



## iQ CREDIT UNION MEMBERSHIP AND ACCOUNT AGREEMENT

Welcome to iQ Credit Union. When you become a member or if you are a joint owner, you agree to the terms and conditions described in this Agreement. These terms and conditions apply whether the account is opened in person, by mail, by telephone, or online. Please read this Agreement carefully and keep it for your records.

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 Card or Account Change Card ("Account Card"). The words "we", "us", and "our" mean iQ Credit Union ("Credit Union"). The word "account" means any one or more share, savings, checking, or certificate accounts you have with the Credit Union.

The classification and form of ownership of your accounts are designated on your Account Card. Periodic statements may not show all owners, beneficiaries, or other parties. If you wish to review the ownership or beneficiary designations on your account, please contact us.

By signing the Account Card or completing and transmitting an online Account Card that is a part of this Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Funds Availability Policy, Electronic Funds Transfer Agreement, the Truth-in-Savings Disclosures, Personal Rate Schedule, Personal Fee Schedule, the Privacy Policy, 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. Unless you waive your rights, you understand that certain account designations, such as a joint ownership with right of survivorship or 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.

**Important Information about Procedures for Opening New 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.

### 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 and must purchase and maintain at least one share with a par value of \$5.00 (the Membership Share Account) as required by the Credit Union's Bylaws. You authorize us to check your account, credit, and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.
- 2. Individual Accounts.** An individual account is an account owned by one depositor including any individual, corporation, partnership, trust, or other organization 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 ("POD") beneficiary, if applicable.
- 3. Joint Accounts.** An account owned by two or more persons is a joint account.
  - a. *Rights of Survivorship.* If your account is a joint account, the account is owned as a joint account with rights of survivorship unless otherwise stated on the Account Card. If the account is a joint account without right of survivorship, the interest of a deceased owner will pass to the decedent's estate. If the account is a joint account with right 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. The surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by the deceased owner, even if the surviving owner did not consent to it.
  - b. *Rights of Joint Account Owners.* Any joint 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 other account owner. Each account owner guarantees the signature of the other owners. 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, including 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). A security interest in account funds granted by one owner will continue in effect after that owner's death and takes priority over the survivorship interest of other owners. 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.
  - c. *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 charges, regardless of who created the overdraft, deposited or cashed the item or benefitted 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.
- 4. 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 life-times, and upon the death of the last joint account owner, payable to any named and surviving POD beneficiary designated on your Account Card. 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.
- 5. Accounts for Minors.** For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner 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 charges or amounts on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship unless otherwise indicated on the Account Card. The Credit Union may make payments of funds directly to the minor without regard to his or her minority. Unless a parent or guardian is a joint account owner, the parent or guardian shall not have any 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 joint account owner. The minor account owner's tax identification number must be shown on the Card. The Credit Union shall not change the account status when the minor reaches age eighteen (18), unless authorized in writing by all account owners.
- 6. Accounts for Living Trusts.** An account for a living trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a revocable trust agreement. Upon request of the Credit Union, the trustee shall sign an Account Authorization Card and provide any other evidence of the trustee's authority the Credit Union requires. Trustee warrants that a valid living trust has been created, currently exists, and that the trustor(s) and current trustee(s) are eligible for membership in the Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). Trustee agrees to notify the Credit Union in writing if a change of trustee occurs. Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the living trust or an Account Change form is received. Funds may be released to any one trustee acting alone or with a co-trustee. The trustee(s) agrees to indemnify and hold Credit Union harmless of any liability, claim, damage or loss arising as a result of unauthorized acts of any trustee or former trustee or acts of any trustee upon which Credit Union relies prior to notice of revocation of the trust. This Agreement shall be binding on the trust any trustee, successor trustee and beneficiaries.
- 7. Accounts of Organizations and Associations.** Accounts held in the name of an organization 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 an organization or association may not be cashed but must be deposited to an organization 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. By signing the Account Card, the organization or association certifies that it does not engage in internet gambling business and will notify the Credit Union before engaging in any internet gambling business in the future.



**8. 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 Personal Rate Schedule and Personal Fee Schedule. All accounts are non-assignable and non-negotiable to third parties. Share Certificate and Monthly Income Certificate accounts are governed by the terms of this Agreement and the terms and disclosures on your Certificate Account Receipt for each account, which is incorporated herein by this reference. 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 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 or the back of the check between the top edge and 1 1/2 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 made 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.

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 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 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 Sundays and Credit Union holidays will be credited to your account on the next business day. Deposits received at unstaffed facilities such as night depositories will be credited on the day funds are removed and processed by the Credit Union. Items drawn from an institution located outside the United States are handled on a collection basis only. Amounts 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.

#### 9. 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 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 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., Personal Online Banking, check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer or telephone). If the Credit Union accepts any draft 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 draft. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

c. **ACH & 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 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 as the

proper identification number, even if it identifies a different party or institution. Wire transfers are governed by Federal Reserve Regulation J if the transfer is cleared through Federal Reserve. For a wire to be processed the same business day, it must be received by 11am PST for International wires and 1pm PST for Domestic wires. ACH transactions are governed by the rules of the National Automated Clearing House Association. You acknowledge that processing of international transactions may be delayed if necessary to complete OFAC screening. You must ensure that all international entries you initiate are designated with the appropriate code as required by the Rules. All entries will be credited to or debited from your Account in U.S. Dollars. Currency conversion will be at rates determined by, or available to, us or the ACH. You will bear all currency conversion risk associated with international entries; you will bear all gains or losses associated with currency conversion for international entries.

d. **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.

e. **Electronic Check Transactions.**

i. **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 authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer ("EFT") subject to the terms of Section III. (Electronic Funds Transfers). 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 an 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 funds transfer subject to the terms of Section III, Electronic Funds Transfers). 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 a 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.

**10. Account Rates and Fees.** The Credit Union's payment of dividends on any account is subject to the account rates and fees, earnings, payment and balance requirements as set forth on the Personal Rate Schedule and Personal Fee Schedule and each Certificate Account Receipt, which are incorporated herein by this reference. You agree the Credit Union may impose fees and charges from time to time under this Agreement, under a current or amended Personal Rate Schedule and Personal Fee Schedule, or under any other agreement between you and us. A current Personal Rate Schedule and Personal Fee Schedule has been provided to you separately. You agree the Credit Union may change the Personal Rate Schedule and Personal Fee Schedule from time to time and you will be notified of such changes as required by law.

#### 11. 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. Drafts or other transfer or payment orders which are drawn against insufficient available funds will be subject to a fee, set forth in the Personal 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 in any order at the Credit Union's discretion. Available funds (available balance) is the amount of money in your account, minus any holds (such as outstanding debit card authorizations) and deposits that are not yet available due to the Credit Union's funds availability policy.

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 repay 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 of not less than seven (7) days and up to sixty (60) days, as required by law, before such withdrawal.

If you are in breach of this agreement or any other loan or service agreement with the Credit Union or we suspect fraudulent activity on your account, the Credit Union may, without prior notice, restrict access to your accounts or suspend your electronic services or access devices, including ATM or debit cards and online or mobile banking services. Such restrictions may continue until you cure any breach condition or any fraud condition is resolved.

b. **Transfer Limitations.** For Share and Money Market accounts, you may make up to six (6) preauthorized, automatic, 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 automated clearing house (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; (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 charge.

#### 12. Overdrafts.

a. **Overdraft Liability.** If on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or an overdraft protection plan you have 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. The Credit Union has no duty to notify you of an insufficient funds check. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Personal Fee Schedule. 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 the Credit Union pays a draft that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. 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.

b. **Overdraft Protection Plan.** If we approve your request for overdraft protection, we will provide an overdraft protection plan for you. We will honor drafts drawn on insufficient funds in any checking account by transferring the necessary funds from a deposit account or loan account of yours to your checking account in accordance with your written transfer instructions, our overdraft procedures, or other agreements you have with the Credit Union. The fee for overdraft transfers is set forth on the Personal Fee Schedule. Transfers from a deposit account will be governed by this Agreement. Transfers from a loan account will be governed by the applicable loan agreement.

Unless you have applied for and received an overdraft line of credit, we do not have to pay your overdrafts. However, if you do not have an overdraft line of credit, or do not want us to overdraw your account under any circumstances even as a courtesy to clear an item that you have written, you must tell us not to do so. Our Personal Fee Schedule states the fee charged for paying your overdrafts.

c. **Courtesy Overdraft and Card Overdraft.** Courtesy Overdraft is a service that allows iQ Credit Union to pay a check, ACH or Bill Pay item presented against your checking account even if it causes the account to be overdrawn. Card Overdraft is a service that once you Opt-In, allows iQ Credit Union to pay an ATM or everyday debit card item presented against your checking account, even if it causes the account to be overdrawn. Overdraft protection starts only after all other overdraft protection services on your account have been maximized. Overdraft protection is not an invitation to overdraw your account. It is to be used as a safety net for occasional errors or in an emergency.

With Courtesy Overdraft and Card Overdraft, qualified members in good standing may be given the ability to overdraw their eligible checking accounts up to \$1,000. As long as you maintain the account in good standing,

the Credit Union may pay items up to the authorized limit. Account holders under the age of 18 are not eligible for the Courtesy Overdraft or Card Overdraft programs.

An account must be open at least thirty (30) days and be considered in good standing. Good standing includes making regular deposits sufficient to cover transactions, not allowing the account to be overdrawn more than thirty (30) days, having no legal orders, such as levies or garnishments against the account, having no iQ Credit Union loan past due more than thirty (30) days and there must be a valid mailing address on the account. In addition, if there is a ChexSystems record on any signer on the account, it must be at least one (1) year old. If all conditions of good standing are met, the Credit Union, at its sole discretion, may pay overdrafts up to the \$1,000 limit. The \$1,000 limit includes our normal fee for Non-Sufficient Funds Items and payments made under the Courtesy Overdraft and Card Overdraft program. A fee is assessed whether we pay the item or return it. The fee will be either a Non-Sufficient Funds charge or a Courtesy Overdraft Charge. You will not be charged for both fees, however.

i. **Courtesy Overdraft.** No action is required on your part as this is a non-contractual courtesy for the Credit Union to pay overdrafts. As it is not a loan, no agreements need to be signed. There is no cost to the program unless Courtesy Overdraft is used. Courtesy Overdraft can start when a check, electronic funds transfer (ACH), Bill Pay transaction or an in-branch check cashing transaction occurs for more than is on deposit in the account and/or more than approved overdraft protection services have available. The item can be paid at the sole discretion of the Credit Union and the usual Non-Sufficient Funds or Courtesy Overdraft fee for each item will be charged.

ii. **Card Overdraft.** You must Opt-In to Card Overdraft service in order for the Credit Union to pay overdrafts. It is not a loan, however, your consent is needed to begin. There is no cost to the program unless Card Overdraft is used. Card Overdraft can start when an everyday Visa debit transaction, Point-of-Sale (POS) transaction, or ATM transaction occurs for more than is on deposit in the account and/or more than approved overdraft protection services have available. The item can be paid at the sole discretion of the Credit Union and the usual Non-Sufficient Funds or Card Overdraft fee for each item (up to three fees per day) will be charged.

You will receive a notice every time any overdraft occurs. We reserve the right to pay any checks or items in the order they are presented or received or otherwise in accordance with our normal operating procedures for such checks, items, or transactions. The order in which items are charged to the account may affect the number of fees you pay.

In the normal course of business, we generally pay ACH (in the order in which they are presented to us by our service provider, which may be different than the order in which they were initiated or in which they were received by any party), checks (in check number order within batches received, which may be different than the order in which they were initiated or in which they were received by any party) and then electronic transactions (in the order in which they are presented to us by our service provider or correspondent, which may be different than the order in which they were initiated or in which they were received by any party). However, we reserve the





right to change the order of payment without notice to you at any time. Also, please be aware that the order of item payment may create multiple overdraft items during a single business day.

We strongly recommend you check your ATM balance before making a withdrawal to avoid a fee (Card Overdraft balances are NOT included in your available balance).

You agree your overdraft balance, including applicable overdraft fees, is due and payable immediately. 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 thirty (30) days of notice from us or have excessive use of overdraft protection, we may immediately suspend the overdraft service. Accounts may be closed for failure to repay overdraft balances and we will report account closures to consumer reporting agencies. You may revoke or opt-out of our Courtesy Overdraft and Card Overdraft programs at any time. This request can be from any owner on the checking account.

**13. Postdated and Stale-Dated Items.** 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. A written notice will be effective for six (6) months. A written notice may be renewed in writing from time to 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 or draft drawn on your account which is presented more than six (6) months after its date.

**14. 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 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 (3) business days before the scheduled date of the transfer. You must state the account number, date and the exact amount of the check or ACH and the check number 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 re-credit 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. For a check, a written stop payment order will be effective for six (6) months. The Credit Union is not obligated to notify you when a stop payment order expires.

c. *Liability.* The Credit Union may charge a fee for each stop payment order requested, as set forth on the Personal 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 endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**15. 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 should they become lost in the collection process.

**16. Credit Union's Liability for Errors.** If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages 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 or the negligence of another financial institution; or (d) the money 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 non-actions 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 payment 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, endorser 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. 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 non-assignable 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 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: (1) it is necessary to complete the transaction; (2) 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; (3) such disclosure is in compliance with the law, government agencies or court orders; or (4) you give us your written 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 only at the most recent address you have provided to the Credit Union. The Credit Union will accept change of address notices by written instruction and may require any other notice from you to the Credit Union be provided in writing. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth on the Personal Fee Schedule. You authorize the Credit Union to update your account records with any notification of change of address issued by the U.S. Postal Service.

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. Changes in account ownership such as adding or removing a joint account owner must be evidenced by written instruction which, upon execution, will be incorporated herein by this reference. 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. Amendments requested by you, or any account owner, such as adding or closing an account or service, may be made by telephone instruction followed by written authorization.

c. *Effect of Notice.* Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage pre-paid and addressed to you at your statement mailing address. Notice to any one account owner is considered notice to all owners of the account. 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.

**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 payment 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 suspend the opening of your account, or you may request a non-dividend bearing account until you provide the Credit Union a TIN.

**22. Statements.** If your statement is provided electronically, statements will be electronically mailed to you as an attachment or you may access, review, print and otherwise copy/download your periodic statements from our website using procedures we authorize. Electronic mails from us will be sent to the electronic mail address you provide. It is your responsibility to provide a current and correct e-mail address to the credit union. You are also responsible to keep us updated on e-mail address changes.

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 becomes property of the Credit Union and may not be returned to you but copies will be retained by Credit Union or a payable-through financial institution and made available upon your request. You understand 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 reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized item drawn on your account if (1) you fail to notify the Credit Union within thirty (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 (2) any items are items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.

c. *Notice to Credit Union.* You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statements and draft 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 charge 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.

**23. Inactive and Abandoned Accounts.** If you have not made a withdrawal, deposit or transfer involving your account for more than 24 months for savings accounts, or six (6) months for checking accounts, we may classify your account as inactive and charge a service fee, as specified in the Personal Fee Schedule. We will notify you prior to imposing the fee to the extent required by law. We may in our sole discretion transfer funds from any other account on which you are an owner to cover the fee, but we are not required to do so. If a deposit, withdrawal, or transfer has not been made on the account and the Credit Union has had no other contact with you for 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 reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state

agency.

**24. Death of 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. 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 (10) 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 (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in the account; (4) any account checks are lost or stolen; (5) if there are excessive returned unpaid items not covered by an overdraft protection plan; or (6) if there has been any misrepresentation or any other abuses of any of your accounts. You may terminate your account prior to the effective date of any account changes. You may terminate your account at any time by notifying the Credit Union by oral direction or in writing. 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 from membership. You may be denied services or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union.

**27. Special Account Instructions.** You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. 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. 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. 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 to 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, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Card and accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the Power of Attorney on record at the Credit Union.

**28. Severability.** 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 and effect.

**29. 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.

**30. 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 Washington and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

## II. FUNDS AVAILABILITY POLICY DISCLOSURE

This policy applies to any checking account you hold with us. For all other accounts, we reserve the right to impose longer holds on funds if we deem it necessary.

**1. General Policy.** Our policy is to make funds from your deposits available to you on the same business day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. 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 5:30 p.m. 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 5:30 p.m. or on a day 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 of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$500.00 of your deposit will be available on the same business day. 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 will 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:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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

**5. Special Rules for New Accounts.** If you are a new member, the following special rules will apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 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 \$5,000 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 \$5,000 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 Automated Teller Machines.** Funds from deposits (cash or check) made at ATMs we do not own or operate will not be available until the fifth (5th) business day after the date of your deposit. Funds from check deposits made at ATMs we do own or operate will not be available until the second (2<sup>nd</sup>) business day after the date of your deposit. Funds from cash deposits made at ATMs we do own or operate will be available on the same business day. In all cases, the first \$500 of the deposit amount will be immediately available.

**7. Deposits at Shared Branch Locations.** If you make a deposit through a shared branch location (shared branches are participating branches of other credit unions in the CO-OP Shared Branch network), deposits of cash, Government checks (Federal, State, and Local) payable to you, and U.S. Postal money orders payable to you will be available on the same business day of your deposit. The first \$500 of funds from other check deposits will be available on the same business day of your deposit. The remaining amount of funds from local check deposits will be available on the second (2<sup>nd</sup>) business day after the day of your deposit.

### III. ELECTRONIC FUNDS TRANSFERS

The following disclosures set forth your and our rights and responsibilities concerning the electronic funds transfers. Electronic funds transfers ("EFTs") are electronically initiated transfers of money involving a deposit account at **iQ Credit**

**Union** involving multiple access options including Personal Online Banking, direct deposits, automated teller machines (ATMs) and audio response (VIP Teller Phone system).

#### 1. Services.

a. **ATMs.** You may use your card and access code in automated teller machines (ATMs) displaying the CO-OP ATM, PLUS, Star and Accel, and such other machines or facilities as the Credit Union may designate. At the present time, you may use your card to:

- Make deposits to your share savings account or your checking (share draft) account after the account has been open for at least 30 days.
- Withdraw cash from your savings and checking accounts.
- Transfer funds between your share savings account and your checking account.
- Obtain balance information from your share savings account and your checking account.

b. **Direct Deposit.** Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of Federal recurring payments, such as Social Security.

c. **Preauthorized Debits.** You may make direct withdrawals from your account to a particular person or company at least periodically which you have arranged with that person or company, provided you have enough funds in your account to cover the payment.

d. **VIP Teller Phone.** If we approve your application for audio response teller access to your accounts under the VIP Teller Phone service, you may use a telephone to access your account. We may assign or you may select a personal access code. You must use your access code along with your account number to access your accounts. At the present time you may use the VIP Teller Phone service to:

- Obtain balance information from all your share savings account, checking account, money market deposit account and share certificate accounts and loan accounts.
- Transfer funds between these same accounts (except certificates) including loan payments to any of your loan accounts.
- Withdraw funds from share accounts by check, made payable to you and mailed to you at your mailing address.
- Access your Personal Access Line of Credit (PAL Loan) Account and Home Equity Line of Credit Account. (Loan advance withdrawals will be subject to the loan agreements governing those accounts).
- Transfer funds to another account owner's accounts, if approved.
- Verify if a particular draft has cleared your checking account(s).
- Give you transaction history on your checking, share savings and loan accounts.
- Give you tax information on dividends earned or interest paid on your accounts.
- Re-order checks (if no changes other than starting number required).
- Request a fax copy of an account statement or summary.

e. **Personal Online Banking.**

i. **Account Access.** If we approve your request for the

Personal Online Banking service, you may use a personal computer to access your accounts. For the Personal Online Banking services, you will need a personal computer or qualified mobile communications device and access to the Internet. For security purposes, each user will be required to select a Password, select security questions and secret answers, as well as choose and name a personal image. You must use your password along with any other required information to access your account. You are responsible for the proper operation and maintenance of your computer, software and supported browsers to utilize Personal Online Banking. The Credit Union will not be responsible for any errors or failures involving telephone service, Internet service provider, your software installation or your computer's operation.

ii. **Types of Transactions.** At the present time, you may use the Personal Online Banking services to:

- A. Transfer funds between your Checking and Share Savings Account and Money Market and Loan accounts.
- B. Transfer funds to accounts of other members you authorize at the Credit Union.
- C. External Account Transfers allow you to transfer funds between your **iQ Credit Union** accounts and other financial institutions. You must provide the correct routing and account number for your external account. You must also verify the details of a trial deposit made to the external account prior to being able to use this feature.
- D. Review account balance and account transaction information for any of your accounts.
- E. Make bill payments using the online bill payment service.
- F. Request stop payment orders on your checking account.
- G. Communicate with the Credit Union using the in-session message system or electronic mail (E-mail) feature that provides a secure channel for communications between you and the Credit Union.
- H. Obtain tax information regarding dividends earned and interest paid on your accounts.
- I. Re-order checks.
- J. View check images.
- K. eDelivery provides you access to electronic versions of your statements and daily notices.
- L. Apply for a loan.
- M. Alerts can be sent to an Internet e-mail address.

Transactions involving your deposit accounts will be subject to your Membership and Account Agreement and transactions involving a loan account will be subject to your Loan Agreement and Disclosures.

f. **Electronic Check Transactions.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases, pay bills, or pay other obligations ("electronic check transactions"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any required notice regarding the



merchant's right to process the transaction or payment, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfers services will apply to electronic check transactions except the \$50 and \$500 limits of liability for unauthorized transactions in Section III. 5. (Member Liability). You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

## 2. Service Limitations.

### a. ATM Machines.

- i. Cash withdrawals from ATMs can be made as often as you like. You may withdraw up to \$500 (if there are sufficient funds in your account) per day.
- ii. Deposits. Because of the servicing schedule and processing time required in ATM operations, there is a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. You should review the Credit Union's Funds Availability Policy to determine the availability of funds deposited at ATMs.
- iii. Transfers. You may transfer up to the available balance in your accounts at the time of the transfer.

b. VIP Teller Phone. Your accounts can be accessed under VIP Teller Phone via a Touch Tone telephone only. VIP Teller Phone service will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. If you call during this time you will hear, "For assistance, contact credit union office during business hours." While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, there are certain limitations on transfers from savings and money market accounts. Transfers from savings or a money market account will be limited to six (6) in any one month. No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

### c. Personal Online Banking Service.

- i. Availability. Personal Online Banking is generally accessible 24 hours a day, seven days a week. Personal Online Banking may be inaccessible for a reasonable period weekly to perform system maintenance. We reserve the right to suspend or terminate access to Personal Online Banking for any reason without notice.
- ii. Transfers. You may make funds transfers to your accounts or other accounts you authorize as often as you like. However, transfers from a Share Savings Account or Money Market Account will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or available credit line at the time of the transfer, except as limited under other agreements. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.
- iii. Account Information. The account balance and transaction history information may be limited to recent account information. The availability of funds

for transfer or withdrawal may be limited due to the processing time for ATM transactions and our Funds Availability Policy.

- iv. Alerts. The Alerts Service allows you to request and receive messages about your account(s). You may receive Alerts via Internet email addresses, subject to the terms and conditions of your Internet service provider(s). For instance, you may send "general alerts" to remind you about a birthday or what to pick up from the store, "check alerts" information (i.e. reminders about a birthday or upcoming event). Receipt of any Alert may be delayed, or prevented by factor(s) affecting your Internet service provider, and such other relevant entities. We neither guarantee the delivery nor the accuracy of the contents of any Alert. iQCU will not be liable for losses or damages arising from (a) a non-delivery, delayed delivery, or wrong delivery of an Alert; (b) inaccurate content in an Alert; (c) your use or reliance on the contents of any Alert for any purposes. We reserve the right to terminate any request from you, for any Alert, at any time. The information in any alert may be subject to certain time lags and/or delays. The types and frequency of your Alerts will be managed by you, and the Alerts may be stopped, or suspended by you at any time.
- v. Mobile Banking. Use of the Mobile Banking service is subject to the following requirements and limitations:
  - A. Your mobile device must be web a supported device.
  - B. All bill payment payees must be established within Personal Online Banking before payments can be made to the payee via Mobile Banking.
  - C. You will not be able to access all functions/services that are accessible via Personal Online Banking. Examples include, but are not limited to, electronic statement, check reordering, third party account transfer, and account aggregation services.
  - D. Please check with your mobile service provider for details on specific fees and charges that your provider may impose.
- vi. E-Mail and Stop Payment Requests. The Credit Union may not immediately receive E-mail communications that you send and the Credit Union will not take action based on E-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. Any stop payment request you transmit electronically is deemed to be a written request and will expire in one-hundred and eighty (180) days unless confirmed in writing in accordance with your Membership and Account Agreement. If you need to contact the Credit Union immediately regarding an unauthorized transaction or stop payment request, see Section III. 5. (Member Liability).
- d. Online Bill Pay Agreement & Disclosures. The bill payment service allows you to pay bills out of a designated account on a one-time or periodic basis to payees that you designate subject to the limitations described below. With respect to this service, the word "account" means a checking account you have with the Credit Union that you have designated as your bill payment account. You authorize us to process Bill Payments from your designated account.
  - i. Initiating Payments. You may use the Bill Pay service

to initiate three (3) different types of payment transactions:

- A. "Today" transactions are payments you designate to be paid immediately. "Today" Bill Payments will be immediately deducted from your account following your Bill Pay session. Therefore, you must have sufficient funds available at the time of the Bill Payment request and you agree the payment may not be canceled for any reason after you transmit it.
- B. "Future" transactions are payments you designate to be paid at a future date up to three hundred sixty-four (364) days in advance of the "Send On" Date. The transaction will be processed on the "Send On" Date or the next business day if the "Send On" Date falls on a weekend or holiday. "Future" Transactions may be canceled or changed through the Bill Pay service up until 12:00 midnight before your "Send On" Date.
- C. "Recurring" transactions are payments you designate to reoccur on a specified regular basis (i.e. monthly). You may designate the start and end dates for payments for a maximum time period of forty (40) years. "Recurring" transactions will be deducted from your account on the "Send On" Date. "Recurring" transactions may be canceled or changed through the Bill Pay service up until 12:00 midnight before your "Send On" Date.

There is a dollar limit on any Bill Payment of \$25,000 or the available balance in your designated account plus any available overdraft protection balance, whichever is less. Transfers to or from any account are subject to the terms and conditions applicable to that account as set forth in the Membership and Account Agreement and Personal Rate Schedule and Personal Fee Schedule.

- ii. "Send On" Date vs. "Deliver By" Date. When scheduling a bill payment, note the difference between the "SEND ON" date and the "DELIVER BY" date. The "SEND ON" date is the date we will attempt to deduct the payment amount from your designated account. If the attempted deduction fails because you did not have enough funds in your primary account, we will send you an in-session message indicating this situation. If the second attempted deduction is not successful, the transaction will be cancelled and you will be responsible for rescheduling. If the second attempted deduction is successful, the payment will be processed and remitted to the payee, however the "DELIVER BY" date will be one business day later. If you receive an email because the first attempted deduction was not successful, you should access Bill Pay to determine the date of the second deduction attempt.

If you schedule a payment with the "SEND ON" date as the current date, you must have adequate funds in your account at the time the payment is scheduled. The funds will be deducted shortly after you log out of the session. If you schedule a payment with the "SEND ON" date in the future, there must be adequate funds in your account when we attempt the deduction. This can occur anytime between 12:01 am and 4:00 pm EST.



The "DELIVER BY" date is the date that you can expect the payee to receive your payment. The "DELIVER BY" date for your payment should be no later than the due date the payee has indicated for the payment.

- iii. Payment Guarantee. If a properly scheduled payment is not received and posted on time by the payee, we will attempt to remove any late fees or assessed finance charges. (Finance charges are calculated based on your payment amount rather than your entire balance.) If the payee is unwilling or unable to remove them, we will pay the fees and finance charges directly to the payee. In addition, we will attempt to add a note of explanation to your account to ensure that the situation does not negatively impact your credit rating.

The Payment Guarantee applies to late fees and/or finance charges associated with the late posting of a payment, provided that the following conditions are met:

- A. The payment was scheduled to be delivered on or before the due date of your bill, excluding any grace periods. (The one exception to this guideline is that mortgage payments may be scheduled so that the payment is sent on or before the due date, excluding grace periods. For example, a mortgage payment due on July 1st, with a 15-day grace period, must have a "Send On" date no later than July 1st).
- B. The payment amount did not exceed the Bill Payment limit in Section III.2.d.vi. (Bill Payment Limits).
- C. The payment was not made to a restricted payee (see below) or the following type of payee:
- Payments to payees located in the Armed Forces Postal Codes, such as AE & AP.
  - Payments to settle securities transactions.
  - Payments to payoff special or delayed financing for purchases.
  - Payments to credit counseling agencies that pay creditors on your behalf.
- D. The payment was not made to a prohibited payee. Payments to the following payees are not permitted through this service:
- Payment to payees outside of the United States.
  - Court-ordered payments such as alimony, child support, speeding tickets, etc.
  - Tax entities.
  - Collection agencies.
- E. The information supplied by you is correct (payee name and address, your name and account number as it appears on the payee's records).
- F. You had sufficient funds in your account during our first deduction attempt on the "SEND ON" date.

We will only be responsible for the direct fees or finance charges associated with the late payment. We will not be responsible for any other consequential damages that might arise from the

late payment.

- iv. Expedited Payments Guarantee. If a Properly Scheduled Expedited Payment (defined below) is not received and posted by the payee as of the scheduled payment date, you will not be responsible for any Penalties (defined below) that arise due to the failure of such payment to post on the scheduled date and we will refund you the service fee associated with such payment. We will first attempt to have any such Penalties removed, and if the payee is unwilling or unable to remove them, we will pay the fees and finance charges directly to the payee. In addition, we will attempt to have your payee account noted appropriately to ensure that the situation does not negatively impact your credit rating.

"Penalties" are defined as late fees or finance charges that are assessed on the Properly Scheduled Expedited Payment amount that did not post on the scheduled payment date, not those based on your total outstanding balance.

A "Properly Schedule Expedited Payment" is defined as a payment that:

- A. Was made from an account that has sufficient funds for the payment and any fees associated with the payment;
- B. Was scheduled to be delivered on or before the due date of your bill, excluding any grace periods. (The one exception to this guideline is that mortgage payments may be scheduled so that the payment is sent on or before the due date, excluding grace periods. For example, a mortgage payment due on July 1st, with a 15-day grace period, must have a "Send On" date no later than July 1st).
- C. The service indicates it is deliverable on or prior to the applicable due date;
- D. Was not made for any of the following types of transactions:
- Payments that failed due to insufficient funds or other reasons.
  - Payments to settle securities transactions.
  - Payments to payoff special or delayed financing for purchases.
  - Payments to credit counseling agencies that pay creditors on your behalf.
  - Payments to payees outside of the United States.
  - Court-ordered payments such as alimony, child support, speeding tickets, etc.
  - Tax entities.
  - Collection agencies.
- E. The information supplied by you is correct (payee name and address, your name and account number as it appears on the payee's records);
- F. Does not cause you to exceed any applicable risk management limits;
- G. Was scheduled when the system was available;
- H. The payment complies with the payee's policies;

and

- I. You had sufficient funds in your account during our first deduction attempt on the "SEND ON" date.
- vi. Payees. You may schedule unlimited payments to payees located in the United States. We may not process payments on your behalf to payees meeting any of the following criteria:
- A. Designated by the Office of Foreign Asset Control as being a prohibited payee.
- B. Having an address outside of the United State (except for APO)
- C. Court-ordered payments such as alimony, child support, speeding tickets, etc.
- D. Tax entities.
- E. Collection agencies.

If we do process a payment to such a payee, the payment guarantee outlined above does not apply to that payment, and we reserve the right to not process a payment to that payee in the future.

- vi. Bill Payment Limits. You may not schedule a single bill payment for greater than \$25,000.00.
- vii. Cancelling Bill Payments. We may cancel a bill payment if we have reasonable belief that the payment is fraudulent. If we cancel a payment, we will attempt to contact you to inform you of this action. You may cancel an outstanding bill payment at any time through Personal Online Banking. Bill payments are considered outstanding until the "SEND ON" date.

You can cancel a "Recurring" transaction by verbal or written no later than 3 business days before the "SEND ON" date of the transaction by contacting Customer Service at the address or phone number listed in this agreement. If you call, we may also require you to put your request in writing and provide it to us within fourteen (14) days. The notice must detail whether the cancellation applies to only one of the recurring transactions, or all transactions in the recurring stream.

If you wish to place an oral stop payment on a recurring Bill Payment transaction, not using the Bill Pay service, the Credit Union must receive your oral stop payment request at least three (3) business days before the payment is scheduled to be made. You may call toll-free at 1-877-314-1575 to request a stop payment. If you call, the Credit Union may require you to confirm your stop payment request in writing within fourteen (14) days after the call.

- viii. Internet Email Notifications. It is important to keep a current Internet email address on file with us, as we use this to communicate important security events about your account to you such as:
- A. Password changes.
- B. User Name changes.
- C. Internet email address changes (sent to old and new addresses).
- D. Adding new payees.
- ix. Processing Payments. The amount of your requested Bill Payment will be deducted from your





account on the "Send On" Date and will be processed by us on that date or the next business day should the processing date fall on a weekend or holiday. Therefore, you must have sufficient funds available to cover your payment by midnight on the day before the "Send On" Date. It is your responsibility to schedule your Bill Payments in such a manner that your obligations will be paid on time. If you do not allow sufficient time or your account has insufficient funds, you assume full responsibility for any late payments, finance charges that may be imposed, or other actions taken by a payee as a result of a late (or unpaid) payment. In no event will we automatically resubmit a payment for you after funds become available. The Credit Union will not process any Bill Pay transfer if we know the required transaction information is incomplete. In any event, the Credit Union will not be liable for any transaction that contains incorrect information that the Credit Union was not responsible for providing or entering. If there are insufficient funds in your account to make the Bill Pay request, we may (in our sole discretion) either refuse to make the payment or make the payment and transfer funds from any overdraft protection account you have established. The Credit Union reserves the right to refuse to process payment instructions that reasonably appears to the Credit Union to be fraudulent or erroneous.

x. Canceling or Changing Bill Payments. Payments designated as "Today" transactions cannot be stopped, canceled or changed once your Bill Pay session has ended. You may cancel or stop payment on Future and Recurring Bill Payment transactions under certain circumstances by following the instructions provided. If you discover an error in or want to change a payment instruction (i.e., payment date or payment amount) for a Bill Payment that you have already scheduled for transmission through the Bill Pay service, you may electronically edit or cancel your payment request through the Bill Pay service. Your cancellation or change request must be entered and transmitted through the Bill Pay service by midnight of the day before the "Send On" Date. If your request is not timely entered, you will be responsible for the payment.

xi. Security of Access Code and Other Security Questions and Answers. The personal identification number or access code that you select is for your security purposes. The access code is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized by you to sign on your accounts. If you authorize anyone to have or use your access code, you understand that person may use the Personal Online Banking service to review your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your signature authorizing transactions. If you authorize anyone to use your access code in any manner that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your access code immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your access code is

changed. If you fail to maintain or change the security of these access codes and the Credit Union suffers a loss, we may terminate your Bill Pay and account services immediately.

3. **Use of ATM/Debit to Access Overdrafts.** We may offer a discretionary, non-contractual means of paying your overdrafts. You must Opt-In to the Card Overdraft service in order for the Credit Union to pay ATM/Debit overdrafts on your checking account subject to the limits we have established. Once you Opt-In, you agree to repay any overdraft and any overdraft fees caused by using your card. Unless stated on your ATM's screen, a sign near the ATM, and/or your transaction receipt, your stated account balance does not include this overdraft protection. You understand that even if you check your account balance immediately before using your card, items such as checks you have written or recent credit/debit activities may not yet have been posted to your account. You may also, for example, have sufficient funds to use your card, but still cause an overdraft on a check that had not yet been processed. If you want to avoid an overdraft, you agree to reconcile your account by checking your periodic statements and any outstanding unpaid items before using your card.

4. **Security of Access Code.** The personal access code or PIN issued to or selected by you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on or with the card. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access code that authority shall continue until you specifically revoke such authority by notifying the Credit Union. If you fail to maintain the security of these access codes and the Credit Union suffers a loss we may terminate your EFT and account services immediately.

5. **Member Liability.** You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. Tell us AT ONCE if you believe your Card or access code has been lost or stolen, or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. For all other EFT transactions except electronic check transactions, you could lose all the money in your account (plus your maximum Overdraft Protection amount). If you tell us within two (2) business days after you learn of the loss or theft of your card, you can lose no more than \$50 if someone accessed your account without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your card, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows EFT transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed or made available to you, you may not get back any money lost after the 60 days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

If you believe that your card or Personal Identification Number has been or may be used by someone without your permission or if your card or code has been lost or stolen, call:

Member Solutions Center: (360) 695-3441 – (800) 247-4364  
TDD Phone: (360) 418-4466 For Visa Debit Cards Only:  
During regular business hours: (360) 695-3441 – (800) 247-4364

After hours, weekends and holidays: (800) 999-3441  
Or write: **iQ Credit Union**  
PO Box 1739, Vancouver, WA 98668-1739

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

6. **Business Days.** For the purposes of this section, our business days are Monday through Friday. Holidays are not included.

7. **Fees and Charges.** There are certain charges for the EFT services as set forth on the Personal Fee Schedule. If you request a transfer or check withdrawal from your Personal Access Line of Credit (PAL Loan) or Home Equity Line of Credit account, such transactions may be subject to charges under the terms and conditions of your Loan Agreement. If you use an ATM that we do not operate, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction. ATMs that we operate are identified by our name and/or logo.

8. **Right to Receive Documentation of Transfers.**

a. *Periodic Statements.* Transfers and withdrawals transacted through an ATM, the VIP-Teller Phone system or Personal Online Banking will be recorded on your periodic statement. You will receive a statement at least once every quarter.

b. *Preauthorized Credits.* If you have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can use VIP-Teller Phone, Personal Online Banking or you can call us at (360) 695-3441 to find out whether or not the deposit has been made.

c. *Terminal Receipt.* You can get a receipt at the time you make any transfer to or from your account using an ATM or a Point of Sale terminal.

9. **Account Information Disclosure.** We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- To comply with government agency or court orders;
- If you give us your written permission.

10. **Credit Union Liability for Failure to Make Transfers.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your actual losses or damages. However, there are some exceptions. We will not be liable for instance:

- If, through no fault of ours, you do not have adequate funds in your account to complete a transaction, your account is closed, or the transaction amount would exceed your credit limit on your line of credit.
- If you used the wrong access code or you have not properly followed any applicable computer, Internet or



Credit Union instructions for making transfer and bill payment transactions.

- c. If your computer fails or malfunctions or any of the Credit Union's Personal Online Banking services was not properly working and such problem should have been apparent when you attempted such transaction.
- d. If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment or power failure) prevent making the transaction.
- e. If the funds in your account are subject to legal process or other claim.
- f. If your account is frozen because of a delinquent loan.
- g. If the error was caused by a system beyond the Credit Union's control such as your Internet Service Provider.
- h. If you have not given the Credit Union complete, correct and current instructions so the Credit Union can make a transfer or bill payment.
- i. If the error was caused by a system of the CO-OP ATM, PLUS, Star or Accel.
- j. If there are other exceptions as established by the Credit Union.
- k. The ATM machine may retain your card in certain instances, in which event you may contact the Credit Union about its replacement.

#### 11. Preauthorized Electronic Fund Transfers.

- a. **Stop Payment Rights.** If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify the Credit Union orally or through our VIP Teller Phone system or through Personal Online Banking or by telephone or in writing at the address set forth in Section III. 5. (Member Liability) any time up to three (3) business days before the scheduled date of the transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral or VIP Teller Phone system notification. If we do require the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- b. **Notice of Varying Amounts.** If your recurring EFT payments to third parties may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when the payment will be made and how much it will be. Unless the Credit Union is the person you are going to pay, we will be unable to make this notification to you. Please note that even if the Credit Union is the person you are going to pay, if the payment is being made under an agreement with you providing that we may initiate the EFT without a specific request

from you, we are not required to provide the advance notification.

- c. **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

#### 12. Termination of Electronic Funds Transfer Services.

You agree that we may terminate this Agreement and your use of any EFT services, if:

- a. You, or any authorized user of your account or access code, breach this agreement with us;
- b. We have reason to believe that there has been an unauthorized use of your card, account or access code; or
- c. You breach any provisions of your Membership and Account Agreement or any other agreement with the Credit Union.

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, termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

#### 13. Notices.

The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of any EFT service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

#### 14. Billing Errors.

In case of errors or questions about your electronic transfers or electronic bill payments, telephone us at (360) 695-3441 or write us at PO Box 1739, Vancouver, Washington 98668-1739 as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appears.

- a. Tell us your name and account number.
- b. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- c. Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct the error promptly. For errors related to transactions occurring within thirty (30) days after the first deposit to the account (new accounts),

we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or questions [ninety (90) calendar days for POS transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States]. If we decide to do this, we will re-credit your account within ten (10) business days [five (5) business days for VISA Check Card purchases transactions] for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not re-credit your account.

If we decide after our investigation that an error did not occur, we will deliver or mail you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) relied upon to conclude that the error did not occur.

#### 15. ATM Fees.

When you use an ATM not owned by us, you may be charged a fee by the ATM operator (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

#### 16. ATM Safety Notice.

The following information is a list of safety precautions regarding the use of Automated Teller Machine (ATM) and Night Deposit Facilities.

- a. Be aware of your surroundings, particularly at night.
- b. Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- c. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- d. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- e. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.
- f. If you are followed after making a transaction, go to the nearest public area where people are located.
- g. Do not write your personal identification number or code on your card.
- h. Report all crimes to law enforcement officials immediately