



**Commercial &
Business Banking**

Membership and Account Agreement

Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

Important Information about Opening a Legal Entity Account

Effective May 11, 2018, new rules under the Bank Secrecy Act will aid the government in the fight against crimes to evade financial measures designed to combat terrorism and other national security threats.

EACH time an account is opened for a covered Legal Entity, we are required to ask you for identifying information (name, address, date of birth, Social Security number as well as identification documents) for each individual that has beneficial ownership (25% or more) and one individual that has significant managerial control of the Legal Entity.

If you are opening an account on behalf of a Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge.

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SELCO Community Credit Union

Commercial & Business Banking 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 the Business Member and the individual(s) that sign the Account Card and Resolution of Authority. The words “we,” “us,” and “our” mean SELCO Community Credit Union (“Credit Union”). The word “account” means any one or more checking, savings, money market, and certificate 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 this Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Funds Availability Policy, Electronic Funds Transfer Agreement, and the 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. 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 (1) share (the membership share account) as required by the Credit Union’s bylaws. You authorize us to check your account, financial information data, and employment history, as well as to obtain a business or personal credit report from third parties, including reporting agencies, to verify your eligibility for the accounts and services we offer. You agree to provide us with any requested personal identification and copies of any organizational documents (such as assumed business name registration, partnership agreement, or articles of incorporation) to confirm the existence of the business/ organization or its eligibility for accounts and services requested. SELCO reserves the right to refuse membership or limit account services offered to account owner(s).

2. Ineligible Businesses. Cannabis-related businesses are not eligible for membership at SELCO. SELCO defines Cannabis-related businesses as those that earn revenue either directly from the growth, processing, sale, or distribution of marijuana, hemp or CBD products or by significantly serving or contracting with those that grow, process, sell, or distribute marijuana, hemp or CBD products. SELCO retains the right to deny or terminate membership or services based on the significance or degree of involvement of an applicant or member with any cannabis-related business or associated conduct. The opening of an account shall in no event be construed as a waiver of this policy.

Money service businesses, as defined in governing regulations, are ineligible for membership at SELCO. The opening of an account shall in no event be construed as a waiver of this policy. SELCO reserves the right to terminate or deny the membership or services of a member it determines at any time to be operating as a money service business or for the benefit of a money service business.

3. Member Businesses Accounts. Accounts for sole proprietorships and accounts held in the name of an entity, association, or organization are subject to the terms set forth in this Agreement. Member businesses must meet all applicable requirements of formal formation and government registry. The Credit Union reserves the right to require member businesses to complete a Resolution of Authority providing the Credit Union with the name and identification of any individual authorized to act on its behalf with respect to its SELCO accounts. You agree to notify the Credit Union of any change in authority and provide updated name and identification for newly authorized individuals. 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 shall not be charged with knowledge of any breach of duties (fiduciary or otherwise) arising from a transaction by any agent of the account owner unless the Credit Union has received actual notice of any wrongdoing.

Authority to take action on any account is generally separated into two categories:

a. Authorized Officers. Authorized Officers can open and close Accounts and Services. Authorized Officers can execute and deliver agreements for Business Online Banking or other cash management services, bind the Company, and delegate authorities. An Authorized Officer can serve as an Authorized Signer (defined below) and designate other individuals as Authorized Signers.

b. Authorized Signers. Authorized Signers have the authority only to make any deposit, withdrawal, or disbursement of funds from the Accounts initiated by means of written payment orders, checks, drafts or other physical instruments, including without limitation the withdrawal or disbursement of funds by wire, computer, automated clearing house, or other electronic means. Authorized Signers are authorized and empowered to apply to the credit union for the use of its night depository, automated teller machines, and in connection with such use to execute and deliver to credit union such agreements containing such terms and provisions as credit union may require.

Any Authorized Signer on an account is deemed to act for the owner, and the account owner guarantees the signature of each authorized signer. Any authorized signer may withdraw all funds in the account, stop payment on items drawn on an account, or withdraw or pledge all or any part of the shares of any account, including funds representing a membership share, without the consent of the account owner, Authorized Officers, or other Authorized Signers, and the Credit Union shall have no duty to notify the account owner, any Authorized Officer, or any other Authorized Signer. If the Credit Union receives written notice of a dispute

among Authorized Signers or between any Authorized Officer and Authorized Signer, or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a Court order to act, or require that certain or all of the owner and authorized signers agree in writing to any transaction concerning the account.

4. Deposit Requirements. Funds may be deposited to any account in any manner approved by the Credit Union in accordance with this Agreement, the relevant Rate and Fee Schedule, and the Account Receipts, all of which are incorporated herein by reference. The Credit Union may require that third-party checks payable to a business be deposited to a business account rather than cashed. We may refuse to accept any check or other item for deposit for any reason.

- a. Endorsements.** You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third-party checks presented for deposit either in person or by comparison with member signature files. If checks or drafts from insurance companies, government agencies, or other sources require an endorsement as set forth on the back of the check, the Credit Union may require an endorsement as set forth on the check. The Credit Union may also require an endorsement guaranty. Endorsements must be placed in the space on the back of the check between the top edge and 1 1/2 inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other marking made by you or any prior endorser causes any delay or error in processing the item for payment, you will be responsible for any loss incurred by you or the Credit Union due to the delay or error.
- b. Collection of Items.** The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union acts only 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 be liable only 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. 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. Amounts will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.
- e. Night Depository.** The Credit Union reserves the right to supply and require the use of a special bag or container for any deposits in the night depository. If we do supply a special bag or container, you will be liable for any damage to the night depository or delay in crediting deposits due to the use of containers other than those we supply. You agree that we are a bailee of items placed in the night depository until we have opened the containers, verified the contents, and credited the contents to your account or returned the bag and contents to you.

5. 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 compare your signature with the signature on the Account Card 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 or check 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 party, you authorize us to honor transactions initiated by the third party even if you did not specifically authorize a particular transaction. Any person who is not an authorized signer and signs at least two checks or other orders will become an authorized signer 30 days after we make available to you a statement showing the first check withdrawal, or other transaction authorized by such person, unless you notify us that the person is not an authorized signer. If you request an account or use checks or other items indicating a requirement for multiple signatures, you acknowledge that such restrictions are for your use only and do not affect our ability to pay items or follow instructions based on only a single signature.
- b. Access Options.** You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (e.g., in person or by check, automated teller machine ("ATM"), debit card, online banking, mobile banking, mail, automatic transfer, or telephone). If the Credit Union accepts any draft or check that is not drawn on a form provided by the Credit Union, you will be

responsible for any loss incurred by the Credit Union for handling the draft. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

c. Automated Clearing House (“ACH”) and Wire Transfers. If offered, you may initiate or receive credits or debits to your account via wire or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and 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. Refusing Payment on Items. You agree that we may refuse to pay any check if the person presenting it does not pay a check cashing fee that we may impose or provide identification that satisfies our requirements. We may also refuse to pay any check if we are unable to verify an endorsement to our satisfaction.

6. Credit Union Examination. The Credit Union may disregard information on any check, other than the signature of the drawer, amount of the item, and any magnetically-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.

7. 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.

8. Transaction Limitations

a. Withdrawal Restrictions. The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Drafts, checks, or other transfer or payment orders drawn against insufficient available funds will be subject to a service charge, set forth in the Service Pricing 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, including when there is a dispute between the owners or signers 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, required documentation has not been presented, or you fail to repay a Credit Union loan on time or owe the Credit Union money. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require up to 60 days’ notice in writing of any intended withdrawals from any account, as required by law.

b. Transfer Limitations. For share accounts, secondary savings accounts, and money market accounts, you may make any combination of up to six (6) of the following during any calendar month: (1) preauthorized, automatic, telephonic, PrivateLine, online banking, or mobile banking transfers to another account of yours or to a third party; (2) withdrawals by check payable to third parties; or (3) debit card purchases made by you. 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 via Automated Clearing House (“ACH”). There is no limit on the following transactions: (1) transfers to any loan account with the Credit Union; (2) transfers to another Credit Union account; or (3) withdrawals (checks mailed directly to you) when such a transfer or withdrawal is initiated in person, by mail, or at an automated teller machine (“ATM”). If a transfer request exceeds the transfer limitations set forth above in any statement period, the Credit Union may refuse or reverse the transfer or charge you a fee, and your account may be reclassified by the Credit Union, suspended, or closed.

c. Unlawful or Illegal Transactions. You may not use your account or any access device for any unlawful or illegal transaction, such as unlawful internet gambling, which is prohibited under the Unlawful Internet Gambling Enforcement Act of 2006 (“UIGEA”). The Credit Union may refuse to honor any transaction that it believes may be illegal or unlawful.

9. Overdrafts

a. Overdraft Liability. If, on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union’s determination of an insufficient account balance may be made anytime between presentation and the Credit Union’s midnight deadline with only one review of the account required. The Credit Union has no duty to notify you of an insufficient funds check. Your account will then be subject to a charge for the item, whether paid or returned, as set forth on the Rate and Fee Schedule. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays a draft or

check that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.

b. Overdraft Protection Plan. If we approve your request for overdraft protection, we will provide an overdraft protection plan for you. We will honor drafts drawn on insufficient funds in any checking account by transferring the necessary funds to your checking account. We will transfer funds to your overdrawn account from the accounts indicated in the overdraft protection plan you selected. 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 a loan account will be governed by the applicable loan agreement.

10. Postdated and Staledated Items. You agree not to negotiate or deposit any check, draft, or other item before the date it is properly payable (postdated) or that is over six (6) months old (staledated). The Credit Union is under no obligation to honor a draft or check, or pay any item, that is postdated or staledated. However, the Credit Union may accept and pay any check, even if the check is postdated or staledated. In order to prevent payment of such items, you must place a stop payment.

11. Stop Payment Orders

a. Stop Payment Request. You may ask the Credit Union to stop payment on any check drawn upon your checking account. You may request a stop payment by telephone, by mail, through online banking, or in person. 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 provide complete and accurate information, including your account number, the check number and date, and the 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 any other party for payment of the item. If the Credit Union fails to act on a valid stop payment order and consequently recredits your account, you agree to assist the Credit Union in pursuing repayment or legal action to recover the funds, including, but not limited to, by signing a statement describing the dispute with the payee and transferring all of your rights against the payee or other holders of the check to the Credit Union.

b. Duration of Order. A written stop payment order will be effective for six (6) months. A stop payment order may be renewed. 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. Regardless of any stop payment order, you may remain liable to any person, including the Credit Union, who is a holder of the item. 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 or lawfully authorizing payment of an item, and from claims of any multiple-party account owner, payee, or endorsee for refusing or lawfully authorizing payment of an item.

12. 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 charge your account for the items should they become lost in the collection process.

13. Credit Union 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: (1) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (2) circumstances beyond the Credit Union's control prevents the transaction; (3) your loss is caused by any authorized signer's negligence or the negligence of another financial institution; or (4) 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 nonactions are consistent with applicable state law, Federal Reserve and Consumer Financial Protection Bureau ("CFPB") regulations and operating letters, clearinghouse 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 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.

14. 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, unless prohibited by applicable law. All accounts are nonassignable and nontransferable to third parties. Additionally, you understand and agree that if you default on a debt to the Credit Union, the Credit Union may provide a notice of default, an accounting, and the opportunity to redeem to any party having an ownership interest in collateral securing the debt.

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

16. 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 required to attempt to communicate with you only at the most recent address you have provided to the Credit Union. In the event of a name or address change, the Credit Union requires updated organizational documentation clearly reflecting such changes. The Credit Union may impose a service fee for bad address accounts, as set forth on the Rate and Fee Schedule. You authorize the Credit Union to update your account records with any notification of change of address issued by the U.S. Postal Service.
- b. Notice of Amendments.** Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Changes in account ownership must be evidenced by written instruction which, upon execution, will be incorporated herein by this reference. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.
- 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. Notice to any one account owner is considered notice to all owners of the account.
- d. Consent to Communications.** By signing the Account Card that is part of this Agreement, you further expressly authorize, and specifically consent to allowing, SELCO and any of SELCO's agents to contact you in connection with any and all matters relating to any unpaid or past due amounts that you owe SELCO and/or to service your member relationship with SELCO in any way. SELCO and any of its agents may contact you at any mailing address, telephone number, email address, or other electronic address that you have provided, or may in the future provide, to SELCO. For attempts to collect unpaid amounts and/or service your member relationship with SELCO in any way, you agree that in addition to individual persons attempting to communicate directly with you, any type of contact described above may be made using, among other methods, prerecorded or artificial voice messages delivered by an automatic telephone dialing system, preset email messages delivered by an automatic emailing system, or any other preset electronic messages delivered by any other automatic electronic messaging system. SELCO may occasionally have products or services that we think may be of interest to you. If you have granted your express written consent by signing the separate agreement provided by SELCO, SELCO may use automated dialing technology to call you at the phone number(s) provided. Please note that you are not required to provide this consent to make a purchase from SELCO or as a condition of this Agreement. This consent may be revoked at any time.

Further, in the regular course of our service to you, we may monitor and record phone conversations made or received by our employees. You agree that we will have this right with respect to all phone conversations between you and our employees, whether initiated by you or any of our employees.

- 17. Taxpayer Identification Numbers ("TINs") and Backup Withholding.** All business membership applicants are required to provide the Credit Union with a valid and correct TIN. Businesses that cannot provide a valid and correct TIN may not become members. Foreign entities may be required to certify their status to the Credit Union and complete and IRS Form W-8BEN-E. Failure to correctly complete and update the W-BEN-E may render the account subject to 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 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.

18. Statements

- a. Contents.** If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided, you agree that only one statement is necessary for a multiple-party account. For checking accounts, you understand that when paid, your original check becomes property of the Credit Union and may not be returned to you, but copies will be retained by the Credit Union or a payable-through financial institution and made available upon your request. You understand statements and checks are made available to you on the date the statement is mailed to you.
- b. Examination.** You are responsible for examining each statement reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized item drawn on your account if: (1) you fail to notify the Credit Union within 30 days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item; or (2) any items are 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 or checks 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.

- 19. Inactive and Dormant Accounts.** If you have not made a withdrawal, deposit, or transfer on a particular account for more than one (1) year, the Credit Union may classify your account as inactive and charge an inactive account service fee, as allowed by applicable law and set forth on the Rate and Fee Schedule. 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. Checking accounts will continue to incur the monthly maintenance fee until closed. 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 verified contact with you for three (3) years, the account will be presumed to be abandoned, as required by the Uniform Unclaimed Property Act. 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.
- 20. Termination of Account.** The Credit Union may deny services or terminate your account at any time without notice to you or 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) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or other abuse of any of your accounts; (7) you engage in offensive, profane, sexual, or inappropriate conduct involving the Credit Union or its members, or in any conduct interfering with Credit Union operations; (8) the Credit Union determines that the account is being used by or for the benefit of a marijuana-related or money service business; (9) it is deemed necessary to prevent a loss to the Credit Union; or (10) the Credit Union, at its sole discretion, discontinues services to your type of business or determines that continued administration of your account is not in the best interest of the Credit Union. As long as you have no outstanding debts to the Credit Union, you may terminate your account at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment.
- 21. 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 this Agreement or applicable law, including: (1) creating an undue risk of loss or causing actual loss to the Credit Union; (2) failing to comply with the bylaws, articles, agreements, or policies of the Credit Union; (3) neglecting to pay your debt to the Credit Union; (4) becoming insolvent or bankrupt; (5) threatening, harassing, or abusing any Credit Union official, employee, or member; or (6) engaging in any unlawful conduct or activity affecting the Credit Union. Further, the Credit Union may expel any member for any conduct causing or constituting a risk to public health or safety on Credit Union premises.
- 22. Special Account Instructions.** You may request that the Credit Union 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 require you to post a bond to indemnify the Credit Union. Account changes, such as adding or closing an account or service, requested by the account owner must be evidenced by a signed Account Card and accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the Power of Attorney on record at the Credit Union.
- 23. Severability.** In the event 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.
- 24. 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 this 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.
- 25. Arbitration Agreement and Class Action Waiver.** You agree that any action, dispute, claim, or controversy of any nature that arises between you and the Credit Union, whether relating to this Agreement or any other dealing with the Credit Union, other than claims properly filed in small claims court, will be subject to and resolved by binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association upon written request by either party at any time before, or within 90 days after, proper service of a formal claim. Arbitration shall proceed solely on an individual basis, without the right to arbitrate on a class action basis or in a representative capacity. The results of any arbitration shall have no preclusive effect on any dispute with anyone who is not a named party to the arbitration. Any award or order rendered by the arbitrator may be confirmed as a judgment or order in any state or federal court of competent jurisdiction.
- 26. 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 held in Lane County, Oregon.

II. Funds Availability Policy

- 1. General Policy.** Our policy is to make funds from your checking account deposits available to you on the same business 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 debits you have authorized and items you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit during our regular branch location business hours, we will consider that day the day of your deposit. However, if you make a deposit after the posted closing time or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Deposits made through the Credit Union night depository will be deemed made on the next business day after the day of deposit if made after 7:30 am. We reserve the right to deposit certain checks to a savings account and apply the hold on the entire amount of the check until the funds become available.
- 2. Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$200 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 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 a notice by the day after we receive your deposit.

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

- a. We believe a check you deposit will not be paid.
- b. You deposit checks totaling more than \$5,000.00 any one day.
- c. You deposit a check that has been returned unpaid.
- d. You have overdrawn your account repeatedly in the last six months.
- e. There is an emergency, such as failure of communications or computer equipment.

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

- 3. 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 deposit to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks, as well as U.S. Postal Service Money Orders, will be available on the first business day after the day of your deposit if the deposit meets certain conditions (e.g., the checks must be payable to you). The excess over \$5,000.00 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 \$5,000.00 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.

- 4. Deposits at Automated Teller Machines ("ATMs").** Funds from any deposits (cash or checks) made at ATMs will be credited on the day of deposit, and the first \$200 will be available for withdrawal immediately. The remaining deposited funds will be available on the second business day after the day of your deposit if made at ATMs displaying our logo that we own and operate at our branch locations, and up to the fifth business day after the day of your deposit if made at ATMs we do not own or operate. U.S. Treasury checks will be available the next day after the day of your deposit under certain conditions. We may make funds more readily available.
- 5. Branch Notice.** The Funds Availability Notice posted in the branch locations supersedes this section.

III. Electronic Funds Transfers ("EFTs")

EFTs are electronically-initiated transfers of money through direct deposits, automated teller machines ("ATMs"), PrivateLine transactions, online banking, mobile banking, and transactions involving your SELCO Visa® debit card. By signing the Account Card, or signing or using any EFT, you agree to the following terms governing your and our rights and responsibilities concerning EFT services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your EFT services.

1. Services

- a. SELCO Visa Debit Card.** You may use your card and access code in automated teller machines ("ATMs") of the Credit Union; CO-OP, MAP, or Visa/Plus networks; point-of-sale ("POS") terminals; and other such machines we may designate. At the present time, you may use your card to make the following account transactions:
 - Withdraw cash from your checking or savings accounts.
 - Transfer funds between your checking or savings accounts.

- Inquire about checking or savings account balances.
 - Deposit to your checking or savings accounts (available only through CO-OP and SELCO- owned machines).
 - Make purchases of goods and services at POS terminals of participating merchants. Funds to cover your debit card purchases will be deducted from your associated account(s).
 - Purchase goods and services anywhere your card is honored by participating Visa merchants. Funds to cover your debit card purchases will be deducted from your associated account(s).
 - Line of credit transactions, including cash advances, transfers, payments, and account balance inquiries.
 - Other transactions may be offered and permitted in the future.
- b. ACH Transactions.** You may authorize preauthorized debits to your account through ACH transactions. An ACH transaction drawn from a checking account will be covered by your overdraft protection plan or paid NSF plan if funds are available and a fee may be charged as set forth in the Account Rate and Fee Schedule. If you overdraft your account by use of ACH, your account will be subject to a charge as set forth in the Account Rate and Fee Schedule and the item may be returned to the payee.
- c. Electronic Check Transaction.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- d. PrivateLine (Audio Response).** If we approve the PrivateLine audio response access service for your accounts, you must designate a separate four (4) digit access code. You must use your access code along with your account number to access your accounts. At the present time, you may use the PrivateLine service to:
- Obtain balance, withdrawal, and dividend information on any savings or checking accounts at the Credit Union.
 - Transfer funds between your checking, savings, money market, and loan accounts as allowed, including loan payments.
 - Withdraw funds from your savings accounts by checks made payable to you and mailed to you at your mailing address.
 - Obtain information on the last 20 transactions on your account and obtain loan interest information.
 - Change your PrivateLine access code.
- e. Online Banking and Cash Management Services.** Access and security requirements, as well as the available products and services, for Business Online Banking and Cash Management are set forth in the SELCO Commercial and Business Banking Online Banking Agreement. If you enter into the SELCO Commercial and Business Banking Online Banking Agreement, and the security of your computer or mobile device is compromised, the Credit Union may restrict your access to online banking or Cash Management until the Credit Union obtains adequate assurance that the compromised device has been made secure.

2. Service Limitations

a. SELCO Visa Debit Card

- **Deposits.** Funds will be credited to your account as of the date of deposit. The balance will be available according to our Funds Availability Policy. Deposits may be made only at machines owned by the CO-OP or SELCO Community Credit Union.
- **Withdrawals.** The number of withdrawals you may make at Credit Union automated teller machines (“ATMs”) and nonproprietary ATMs might be limited. You may be charged a fee as set forth on the Rate and Fee Schedule. If you use an ATM not owned by the CO-OP or SELCO Community Credit Union, you may incur a surcharge. For SELCO Visa debit cards, cash withdrawals using an ATM or point-of-sale (“POS”) terminal are limited based on service level qualification and the availability of funds in your account. Card transactions at any authorized ATM or POS terminal are subject to limits placed on each individual ATM or POS terminal.
- **Debit Card Purchases.** Your SELCO Visa debit card may be used in place of a check at any merchant that displays the Visa point of sale graphic. This card is not a credit card. All transactions originating from this card will be charged to your associated account(s). Most debit card transactions are initiated when you input your personal identification number (“PIN”) in the merchant’s terminal or keypad. However, in some cases, you may initiate a transaction without using a PIN (as if the card were a credit card). When a transaction is initiated without your PIN, a hold is placed on the funds in your checking account equal to the amount of any preauthorization obtained by the merchant. In most instances, the hold is released at the same time SELCO receives the transaction from the merchant. However, in some instances, longer holds may apply. Generally, the hold is released within three (3) days. When you make purchases with your Visa debit card, it is important that you keep the customer copy of the sales draft. The customer copy will be necessary when you reconcile your monthly checking account statement. Each purchase made with your Visa debit card should be recorded in your check register, just as you would record a regular check, and deducted from the available balance.

The Credit Union reserves the right to refuse any transaction which would draw upon insufficient available funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union

may limit the amount of any transaction and may refuse to honor any transaction for which you do not have sufficient available verified funds. You may not use your card or account for any unlawful or illegal transaction. The Credit Union may refuse to honor any transaction that it believes may be illegal or unlawful.

- **Transfers.** At available locations, you may transfer between your savings and checking accounts up to the available balance in your accounts at the time of the transfer.

b. PrivateLine (Audio Response). Your accounts can be accessed under PrivateLine using a touch-tone telephone. PrivateLine service will be available for your convenience seven (7) days a week, 24 hours a day. This service may be interrupted for a short time each day for data processing. If you call during this time, you will hear “System not available, please call back. System will be restored shortly.” There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day.

No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, would exceed a credit limit, would lower an account below a required balance, or does not adhere to the terms and conditions of your account as set forth in other agreements. Check transactions may not exceed the amount in your account. All checks are payable to you and will be mailed to your address of record. 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. There is no limit on the number of transaction requests you may make during a single phone call. The system will discontinue service after 30 seconds if no transaction is entered, and after seven (7) minutes in all cases. If you wish to make any further transactions, you will have to call back. The system will also discontinue service after three unsuccessful attempts to enter a transaction.

c. Business Online Banking. For those who accept the SELCO Commercial and Business Banking Online Banking Agreement, online banking and Cash Management services are accessible seven (7) days a week, 24 hours a day. These services may be interrupted for a short time each day for data processing.

3. Preauthorized Electronic Funds Transfers.

a. Stop Payment Rights. If you have arranged in advance to make electronic fund transfers out of your account(s) to a third party for money you owe them, you may stop payment of these preauthorized transfers from your account. You must notify the Credit Union orally or in writing at any time up to three (3) business days before the scheduled date of a preauthorized transfer and provide us with complete and accurate information regarding the transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.

b. Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay is required to tell you ten (10) days before each payment when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the account would fall outside certain limits that you set.

c. Stop Payment Fee. For each stop payment you request, a fee will be charged to your account as indicated on SELCO's Commercial and Business Banking Deposit Accounts Rate and Fee Schedule.

4. Conditions of Electronic Funds Transfers (“EFTs”). The use of your account and EFT services are subject to the following conditions:

a. Ownership of Cards. Any card or other device which we supply to you is our property and must be properly destroyed or returned to us, any person whom we authorize to act as our agent, or any person who is authorized to honor the card immediately and according to instructions. The card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your card or account to another person.

b. Honoring the Card. Neither we nor merchants authorized to honor the card will be responsible for the failure or refusal to honor the card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

c. Security of Access Code. The personal access code or personal identification code issued to or selected by you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on or with the card. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access code, that authority shall continue until you specifically revoke such authority by notifying the Credit Union and we have had a reasonable opportunity to act on that revocation. If you, or an individual to whom you improperly disclosed your security code, fail to maintain the security of these access codes and fraudulent charges or activities occur on your account, you will be liable for the full amount of these charges, whether or not authorized by you. We may terminate your EFT and account privileges immediately without notifying you.

5. Member Liability. You are responsible for all transactions and transfers made using your card or personal identification number (“PIN”). If you permit other persons to use your card or PIN, you are fully responsible for any transactions they authorize or conduct on your accounts. However, tell us at once if you believe your card or PIN has been lost or stolen, or if you believe that an electronic funds transfer (“EFT”) has

been made without your permission. The best way to mitigate your potential losses is to contact us immediately by phone at 541-686-8000 during regular business hours or 800-445-4483 during or after regular business hours. You may also contact us in-person at any branch during regular business hours or by writing to SELCO Community Credit Union, Visa Department, PO Box 7487, Springfield, Oregon, 97475 (we request that you call us as well).

In addition to your responsibility and liability outlined herein, we will not be liable for any losses or damages that occur as a result of certain circumstances. For instance, we will not be liable if:

- a. Through no fault of ours, there are not adequate available funds in your account to complete a transaction or your account is closed.
- b. The automated teller machine ("ATM") where you are making the withdrawal does not have enough cash.
- c. The terminal was not working properly and you knew about the breakdown when you started the transaction.
- d. Through no fault of ours, your card is damaged.
- e. You use or try to use your card or PIN after your right to use it has been canceled.
- f. Your account is frozen because of a delinquent loan or is subject to legal process or other claim.
- g. The error was caused by a system beyond the Credit Union's control, such as your internet service.
- h. You have not given the Credit Union complete, correct, and current instructions so the Credit Union can make a transfer.
- i. The error was caused by a system of any applicable ATM network. The ATM may retain your card in certain instances, in which event you may contact the Credit Union about its replacement.
- j. We believe the transaction is fraudulent or the card is not in your possession.
- k. There are other exceptions as established by the Credit Union.

We will also be excused from such liability if you fail to observe the terms and conditions of this Agreement, or our account agreements with you, related to EFTs.

- 6. Additional Limits on Liability for Visa Transactions.** Unless you have been grossly negligent, engaged in fraud, delayed in reporting unauthorized use, or failed to provide information we requested, you will not be liable for any unauthorized transactions using your lost or stolen Visa debit card. This additional limit on liability does not apply to automated teller machine ("ATM") transactions outside the U.S., ATM transactions not processed by Visa, or transactions using your personal identification number ("PIN") not processed by Visa. Transactions processed by Visa do not require you to use your PIN. Examples of transactions processed by Visa without your PIN include when you sign a receipt, provide your card number (such as during an online or phone transaction), or swipe your card at a terminal.

The additional limits on your liability do not apply to non- Visa processed transactions. We have enabled non-Visa debit transaction processing, which means you may use your Visa debit card on non-Visa networks. Non-Visa networks for which such transactions are enabled include the CO-OP Shared Branching Network.

If additional limits do not apply, your liability for unauthorized transactions will be governed by Section 4 (Member Liability).

- 7. Fees and Charges.** There are certain charges for electronic funds transfer ("EFT") services, as set forth on the Rate and Fee Schedule. From time to time, the charges may be changed. We will notify you of changes as required by law.

Currency Conversion/Foreign Transaction Fee: Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by Visa International, Inc., is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date. This rate may vary from the rate Visa itself receives or the government- mandated rate in effect for the applicable central processing date. In addition, you will be charged a foreign transaction fee of 1% of the transaction amount for any card transaction made in a foreign country.

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

- 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. If the information relates to improper use of your account.
- d. To comply with government agencies or court orders.
- e. As explained in our Privacy Policy.
- f. If you give us written permission.

- 9. Termination of Electronic Funds Transfer (“EFT”) Services.** You agree that we may terminate this Agreement and your EFT services if:
- a. You, or any authorized user of your account access code, breach this or any other agreement with us.
 - b. We have reason to believe there has been an unauthorized use of your card, account, or access code.
 - c. You breach any provisions of your Membership and Account Agreement or any other agreement with the Credit Union.
 - d. Your membership in the Credit Union is terminated for any reason.

You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of EFT services will be effective the first 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.

- 10. Notices.** The Credit Union reserves the right to change the terms and conditions upon which these services are offered. Use of these services is subject to any existing regulations governing the Credit Union account and any future changes to those regulations.