

MEMBERSHIP ACCOUNT AGREEMENT & DISCLOSURES

Notice to Members: The laws and regulations governing the financial services we provide are complex. To insure your understanding of our relationship with you, we provide this detailed agreement which explains both your responsibilities and ours. This Booklet and the Schedule of Rates, Balances and Fees explain the rules which govern your account(s) and account services with us. Please read this Booklet and the Schedule carefully and keep them in a safe and convenient place. Feel free to ask any questions regarding the Booklet and Schedule. Your relationship with the Credit Union is also governed by state and federal laws, which may change from time to time. The body of law is too large and complex to be reproduced here. The purpose of this Booklet is to: (1) summarize the rules applicable to common transactions; (2) establish rules to govern transactions not regulated by state or federal law; (3) establish variations that will apply to certain rules, events or transactions as permitted by applicable law; and (4) provide you with certain disclosures and information regarding our policies as required by law. By signing a Membership Application or your use or continued use of any account or account services after receiving this Booklet, notice of its availability or notification of any change in terms, you, jointly and severally, agree that you understand and agree to the terms and conditions stated in this Booklet, and the Schedule, as amended from time to time.

GENERAL MEMBERSHIP

1. *Terms, Conditions and Limitations of Your Relationship with the Credit Union.* This Section sets forth the terms and conditions that apply to all of your accounts, account services or other relationships with us, including without limitation loan, safe deposit and other services. You understand that the agreements, terms, conditions, rules and regulations applicable to your loans, and any other applicable account(s) or service(s) remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement. Further, to the extent that the terms of a specific Subsection of this Agreement vary from the terms set forth in this Section, the specific terms and conditions of the Subsection will govern our relationship with you. All Credit Union services are further governed by the terms and conditions set forth in your Membership Agreement (Account Card(s)), account receipts, addenda or schedules that accompany agreements and/or disclosures, statements and certificates; any other application or agreement we require; together with the Credit Union's Bylaws, policies and procedures, which are herein collectively referred to as "Agreement". This Agreement governs all services whether opened now or in the future. This Agreement may be amended or revised by us at any time, and any change in the Agreement shall be immediately effective unless otherwise specifically required by applicable law. This Agreement is binding upon the account owner and all parties hereto together with their heirs, successors, assigns and any other person claiming any right or interest under or through said parties. Transactions on your account may also be governed by agreements with third parties such as NACHA's (The National Automated Clearing House Association) Operating Rules, which agreements will also be binding upon you and the Credit Union. To the extent that the terms of any such third party agreements provide for specific processing, reporting or other time periods, or require you to make any claims or provide any notifications or responses, then the third parties' requirements and rules shall govern despite any other general or specific terms or conditions set forth in the entirety of this Agreement.

2. *General Definitions.* In this Booklet the words "you" or "your(s)" mean everyone that signs any Account Card or is authorized to make Transactions regarding your account(s) as provided herein or by governing law, including any account service(s). "We," "us," or "our" means the Credit Union. "Account Card" means any signature card, account change card or other form required to open or change an account or obtain an account service with us. Share drafts include checks and other instruments drawn on your account(s) or submitted for deposit or collection. "Authorized User" means any person who has actual, implied or apparent authority, or to whom any owner has at any time given any information, access device or documentation that enables such a person to access, withdraw, make transactions to or from your accounts, or to use any of your account services. If you authorize anyone to use your access devices, that authority shall continue until you specifically revoke such authority by notifying the Credit Union in writing or as required by applicable laws. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate any or all of your account services immediately.

This definition is intended to be construed broadly and includes without limitation all users acting under a written document such as a power of attorney as well as any person or entity that is authorized to make deposits or debits to or from your accounts with us.

“Member” means the person(s) who has established their “membership” with us as set forth in this Agreement and applicable law. Each person must deposit and maintain the par value of the required shares to be a member.

“Owner” means the person(s) who have a present ownership interest in the sums on deposit in the multiple party (joint) accounts with the Credit Union, subject to the Credit Union’s lien rights or any security interest. A person is not an “owner” unless specifically designated as such in a completed and signed Membership Application and Signature Card.

“Shares” for the purpose of your pledge to secure your obligations to the Credit Union, our common law right of set off, and otherwise, “share(s)” mean all deposits in any share savings, share draft, club, share certificate, P.O.D., revocable trust or custodial account(s), whether jointly or individually held -- regardless of contributions, that you have on deposit now or in the future, all of which are deemed “general deposits,” for the purpose of your pledge. Your pledge does not include any I.R.A., Keogh, tax escrow, irrevocable trust or fiduciary account in which you do not have a vested ownership interest.

3. *Applicable Law.* This Agreement or any claim or dispute arising hereunder shall be construed in accordance with and governed by the Laws of the State of Utah which together with specifically applicable federal laws govern this Agreement unless specifically applicable law expressly requires otherwise. Our web site and the electronic services that we provide (excluding linked sites) are controlled by the Credit Union from its principal offices within the State of Utah. While you may choose to access our web site and electronic services from other locations, we make no representation that any information, materials, or functions included in our web site or via our electronic service are appropriate or authorized for use in other jurisdictions. Your access from other locations is made on your own initiative; and you are solely responsible for compliance with any applicable local laws and regulations.

4. *Statutory and Consensual Liens on Shares.* By signing an Account Card or other agreement conveying a pledge or security interest in shares, or your use of any accounts or services, you grant us and we impress a lien on any and all funds (“shares”) in all joint and individual share accounts, together with all dividends, regardless of the source of the shares or any individual owner’s contributions. This lien secures any account owner’s joint and individual obligations to us now or in the future, whether direct, indirect, contingent, or secondary. Payment of any sums to a joint owner, beneficiary, or other party will be subject to payment of all outstanding obligations owed to us. You agree that this lien is created and/or impressed, as applicable, as of the first date that any applicable account is opened with us. This lien secures all debts you owe us, including but not limited to those arising pursuant to any loan agreements, or under this Agreement, or arising from any insufficient funds item; or fees; or costs; or expenses; or any combination of all of the above. You authorize us to apply shares to any obligations owed to us if you default or fail to pay or satisfy any obligation to us, without any notice to any account owner or other party.

5. *Right of Set Off.* You agree that the Credit Union at all times retains the common law equitable right of set off against shares with regard to any debt or obligation owed to us individually or otherwise, which right may be exercised by us without legal process or notice to any account owner.

6. *Status Quo – Collateral Preservation.* You specifically agree that all shares on deposit constitute collateral for all obligations owed to the Credit Union. You agree that the Credit Union has the right to preserve this collateral, and may use appropriate administrative procedures (including but not limited to placing a temporary hold or “freeze” on such funds) to safeguard such funds if the Credit Union at any time has reason to believe such collateral may be impaired or at risk due to any default, bankruptcy, breach of any agreement or promise, or as otherwise provided for by our agreements or applicable law, without notice to any owner. In the case of any bankruptcy proceeding, the Credit Union has a right to preserve such collateral as set forth herein as

cash collateral; and is not required to surrender or turnover such collateral absent the owner's filing any appropriate motions and the entry of an order either providing for adequate protection of the Credit Union's rights in such collateral, or modifying or terminating the automatic stay as to such collateral. You further agree that the Credit Union's exercise of this right to safeguard or "freeze" funds on deposit shall not constitute a violation of the automatic stay afforded by the Bankruptcy Code.

7. Termination of Account(s) and Service(s). We, in our sole discretion, may terminate, limit or restrict, as we in our sole discretion deem appropriate, any of your account(s) or service(s), including but not limited to loan services, or place a freeze on any sums on deposit with us at any time without notice or require you to close your account(s)/service(s) and apply for a new account(s)/service(s) if: (1) there is a request to change the owners or authorized users; (2) there is a fraud/forgery or unauthorized use committed or reported; (3) there is a dispute as to ownership of any account or sum on deposit; (4) there are any share drafts that are lost or stolen; (5) there are returned unpaid items—Transactions not covered by an overdraft plan agreement with us or any abuse of any such plan per our assessment thereof; (6) there is any misrepresentation regarding any account(s) or service(s); (7) the Credit Union incurs any loss relating to any loan(s), account(s) or service(s) you have with us; (8) if we believe you have been negligent in protecting any access devices or codes; (9) we deem it necessary to protect the Credit Union from any loss, or deem it to be in the best interests of the Credit Union, our members or our employees; (10) you breach any promise under this Agreement or any other agreements with us including but not limited to any default or other delinquency with regard to any loan or other agreements; (11) if bankruptcy or any other insolvency proceeding is filed by or against you, or if we otherwise deem you to be insolvent or incapable of meeting your obligations to us; (12) you refuse or fail to cooperate as provided in this Agreement; or (13) you violate any Credit Union policy, procedure or standard or any law, regulation or rule. We, on our own accord, may place a stop payment on any share draft, item or Transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If you do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends. You may terminate a single party account at any time by notifying us in writing. We have the right to require the written consent of all parties to a multiple party account for termination. We are not responsible for any draft, withdrawal, item or Transaction after your account is terminated. However, if we pay any item after termination, you agree to reimburse us upon demand. Duty to Cooperate. You have a duty to cooperate with us, and any law enforcement or government agent or agency with regard to any claim of fraud, forgery, unauthorized access or any other adverse claim(s). If your membership account balance falls below the required par value for membership, then your membership may be terminated by us pursuant to the Credit Union's Bylaws. Upon termination, the Credit Union may charge a fee as set forth in the Schedule. You may terminate your membership by giving us notice and complying with the policies and procedures of the Credit Union. Termination will not release you from any fees or obligations you owe us, those incurred in the process of closing your accounts or services or your liability on outstanding items or Transactions. You further agree that we can terminate your membership for cause based on any of the circumstances defined in this Agreement; without notice or further action. Upon termination, no transaction(s) will be allowed.

8. Inactive/Dormant Accounts. If your account falls below any applicable minimum balance or you have not made any transactions within the period of time specified in the Schedule, we may classify your account(s) as inactive. An account is generally only considered dormant when an applicable State law requires such classification (i.e., dormant or abandoned). Although having no obligation to do so, we reserve the right to not classify a particular account as either inactive or dormant if any owner thereof has other active accounts or services with us. You may be charged fees as set forth in the Schedule for inactivity, which is generally the failure to transact any business on an account for a period of 90 days or more. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with applicable 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. The Credit Union may assess charges related to the maintenance of dormant accounts. After an account becomes dormant, the Credit union may cease payment of dividends and/ or interest. Any charges or interest shall not be refunded or credited to your account after any period of dormancy.

ACCOUNT OWNERSHIP

- 9. Designation on Account Card.** The ownership of any Credit Union accounts shall be designated on the applicable account card. Unless specific ownership is otherwise designated, the ownership of the share account shall apply to all additional accounts or sub-accounts having the same account number.
- 10. Joint Tenancy With Rights of Survivorship.** Any account owned as joint tenants with rights of survivorship shall be subject to the provisions of Utah Code Annotated 7-9-32. Any joint tenant may withdraw all amounts on deposit in the account. Upon the death of a joint tenant, amounts on deposit can be withdrawn by a surviving joint tenant.
- 11. Payable on Death Beneficiary.** A payable on death beneficiary may be designated by the member. Any account with a payable on death beneficiary shall be subject to the provisions of Utah Code Annotated 7-9-32(6). The payable on death beneficiary may receive the amount on deposit if there is no surviving joint owner and all obligations of the member to the Credit Union have been paid.
- 12. Trust Accounts.** Accounts of trusts may be established at the Credit Union. The Credit Union is the depository only for the trust account. Any trustee designated on any account card may transact any business on a trust account. The Credit Union may rely upon written evidence submitted by the trustee or successor trustee regarding the appointment of the trustee or successor trustee.
- 13. Credit Reports, Membership Account Eligibility and Other Credit Union Services.** To open or maintain any account(s) or service(s) with us, you must qualify for membership and deposit and maintain the par value of the required shares as provided by the Credit Union's Bylaws and other applicable laws. To verify your eligibility for membership, any account(s), service(s), or loan products, now and in the future; or as needed to comply with any applicable law, regulation or governmental agency requirements, you authorize us to make inquiry to determine your employment history and to obtain information concerning any accounts with other institutions and your credit history, including consumer credit reports. You agree that this authority applies to any account, account-related service, loans or other financial products you request or which we may offer or make available to you. We may also report information concerning your account(s) and credit to others. The Credit Union may report information about your account(s) to third parties such as credit reporting agencies/bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your loan and share/share draft account(s) may be reflected in your credit report.
- 14. Deposits to Your Account(s) and Instruments Paid/Cashed.** Funds may be deposited to any account, in any manner that is acceptable to us. Deposits may be made by mail, in person at any of our offices having facilities to accept deposits, or by direct deposit or other electronic funds transfer allowed by us.
- a. Endorsements.** You authorize us, in our discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of any one or more owners on the account, whether or not endorsed by all payees. All owners are deemed to receive the benefit of all deposits and the proceeds of such deposits; and we may give cash back to any payee. You authorize us to supply missing endorsements of any owners. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be placed in the space on the back of the share draft or check between the top edge and 1½ inches from the top edge. We may accept drafts or checks with endorsements outside this space. However, if any such endorsement or any other markings you or any prior endorser has made on the draft or check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by us due to the delay or error.
- a2. E-Checks:** When you or any person with authority authorize any E-Check you agree: (1) that we may pay the item as submitted to us; (2) that you shall be solely responsible for all information transmitted regarding such item(s) including but not

limited to the payee(s), the amount(s) of the item(s), and endorsements or the lack thereof; and (3) you agree to indemnify us for all losses we incur in connection with any E-Check you authorize.

b. Collection of Deposits. In handling deposits to your account, we act only as your agent for collection and assume no responsibility beyond the exercise of ordinary care. By signing the Signature Card or using any accounts or services, you specifically waive your rights to notice of non-payment, dishonor or protest regarding all items presented for collection. We have the right to refuse any order, transfer or deposit, limit the amount that may be offered for deposit and to return all or any part of a deposit. Special instructions for handling an item are effective only if made in writing and given to us separately along with the item in question. We will not be liable for any default or negligence of correspondents or for loss in transit, and each correspondent will only be liable for its own negligence. Items and their proceeds may be handled in accordance with applicable Federal Reserve and other/local Clearing House rules/agreements. We are authorized to pursue collection of previously dishonored items (including re-presentation), and in so doing we may permit the payor bank to hold an item beyond the midnight deadline. Items that we present or represent may be truncated or converted to an electronic or other format.

c. Direct Deposits. We may offer a direct deposit option allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts with us. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify us 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. You agree that you have an obligation to notify us immediately regarding the death of any person that receives any federal or state retirement, welfare, benefits or other payments via electronic or other deposit. If we are required to reimburse the federal or any state government, agency or authority for any payment deposited into your account for any reason, you agree that we may deduct the amount returned from any of your accounts, unless prohibited by law; and that you will be obligated to repay to us on demand any such sums.

d. Final Payment. All items, deposits, ACH (Automated Clearing House) transfers, or other transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we may charge your account for the amount of such items or transfers or both and impose a return item charge as set forth in the Schedule on your account without notice. If we incur any fee collecting any item, we may also charge such fee to any of your accounts with us. We reserve the right to refuse or to return all or any item or funds transfer. We also have the right to charge back against any of your accounts with us all deposits, transfers, or collection items, including checks presented for payment of cash, that are returned to us due to non-payment, as a reclamation by the United States Treasury, or if we are required to repay any amounts previously collected for any reason whatsoever. These rights apply regardless of whether the amount of the item has been available for your use, or the amount of time that has passed since the date of the deposit. If for any reason you do not have sufficient funds in your accounts to satisfy our charge back, then all joint owners agree to pay us the amount charged back on demand, together with all fees and costs as set forth herein.

15. Collection Items. We may accept certain items such as certain securities and checks payable in foreign currencies or at foreign locations on a collection basis only. We route and process collection items separately from your other deposits. We normally credit your account for collection items only after we receive payment for them. But if we do credit your account and then do not receive payment, we may debit your account for the amount of the item. We may also receive items from other financial institutions on a collection only basis. Upon presentation of a collection item we will follow the presenting institution's instructions and pay the item if funds are available in your account or otherwise pursuant to your agreements with us. We charge fees for processing collection items (sending and receiving) as set forth in the Schedule. The financial institution on which the collection item is drawn may also charge you fees. If the other financial institution requires payment of a fee before that institution will process the collection item, we may pay the fee and charge your account. Otherwise, the other financial institution may subtract its fee from the amount of the payment we receive. Any fees may apply even if the collection item is returned unpaid.

16. Statements. If the Credit Union provides a periodic statement for your account(s), you will receive a periodic statement from us, or notice of the availability of your statement describing all activity on your account(s) during the statement period as required by law. The periodic statement will list all account and/or loan information as described in this Agreement. If you have a multiple party account we are only required to provide one periodic statement to any of the account owners identified on the Account Card. If you have signed up for the Credit Union's home banking system, your statement will be provided electronically and notice will be sent to your home banking inbox. If you are a home banking user you may also request that the Credit Union mail you a copy of your periodic statement. If provided electronically, statements will be available within the Credit Union's home banking system no more than five days following the statement period. From the home banking system you may access, review, print and otherwise copy/download your periodic statements using procedures that we authorize. For checking accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. We have no obligation to retain the originals of any checks or other documentation. You agree to keep a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide a copy or an electronic image of the original check. The Credit Union may charge you a fee as set forth in the Schedule for each requested item and/or for research as applicable. Any objection regarding any item shown on a periodic statement of this account is waived unless made in writing to the Credit Union before the end of (60) sixty days after the statement is mailed or made available.

a. Your Duty of Examination: You understand and agree that periodic statements are made available to you on the date mailed by us or our agent; or are otherwise made available to you. You acknowledge and agree that checks and other instruments are also made available to you for review on the date the periodic statement is mailed or made available, even though they do not accompany the statement. You further agree that it is your duty and obligation to carefully and promptly review each periodic statement to verify that each transaction is authorized and accurate. You agree that we will have no responsibility or liability whatsoever for any forged, altered, unauthorized, unsigned, improperly endorsed, improperly encoded or inaccurate transaction or item if: (1) you do not review and notify us in writing within thirty (30) days of the mailing date of the earliest periodic statement containing information about or indicating any forgery, alteration, unauthorized signature or transaction, missing signature, improper or missing endorsement, encoding error or other inaccuracy; or (2) any checks or instruments are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature. Notwithstanding the foregoing, the time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act.

b. Your Duty to Notify Us: You agree that the information in each statement will be considered correct for all purposes and we will have no liability whatsoever unless you notify us in writing within the time described in this section. If you do not receive or have any problem accessing a periodic statement, you agree to notify us in writing within fourteen (14) days of the date that the statement is usually sent or made available by us. If you do not so notify us, you will be deemed to have received the statement for all purposes.

17. Recording Conversations. You understand and agree that for our mutual protection we may record any of our telephone conversations.

SHARE SAVINGS ACCOUNTS

18. Rate Information. The dividend rate and the annual percentage yield on your share account are disclosed on the Schedule of Rates, Terms and Fees. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change quarterly as determined by the Credit Union's Board of Directors.

19. Compounding and Crediting. Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

- 20. Minimum Balance Requirements.** The minimum balance for this account is a \$5.00 share account in the Credit Union.
- 21. Accrual of Dividends.** Dividends will begin to accrue on the business day you make deposits to your account.
- 22. Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in your account each day.
- 23. Fees and Charges.** Fees and charges may be assessed against your account. These fees and charges are set forth on the Statement of Rates, Balances and Fees.
- 24. Transaction Limitations.** During any statement period, you may not make more than six withdrawals or transfers to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account may be subject to a fee, or closure by the Credit Union.

SHARE DRAFT (CHECKING) ACCOUNTS

- 25. Rate Information.** The dividend rate and the annual percentage yield on your share draft account are disclosed on the Statement of Rates, Terms and Fees. The dividend rate and the annual percentage yield may change every dividend period as determined by the Credit Union's Board of Directors.
- 26. Compounding and Crediting.** Dividends will be compounded every month. Dividends will be credited to your account every month.
- 27. Balance Computation Method.** Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. Dividends are paid on average daily balances above \$500.
- 28. Fees and Charges.** Fees and charges may be assessed against your account. These fees and charges are set forth on the Statement of Rates, Terms and Fees.
- 29. Authorized Signatures.** The Credit Union is authorized to pay checks signed by any person on the account card. All such payments shall be charged against the shares in this account.
- 30. Draft Forms.** Only check forms (and other methods of withdrawal) approved by the Credit Union may be used to make withdrawals from this account. The Credit Union is not responsible for any loss based on the use of forms not approved by the Credit Union. A debit card may be used to withdraw funds from the checking account.
- 31. Checks Exceeding Balance.** The Credit Union is under no obligation to pay a share draft that exceeds the fully paid and collected balance in this account. However, in the event of a check that would exceed such balance and result in this account being overdrawn, the Credit Union may:
- Treat such check as a request to the Credit Union for an advance from the loan account, if any, sufficient to permit the Credit Union to pay the check and credit the loan advance to this account, or
 - If no loan advance can be made, the Credit Union may pay the check and transfer shares to this account from any other regular shares account from which any of the authorized persons are then eligible to withdraw shares.
 - Pay items on your account, at our sole discretion, up to \$500 including our normal non-sufficient funds and/or Courtesy Pay fee(s). You will be assessed a fee whether we pay or return an item, but you will never be charged both fees.

- 32. Check Date.** The Credit Union may pay a check on whatever day it is presented for payment, notwithstanding the date (or any other limitation on the time of payment) appearing on the check.
- 33. Retention of Checks.** When paid, checks become the property of the Credit Union and will not be returned either with the periodic statement for this account or otherwise.
- 34. Credit Union Liability.** Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a check.
- 35. Stop Payments.** A stop payment order must be received at a time and in a manner that allows the Credit Union a reasonable opportunity to stop payment. You must precisely identify the account number, check number and the amount of the check. A stop payment order is effective for six months. Written confirmation of your stop order may be required. The Credit Union is not responsible for its failure to stop payment on a check, regardless of when the request is submitted.

FUNDS TRANSFER TERMS AND CONDITIONS

- 36. Funds Transfers.** The Credit Union provides funds transfer services. These services include wire transfers, automated clearinghouse (ACH) credits, debits and transfers between accounts. Funds transfers are defined in Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System.
- 37. Processing Time.** The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time will be at 2:30 p.m. Mountain Standard Time on each weekday that the Credit Union is open which is not a holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.
- 38. Initiation of Transfers.** The Credit Union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made.
- 39. Security Procedures.** The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.
- 40. Use of Fedwire.** If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.
- 41. Identification of Transfers.** If you give the Credit Union a payment order which identifies the beneficiary (receipt of the funds) by both name and an identifying account number, payment may be made by the beneficiary's bank on the basis of the identifying bank account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identification number you provided the Credit Union.
- 42. Identification of Bank.** If you give the Credit Union a payment order which identifies an intermediary or beneficiary's

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

43. *ACH Payments.* The Credit Union may give you credit for automated clearinghouse (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with the ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account and you will be liable to pay the Credit Union.

44. *ACH Rules.* ACH transactions are governed by the operating rules of the National Automated Clearing House Association.

45. *Receipt of Funds Transfers.* If the Credit Union receives a funds transfer for you or for other persons authorized to have access to your account, you agree that the Credit Union is not obligated to provide you with next day notice of the receipt of the funds transfer. The Credit Union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.

46. *Payment of Interest.* If the Credit Union becomes obligated under Article 4A to pay interest to you, you agree that the rate of interest to be paid shall be equal to the account at the Credit Union to which the funds transfer should have been made from which the funds transfer was made.

47. *Available Services.* As a user of electronic funds transfer service, you may have access to specifically identified automatic teller machines, and Automated Clearinghouse (ACH) services. The automatic teller machine transactions which you may initiate are: cash withdrawals, deposits, loan advances and account balance inquiries. The cash withdrawals may be made from your account(s), or your credit line if granted by the Credit Union. You may also arrange to have preauthorized electronic funds transferred to your accounts (credits) or from your accounts (debits).

48. *Access Device.* To initiate any transaction with an automated teller machine, you must use an approved access device (card). Approved access cards may include a Visa debit, Visa credit or other specified cards issued by the Credit Union PLUS your Personal Identification Number (PIN). Your access devices are for your personal use only. You agree not to allow another person to use your access devices. You agree not to reveal your PIN(s) to another person and WILL NOT write your PIN(s) on any access device. You agree that by acceptance of use of the access device the Credit Union is authorized to pay from any account necessary to satisfy any transaction, fee or service charge that results from the use or misuse of the access device. The Credit Union is not liable for any claims you may have against a merchant, company or other financial institution arising from use of your access device. The Credit Union cannot stop payment on any point-of-sale transaction.

49. *Transaction Receipts.* When you use an automated teller machine card at a specified automated teller machine for your card, you will receive a receipt of the transaction(s) initiated. This receipt will tell you: (a) the amount, (b) the calendar date of the transaction, (c) the type of transaction and type of consumer account to or from which the funds are transferred, (d) the number of the card which initiated the transaction, (e) the location of the automated teller machine, and (f) when applicable, the identification of any third party to or from whom funds are transferred.

50. *Periodic Statements.* For each account that you have with us that has electronic funds activity, you will receive a monthly statement that will show all electronic funds transactions for that account.

51. Service Charges. At present, there may not be a charge for any automated teller machine transactions. You will be notified as required when any change in the terms of this Agreement is made. Refer to the Statement of Rates, Terms and Fees. Owners of non-Credit Union ATMs may charge fees in addition to any fees disclosed in the Schedule. This fee will be paid from your account.

52. Your Liability for Unauthorized Users. If you believe your card or your PIN has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, tell us AT ONCE. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your overdraft credit limit. If you tell us within two (2) business days, you can lose no more \$50.00 if someone uses your card or PIN and we can prove we could have stopped someone from using your card 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 or PIN and we can prove we could have stopped someone from using your card or PIN without your permission if you had told us, you could lose as much as \$500.00.

53. Telephone Number and Address. If you believe your card or PIN has been lost or stolen, or that your statement shows transfers that you did not make, call or write to the Credit Union at the telephone number and the address shown on your monthly or quarterly statement.

54. Business Days. Our business days are Monday through Friday, excluding holidays.

55. Pre-authorized Transfer from Your Account. You may preauthorize an electronic funds transfer from one of your accounts to a designated recipient account. Authorization must be in writing. A copy of your authorization may be provided by the recipient of the transfer. If you have told us in advance to make such regular payments, you may stop payment of any preauthorized transfer by notifying us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. Written confirmation of your stop order may be required.

56. E-Checks. When any party converts any check, using the information on the paper via any means to send an electronic message to us, such message is an order by you to immediately take the money from your account. This can happen in several ways. For example: a) You can purchase goods or pay for services and other bills; and authorize a merchant or service provider to convert your check into an electronic funds transfer; b) At the time you offer a check to a merchant or service provider, you may be asked to authorize the merchant or service provider to electronically collect a charge in the event that the check is returned for insufficient funds and/or other fees. Paying such a fee electronically is an electronic funds transfer; c) Your authorization to make these types of electronic funds transfers may be expressed in writing, implied through the posting of a sign or your participation in the initiation of the processing of the transaction. This can also happen when you provide information from your check or an account to another by telephone, Internet or otherwise, who then converts the information given to an electronic transaction, ACH or otherwise.; d) You agree that any such transaction is subject to all applicable terms and conditions set forth in this Membership Agreement. You cannot stop payment of an E-Check transaction, because it is already done.

57. Pre-authorized Transfers to Your Account. You may arrange to have direct deposits made to your account from the same person or company at least once every sixty (60) days. You may call the number on your periodic statement, call the audio response system (Touch Tone Teller) or use Internet banking (flex teller) to see if the transfer did occur.

58. Our Liability if Transfers are not Made or Stopped. You agree that we shall have no liability to you for our failure to make or stop pre-authorized transfers, except where such failure is intentional or the result of negligence on our part.

59. Information to Third Parties. We will not disclose information to third parties concerning your account with us except: (a) When such disclosure is necessary to complete the transactions; (b) To verify the existence and condition of your account for a third party such as a credit bureau as is permitted by law; (c) To comply with a court order or applicable laws or regulations; (d) When you give us permission.

60. Error Resolution. In case of errors or questions about your electronic transfers: Telephone us at the phone number or write us at the address listed on your periodic statement or receipt as soon as you can if you think your statement is wrong or if you need more information about the transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we send you the FIRST statement on which the problem or error appeared.

- a. Tell us your name and account number (if any).
- 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 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 any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will re-credit your account within ten (10) business days for the amount you think is in error, so that you will have 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 that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the document(s) that we used in our investigation.

FUNDS AVAILABILITY

61. Your Ability to Withdraw Funds. Our policy is to make funds from your deposits available to you on the business day following the day we receive your deposit. Once they are available, you can withdraw the funds in cash and/or 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 holidays. If you make a deposit before closing 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 closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

62. 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 business day following the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$225 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you a notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

63. Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- a. You deposit checks totaling more than \$5,525 on any one day.
- b. You deposit a check that has been returned unpaid.
- c. We believe a check you deposit will not be paid.
- d. Your account has had a history of repeated overdrafts.
- e. There is an emergency, such as failure of communications or computer equipment.

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

64. 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.

65. Special Rules for New Accounts. If you are a new member, the following special rules apply during the first 30 days your account is open:

- a. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.
- b. Funds from deposits of checks drawn on Utah Power Credit Union will be available on the business day following the day of your deposit.
- c. Funds from all other check deposits will be available no later than the eleventh business day after the day of your deposit.

66. Deposits at Automated Teller Machines. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth business day after the day of your deposit. This rule does not apply at ATMs that we own or operate.

PRIVACY

67. Collection of Nonpublic Information. We collect nonpublic personal information about you from the following sources:

- a. Information we receive from you on applications or other forms;
- b. Information about your transactions with us; and
- c. Information we receive from a consumer reporting agency.

68. Disclosure of Nonpublic Information. We may disclose the following kinds of nonpublic information about you:

- a. Information we receive from you on applications or other forms such as your name and address;
- b. Information about your transactions with us as needed to provide you with financial services or to complete Credit Union transactions such as your account balance and payment history.

69. Joint Marketing Agreements. We may disclose the following information to companies that perform marketing services on our behalf or other financial institutions with whom we have joint marketing agreements:

- a. Information we receive from you on applications or other forms such as your name and address;
- b. Information about your transactions with us such as your account balance and payment history;
- c. Information we receive from a consumer reporting agency such as your credit worthiness and credit history.

70. Access to Information. We restrict access to nonpublic information about you to those employees who need to know the information to provide products or services to you.

71. Safeguards. We maintain physical, electronic, and procedural safeguards that comply with Federal regulations to guard your nonpublic information.

COURTESY PAY/OPT-IN FOR DISCLOSURE

If you are a member in good standing and your account has been opened at least 90 days, Courtesy Pay may provide you the ability to overdraw your account up to \$500. Good standing is defined as: 1) Making regular deposits sufficient to cover transactions; 2) Maintaining a positive balance in your checking account at least once (one day) every 30 days or less, and; 3) There are no legal orders outstanding on your account. We may, at our sole discretion, pay items on your account up to \$500 including our normal non-sufficient funds and/or Courtesy Pay fee(s). You will be assessed a fee whether we pay or return an item, but you will never be charged both fees. Courtesy Pay is non-contractual and does not require any action by you. Courtesy Pay is not a loan.

An overdraft occurs when you do not have enough money in your account to cover a transaction, but we pay it anyway. We have standard overdraft practices that come with your account or we also offer overdraft protection plans, such as linkage to a savings account, or overdraft line of credit, which may be less expensive than our standard overdraft practices. Courtesy Pay will only be activated AFTER the overdraft protection plans sources are exhausted.

Our standard overdraft practices authorize and pay overdrafts for checks and other transactions made using your account number and automatic bill payments. We do not authorize and pay overdrafts for everyday debit card transactions unless you ask us to.

We pay overdrafts at our discretion, which means we do not guarantee that we will authorize and pay any type of transaction. If we do not authorize and pay an overdraft, your transaction will be declined. A fee will be charged each time we pay an overdraft and we will send you a notice each time an overdraft occurs. There is no limit on the total fees we can charge you for overdrawing your account.

You can choose for us to authorize and pay overdrafts on everyday debit card transactions by contacting a Credit Union office. You may revoke your authorization at any time.