



California Bear
CREDIT UNION

YOU CAN BANK ON THE BEAR™

TRUTH-IN-SAVINGS DISCLOSURE AND AGREEMENT

PLEASE KEEP THIS
BROCHURE FOR
YOUR RECORD

THIS DISCLOSURE SUPERCEDES ANY
DISCLOSURE RECEIVED PRIOR TO THE
EFFECTIVE DATE SHOWN BELOW.

Effective May 1, 2011

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ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

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ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

In the following Agreement and Disclosure, the words "I", "me", "mine", "my", "us" and "our" mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing an Account Signature Card for one or more deposit account(s) with you. The words "you", "your" and "yours" mean CALIFORNIA BEAR CREDIT UNION.

IMPORTANT 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 me: When I open an Account, you will ask for my name, address, date of birth, and other information that will allow you to identify me. You may also make a copy of my driver's license or other identifying documents.

I. PAYMENT OF DIVIDENDS

DIVIDEND RATES: The frequency and conditions upon which dividends are paid on all accounts are in accordance with the Bylaws of this Credit Union, the California Financial Code and Regulations, the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

For specific dividend rate(s) for each type of dividend bearing account, I will refer to the Dividend Rate Sheet, which is incorporated by this reference.

For all accounts, dividends will be compounded monthly and will be credited monthly. For such accounts the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period, and for the example is January 31.

If I close my account before dividends are credited, I will not receive the accrued dividends.

BALANCE COMPUTATION METHOD: Dividends are calculated by the daily balance method which applies a periodic rate to the balance in the account for the period at the close of business each day.

The Dividend Rate and Annual Percentage Yield (APY) on Share Accounts, Holiday Accounts, Sub-Share Accounts and High Rate Money Market Accounts are tiered. A tier is a range of Account balances; different Rates and APYs may apply to different tiers. When the balance increases or decreases to a different tier, the Account balance will be subject to the Rate and APY applicable to that tier for the time the balance is at the higher or lower level. This means if an Account balance goes below or above a certain level even for one day, the Account will be subject to that tier for one day. These rates are subject to change without notice. The current Dividend Rate Sheet will show Rates, APYs and tiers.

Dividends will begin to accrue no later than the business day you receive provisional credit for the deposit of noncash items (e.g., checks) to my account.

II. TERMS AND CONDITIONS ALL ACCOUNTS

1. I must be and remain a member in good standing to maintain any account. The par value of a share in this Credit Union is \$5.00. If I fail to complete payment of five (5) shares within 90 days of my admission to membership, or within 6 months from the increase in the par value in shares, or if I reduce my Regular Savings Account balance below the par value of five (5) shares and do not increase the balance to at least the par value of five (5) shares within 90 days of the reduction, I may be terminated from membership at the end of a dividend period.
2. All accounts (except checking accounts) are not transferable except as defined in 12 CFR, Part 204.
3. Your delay in enforcing any of the terms and conditions of this Agreement and disclosure shall not prohibit you from enforcing such terms and conditions at a later date.
4. You reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this Agreement and Disclosure.
5. You reserve the right to refuse to open any account or to service or accept additional deposits to any existing accounts.
6. I authorize you to accept items payable to any account owner for deposit to my account from any source without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by me.

7. You may endorse and/or collect items deposited to my account without my endorsement, but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorsers to be present or to have their endorsements guaranteed before you accept the item.
8. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.
9. You may endorse checks or drafts for me which you receive for deposit.
10. You are not responsible for items lost while not in your possession.
11. You will mail all statements and other notices only to the person whose signature appears first on the Account Signature Card. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment including but not limited to an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if you: 1) suffer a loss on the item because of my failure; or 2) you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you. Notification must be within thirty (30) days of the date of the statement. If I fail to uphold my duties but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item within sixty (60) days after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.
12. You or I may terminate an account(s) at any time. I understand, and agree, however, that your authority may not be changed or terminated except by written notice to you which will not affect prior transactions. In addition, if you receive written notice from any owner that withdrawals, in accordance with the terms of the account, should not be permitted, you may refuse, without liability, to pay any sums of deposit pending determination of the rights of the owners. Further, if there is more than one (1) owner and there is a conflict among us, you may require the signatures of all owners. Such written notice(s) shall become effective only upon receipt and after you have had a reasonable opportunity to act thereon.
13. You reserve the right to close any account(s) discovered to be deliberately manipulated to your detriment and/or your membership. Manipulations includes, but is not limited to, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to your detriment.
14. You may recognize the signature of anyone who signed an Account Signature Card as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure and/or the Account Signature Card shall be valid and discharge you from liability.
15. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned check.
16. You reserve the right to require me to give not less than seven and up to 60 days written notice of my intention to withdraw funds from any Account except Checking Accounts. Cash withdrawals from any Account between \$2,000 or above may require a minimum three day notice. All withdrawals above \$5,000.00 will only be made by check.
17. I understand and agree that Individual, Joint, Trust and Pay-on-Death accounts may be subject to Multiple Party Accounts Law, Division 5 of the California Probate Code, as now effect or hereafter amended.
18. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent Account Signature Card, Membership Invitation or other document(s) evidencing such account(s). A different form of ownership may be established by executing a new Signature Card(s). The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owner (both as an individual and as a group) in the case of a joint or other account with multiple parties.

19. I agree to notify you promptly of any change of address. I may notify you in person at your office or by sending a written and signed notice to California Bear Credit Union, 300 S. Spring St., Rm 1215, Los Angeles, CA 90013.
20. I am required to keep you informed of my current address. In the event that I fail to do this, a charge may be made to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address. This charge will be imposed in accordance with your Bylaws and as set forth in the Schedule of Fees and Charges.
21. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks, savings or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy for further details in this pamphlet Section III(A) and Section III(B).
22. All accounts are subject to your Schedule of Fees and Charges, which accompanies this Agreement and Disclosure and is incorporated by this reference. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Account(s). If there are insufficient funds available, the charges are payable on demand and will be treated as an overdraft.
23. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the check caused by me or a prior endorser.
24. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months", "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
25. California law states that inactive account balances must be turned over to the state after a period of three (3) years if I have not:
 - a. Increased or decreased the amount of any of my account(s) with you or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you; or
 - b. Corresponding in writing or electronically with us concerning any of my accounts with you; or
 - c. Otherwise indicated an interest in any of my accounts with you as evidenced by a memorandum on file with you.

You may charge a fee for mailing an escheat notice. To recover funds turned over to the state, I must file a claim with the state.
26. You reserve the right to require that withdrawals made from my deposit accounts be made in minimum amounts as established from time to time by Board policy.
27. You may but are not obligated to transfer funds from my savings accounts or loan accounts on my written or oral request. I understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days". If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day.
28. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
29. You agree to retain and furnish to me, if requested, copies of certain records pertaining to my account and that these records will be available to me for the time frame required by law. I agree to pay applicable fees as listed in your Schedule of Fees and Charges for those copies.
30. In the event that a cashier's, teller's or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim for Reimbursement in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Loss and Claim for Reimbursement is not enforceable until the later of (i) the time Declaration of Loss and Claim for Reimbursement is properly delivered to you, or (ii) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to, or making, my stop payment.
31. I authorize you to gather whatever credit, checking account and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account. I authorize you to give information concerning your experiences with me to others.
32. If I am a U.S. citizen, Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number. For additional information on this requirement, ask us for the brochure entitled "Instructions for Reporting Taxpayer Identification Number".
33. I understand and agree that you must comply if you are served with any notice of garnishment or of attachment, tax levy, injunction, restraining order, subpoena or other legal process relating to my account that you reasonably believe is valid. You may charge a Compliance With Legal Process fee, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process.
34. An action or proceeding by me to enforce an obligation, duty or right arising under this Agreement and Disclosure or by law with respect to my account must be commenced within one year after the cause of action occurs.
35. I agree to indemnify, defend and hold you and your employees harmless from and against every claim, demand, action, cost, loss, liability and expense (including, without limitation, attorney's fees) which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.
36. In the event that a negative balance is created in any of my Share or Checking Accounts (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) I understand and agree that you may transfer funds to such Account from any other Share or Checking Account (excluding IRA accounts), including Account(s) upon which I am a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation. See the Disclosure of Fees and Charges for Transfer Fees.
37. My account will be governed by California law, to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules shall not be applied if that would result in the application of non-California law.
38. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.
39. We agree with ourselves and with the Credit Union that all owners of these accounts are jointly and severally liable for any overdrafts, dues, fees or charges incurred by any owner.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS:

1. If there is more than one owner, all agree with each other and with you that all sums now paid in or hereafter paid in by any one or all account owner(s) including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. No transfer of voting rights or other memberships privileges is permitted by virtue of a transfer of funds.
4. Joint ownership of an account does not constitute credit union membership. Joint owners may be non-members.
5. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us. I may not withdraw funds that are pledged as security on loan(s) without the approval of Credit Union management, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a borrower, or if borrowers for whom I am comaker, endorser or guarantor are delinquent, without the written approval of Credit Union management.
6. A right of survivorship arising from the express terms of a joint account cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO ALL PAY-ON-DEATH (P.O.D.) DESIGNATIONS:

1. If I have made a Pay-on-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and upon my death to my designated P.O.D. payee(s) or if the account is jointly owned, to one or more account owner(s) during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. As between P.O.D. payees, there is no right of survivorship.
2. A Pay-on-Death designation cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS:

1. I am duly appointed and acting in the capacity of Executor/Executrix, Administrator/Administratrix, Guardian or Conservator. By the authority vested in me, I am acting individually or jointly, authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you.
2. I may pledge any or all funds on deposit in the account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us.
3. If the account is blocked, I understand and agree that I shall file with the court a written receipt including an agreement with you that the funds in the account, including any dividends, shall not be withdrawn or pledged except upon court order.
4. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS:

1. I affirm that I am the sole proprietor of the sole proprietorship named on the Account Signature Card. You may pay out funds with my signature. You may accept and/or endorse checks made payable to me or the sole proprietorship named on the Account Signature Card which you receive for deposit. Funds received are not withdrawable until collected.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
3. Sole proprietorship accounts are not subject to Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL CORPORATE PARTNERSHIP AND UNINCORPORATED ASSOCIATION ACCOUNTS:

1. The person(s) named on the Account Signature Card is duly authorized to make the certificate, certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in me by the constitution, bylaws, or otherwise, any one (1) of the signatures, as named on the Account Signature Card, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Account Signature Card are the genuine signature(s) of said authorized person(s); and that my authority shall continue in force until written notice to the contrary is received by you.
2. No funds in this account may be pledged by any or all or said owners(s) as security for loan(s).
3. Corporate, partnership and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO MY SHARE ACCOUNTS (SAVINGS ACCOUNTS, HOLIDAY ACCOUNTS, SUB-SHARE ACCOUNTS AND SHARE IRA ACCOUNTS)

1. The minimum balance to open the Account is disclosed on the enclosed Dividend Rate Sheet.
2. TRANSACTION LIMITATIONS (SHARE ACCOUNTS): During any month, I may not make more than six withdrawals or transfers to another Credit Union Account of mine or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party.
3. TRANSACTION LIMITATIONS (HOLIDAY ACCOUNTS): The Holiday Account may be opened at any time. Funds will be disbursed to me on or about November 5. No withdrawals may be made prior to November 5 of each year. If a withdrawal is necessary, an early withdrawal fee will be imposed as disclosed on your Disclosure of Fees and Charges.

TERMS AND CONDITIONS APPLICABLE TO ALL SHARE DRAFT (CHECKING) ACCOUNTS:

1. You may, at your discretion, but are not obligated to nor shall you be liable for refusal to pay funds from this account(s):

- a. When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts").
 - b. If drawn by means not authorized in advance by you.
 - c. Against checks presented over six (6) months past their dates.
2. You may pay and charge to my applicable account, checks drawn by and payable to any person, organization, association or corporation whom I have authorized by providing sample MICR encoded information identifying my account, provided there are sufficient available funds in my account to pay such checks. I agree that your rights in respect to such checks shall be the same as if it were a check drawn and signed by me personally. This authority shall remain in effect until revoked by me in writing (to you and to the agency to whom the sample MICR writing was provided) and you have had a reasonable opportunity to act on it. I agree that you shall be fully protected in honoring such checks. I further agree that if any such check is dishonored, whether with or without cause, and whether intentional or inadvertent, you shall be under no liability whatsoever, even though such dishonor results in the forfeit of insurance, loss or damage to me of any kind.
 3. If you have made good faith payment to a holder, you may charge my account according to:
 - a. The original terms of my check; or
 - b. The terms of my completed check unless you have notice that any such completion is improper.
 4. I, or any other person authorized to draw on the account, may order stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on line of credit checks. A stop payment fee will be assessed for each stop payment as set forth in your Schedule of Fees and Charges. If I give a stop payment order orally, the order shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written orders shall be valid no longer than six (6) months, but may be renewed for additional six (6) month periods by written notice given during the time that the stop payment order was effective. I may also give a stop payment order electronically by verification of my member number and password without written confirmation through the Credit Union's Home Banking system. A stop payment fee will be assessed for each stop payment as disclosed on the accompanying Schedule of Fees and Charges. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment order.
 5. Death, dissolution or incompetence of me (or any of us) shall not revoke your authority to accept, pay or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have the reasonable opportunity to act on it. Even with knowledge, you may for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by you. We shall notify you if any of us die, become incapacitated or our organization is dissolved.
 6. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of:
 - a. Any holder in due course on the check against the drawer or maker;
 - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
 - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.
 7. You may without liability accept, pay, guarantee or charge checks to the account in any order convenient to you.
 8. In the event of wrongful dishonor which occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any checks, share draft or other debit on my account, your determination of whether sufficient available funds exist in my account may be made at anytime between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft or other debit.
 9. You are neither given notice or otherwise affected by a restrictive endorsement of any person or entity except your immediate transferor.
 10. I agree that in the event I draw a check on my account with you that I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by you or your agent.
 11. I agree that overdrafts, if paid in excess of funds in any loan or savings account, are payable on demand. If overdrafts are to be covered by a transfer of funds from my loan or savings account(s), such transfer(s) will generally be made only if there

are sufficient funds available or on deposit at the time of the transfer. Overdraft transfers will be made in increments of \$100. An Overdraft Transfer Fee will be assessed for each overdraft as set forth in your Schedule of Fees and Charges. See additional disclosure on panel 9 for Courtesy Pay service.

12. You may recognize the signature of anyone who signed the Account Signature Card as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts (for which all of us shall be liable) and endorsement of checks payable to any signer of this account.
13. No funds in this account may be pledged by any or all of said owners(s) as security for loan(s).
14. If the Account Signature Card is signed by more than one person, we hereby appoint each other as agents and attorneys in fact to overdraft any of our savings or loan accounts (including accounts on which we are joint owners except IRA accounts).
15. If this is an ORGANIZATION account (i.e., corporate, partnership or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account.
16. I will notify you immediately if my checks are lost or stolen.
17. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks directly to me. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the Schedule of Fees and Charges.
18. This is a truncated checking account. Checks are provided with carbonless copies and are not returned with statements. I may request and you will provide me with a legible copy of a requested item within a reasonable time. You will not charge me for the first two copies of items I request on any statement. Additional copies will subject to an assessment of a fee as set forth in your Schedule of Fees and Charges. If I have not ordered my Credit Union checks through your approved check vendors, I understand and agree that you are not responsible for the quality of any check copy that I request from you, and that the Credit Union shall not be held liable if the check does not clear properly.
19. You may charge against my account a postdated check even though payment is made before the date of the check. However, if I notify you within a reasonable time to permit you to act and identify the check with reasonable certainty, you cannot pay the check until the due date. Notice may be written or oral. If oral, the notice shall be valid for fourteen (14) days. If written, the notice shall be valid for up to six (6) months, and can be renewed within six (6) months for another successive six (6) month period. A fee as set forth in your Schedule of Fees may be assessed for this service.
20. I agree that I will be liable for any checks drawn on this account if the text is illegible because of the color or type of ink used to write the check. I acknowledge that I should write checks in blue or black ink to enhance legibility of original and imaged items. My failure to do so may cause you to deny claims for reimbursement if it contributed to the loss.

COURTESY PAY POLICY:

It is California Bear Credit Union's policy to comply with applicable laws and regulations, and to conduct business in a safe and sound manner.

Insufficient balances may result from: A) check payments, electronic funds transfer, or other withdrawal requests; B) payments authorized by the accountholder; C) unpaid return of items deposited by the accountholder; D) imposition of financial institution service charges; E) deposit of items which, according to the Credit Union's Funds Availability Policy, are treated as not yet "available" or finally paid.

Generally, it will be your practice to transfer funds from a member's designated overdraft protection account(s), usually primary savings. An overdraft transfer fee will apply for each transaction as set forth in the Credit Union's Fee Schedule.

The Credit Union is not obligated to pay any item presented for payment if the account does not contain sufficient collected funds. However, if the member has a Qualified Account (as defined below), the Credit Union may, at its sole discretion, consider approving such member's reasonable overdrafts as a non-contractual courtesy. The Credit Union may refuse to pay an overdraft at any time, even if the account is otherwise a Qualified Account and even if the Credit Union has previously paid overdrafts for such member. This discretionary service will generally be limited to a maximum of \$750.00 per Qualified Account, and this limit will include all applicable non-sufficient funds and/or overdraft fees. As used herein, a "Qualified Account" shall mean that all of the following requirements have been satisfied: A) the account has been open for at least 30 days with the applicable minimum balance requirement; B) the member has made regular deposits sufficient to cover transactions; C) the account has not been overdrawn for more than 30 consecutive

days at any one time; D) the member is not delinquent (past 60 days) in any obligation to the Credit Union; and E) there are no legal orders or levies, such as a bankruptcy or tax lien, outstanding against the account.

Members will be notified by mail of any non-sufficient funds items paid or returned that the account may have. However, the Credit Union has no obligation to notify the accountholder before it pays or returns an item. The amount of any overdrafts, plus applicable fees is due and payable upon demand. If the Credit Union pays an overdraft on an account with more than one (1) owner on the signature card, each owner, and/or agent where applicable, drawing/presenting the item, (thereby creating the overdraft), are jointly and severally liable for such overdrafts plus our non-sufficient funds and/or courtesy pay fee(s). Collection steps will be taken on accounts whose balances have been negative for more than thirty-one (31) calendar days.

Opt-In: In order to participate in this Courtesy Pay feature I must complete a Courtesy Pay Opt-in form which can be obtained from the Member Support Center.

Opt-Out: An account can be removed from coverage of any future Courtesy Pay overdrafts by signing the Opt-Out waiver form that can be obtained from the Member Support Center.

Limitations: This feature is available for all Checking Accounts, except for Student Checking. You reserve the right to not approve any overdrafts against any account until you can verify that the account is a Qualified Account.

Account Fees: Whether the Credit Union pays a Non-Sufficient Funds item under this Courtesy Pay Policy, a per-item fee will be charged to the member's accounts as, respectively, either a Non-Sufficient Funds or Courtesy Pay Fee, as set forth in your Fee Schedule.

Courtesy Pay Disclaimer: California Bear Credit Union's Courtesy Pay service is a non-contractual courtesy and is discretionary. It is not an actual or implied obligation of the Credit Union and the Credit Union may refuse to provide the courtesy on any checking account at any time and from time to time and may be withheld or withdrawn by the Credit Union without prior notice, reason, or cause. No member has a contractual right to Courtesy Pay.

TERMS AND CONDITIONS APPLICABLE TO HIGH RATE MONEY MARKET ACCOUNTS

California Bear Credit Union offers a High Rate Money Market Account which lets me earn money market rates while providing liquidity.

1. The dividend rate on the High Rate Money Market Account is variable. The dividend rates and annual percentage yield may change every month as determined by the Credit Union's Board of Directors.
2. The minimum balance to open an account is \$10,000. I must maintain a minimum daily balance of \$10,000. If, during the month, my account falls below the required minimum daily balance, my account will earn dividends at the rate of the Regular Savings Account rate for those days the balance is below the minimum daily balance requirement.
3. There are transaction limitations for a High Rate Money Market Account. During the statement period, I may not make more than six withdrawals or transfers to another Credit Union account of mine or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction. No more than three of the six transfers may be made by check, draft, or similar order to a third party. If I exceed the transfer limitations, my account may be subject to closure by the Credit Union.
4. Withdrawals from the Account must be made in amounts of \$300 or more. I may make an unlimited number of withdrawals in person. I am limited to only three telephone withdrawals per month. If this Account has High Rate Money Market Checks available and your minimum balance remains in excess of \$10,000, the Credit Union will honor and pay, in the order presented, three High Rate Money Market Checks in any calendar month regardless of the number of checks that are written. Any dishonored High Rate Money Market Check is subject to the same Fees and Charges as dishonored Share Checks.

TERMS AND CONDITIONS APPLICABLE TO MY SHARE IRA ACCOUNT:

California Bear Credit Union offers Share IRA Accounts which allows me to save with an IRA Account. Your Share IRA Accounts are called Traditional IRA, or Roth IRA Accounts.

The terms and conditions and the initial dividend rate and annual percentage yield ("APY") on my Share IRA Accounts is stated on the Dividend Rate Sheet. All other conditions terms and conditions on Share IRA Accounts are disclosed on the "Share IRA Account Agreement", which will be given to me at the time the Account is opened.

TERMS AND CONDITIONS APPLICABLE TO MY SHARE AND IRA SHARE CERTIFICATE ACCOUNTS:

California Bear Credit Union offers Share Certificates and IRA Share Certificate Accounts which allows me to save with higher rates.

The terms and conditions and the initial dividend rate and annual percentage yield ("APY") on my Certificate Accounts is stated on the Dividend Rate Sheet. All other conditions terms and conditions on Certificate Accounts are disclosed on the "Certificate Account Agreement", which will be given to you at the time the Certificate Account is opened.

TERMS AND CONDITIONS APPLICABLE TO LIVING TRUST ACCOUNTS:

The terms and conditions set forth in my "Application for Joint Membership and Agreement for Credit Union in the Name of Trustee(s)" are incorporated by this reference.

III. (A) DISCLOSURE OF FUNDS AVAILABILITY FOR CREDIT UNION ACCOUNTS:

Your policy is to make funds from my cash and check deposits available to me on the first business day after the day you receive my deposit. Electronic direct deposits will be available on the day you receive the deposit. Once they are available, I can withdraw the funds in cash and you will use the funds to pay checks that I have written.

For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If I make a deposit before 2:00 p.m. on a business day that you are open, you will consider that day to be the day of my deposit. However, if I make a deposit after 2:00 p.m., or on a day you are not open, you will consider that the deposit was made on the next business day you are open.

LONGER DELAYS MAY APPLY

In some cases, you will not make all of the funds that I deposit by check available to me on the first business day after the day of my deposit. Depending on the type of check that I deposit, funds may not be available until the second business day after the day of my deposit. However, the first \$200 of my deposits will be available on the first business day after the day of the deposit.

If you are not going to make all of the funds from my deposit available on the first business day after the day of deposit, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees, or if you decide to take this action after I have left the premises, you will mail me the notice by the business day after you receive my deposit.

If I will need the funds from a deposit right away, I should ask you when the funds will be available.

In addition, funds I deposit by check may be delayed for a longer period under the following circumstances:

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

You will notify me if you delay my ability to withdraw funds for any of these reasons, and you will tell me when the funds will be available. They will generally be available no later than the eleventh (11th) business day after the day of my deposit.

SPECIAL RULES FOR NEW ACCOUNTS

If I am a new member, the following special rules will apply during the first thirty (30) days my account is open.

Funds from electronic direct deposits to my account will be available on the day you 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 will be available on the first business day after the day of my deposit if the deposit meets certain conditions. For example, the checks must be payable to me. The excess over \$5,000.00 will be available on the ninth (9th) business day after the day of my deposit. If my deposit of these checks (other than U.S. Treasury Check) is not made in person to one of your employees, the first \$5,000.00 will not be available until the second business day after the day of my deposit.

Funds from all other check deposits will be available on the seventh (7th) business day after the day of my deposit.

III. (B) SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS.

The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing my deposits as well as to

promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing me) can be used by me for endorsements or any other markings.

You will not be responsible for any damages incurred in the event I deposit an item which is subsequently returned unpaid by the paying bank and the return is "late" due to markings on the check caused by me or a prior endorser on the back of the check.

In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.