

# Columbia Credit Union

## Membership & Account Agreement



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This Agreement governs your and our rights and responsibilities concerning membership in, and the account(s) held by, Columbia Community Credit Union (the "Credit Union"). In this Agreement, the words "you" and "yours" mean the owner or owners of the Credit Union account or accounts who sign the Account Card (defined below) (the "Account Owner" or "Account Owners," as applicable), or on whose behalf the Account Card is signed. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more deposit or loan accounts you have with the Credit Union.

By signing the Account Card provided in connection with this Agreement (the "Account Card"), each of you, jointly and severally, acknowledge receipt of and agree to the terms and conditions of this Agreement, including without limitation the Funds Availability Policy, the Truth-in-Savings Disclosures, the Credit Union's current Rate Schedule (the "Rate Schedule") and Fee Schedule (the "Fee Schedule"), the Electronic Services Agreement, the Opt-In Disclosure, any Share Certificate Receipt(s), if applicable, and the Privacy Policy accompanying this Agreement. To the extent that any agreement or disclosure provided in connection with or referenced in this Agreement provides additional details concerning the terms of this Agreement, the terms of this Agreement will control if they conflict, except that in all cases the terms of this Agreement and the terms of the other documents are to be read together to the extent possible to govern the relationship between you and us.

The classification and form of ownership of your accounts are designated on a signed Account Card. You may update any information set forth on the Account Card by delivering to us a new Account Card, signed by all Account Owners. You agree that all of your accounts held by us and other services provided by us will be governed by (i) this Agreement, as amended from time to time, (ii) the specific terms and disclosures set forth on the deposit receipt(s) for each account or the applicable disclosures provided to you from time to time and (iii) the specific terms and disclosures set forth on your loan agreement(s), if applicable. Unless you waive your rights, you understand that certain account designations, such as joint ownership with right of survivorship or payable-on-death ("POD") beneficiary designation, may be invalidated upon the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

## I. MEMBERSHIP AND ACCOUNTS

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. When you open an account, we will ask you

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.

**1. Membership Eligibility.** To be eligible for membership in the Credit Union, you must be an individual qualifying within the Credit Union's field of membership (or otherwise be an entity described in Section 6), not have caused the Credit Union a loss, and meet all regulatory, legal, and internal requirements applicable to account opening as required by the Credit Union's Bylaws. You may also be required to pay a one-time membership fee to join the Credit Union. You authorize us to check financial information data and employment history about you by any means allowed by law, including obtaining a credit report or credit score from any consumer reporting agency to verify your eligibility for any accounts and services that we may offer or you request.

**2. Single-Party Accounts.** A single-party account is an account owned by one individual (or a trust company, in the case of a UTTMA, defined in Section 6) qualified for Credit Union membership. If the single-party account is an individual account, the interest of a deceased individual owner will pass to the decedent's estate or POD beneficiary, if applicable, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an Account Owner or owner's agent before notice of an owner's death.

**3. Multiple-Party Accounts.** An account owned by two or more persons is a multiple-party account.

**a. Rights of Survivorship.** If the account is a multiple-party account, the account is subject to rights of survivorship unless otherwise stated on the Account Card. If the account is a multiple-party account without right of survivorship, the interest of a deceased owner will pass to the decedent's estate. If the account is a multiple-party account with right of survivorship, upon the death of a multiple-party Account Owner, that Account Owner's interest will become the property of the surviving multiple-party Account Owner(s). A surviving Account Owner's interest is subject to the Credit Union's statutory lien and security interest for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

**b. Control of Multiple-Party Account.** Any multiple-party Account Owner is authorized and deemed to act for the other owner(s), and the Credit Union may accept orders and instructions regarding the account and requests for future services from any multiple-party Account Owner. Each multiple-party Account

Owner guarantees the signature of the other owner(s). Any multiple-party Account Owner may withdraw all funds in the account, close the account, stop payment on items drawn on an account, or transfer or pledge all or any part of the shares of any account without the consent of any other Account Owner, and the Credit Union has no duty to notify any other Account Owner. The Credit Union reserves the right to require written consent of all multiple-party Account Owners for a change of ownership. If the Credit Union receives written notice of a dispute between multiple-party 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 multiple-party Account Owners agree in writing to any transaction concerning the account.

**c. Multiple-Party Account Owner Liability.** If any item deposited in a multiple-party account is returned unpaid or an account is overdrawn, each multiple-party Account Owner is jointly and severally liable to the Credit Union for the amount of the returned item or overdraft and any charges, regardless of who created the overdraft, deposited or cashed the item, or benefited from the transaction. If any multiple-party Account Owner is indebted to the Credit Union such that the Credit Union has a lien against an account of that multiple-party Account Owner, the Credit Union may enforce its rights against any or all funds in any account of a multiple-party Account Owner regardless of who contributed the funds to the multiple-party account.

**4. POD Accounts.** A Payable on Death (POD) designation is an instruction to the Credit Union that a designated account is an account payable to the Account Owner(s) during their lifetimes and that, upon the death of the Account Owner or, with respect to multiple-party accounts, the last multiple-party Account Owner, the account is payable to any named and surviving POD beneficiary. Accounts payable to more than one surviving POD beneficiary are owned jointly by those beneficiaries with right of survivorship. No POD beneficiary applies to IRAs or other similar tax-qualified accounts, which are 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.

**5. Accounts for Minors.** For any account established by or for a minor, the minor Account Owner must have a parental or guardian multiple-party Account Owner who is at least eighteen (18) years of age and who will be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid charges or amounts on the account. The Credit Union may make payments of funds directly to the minor without regard to his

or her age. Unless a parent or guardian is an Account Owner, the parent or guardian has no right to access the account. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or multiple-party Account Owner.

## **6. Fiduciary Accounts.**

**a. Uniform Transfer to Minor Accounts.** A Uniform Transfer to Minor Account (a "UTTMA") is an individual account established by an individual or trust company as custodian on behalf of a minor (a person under twenty-five (25) years of age). The custodian must open the account in the name of the minor, include the minor's social security number, and sign his or her own name on the Account Card. The custodian is the owner of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to withdraw from or close the account. If the custodian dies, the Credit Union may place an administrative hold on the account until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal. When the minor attains the age of twenty-five (25), the account will be payable to the beneficiary upon notification and direction of the minor and custodian. If the minor dies, the account will be closed and funds paid to the minor's estate.

**b. Other 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.

**7. Accounts of Organizations.** Except for the accounts described in Section 6, this Agreement does not apply to accounts held by businesses, organizations, or other non- natural persons. Terms applicable to such accounts are outlined in the Business Membership and Account Agreement.

**8. Agency Designation.** An agency account designation is an instruction to the Credit Union that an Account Owner has authorized another person to make transactions as agent for the Account Owner regarding the designated accounts. The authority of an agent is the same as any Account Owner. The Credit Union may perform any transaction requested by an agent notwithstanding the disability, capacity, or death of an owner and until the Credit Union receives an agency termination notice. Upon the death of the Account Owner, an agent has no ownership or other rights with regard to the account, unless the agent is separately named as a POD or trust beneficiary. The Credit Union has no duty to inquire about the use or purpose of any transaction requested by the agent. The Credit Union may reasonably refuse to honor any transactions by, or instructions of, an agent claiming authority under a power of attorney, if the Credit Union reasonably believes the form of the power of attorney, or authority of the agent, is insufficient.

**9. Certificate of Authority.** Each Account Owner represents and warrants to the Credit Union as follows:

**a. Name.** The Account Owner shown on the Account Card is the complete and correct name of the Account Owner.

**b. Authority.**

(1) The individuals signing on the Account Card certify and agree that the Account Owner's accounts will be governed by the terms set forth in this Agreement, as amended from time to time.

(2) The Credit Union is directed to accept and pay without further inquiry any item, bearing the appropriate number of signatures as indicated on the Account Card, drawn against any of the Account Owner's accounts with the Credit Union.

**10. Deposit Requirements.** Deposits may be made to any account by cash, check, or other item in accordance with the deposit requirements set forth on the Fee Schedule. All accounts are nonassignable and nontransferable to third parties.

**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 if they are made payable to, or to the order of, any one or more Account Owners, whether or not they are endorsed by all Account Owners. With respect to fiduciary accounts, you authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your fiduciary accounts if they are made payable to, or to the order of, any Fiduciary of the account, even if not expressly made payable to, or to the order of, such Fiduciary in his or her capacity as

**b. Fiduciary.** You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. When you deposit items to your account, you warrant that all prior endorsements are genuine. The Credit Union reserves the right to verify all endorsements on third-party checks presented for payment or deposit either in person or by comparison with member signature files. Insurance, government, and certain other checks or drafts must be endorsed in person exactly as they are made payable. Endorsements must be placed in the space on the back of the check between the top edge and one inch from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. If any such endorsement causes any delay in processing the item for payment, however, you will be responsible for any loss incurred by the Credit Union as a result of the delay. 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 that 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. 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 check, warranties, and indemnity. If you do so, you agree to indemnify the Credit Union for all losses that the Credit Union incurs in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

**c. Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of them. Examples of restrictive legends are "two signatures required," "void after 60 days," and "not valid over \$500." We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

**d. Collection of Items.** The Credit Union is not responsible for deposits made electronically, by mail, or at an unstaffed facility until the Credit Union actually receives them. In receiving items for deposit or collection, the Credit Union acts only as your collection agent and assumes no responsibility beyond the exercise of due care. The Credit Union is not liable for default or negligence of any correspondent or for loss in transit, and each correspondent will be liable only for its own negligence.

**e. Final Payment.** All noncash deposits posted 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 deposits and impose a return-item charge 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 your deposit item, the Credit Union may charge the fee to your account. The Credit Union reserves the right to refuse all or any part of a deposit, to return a deposit, or to close your account. 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.

**f. Direct Deposits.** The Credit Union accepts preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts at the Credit Union. Upon a filing of bankruptcy, if you fail to cancel any direct-deposit authorization, you instruct your employer to make and the Credit Union to 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 that the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

**g. Crediting of Deposits.** Deposits made on Saturdays, Sundays, and Credit Union holidays may be held and 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.

## **11. Account Access.**

**a. Authorized Signature.** In order to access any account, the Credit Union must have an authorized signature of yours on an Account Card. The Credit Union is authorized to recognize your signature, but is not liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on the item or instruction is not genuine. 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. If you open your account online and we have not received a copy of your valid identification or your physical signature, you agree that we may, without liability, accept as genuine any signature that appears to be yours.

**b. Access Options.** You may make withdrawals or transfers from your account in any manner permitted by the Credit Union (i.e., check, automated teller machine ("ATM"), debit card, automated telephone access, online banking, in person, by mail, automatic transfer, or telephone). If you make a withdrawal by check, the check must be properly completed and signed by you or your representative whose authority is on file with us. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

**c. ACH and Wire Transfers.** You may initiate or receive credits or debits to your account via wire transfer or Automated Clearing House ("ACH") transfer. All ACH transactions are subject to the terms of the Electronic Services Agreement. Additionally, 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 a wire or 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 or receives an authorized reversal transaction, we 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 may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give, even if it does not match the party named in your instructions. 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. 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.

**d. Transactions by Mail.** Except as otherwise provided in this Agreement, the Credit Union may permit you to make deposits, transfers, and withdrawals by mail. Transfers and withdrawals by mail will require a written request signed by you. Such a transaction will be posted to your account as of the day the transaction is processed at the Credit Union.

**e. Electronic Check Transactions.**

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

(2) **Electronic Re-Presented Checks.** If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, the 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 were presented to us. Any collection fee that you authorize the merchant to debit from your account is subject to the terms of the Electronic

Services Agreement. If you want to reverse an Electronic Re-Presented Check, you must give us an affidavit within 60 days after we send or make available to you the periodic statement that reflects payment of that Electronic Re-Presented Check. If we receive a proper notice or affidavit from you within the 60-day period, we will recredit 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 reccredited from a prior stop-payment order or if the item is otherwise ineligible for collection.

**12. Account Rates and Fees.** The Credit Union's payment of dividends on any account is subject to the account rates and fees, earnings, and payment and balance requirements as set forth on the Rate Schedule and Fee Schedule and each share certificate receipt, which are incorporated herein by this reference. You agree that the Credit Union may impose fees and charges for the deposit account services provided by the Credit Union. The current Rate Schedule and Fee Schedule have been provided to you separately. You agree that the Rate Schedule and Fee Schedule may change from time to time, and you will be notified of such changes as required by law.

**13. 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. Any draws against accounts with insufficient available funds will be subject to a service charge, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of such draws, the Credit Union may allow those draws for which there are sufficient available funds, in any order at the Credit Union's discretion and in compliance with applicable law. The Credit Union can also refuse to allow a withdrawal in other cases, including without limitation the following scenarios: any dispute arises between the Account Owners about the account; a legal garnishment or attachment is served to the Credit Union; the account secures an obligation to the Credit Union; any required documentation has not been presented; or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such an action is taken. The Credit Union reserves the right to require you to give the Credit Union up to ninety (90) days written notice of any intended withdrawals (except checks) from any account as permitted by law.

## **14. Overdrafts.**

a. The Order in Which Checks and Other Items are Paid. In general, we pay checks and other transactions in the order in which they are presented to us for payment, regardless of when you issued or authorized them. Insufficient balances on your account may result from 1) checks, 2) automated clearing house (ACH) debits such as online bill payment transactions, 3) payments authorized by an owner or other withdrawal requests, 4) items deposited and returned unpaid by the paying institution, and 5) imposition of service charges. Checks and ACH debits may be presented to us in batches or data files, and are paid when we process the data file. Checks in the same data file are processed in random order. Checks presented for payment at one of our branches are processed at the time of payment. Debit card transactions are processed when they are transmitted to us, which may occur at the time of the transaction or up to several days later. You understand that the merchant or its processor determines when the transaction will be transmitted to us. When a merchant obtains authorization for a debit card transaction, we place a temporary hold against the funds in the account for the amount of the authorized transaction. In some cases, such as restaurants or car rental transactions, there may be a hold for an initially authorized amount, but the transaction is submitted at a different amount. You should be certain there are enough funds in your account at all times to pay checks or other transactions you authorize, or those checks or transactions will be handled according to the overdraft and insufficient funds terms of this Agreement, or paid under an overdraft service, if applicable. This paragraph reflects our practices in effect at the time this Agreement was prepared. You agree that we may change these practices at any time without prior notice to you to address data processing constraints, changes in law, regulation, clearing house rules, or business concerns.

### **b. Determination of Available Balance to Pay Items.**

Checks and other transactions on your account are paid based on your available balance and not the actual or "current" balance. Your actual or "current" balance is the amount of funds in the account at a point in time based on transactions that have posted to the account at that time. Your available balance is the amount of funds in the account that are available to pay checks, ACH entries, and other items presented against the account without transferring funds from another account and/or possibly using an overdraft service which may incur an overdraft or non-sufficient funds fee. The available balance is generally equal to the current balance, less the amount of any holds placed on recent deposits, holds placed for other reasons, and holds for pending transactions (such as debit card purchases) that we have authorized but that have not yet posted to your account. If an item presented for payment against your

account exceeds the available balance, we will treat it as presented against non-sufficient funds even if the current balance exceeds the amount of the item.

### **c. Insufficient Funds to Pay Checks and Other Items.**

If the available funds in your checking account are not sufficient to pay checks or other items presented on your account, those checks or other items will be covered by this Agreement, our overdraft procedures, and any overdraft service or agreement with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. You understand we have no duty to notify you if there are insufficient available funds to pay your check or other items. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If we pay a check or transfer that exceeds the available balance in your account, you agree to repay us the amount of that paid check or transfer and any fee for that service immediately unless we have authorized repayment at a later time in any agreement or service we have agreed to provide you. Checks and other items that have been returned may be presented for payment again by the merchant or payee. We may charge a fee each time an item is presented or represented. You agree that we are not liable if we refuse to pay a check or other item on your account and return it if funds are unavailable because we charged your account for any obligation you owe us. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.

**d. Discretionary Courtesy Pay.** The Credit Union offers a discretionary overdraft payment service ("Discretionary Courtesy Pay"), under the following terms and conditions:

(1) Discretionary Service. The Credit Union offers Discretionary Courtesy Pay to all eligible consumer checking Account Owners. If you would like the Credit Union to provide Discretionary Courtesy Pay for your everyday, one-time, debit-card purchase transactions, you must specifically notify us to do so ("opt in"), as outlined in the Opt-In Disclosure that we provide you when you open your account. For all other overdraft transactions, Discretionary Courtesy Pay will be provided automatically once a checking account has been opened and qualified for the service and will continue as long as the account is maintained in good standing with the Credit Union. Under Discretionary Courtesy Pay, we are not obligated to pay any check or item presented for payment if your available balance

is insufficient. The Credit Union 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 Discretionary Courtesy Pay and subject to this Agreement. Discretionary Courtesy Pay is not a line of credit, is not guaranteed, and is independent of any other payment arrangement that we may offer. Also, we may refuse to pay an overdraft for you at any time, even if we have previously paid overdrafts for you. Via your mailed (or emailed, if you have so requested) periodic statement, we will notify you of any insufficient funds, checks, or items paid or unpaid and returned that you may have. However, we have no obligation to notify you before we pay or return any item.

(2) **Overdraft Transactions Covered.** The following types of overdrafts may be covered under Discretionary Courtesy Pay: checks, debit-card purchases if you have provided the required opt-in, online or other electronic funds transfers, ACH debits and automatic loan payments or withdrawals authorized by you, account service charges, preauthorized drafts, and any other items that may be posted to your account. We reserve the right to pay any checks or items in the order they are presented or received and in accordance with our normal operating procedures for such checks, items, or transactions.

(3) **Overdraft Limit/Available Balance.** Under Discretionary Courtesy Pay, we may pay overdrafts up to a limit established for your account type for accounts eligible for this service, and we will not generally pay overdrafts for you in excess of that limit. Any applicable fees and charges and each paid check or item will be included in this limit. This overdraft limit will not be included or reflected in your account's actual/current or available balance provided by Credit Union staff, at ATM or point-of-sale facilities, through online services, or on your periodic statements.

(4) **Overdraft Fees.** If we pay an item that creates or further increases a negative current balance, we may charge a fee as disclosed in the Fee Schedule.

(5) **Member Repayment Responsibility.** You agree that your overdraft balance, including applicable 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 15 days of notice from us, we may immediately suspend Discretionary Courtesy Pay. Accounts may be closed for failure to repay overdraft balances, and we will report account closures to consumer reporting agencies.

(6) **Member Opt-Out Right.** The Credit Union offers Discretionary Courtesy Pay as a convenience to Account Owners 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 Discretionary Courtesy Pay at any time by notifying the Credit Union orally or in writing. The Credit Union may require that any oral opt-out be confirmed in writing. You understand that by opting out of this service, the Credit Union 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 non-sufficient funds or returned item fees. You are still responsible to pay any overdraft, even if you have opted out of the service.

**e. Overdraft Protection Plan.** You may establish an overdraft protection plan, and we will honor overdrafts in any checking account by transferring funds to your checking account in an amount necessary to cover the overdraft. We will transfer funds to your overdrawn account from your deposit and loan accounts, if applicable. The fee (if any) for overdraft protection transfers is disclosed in the Fee Schedule. Transfers from a deposit account are governed by this Agreement. Transfers from a loan account are governed by the applicable loan agreement.

**15. Postdated and Staledated Items.** You must not date a check later than the date that you write it. If you do and the item is presented for payment before its date, the Credit Union may return it unpaid or pay the item 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 item, including the number, date, and amount. 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. Oral notices will remain in effect for fourteen (14) days. Written notices are effective for six (6) months unless renewed in writing. 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 or draft drawn on your account that is presented more than six months after its date, but may charge your account for payment unless the item is certified or you have placed an effective stop-payment order.

**16. Stop-Payment Orders.** You may ask the Credit Union to stop payment on any check drawn on or ACH debit scheduled from your checking account. You may request a stop payment by telephone, through online



banking, by mail, 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 on the order. For ACH debits, the stop-payment order must be received at least three (3) banking days before the scheduled date of the transfer. You must state the number of the account, date, and 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 on 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 on 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 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 payee.

**a. Duration of Order.** Oral stop-payment orders remain in effect for fourteen (14) days. For checks, written stop-payment orders are effective for six (6) months. In order for any written stop-payment order to remain in effect after six (6) months, you must renew the order in writing. For ACH debits, written stop-payment orders are effective for one payment, until you request that the Credit Union remove it or for all future ACH debits.

**b. Liability.** The Credit Union may charge a fee for each stop-payment order requested, as set forth on the Fee Schedule. You may not stop payment on any certified check or draft or any other check, draft, or payment guaranteed by you or the Credit Union. You can stop payment only on any other checks or drafts that the Credit Union issues on your behalf in the Credit Union's sole discretion. You should be aware that while payment of an 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.

**17. Lost Items.** 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 if they become lost in the collection process.

**18. Credit Union Liability.** If the Credit Union does not properly complete a transaction according to the terms of this Agreement, the Credit Union may be liable for your direct damages. The amount of any such liability will not exceed the amount of the transaction giving rise to the liability. 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 prevent the transaction; (c) your loss results, in part, from any act or omission constituting a breach of this Agreement, negligence, willful misconduct, violation of applicable law, or the negligence, willful misconduct of, or violation of law by another financial institution; or (d) the money in your account is subject to legal process or other claim. In no event will the Credit Union be liable for indirect, special, punitive, or consequential damages. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and the applicable written form.

**19. Checks Presented for Payment in Person.** We may refuse to accept any check or draft drawn on your account that is presented for payment in person. Such a refusal does not constitute a wrongful dishonor of the check or draft, and we have no liability for refusing payment.

**20. Remotely Created Checks or Drafts.** For purposes of this paragraph, "account" means a transaction account, credit account, or any other account on which checks or drafts may be drawn. A remotely created check or draft is a check or draft created by someone other than the person on whose account the check or draft is drawn. A remotely created check or draft is generally created by a third-party payee as authorized by the owner of the account on which the check or draft is drawn. Authorization is usually made over the telephone or through online communication. The owner of the account does not sign a remotely created check or draft. In place of the owner's signature, the remotely created check or draft usually bears a statement that the owner authorized the check or draft or bears the owner's printed or typed name. If you authorize a third party to draft a remotely created check or draft against your account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and

may charge against your account any remotely created check or draft for which the third party has proof of your authorization.

**21. Credit Union Lien and Security Interest.** If you owe the Credit Union money as a borrower, guarantor, endorser, or otherwise, the Credit Union will have 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 which it has a lien to pay off your indebtedness, including any costs or attorney fees incurred by the Credit Union in enforcing its rights. 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. You grant the Credit Union a security interest in your deposit accounts and agree that the Credit Union may use the funds from your accounts to pay any obligation owed by you to the Credit Union except obligations secured by your dwelling unless prohibited by applicable law. You authorize the Credit Union to file a UCC-1 financing statement describing your deposit accounts and any other collateral covered by the above-described security interest.

**22. 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 or may pay out funds according to the terms of the levy. If the Credit Union incurs any expenses or attorney fees in responding to legal process, those 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.

**23. 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 unless: (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 written permission.

#### **24. Notices.**

**a. Name or Address Changes.** It is your responsibility to notify the Credit Union of a change of address or change of name. The Credit Union is required only

to honor items drawn on the name as listed on the account and to attempt to communicate with you only at the most recent address you have provided to the Credit Union. The Credit Union may accept oral notices of a change in address and may require that any other notice be provided in writing.

**b. Notice of Amendments.** Except as otherwise prohibited by applicable law, the terms of this Agreement and all fees and other agreements provided to you in connection with this account 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. If notice is given by mail, you agree that only one notice is necessary in the case of a multiple-party account. You may terminate your account before the effective date of any changes. You or any account holder may change the account ownership and types of accounts or services at any time without the consent of any other account holder. Amendments requested by you, or by any one multiple-party Account Owner, such as adding or closing a new type of account or service, may be made by telephone instruction. You agree that oral instructions are binding and agree to hold the Credit Union harmless from any liability arising as a result of such instructions. Changes in account ownership, such as adding or removing a multiple-party Account Owner, must be evidenced by a signed Account Card. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver does not affect the Credit Union's right to enforce any right in the future.

**c. Effect of Notice.** Any written notice that you give us is effective when we receive it. Any written notice that we give to you is effective when it is deposited in the U.S. mail, postage prepaid, and addressed to you at your mailing address of record, or, as applicable, sent electronically to the email address you provide to us at the time you open your account, and as you may update from time to time. Notice to any Account Owner is considered notice to all Account Owners.

**d. Consent to Communications.** By providing an email address, telephone number for a cellular phone, or information for another wireless device, you are expressly consenting to receive communications at that address or number, including but not limited to prerecorded or voice- 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 communications 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 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 that you provide by telephone, we may require you to confirm

such instructions in writing.

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

**25. Taxpayer Identification Numbers 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 a percentage of payments of 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. If you fail to provide your TIN, the Credit Union may suspend your account privileges and or close your account.

## **26. Statements.**

**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. The amount and date of any payment, deposit, withdrawal, transfer, payment of dividends, and fees imposed will appear on your statement. For drafts and checks, you understand that your original draft or check, as applicable, will not be returned to you. You agree to keep a 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.

**a. Examination.** You are responsible for examining each statement and your check and draft copies, and reporting any irregularities to the Credit Union. The Credit Union is not responsible for any forged, altered, unauthorized, or unsigned item drawn on or deposited to your account if you fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement or delivery of e-statements and availability of drafts containing any forgery, alteration, or unauthorized signature on the item. The Credit Union is not liable for items forged or altered in a manner not detectable by a reasonable person, including but not limited to the unauthorized use of a facsimile signature machine.

**b. Notice to Credit Union.** You agree that the Credit Union's retention of drafts and 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 is made available to you.

**c. Electronic Statements (E-Statements).** If your statement is provided electronically you may access, review, print, and otherwise copy or download your periodic statements using procedures that we authorize. Email from us will be sent to the email address provided by the Account Owner. By designating a joint owner on your account, you acknowledge and consent that the joint owner shall have full access to all electronic statements associated with the account, including those issued prior to the addition of the joint owner.

**27. Inactive Accounts.** If you have not made a withdrawal from, deposit to, or transfer involving at least one of your accounts for the period specified in the Fee Schedule and the Credit Union has had no other sufficient contact with you within the period specified by state law, the account will be presumed abandoned. The Credit Union will notify you at your last known address before imposing any fee as required by law. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, the Credit Union reserves the right to transfer account funds to an account payable, cease paying dividends if applicable, and suspend any further account statements. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been sent to the state, the Credit Union has no further liability to you for those funds, and if you choose to reclaim the funds, you must apply to the appropriate state agency.

**28. Special Account Instructions.** The Credit Union can facilitate certain trust, will, or court-ordered account arrangements that you may request. Because the Credit Union does not give legal advice, however, 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 to indemnify the Credit Union and hold it harmless from and against 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 designations of yours. If you ask the Credit Union to follow any instructions that the Credit Union believes might expose it to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to indemnify the Credit Union or post a bond or other protection. 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. You understand that the Credit Union may choose to retain electronic or imaged copies of any original documents, and you agree that an electronic or imaged copy is valid as an original document.

**29. Termination of Account.** The Credit Union may terminate your account at any time without notice to you. It may require you to close your account and apply for a new account if (a) there is a change in Account Owners; (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) there are excessive returned unpaid items not covered by an overdraft protection plan; (f) 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 any single-party account at any time by notifying the Credit Union in writing. The Credit Union reserves the right to require the consent of all multiple-party Account Owners for termination of a multiple-party account. The Credit Union is not responsible for payment of any check, draft, withdrawal, or other item once your account is terminated. However, you agree to reimburse the Credit Union for payment if the Credit Union pays a check, draft, withdrawal, or other item after termination.

**30. Termination of Membership.** You may voluntarily terminate your membership at the Credit Union after giving written notice of your intent to withdraw from membership at any time. If you do not maintain an open deposit, loan, or line-of-credit account, your membership will be considered voluntarily terminated. The Credit Union is not liable for payment on any check, item, or other instruction once your membership is terminated. You may be denied services or expelled from membership for any reason allowed by applicable law and as outlined in our Bylaws, including but not limited to causing a loss to the Credit Union.

**31. Death of an Account Owner.** 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. Upon the death of an Account Owner, funds in the account will be payable to multiple-party Account Owners or any POD beneficiaries in accordance with this

Agreement and applicable state law. The Credit Union may continue to honor all transfers, withdrawals, deposits, and other transactions on the account until the Credit Union learns of the Account Owner's death. Once the Credit Union is notified of an Account Owner's death, the Credit Union may in its discretion restrict account transactions or may pay checks or honor other payments or transfer orders authorized by the deceased Account Owner for a period of ten (10) days unless the Credit Union receives instructions from an authorized person to stop payment on the checks or other items. You agree that the Credit Union can require anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim. This Agreement is binding on any heirs or representatives of any Account Owner.

**32. Unlawful Internet Gambling and Other Illegal Activities.** You certify that all transactions that you initiate on your account are permissible under federal law and state law in the jurisdiction where you live and/or where the transaction occurred. You understand that you may not use the account or any access devices to make deposits, transfers, or withdrawals of funds for any purpose that is impermissible under state or federal law. You understand that marijuana related transactions on your account may be legal under state law but not under federal law. You agree that you are not engaged in unlawful internet gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices, or services for unlawful Internet gambling activity or other illegal activities. Display of a payment card logo by an online merchant does not mean that internet gambling transactions are lawful in all jurisdictions in which you may be located. We may terminate your accounts and services if you engage in unlawful Internet gambling or other illegal activities.

**33. Severability.** If 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 will not be considered invalid or unenforceable and will continue in full force and effect.

**34. Enforcement.** You agree to be liable to the Credit Union for any loss, cost, or expense as provided in this Agreement that the Credit Union incurs as a result of your failure to follow this Agreement. You authorize the Credit Union to deduct any such loss, costs, or expenses from your account without prior notice to you. If either party brings a legal action to enforce the Agreement or collect any amount due under this Agreement, the



prevailing party is entitled, subject to applicable law, to payment by the other party of its reasonable attorney fees and costs, including fees on any appeal, bankruptcy proceedings, and post-judgment collection actions, if applicable. If there is a lawsuit, you agree that it may be filed and heard in the county and state in which the Credit Union is located, if allowed by applicable law.

**35. Governing Law.** This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the State of Washington, and local clearinghouse rules, as amended from time to time.

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

**37. Binding Arbitration of Claims and Disputes.** RESOLUTION OF DISPUTES BY ARBITRATION: THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

**a. Agreement to Arbitrate Disputes.** Either you or we may elect, without the other's consent, to require that any dispute between us concerning your accounts and the services related to your accounts be resolved by binding arbitration, except for those disputes specifically excluded below.

**b. No Class Action or Joinder of Parties.** YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM

OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

**c. Disputes Covered by Arbitration.** YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of your accounts or our relationship will be subject to arbitration, regardless of whether that dispute or the facts underlying or giving rise to that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability, validity, scope or interpretation of any of this arbitration provision. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to your accounts. Disputes include not only claims made directly by you, but also made by anyone connected with you or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its parent, affiliates, successors, assignees, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If party initiates a proceeding in court regarding a claim or dispute which is included under this arbitration provision, the other party may elect to proceed in arbitration pursuant to this arbitration provision.

**d. Disputes Excluded from Arbitration.** Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this arbitration provision. Claims or disputes arising from your status as a borrower under any loan agreement with the Credit Union are also excluded from this arbitration provision.

**e. Commencing an Arbitration.** The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: Arbitration Service of Portland ("ASP") or JAMS. If you initiate the arbitration, you must notify us in writing at:

**Columbia Credit Union**

Attn: ERM Legal Department  
PO Box 324  
Vancouver, WA 98666-0324

If we initiate the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

Arbitration Service of Portland  
503-226-3109  
[www.arbserve.com](http://www.arbserve.com)

JAMS  
1-800-352-5267 (toll-free)  
[www.jamsadr.com](http://www.jamsadr.com)

The arbitration shall be conducted in the same city as the U.S. District Court closest to your home address, unless the parties agree to a different location in writing.

**f. Administration of Arbitration.** The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years' experience or a retired or former judge selected in accordance with the rules of the arbitration forum. For ASP, the arbitration will be conducted in accordance with the ASP Procedural Rules for Arbitration in effect on the date the arbitration is filed. For JAMS, the arbitration will be conducted in accordance with the JAMS Comprehensive Arbitration Rules & Procedures in effect on the date the arbitration is filed. If there is a conflict between a particular provision

of the ASP or JAMS rules and this arbitration provision and/or this agreement, this arbitration provision and this agreement will control. If JAMS or the ASP is unable or unwilling to handle the claim for any reason, then the matter shall be arbitrated by a neutral arbitrator selected by agreement of the parties (or, if the parties cannot agree, selected by a court in accordance with the FAA). The neutral arbitrator selected by the parties or the court shall apply the Federal Rules of Evidence and the Federal Rules of Procedure concerning discovery, except that the above class action waiver is specifically enforceable notwithstanding any Federal Rule of Procedure to the contrary.

You understand and agree that the applicable rules and procedures in arbitration may limit the discovery available to you or us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At your or our request, the arbitrator shall issue a written, reasoned decision following applicable law, and the relief granted must be relief that could be granted by a court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

**g. Costs.** The party initiating the arbitration shall pay the initial filing fee. If you file the arbitration and an award is rendered in your favor, we will reimburse you for your filing fee. If there is a hearing, we will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that you cannot afford to pay them or finds other good cause for requiring us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

**h. Right to Resort to Provisional Remedies Preserved.**

Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

**i. Arbitration Award.** The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

**j. Governing Law Regarding This Arbitration Provision.** You and we agree that our relationship includes transactions involving interstate commerce and that this arbitration provision is governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Washington shall apply to this arbitration provision.

**k. Severability, Survival.** This arbitration provision shall survive (a) termination or changes to your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your accounts or any related services. If any portion of this arbitration provision is deemed invalid or unenforceable, the remainder of this arbitration provision shall remain in force. No portion of this arbitration provision may be amended, severed, or waived absent a written agreement between you and us.

**l. Right to Reject This Arbitration Provision.** YOU MAY CHOOSE TO REJECT THIS ARBITRATION PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:

**Agreement to this arbitration provision:**

1. If you agree to be bound this arbitration provision, then no action is needed on your part.

2. If you take no action, then effective immediately your accounts will be bound by this arbitration provision.

**Rejection of this arbitration provision:**

1. If you do not agree to be bound by this arbitration provision, you must send us notice via U.S. Mail or email, that you reject this arbitration provision within 30 days of becoming a member (if not already a member), and including the following information:

a. Your notice must include: your name, as listed on your account, your account number, and a statement that you reject this arbitration provision, and;

b. You must send your written notice to us at the following U.S. Mail address or email address:

United States Postal Service (USPS)

**Columbia Credit Union**

Attn: ERM Legal Department

PO Box 324

Vancouver, WA 98666-0324

EMAIL

NoArb@ColumbiaCU.Org

**II. FUNDS AVAILABILITY POLICY**

**1. General 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 policy is to make funds from your deposits available to you on the first business day after we receive your deposit. An electronic direct deposit will be available on the day we receive the deposit in actually and finally collected funds. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 6 p.m. at a branch office on a business day that we are open, we will consider that day to be the day of your deposit. But if you make a deposit after 6 p.m. at a branch or on a day that we are not open, we will consider that the deposit was made on the next business day that we are open.

**2. Reservation of Right to Hold.** In some cases, we will not make all the funds that you deposit by check available to you on the first business day after we receive your deposit. Depending on the type of check that you deposit (e.g., a large check without available funds or a third-party check), funds might not be available until the

second business day after the day of your deposit. The first \$275 of your deposit, however, will be available on the first business day after your deposit is received. If we are not going to make all the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need funds from a deposit right away, you should ask us when the funds will be available. Even though we make funds available to you, you are still responsible for payment of any returned items.

**3. Longer Delays May Apply.** Additionally, funds that you deposit by check might be delayed for a longer period under the following circumstances:

- a. We believe a check you deposit will not be paid.
- b. You deposit checks totaling more than \$6,725 on any one day.
- c. You redeposit a check that has been returned unpaid.
- d. You have repeatedly overdrawn your account 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 the seventh business day after the day of your deposit.

**4. 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 that 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 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 Agreement for the type of check that you deposited.

**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 an electronic direct deposit to your account will be available on the day we receive the deposit. Funds from a deposit of cash, a wire transfer, and the first \$6,725 of a day's total deposits of cashier's, certified, teller's, travelers, 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 \$6,725 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$6,725 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

**6. ATM Deposits; Unstaffed Teller Locations.** When you make a deposit at an ATM that is owned or operated by the Credit Union, the Credit Union will make the first \$275 of your deposit available one business day after. The remainder of your deposit will become available the second business day following your deposit. ATM deposits of cash or checks drawn on the United States Treasury payable to an Account Owner of the account to which they are being deposited will be available the next business day after they are deposited. You may not make deposits to your accounts using ATMs that are not owned or operated by the Credit Union. All ATMs owned or operated by the Credit Union are identified as such. Deposits received at unstaffed teller locations, such as night depositories, will be credited on the day that funds are removed and processed by the Credit Union. You waive any notice of nonpayment, dishonor, or protest regarding any items credited to your account.

**7. Foreign Checks.** Checks drawn on financial institutions located outside the United States ("Foreign Checks") cannot be processed the same as checks drawn on U.S. financial institutions. Foreign Checks are exempt from the policies outlined in this Agreement. Generally, the availability of funds following deposit of a Foreign Check will be delayed for the time it takes us to collect the funds from the financial institution(s) upon which the Foreign Check is drawn.