

# Wauna Federal Credit Union - Owner's Manual

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## WAUNA FEDERAL CREDIT UNION MEMBERSHIP AND ACCOUNT AGREEMENT

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 the Wauna Federal Credit Union ("Credit Union"). The word "account" means any one or more share accounts you have with the Credit Union.

The classification and form of ownership of your accounts are designated on your Account Card. By signing the Account Card that is a part of the 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, Privacy Policy, Check 21 and the Truth-in-Savings Disclosures (Rate and Fee Schedule) accompanying this Agreement, any account receipt, the Credit Union's Bylaws and policies, and any amendments which collectively govern your Membership and Accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

### I. MEMBERSHIP AND ACCOUNTS

**1. CIP Information Disclosure. 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.

**2. 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 as required by the Credit Union's Bylaws. You authorize us to check financial information data, and employment history about you by any means allowed by law, including obtaining a credit report or credit score from any consumer reporting agency to verify your eligibility for any accounts and services we offer or you request.

**3. 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.

**4. 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 owner(s).

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

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

**6. Trust Accounts.**

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a. **Irrevocable Trust Account.** If you designate your account as an irrevocable trust account, the funds shall be held irrevocably for the benefit of the beneficiary(ies) named on the Account Card. The dividends will be reported on the beneficiary's Social Security number. It is understood that the Credit Union is not acting as trustee under the terms of this trust, but merely as custodian of the funds.

You represent to the Credit Union that either the trustee or the beneficiary, as required by law, is eligible for and, at the time the account is opened, is a member of the Credit Union. The trustee or any successor trustee may make withdrawals from the account only for the benefit of the beneficiary. The Credit Union shall be under no obligation to oversee the applications of such payment. The funds in the account shall not be eligible to be used as collateral for any loan either to the trustee or to the beneficiary. If at any time neither the trustee nor the beneficiary are members of the Credit Union, the Credit Union may close the account and pay the funds in the account to the trustee.

Upon the occurrence of the event specified on the Account Card for paying over the funds in the account to the beneficiary, the funds shall vest in the beneficiary. If there is more than one beneficiary, the funds shall vest in the beneficiaries in equal shares unless otherwise designated on the Account Card. If the beneficiary is not a member or eligible for membership in the Credit Union, the Credit Union shall at that time close the account and pay the funds to the beneficiary. If the account is payable to a beneficiary upon reaching a particular age, that age shall be set forth on the Account Card. Upon presentation to the Credit Union by the beneficiary of proof of reaching such age, together with such other identification as the Credit Union may require, this account shall terminate as a trust account and shall become an account in the name of the beneficiary. If the beneficiary is not a member or eligible for membership in the Credit Union, the Credit Union may at that time close the account and pay the funds to the beneficiary.

b. **Revocable Trust Account.** If this is a revocable trust account, then the funds shall be held in the same manner as an irrevocable trust account, except that the trustee may terminate the trust at any time by notice to the Credit Union. The dividends will be reported on the grantor's Social Security number. If the trust has not been terminated prior to the event specified on the Account Card, the funds shall vest in the beneficiary. If there is more than one beneficiary, the funds shall vest in the beneficiaries in equal shares unless otherwise designated. If the beneficiary is not a member or eligible for membership in the Credit Union, the Credit Union shall at that time close the account and pay the funds to the beneficiary. The funds in the account shall not be eligible to be used as collateral for any loan other than to you, the trust, or to the beneficiary.

**7. Accounts for Minors.** For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner to have a parental joint account owner 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. 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.

**8. Uniform Transfer to Minors Accounts.** A Uniform Transfer to Minors Account (UTTMA) is an individual account established by a member as a custodian on behalf of a minor (a person under twenty-one (21) years of age). Your custodial rights and duties are governed by the UTTMA Act, as amended from time to time. The custodian shall open the account in the name of the minor, include the minor's social security number, and must sign his or her own name on the Account Card. The custodian is the owner of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to make deposits to, withdrawals from, or close the account. In the event of the custodian's death, the Credit Union may place an administrative hold on the account until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing such withdrawal.

**9. Accounts for Living Trusts.** An account of 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, is currently existing, and that the trustor and primary beneficiary(ies) 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.

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

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**11. Deposit Requirements.** Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are nonassignable and nonnegotiable to third parties. 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. When you deposit items to your account, you warrant that the endorsements are genuine. 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 requires an endorsement as set forth on the check. Endorsements must be placed in the space on the back of the check within 1½ inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

b. **Receipt 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 pre-authorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

e. **Crediting of Deposits.** Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Ask for our current deposit cutoff time. Deposits received at unstaffed facilities, such as night depositories will be credited on the day funds are removed and processed by the Credit Union. Items drawn from an institution located outside the United States are handled on a collection basis only, and funds will be credited to your account when we receive the 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.

## 12. 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., check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, audio response, internet access, 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. The Credit Union may restrict withdrawals or transfers on your accounts. Any limitations on your account are set forth in the Rate and Fee Schedule.

c. **ACH & Wire Transfers.** 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

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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 the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association.

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.

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

2) Electronic Re-presented Checks. If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, 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 III. Electronic Funds Transfer Agreement. If you want to reverse an electronic re-presented check, you must give us an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your affidavit, you must declare and swear under oath that the electronic re-presented check was ineligible or unauthorized. If we receive a proper notice or affidavit from you within the 15-day period, we will recredit your account with the amount of the charge. If you wish to stop payment of any electronic re-presented check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree that you will not seek to have your account recredited due to a prior stop payment order or if the item is otherwise ineligible for collection.

### 13. 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, have an automatic transfer established, 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 service charge, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion.

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 (except drafts/checks) up to 60 days, as required by law, before such withdrawal.

The withdrawal of your membership share may terminate your membership and the right to use Credit Union services.

b. Transfer Limitations. For Money Market accounts, you may make up to six (6) preauthorized, automatic, telephone or audio response transfers to another account of yours or to a third party during any calendar month. Of these six, you may make no more than three (3) transfers to a third party by check or debit card purchase. 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.

**14. 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 Rate and Fee Schedule and each Certificate Account Receipt, which are incorporated herein by this reference. You agree the Credit Union may impose fees and charges for the deposit account services provided by the Credit Union. A current Rate and Fee Schedule has been provided to you separately. You agree the Credit Union may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

### 15. Overdrafts.

a. Overdraft Liability. If on any day, the available funds in your Share Draft 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, account

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transfer 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. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Rate and Fee Schedule. The Credit Union has no duty to notify you of an insufficient funds check. 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 your Share Draft account by transferring the funds from another deposit account (except Money Market Accounts) or loan account to your Share Draft account. Overdraft transfers will be made in the exact amount of the overdraft. The fee for overdraft transfers is set forth on the Rate and Fee Schedule. Transfers from a deposit account will be governed by this Agreement. Transfers from your line of credit account will be governed by the applicable loan agreement.

**16. Postdated and Stated 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 months after its date.

**17. 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) banking days before the scheduled date of transfer. You must state the number of the account, date and the exact amount of the check or ACH and the number of the check or originator of the ACH debit. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the account number, date and number of the check, the name of the payee, and its exact amount. 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. A written stop payment order will be effective for six (6) months, unless a release is signed. A written stop payment order may be renewed in writing from time to time. 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 Rate and Fee Schedule. You may not stop payment on any certified check or draft, cashier's check or teller's check, or any other check, draft, or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**18. 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.

**19. 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 payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

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**20. 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 nonassignable and nontransferable to third parties.

**21. Legal Process.** If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union will follow instructions of such instrument and will either disburse or place a hold on the current funds in the 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.

**22. Account Information.** Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (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.

## **23. Notices.**

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

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

c. **Effect of Notice.** Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address or delivery of notice of change to the members, or at any later date set by the Credit Union, or by enclosing the notice in the members' statements or newsletter, or as otherwise required by law. Notice to any one account owner is considered notice to all owners of the account.

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

## **25. Statements.**

a. **Contents.** You will receive a periodic statement of all transactions and activity on your account during the statement period. If there is no activity on your account, you will receive a statement no less than annually. One periodic statement is provided for a multiple party account. For checking accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. You agree to keep a copy or carbon copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically. The Credit Union may impose a fee for draft copy requests as set forth on the Rate and Fee Schedule. You understand your statements and checks are made available to you on the date the statement is mailed to you.

b. **Examination.** You are responsible for examining each statement 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 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 charged to your account unless you notify the Credit Union in writing within the above time limit after the statement and checks are made available to you.

**26. Dormant and Abandoned Accounts.** If you have an account that you have not made a withdrawal from, deposit to, or transfer to/from, written/oral communication on, or you have not established any other relationship with the Credit Union involving your

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account for more than twelve (12) months, the Credit Union may classify your account as a dormant account and may charge a dormant account service fee as allowed by applicable law and set forth on the Rate and Fee Schedule. Thereafter, dividends will not be paid on the account if the balance falls below any minimum balance requirement. The Credit Union will notify you at your last known address prior to imposing any fee as required by law. Share Draft accounts will continue to incur the monthly maintenance fee until closed by the member. You authorize us to transfer funds from an available account of yours to cover the monthly maintenance fee, if necessary. If a deposit or withdrawal has not been made on the account and the Credit Union has had no other contact with you as provided or as required by the Uniform Unclaimed Property Act, the account will be presumed to be abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

**27. Death of Account Owner.** Upon the death of a member, funds in the account shall be payable to joint owners or others in accordance with this Agreement and applicable law. 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.

**28. 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; (6) if your membership share is withdrawn or not maintained or (7) if there has been any misrepresentation or any other abuse of any of your accounts. You may terminate your account at any time by notifying the Credit Union 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.

**29. 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 withdrawal of your membership share or causing a loss to the Credit Union.

**30. Special Account Instructions.** You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask the Credit Union to follow instructions that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond or 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 membership changes requested by you, or any account owner, must be evidenced by a signed Account Change 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. You understand that the Credit Union may choose to retain electronic or imaged copies of any original documents and you agree that an electronic or imaged copy is valid as an original document.

**31. 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.

**32. Governing Law.** This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Oregon and 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.

**33. 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.

## II. FUNDS AVAILABILITY POLICY

For savings accounts, we reserve the right to place reasonable holds on deposit funds to the extent permitted by law. For checking accounts, our funds availability policy is set forth below.

**1. General Policy.** Our policy is to make funds from your deposits available to you on the first business day after the day that 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, as recognized by the Federal Reserve Bank. If you make a deposit before 5:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit.

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However, if you make a deposit after 5:00 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 first business day after the day that we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. However, the first \$100.00 of your deposit will be available on the first business day. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

**3. Hold on Other Funds.** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

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

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

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

## III. ELECTRONIC FUNDS TRANSFERS

By signing the Account Card or signing or using the ATM Card (Card), Check Card (Card), Personal Service Line (audio response) or Home Banking (internet) you agree to the following terms governing your and our rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service.

Electronic funds transfers are electronically initiated transfers of money through direct deposits, audio response (PS Line), internet, automated teller machines ("ATMs") within The CO-OP, PLUS, STAR, and VISA networks, Point of Sale ("POS") terminals within the VISA/Interlink networks, Card purchases involving your deposit accounts at participating merchants, and checks through American Express Traveler's Cheque dispensers.

### 1. Services.

a. **ATMs.** You may use your Card and Personal Identification Number ("PIN") in automated teller machines as designated by the Credit Union. At the present time, you may use your Card to withdraw cash from and make deposits to your draft and savings accounts.

b. **Debit Card (Check Card).** You may use your Card to purchase goods and services any place your Card is honored by participating merchants. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to your Line of Credit Agreement and Disclosure, if applicable, or process as described in section I. 14.

c. **Point of Sale.** If we approve your application for POS services, you may use your Card and PIN to pay for purchases

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from participating merchants who have agreed to accept the Card at POS terminals. You may make POS transactions from your share draft/checking account.

d. Audio Response. You may use the four (4) digit access code issued to or selected by you along with your account number to access your accounts on the Personal Service Line (PS Line). You may use your PS line audio response line to:

- 1) acquire balance information of your Regular Shares, Checking/Draft, Certificate, Holiday Club, IRA, Savings, and all loan accounts except VISA and Secondary Market Mortgage loans.
- 2) withdraw and mail a check from your account made payable to yourself.
- 3) transfer funds between your deposit accounts.
- 4) transfer loan payments from any of your deposit accounts to your loan account except Money Market Account.
- 5) transfer an advance on your line of credit to your Checking/Draft account.
- 6) obtain prior and current year-to-date dividends earned.
- 7) obtain prior and current year-to-date interest paid.
- 8) acquire amounts and dates of up to the last 10 withdrawals and/or deposits.
- 9) verify if a particular check number has cleared.
- 10) change your security code.
- 11) advise you of current savings and loan rates.

e. Internet (Home Banking). You may use the four (4) digit access code issued to or selected by you along with your account number to access your accounts on the Home Banking. You may use your Home Banking service to:

- 1) Transfer funds between your Share, Checking/Draft, and loan accounts, as allowed, including loan payments
- 2) Review account balance, transaction history, check clearings, direct and tax information for any of your accounts.
- 3) Review information on your loan account including payoff amounts, due dates, finance charges, interest rate, and balance information.
- 4) Process a check stop payment.
- 5) Download account information into Money, and Excel.
- 6) Make bill payments from your checking or savings account using the BillPay Service.
- 6) Communicate with the Credit Union using the electronic mail (E-mail) feature.

f. Electronic Check Transactions. You may authorize us to honor any electronic check conversion transaction and re-presented check fee debit transactions you authorize ("electronic check transactions"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant's right to process the transaction, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions, except the \$50 and \$500 limits of liability for unauthorized transactions in Section 4. Member Liability. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

## 2. Service Limitations.

a. ATM Machines. You may withdraw up to the maximum allowed at an ATM or \$300.00, whichever is greater, (if there are sufficient funds in your account) per day at any authorized ATM.

b. Point of Sale/Debit Card (Check Card). You may make debit purchases at designated Interlink POS terminals and any VISA authorization terminal (any VISA merchant) up to the amount in your account. No purchase may exceed the amount in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds.

c. Audio Response (PS Line). You can access your account via a "touch-tone" telephone only. Not all push-button phones are "touch-tone." Converters may be purchased for pulse and rotary dial phones. PS Line is available 24 hours a day, seven days a week, 365 days a year. There are limitations on transfers from certain savings accounts. Transfers from a money market account will be limited to six (6) in any one month.

No transfer or withdrawal can 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, or lower an account below a required balance.

d. Internet (Home Banking). You can access your account(s) via a personal computer, web browser (such as Netscape Navigator or Microsoft Internet Explorer), and access to the Internet (World Wide Web). The Home Banking service is accessible 24 hours a day, seven days a week, 365 days a year. You are responsible for the installation, maintenance and operation of your computer and modem. The Credit Union is not responsible for any errors due to failures involving telephone service, Internet Service Provider (ISP), your software installation, or your computer.

There are limitations on transfers from certain savings accounts. Transfers from a money market account will be limited to six (6) in any one month.

No transfer or withdrawal can 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, or lower an account below a required balance.

You may use the e-mail to send messages to us. E-mail may not, however, be used to initiate a transfer on your account or a stop payment request. The Credit Union may not immediately receive E-mail communications that you send and the Credit union

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may not take action based on E-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. If you need to contact the Credit Union immediately regarding an unauthorized transaction or stop payment request, you may call the Credit Union at the telephone number set forth in Section 4.

**3. Security of PIN and Security Code.** The PIN(s) and/or Security Code(s) issued to 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, Home Banking documents and/or Audio Response documents. You are responsible for safekeeping your PIN(s) and/or Security Code(s). You agree not to disclose or otherwise make your PIN(s) available to anyone not authorized to sign on your accounts. If you authorize anyone to use your PIN(s), 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 ATM, debit card, audio response access, internet access, and/or account services immediately.

You have a maximum of three incorrect PIN entries each day. If you exceed this limit, your Card may be retained or access be denied.

When you request transaction services through WFCU's audio response, you will automatically be assigned a Security Code. The PS Line has a Change Security Code option. You may change your Security Code to any four to six digit number of your choice by using this option.

**4. 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. However, tell us at once if you believe anyone has used your Account, Card, Audio Response, Home Banking, and/or access code and accessed your account without your authority. Telephoning is the best way of keeping your possible losses down. For Visa Check Card purchase transactions, if you notify us of your lost or stolen card, you will not be liable for any losses provided you were not grossly negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. For all other EFT transactions, if you notify us within two (2) business days, you can lose no more than \$50.00 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or EFT service, 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 to you, you may be liable for the full amount of the loss, if we can prove that we could have stopped someone from making transfers if you had told us in time. If a good reason (such as a hospital stay) kept your from telling us, we will extend time periods.

If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, you may contact the credit union by phoning (503) 728-4321 or write:

Wauna Federal Credit Union  
PO Box 67  
Clatskanie OR 97016

**5. Business Days.** Our business days are Monday through Saturday. The Credit Union hours for conducting business will be posted in our offices. Holidays are not included.

**6. Fees and Charges.** A card replacement fee may be imposed as set forth on the Rate and Fee Schedule. There is a charge of one percent (1%) of the total purchase (with a maximum of \$2.00) on American Express Traveler's Cheques purchased at an American Express disbursement machine. A fee may be imposed when you initiate an EFT or make a balance inquiry, by (1) An ATM operator not holding your account; or (2) any national, regional, or local network used to complete the transaction.

From time to time, charges assessed may be changed. Notification of such changes will be sent to you according to the requirements of federal law regulating EFT access devices.

When you use an ATM not owned by us, a fee may be charged by the ATM operator or any network used to complete the transaction and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer. VISA check card purchases and cash withdrawal transactions made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as is established by VISA International, Inc. is a rate selected by VISA from the range of rates available in the wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government mandated rate in effect for the applicable central processing date. The transaction amount for foreign transactions will include a foreign transaction fee of one percent (1%) of the transaction amount.

## **7. Transaction/Transfer Documentation.**

a. Periodic Statements. Transfers, withdrawals, and purchases transacted through an ATM or POS terminal, internet (Home Banking) and/or audio response (PS Line) will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

b. Terminal Receipt. You will get a receipt at the time you make a transaction using an ATM or POS terminal. These receipts should be kept by you for future reference and to verify the correctness of your periodic statement.

**8. Account Information Disclosure.** We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy. However, we will disclose information to third parties about your account or the transfers you make:

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- a. As necessary to complete transfers;
- b. 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;
- c. To comply with government agency or court orders;
- d. If you give us your written permission..

**9. 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 losses or damages not to exceed the amount of the transaction. There are some exceptions. We will not be liable, for instance:

- a. If, through no fault of ours, you do not have enough money in your account to make the transfer or the transfer would go over the credit limit on your line of credit.
- b. If you used the wrong PIN/Security Code or you used a PIN/Security Code, service, or Card in an incorrect manner.
- c. If the ATM where you are making the transfer does not have enough cash.
- d. If the ATM, POS terminal, internet access (Home Banking), computer, or audio response was not working properly and you knew about the problem when you started the transaction.
- e. If circumstances beyond our control (such as fire, flood or power failure) prevent the transaction.
- f. If the money in your account is subject to legal process or other claim.
- g. If your account is frozen because of a delinquent loan.
- h. If the error was caused by a system of any participating ATM network.
- i. If the error was caused by a system beyond the Credit Union's control such as a telecommunications system, an Internet Service Provider, computer virus, or problems related to software not provided by the Credit Union.
- j. If there are other exceptions as established by the Credit Union.
- k. The ATM or POS terminal may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.

In no event will the Credit Union be liable for consequential damages.

**10. Termination of this Electronic Agreement.** You agree that we may terminate this Agreement and your use of your Card, internet access, and/or audio response (PS Line) services if you or any authorized user of your Card, PIN, and/or Security Code breach this or any other agreement with us; or we have reason to believe that there has been an unauthorized use of your Card, PIN, internet access, audio response, and/or Security Code;

You or any other party to your account may terminate this Agreement by notifying in writing. Termination of this agreement will be effective the second business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

**11. 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 the last known address at least twenty-one (21) days before the effective date of any change, as required by law. Use of these services are subject to existing regulations governing the Credit Union account and any future changes to those regulations.

**12. Errors or Questions.** In case of errors or questions about your electronic transfers, telephone us at the phone number or write us at the address set forth in Section III. 4. 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 appears.

- a. Tell us your name and account number.
- b. Describe 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) calendar 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

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promptly. For errors relating 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) days to investigate your complaint or question. If we decide to do this, we will re-credit your account within ten (10) business days (five (5) business days for Visa Debit Card purchases) 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. For POS transactions and transactions initiated outside the United States, we will have twenty (20) business days instead of ten (10) business days, and ninety (90) calendar days instead of forty-five (45) calendar days, unless otherwise required by law, to investigate your complaint or question.

If we decide after our investigation that an error did not occur, we will deliver or mail to 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) we relied upon to conclude that the error did not occur..

**13. 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 ATM card.
- h. Report all crimes to law enforcement officials immediately.

## IV. CHECK CLEARING FOR THE 21ST CENTURY ACT (AKA CHECK 21)

The following disclosure is taken from the Final Rule to Implement the Check Clearing for the 21st Century Act issued by The Board of Governors of the Federal Reserve System on July 27, 2004.

C-5A— Substitute Check Policy Disclosure Substitute Checks and Your Rights

### IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT

Substitute Checks and Your Rights.

#### 1. What is a substitute check?

To make check processing faster, federal law permits banks to replace original checks with "substitute checks."

These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of the substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

#### 2. What are my rights regarding substitute checks?

In certain cases, Federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account, and fees that were charged as a result of the withdrawal (for example, return check fees).

The amount of your refund under this procedure is limited to the amount of your loss, or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to the lesser of the amount of the substitute check or \$2,500 of your refund (plus interest if your account earns interest) no later than the end of 45 calendar days after the banking day on which the credit union received the claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

# Wauna Federal Credit Union - Owner's Manual

### 3. **How do I make a claim for a refund?**

If you believe you have suffered a loss relating to a substitute check you receive and was posted to your account, you may contact the credit union by phoning 503-728-4321, 800-773-3236 or write:

Wauna Federal Credit Union  
PO Box 67  
Clatskanie OR 97016

You must contact us within 40 calendar days of the date we mailed (or otherwise delivered by a means to which you agree) the substitute check in question, or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- a. A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- b. An estimate of the amount of your loss;
- c. An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and,
- d. A copy of the substitute check [and/or] the following information to help us identify the substitute check: identifying information, for example the check number; the name of the person to whom you wrote the check; the amount of the check.