge an inactive account service fee as allowed by applicable law and set forth on the Rate and Fee Schedule. Thereafter, dividends or interest will not be paid on the account if the balance falls below any minimum balance requirement. You authorize us to transfer funds from any available account of yours to cover the monthly maintenance fee, if necessary. If a deposit or withdrawal has not been made on the account, you have not otherwise indicated an interest in the account, or the Credit Union has had no other contact with you within three (3) years as required by the Uniform Unclaimed Property Act, the account will be presumed to be abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

## 24. Death of Account Owner

For members who are Oregon residents, you irrevocably waive the right to make a testamentary disposition of any account with the Credit Union, now and in the future. You agree that upon your death, your account will be payable in accordance with any existing account designations and the terms of this Agreement. The Credit Union may require the survivor or other claimant to the account to produce certain documents before releasing the funds in the account. The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union learns of an account owner's death. Once the Credit Union learns of a member's death, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree that the Credit Union can require that anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim.

## 25. Termination of Account

The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (a) there is a change in owners or authorized signers, (b) there has been a forgery or fraud reported or committed involving your account, (c) there is a dispute as to the ownership of the funds in the account, (d) any account checks are lost or stolen, (e) if there are excessive returned unpaid items not covered by an overdraft plan, or (f) if there has been any misrepresentation or any other abuse of any of your accounts, (g) we reasonably deem it necessary to prevent a loss to us, or (h) if you engage in any activity of betting or wagering or are otherwise engaged in any internet gambling business, or any owner or authorized user causes the Credit Union to suffer a loss. You may terminate your account at any time by notifying the Credit Union in writing or by an oral request with a written confirmation. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment.

## 26. Termination of Membership

You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw. You may be expelled if there has been any misrepresentation or any other abuse on any of your other accounts or if you fail to comply with the Credit Union policies,



procedures, or Bylaws, conduct yourself in a threatening or abusive manner to Credit Union personnel, or willfully damage Credit Union property. You may be denied service or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union or violating any terms of membership. If you are expelled, you may not be a joint account owner on another account.

## **27. Special Account Instructions**

You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. You and any surviving owner or beneficiary agree(s) to indemnify and hold the Credit Union harmless from any claim or liability asserted against the Credit Union as a result of the disposition of funds in reliance on this agreement and any account designation of yours. If you ask the Credit Union to follow instructions that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond or otherwise indemnify the Credit Union. Any item presented with a full payment legend must be presented in person to a Credit Union officer; otherwise, payment is accepted with full reservation of rights. Account changes requested by you must be evidenced by a signed Account Card and be accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without an acceptable, written Power of Attorney on record at the Credit Union. You understand and agree that the Credit Union may choose to retain electronic or imaged copies of any original documents and you agree that an electronic or image copy is as valid as an original document.

## **28. Enforcement**

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, (subject to applicable law), to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions, if applicable.

## **29. Governing Law**

This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Oregon and the state in which you reside, as applicable, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the courts in the county where the Credit Union is located or the county in which the member resides if required by law. In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force.

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## **II. FUNDS AVAILABILITY POLICY**

### **1. General Funds Availability Policy**

For savings accounts, we reserve the right to place reasonable holds on deposited funds to the extent permitted by law.

For checking accounts, our general policy is to make funds from your deposits available to you on the same business day after the day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and/or we will use them to pay checks that have been written. For check deposits, other than government checks, made at a shared branch facility of ours we may place a two business day hold on the funds from such deposits. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before 2:00 pm on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 2:00 pm or on a day that we are not open, we will consider that the deposit was made on the next business day we are open.

### **2. Reservation of Right to Hold**

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Depending on the type of check that you deposit (e.g. large checks without available funds or third party check), funds may not be available until the second business day after the day of your deposit. However, the first \$500 of your deposit will be available on the same business day that we receive your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

### **3. Holds on Other Funds**

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on

deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

#### **4. Longer Delays May Apply**

We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- a. We believe a check you deposit will not be paid.
- b. You deposit checks totaling more than \$5,525 on any one day.
- c. You deposit a check that has been returned unpaid.
- d. You have overdrawn your account repeatedly in the last six months.
- e. There is an emergency, such as failure of communications or computer equipment.

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

#### **5. Special Rules for New Accounts**

If you are a new member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

#### **6. Deposits at ATMs**

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

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### **III. MOBILE DEPOSIT SERVICES.**

By using the Mobile Deposit Service ("Service") or by electronically accepting these Mobile Deposit Terms and Conditions on the Mobile enrollment page within Online or Mobile App you and any joint owners or authorized users, jointly and severally, agree to the terms and conditions in this Agreement, and any amendments. The Mobile Deposit Service allows you to photograph your original check with the camera on your mobile device and electronically deliver the images and associated deposit information ("Check Images") to the Credit Union or our processor for deposit into your Credit Union account.

Credit Union members are eligible to use the Mobile Deposit Service 45 days following your initial account opening and will continue if you are in good standing with the Credit Union. The Credit Union's determination of good standing may be made on a daily basis and includes criteria including but not limited to: no delinquent loans, no charged off loans, no excessive NSF or negative account history, no member privilege revocation or internal fraud warnings, never causing the Credit union a loss or other conduct the Credit Union considers abusive. Mobile Deposit service will not be available to minors or fiduciary accounts.

#### **1. Mobile Deposit Access**

a. *Mobile Deposit Process.* If we approve the Mobile Deposit service for you, you must use your Online Passcode with your Login to access your accounts. You may photograph an image of checks with your Remote device creating an electronic image and you may transmit the electronic image that the Credit Union will deposit to your account. The Credit Union's processing agent shall perform an image quality assessment of the imaged checks and shall convert items meeting the Credit Union's required standards into substitute checks to facilitate the deposit and collection of such items. You agree that the manner in which checks are cleared or presented for payment shall be determined by the Credit Union, in its sole discretion. We reserve the right to select the clearing agents through which we clear checks.

b. *Funds Availability.* For purposes of funds availability, Mobile Deposits are considered deposited at a branch of the Credit Union subject to the following deposit cut-off time limits. Mobile Deposits confirmed as received before 5 pm on a business day will be available for withdrawal from your account on the next business day. There may be additional holds on deposited items as set forth in the Credit Union's Funds Availability Policy disclosure, as amended from time to time, which is incorporated herein by reference. For purposes of determining the cut-off period for deposits and the availability of funds, checks deposited via Mobile Deposit session are considered received by the Credit Union when the checks have cleared and funds are available to the Credit Union. You agree that the imaging and transmitting of checks alone does not constitute receipt by Credit Union. Also, acknowledgment of receipt or delivery does not constitute an acknowledgment by Credit Union that the transmission of a check or items does not contain errors or that funds will be available.

c. *Deposit Acceptance.* You agree that the Credit Union may at any time, in its sole discretion, refuse to accept deposits of checks from you via Mobile Deposit session. In the event that the Service is interrupted or are otherwise unavailable, you may deposit checks in person at a Credit Union branch or via night drop or mail or other contractually acceptable method.

d. *Member Account & Responsibilities.* You must designate a Credit Union checking account as the settlement account to be used for the purposes of settling transactions requested in connection with the Service. We will provide you with details of each specific transaction. You will be responsible for reviewing and balancing of any settlement account.

e. *Responsibility for Imaging.* You are solely responsible for imaging deposit items, accessing the service from the Credit Union and for maintaining your imaging equipment. You will be responsible for the payment of all telecommunications expenses associated with the service. Credit Union shall not be responsible for providing or servicing any Equipment for you.

f. *Responsibility for Check Endorsements.* For all mobile check deposits, you must endorse the original paper check with your name, signature and providing: "FOR MOBILE DEPOSIT ONLY, PCFCU ACCOUNT #\_\_\_\_" or as otherwise instructed. If you fail to provide this endorsement, we may refuse the deposit and return it to you and you agree to indemnify the Credit Union from any liability or loss to the Credit Union arising from the payment of the original paper check without such required endorsement.

g. *Deposit Requirements and Limits.* You agree that you will only use the Service to deposit checks drawn on financial institutions within the United States, excluding its territories. For checks not falling within this requirement you must deposit those checks in person, using a night drop facility or by U.S. Mail. You agree that each check you deposit through the Service will meet the image quality standards directed in the application. The deposit cut-off time is 5:30pm Pacific Time on business days. Any deposits made after the cut will be processed the next business day.

h. *Deposit Limits.* Deposit limits will apply to users based upon financial history and qualification. These limits may include daily deposit item limits; daily maximum deposit amounts and maximum monthly amounts. The Credit Union will notify you of your applicable deposit limits. If your limit is changed you will be notified at least 30 days in advance of the limit change going into effect. We may establish different limits on the dollar amount and/or number of items or deposits from time to time. If you attempt to initiate a deposit in excess of these limits, we may reject your deposit. If we permit you to make a deposit in excess of these limits, such deposit will still be subject to the terms of this Agreement, and we will not be obligated to allow such a deposit at other times.

i. *Check Retention & Destruction.* You agree that all checks belong to you and not to the Credit Union and that those items shall be handled in accordance with this Membership and Account Agreement. After our receipt of a deposit transmission we will acknowledge by electronic means our receipt of such transmission. Your electronic transmission is subject to proof and verification. You will retain the original of all imaged checks that have been deposited via Mobile Deposit for a reasonable period of time in order to verify settlement and credit or to balance periodic statements, but in no case beyond forty-five (45) days from the date processed. It is your responsibility to properly destroy and dispose of such original checks after such time. During the period that you maintain any original checks, you understand and agree that you must use a high degree of care to protect these original checks against security risks. These risks include, without limitation, (i) theft or reproduction of the original checks (including by employees) for purposes of presentment for deposit of these original checks (i.e., after the original checks have already been presented for deposit via the Service) and (ii) unauthorized use of information derived from the original checks. When you dispose of any original checks, you understand and agree that you must use a high degree of care when selecting and implementing disposal procedures to ensure that the original checks are destroyed and not accessed by unauthorized persons.

j. *Deposit Prohibitions.* You agree not to deposit, or attempt to deposit, or allow others, either directly or indirectly, to deposit, or attempt to deposit, by any means: (i) any Substitute Check, the original of which has already been presented for deposit via the Service, (ii) any image of a check that has already been deposited either as an original or as a substitute check, or (iii) any original check, the Substitute Check of which has already been presented for deposit via Mobile Deposit. In the event that you, or any third party, make, or attempt to make, a deposit in violation of this Subsection you agree to defend, indemnify, and hold the Credit Union and its agents harmless from and against all liability, damage and loss arising out of any claims, suits, or demands brought by third parties with respect to any such Substitute Check or original check. You agree that the aggregate amount of any items which are deposited more than once will be debited from your account, and to the extent funds in your account are insufficient to cover such amount, any balance shall be debited by Credit Union from any other deposit accounts with Credit Union in its sole discretion. You further acknowledge that you and not the Credit Union are responsible for the processing and handling of any original items which are imaged and deposited utilizing the Service and you assume all liability to the drawer of any item imaged using the service or liability arising from the Credit Union's printing of any substitute check from those images.

k. *Your Representations and Warranties.* You represent and warrant:

- that you will comply with all federal and state laws, and rules and regulations applicable to deposit and check transactions, including those of the National Automated Clearing House for ACH transactions;
- that all checks deposited through the Service are made payable to you;
- that all signatures on each check are authentic and authorized; and
- That each check has not been altered.

In the event you breach any of these representations or warranties, you agree to defend, indemnify and hold the Credit Union and its agents harmless from and against all liability, damages and loss arising out of any claims, suits or demands brought by third parties with respect to any such breach. You further authorize the Credit Union to charge your account for the amount of any such demand, claim or suit that constitutes a breach of warranty claim under the provisions of the Uniform Commercial Code.

l. *Financial Responsibility.* You understand that you remain, solely and exclusively responsible for any and all financial risks, including, without limitation, insufficient funds associated with accessing the Service. The Credit Union shall not be liable in any manner for such risk unless the Credit Union fails to follow the procedures described in materials for use of the service. You assume exclusive responsibility for the consequences of any instructions you give to the Credit Union, for your failures to access the Service properly in a manner prescribed by the Credit Union, and for your failure to supply accurate input information, including, without limitation, any

information contained in an application.

m. *Account Reconciliation.* You will verify and reconcile any out-of-balance condition, and promptly notify the Credit Union of any errors within the time periods established in the Membership and Account Agreement after receipt of your account statement. If notified within such period, the Credit Union shall correct and resubmit all erroneous files, reports, and other data at the Credit Union's then standard charges, or at no charge, if the erroneous report or other data directly resulted from the Credit Union's error.

## 2. Credit Union's Obligations

a. *Financial Data.* The Credit Union agrees to transmit all the financial data under its control required to utilize the service selected by you and to act on appropriate instructions received from you in connection with such service. The Credit Union shall exercise due care in seeking to preserve the confidentiality of the user number, passcode, test key, or other code or identifier and to prevent the use of the service by unauthorized persons.

b. *Service Availability.* You understand that Service availability is at all times conditioned upon the corresponding operation and availability of the communication systems used in communicating your instructions and requests to the Credit Union. We will not be liable or have any responsibility of any kind for any loss or damage thereby incurred by you in the event of any failure or interruption of such communication systems or services resulting from the act or omission of any third party, or from any other cause not reasonably within the control of the Credit Union.

c. *Exception Items.* When we review and process your electronic file, we may reject any electronic image that we determine to be ineligible for the service ("Exception Item") including, without limitation, electronic images of items drawn on banks located outside the United States, items drawn on U.S. Banks in foreign currency, electronic images that are illegible (due to poor image quality or otherwise), electronic images of items previously processed, electronic images previously converted to substitute checks, and electronic images with unreadable MICR information. We will notify you of any Exception Items. You agree that if you wish to attempt to deposit any Exception Item to any of your accounts with Credit Union, you will only do so by depositing the original item on which the Exception Item is based. You acknowledge and agree that even if you do not initially identify an electronic image as an Exception Item, the substitute check created by the Credit Union therefrom may nevertheless be returned to Credit Union because, among other reasons, the electronic image is deemed illegible by a paying bank. The Credit Union's failure to identify an Exception Item shall not preclude or limit your obligations to the Credit Union.

d. *Account Information.* We will provide you with daily transaction history via the Internet and the Online service detailing items processed, return items, and deposit adjustments.

e. *Retention of Check Images.* The Credit Union will retain any substitute checks it generates for seven (7) years

f. *Services Fees.* Currently there is no monthly fee for the Mobile Deposit Service. You agree to pay all fees and charges for deposit services as set forth on the Rate and Fee Schedule. All Service Fees are subject to change by Credit Union upon thirty (30) days written notice to Member.

## 3. Disclaimer of Warranties

MEMBER ACKNOWLEDGES THAT THE SERVICE IS PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. THE CREDIT UNION IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN OR TO ANY INFORMATION RESULTING FROM YOUR USE OF THE SERVICE. THE CREDIT UNION DISCLAIMS ANY WARRANTIES REGARDING THE OPERATION, PERFORMANCE OR FUNCTIONALITY OF THE SERVICE (INCLUDING, WITHOUT LIMITATION, THAT THE SERVICE WILL OPERATE WITHOUT INTERRUPTION OR BE ERROR FREE). MEMBER FURTHER ACKNOWLEDGES THAT THERE ARE CERTAIN SECURITY, CORRUPTION, TRANSMISSION ERROR AND ACCESS AVAILABILITY RISKS ASSOCIATED WITH USING OPEN NETWORKS SUCH AS THE INTERNET AND/OR TELECOMMUNICATION LINES OR CIRCUITS. MEMBER HEREBY ASSUMES ALL RISKS RELATING TO THE FOREGOING.

## 4. Credit Union's Liabilities

a. *Direct Damages.* THE CREDIT UNION'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES SUSTAINED BY MEMBER AND ONLY TO THE EXTENT SUCH DAMAGES ARE A DIRECT RESULT OF THE CREDIT UNION'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT; PROVIDED THAT THE MAXIMUM AGGREGATE LIABILITY OF THE CREDIT UNION RESULTING FROM ANY SUCH CLAIMS SHALL NOT EXCEED ONE HUNDRED DOLLARS. IN NO EVENT SHALL THE CREDIT UNION BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND INCLUDING LOST PROFITS WHETHER OR NOT THE CREDIT UNION HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

b. *Your Duty to Report Errors.* You will notify the Credit Union of any errors, omissions, or interruptions in, or delay or unavailability of, the Services as promptly as practicable, and in any event within one business day after the earliest of discovery thereof, or the date discovery should have occurred through the exercise of reasonable care, and, in the case of any error, within fourteen (14) days of the date of the earliest notice to you which reflects the error. Your failure to notify the Credit Union of any error, omission, or other discrepancy within seven (7) days from the date of a loss shall relieve the Credit Union of any liability for such error, omission, or discrepancy.

c. *The Credit Union's Performance.* You acknowledge and agree that the Credit Union shall not be liable for any damages or loss of any kind resulting from any unintentional error or omission by the Credit Union in performing the Service, in accordance with or unintentional deviation from the terms and conditions of this Agreement. You acknowledge that Credit Union's systems and procedures established for providing the Service are commercially reasonable.

d. *Limitation.* The Credit Union shall have no liability to you, or any other person or entity for any loss, damage, cost, or expense

arising out of this Agreement or the Service if:

- We receive actual notice or have reason to believe that you filed or commenced a petition or proceeding for relief under any bankruptcy or similar law
- The ownership of funds involving a transaction is in question
- We suspect a breach of the security procedures
- We suspect that your account has been used for illegal or fraudulent purposes; or
- We reasonably believe that a transaction is prohibited by federal law or regulation, or otherwise so provided in the Agreement.
- You fail to report timely any error or discrepancy reflected in an account statement prepared by Credit Union.
- You fail to report a breach of a security procedure.

The Credit Union shall not be responsible for liability, loss, or damage of any kind resulting from any delay in the performance of or failure to perform its responsibilities hereunder due to causes beyond the Credit Union's reasonable control.

e. *Modification of Mobile Deposit Services.* The Credit Union reserves the right to modify the Service from time to time without making prior notice to Member, provided, however, that Credit Union will give you at least thirty (30) days' notice prior to making any modifications to the Service that would materially alter their functionality.

## **5. Termination of Digital Services**

You agree that we may terminate this Agreement and your Digital Services, if you, or any authorized user of the account, Service or Access code breach this or any other agreement with us; or if we have reason to believe that there has been an unauthorized use of your accounts or Passcode. You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. However, monthly fees will apply for any partial month with no prorating. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

## **6. Amendments**

The Credit Union reserves the right to change the terms and conditions upon which the Mobile Deposit Services are offered. The Credit Union will notify you, by mail, before the effective date of any change, as required by law.

## **7. Enforcement**

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the state of Oregon as applied to contracts entered into solely between residents of, and to be performed entirely in, such state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled to, subject to Oregon law payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.

## FACTS

### WHAT DOES PACIFIC CASCADE FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

#### Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand Pacific Cascade Federal Credit Union's Privacy Policy.

At Pacific Cascade Federal Credit Union, we respect the privacy of our members. We recognize the importance of maintaining the confidentiality of your personal financial information. This notice describes the privacy policy and practices followed by Pacific Cascade Federal Credit Union. This notice explains what types of member information we collect and under what circumstances we may share it.

#### What?

The types of personal information we collect and share depend on the accounts or services you have with us. This information can include:

- Name, address, Social Security number, and income
- Account balances and transaction history
- Credit history and credit scores

When you are *no longer* our member, we will not share your information except as permitted or required by law as described in this notice.

#### How?

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Pacific Cascade Federal Credit Union chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Pacific Cascade Federal Credit Union share?	Can you limit this sharing?
<b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes—</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences	Yes	No
<b>For our affiliates' everyday business purposes—</b> information about your creditworthiness	No	We don't share
<b>For non-affiliates to market to you</b>	No	We don't share

#### Questions?

Call (541) 343-6238 or (800) 477-3328, send us an email at [pcfcu@pacificcascade.org](mailto:pcfcu@pacificcascade.org) or write to us at: Pacific Cascade Federal Credit Union, 1075 Oak Street, Eugene, OR 97401.

Who we are	
Who is providing this notice?	Pacific Cascade Federal Credit Union
What we do	
How does Pacific Cascade Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We also restrict access to nonpublic personal information about you to those employees and volunteers who need to know the information to provide products or services to you.
How does Pacific Cascade Federal Credit Union collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ open an account or apply for a loan</li> <li>■ apply for any credit union service</li> <li>■ visit our Website, provide us information on any online application or transaction, or information you send to us by email.</li> <li>■ use your credit or debit card or pay your bills</li> <li>■ make deposits to or withdrawals from your account(s)</li> </ul> <p>We also collect your personal information from others, including credit bureaus or other companies.</p>
Why can't I limit all sharing?	<p>Federal law only gives you the right to limit information sharing as follows:</p> <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes — information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for non-affiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies.
Non-affiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ <i>Pacific Cascade Federal Credit Union does not share with non-affiliates so they can market to you, except for our joint marketing arrangements.</i></li> </ul>
Joint marketing	<p>A formal agreement between Pacific Cascade Federal Credit Union and a non-affiliated financial company where we jointly market financial products or services to you.</p> <ul style="list-style-type: none"> <li>■ <i>Our joint marketing partners include providers of investment and financial services and insurance companies.</i></li> </ul>