

**ACCOUNTS & SERVICES OF ARIZONA FEDERAL
MEMBERSHIP AGREEMENT**

July 29, 2011

INTRODUCTION

Thank you for selecting Arizona Federal Credit Union (Credit Union) as your financial institution. This Accounts & Services of Arizona Federal Membership Agreement (Agreement) and the Rate and Fee Schedule (Schedule) explain the rules, which govern your account(s) and account services with the Credit Union. The Credit Union may not offer all services discussed in this Agreement at this time. Please read this Agreement and the Schedule carefully and keep them in a safe and convenient place.

Your relationship with the Credit Union is also governed by state and federal laws, which may change from time to time. The body of law is too large and complex to be reproduced here. The purpose of this Agreement is to: (1) summarize the rules applicable to common transactions; (2) establish rules to govern transactions not regulated by state or federal law; (3) establish variations that will apply to certain rules, events or transactions permitted by applicable law; and (4) provide you with certain disclosures and information regarding our policies as required by law.

Credit Union membership is a privilege. The Credit Union has no obligation to open a membership account or to extend any services to eligible persons. Being qualified to apply for membership (i.e. being in the Field of Membership of the Credit Union) does not obligate the Credit Union to allow any person to become a member when it is in the best interests of the Credit Union to deny such a privilege. This applies to new applications as well as to any person whose membership is terminated for any reason and who reapplies for membership at a later time.

By signing a Membership Application and Signature Card (Account Card) or your use or continued use of any account or account service after receiving this Agreement, notice of its availability or notification of any change in terms, you, jointly and severally, agree that you understand and agree to the terms and conditions stated in this Agreement and the Schedule, as amended from time to time. If you have any questions regarding any term or condition in this Agreement, please ask us before signing the Account Card, any application, or using any of our services.

The Credit Union reserves the right to modify, change or amend this Agreement at any time. We will provide you notification of any modification, change, or amendment.

At the Credit Union, we recognize that our relationships with our Members are based on trust. As a Member, you trust us with your financial and other personal information, and we are committed to respecting your privacy and safeguarding that information. We pledge to protect your privacy by adhering to the practices described in the PRIVACY POLICY AND AGREEMENT disclosure provided to you at account opening and annually thereafter.

In this Agreement, except as otherwise indicated, the singular includes the plural and the masculine includes the feminine and the neuter. Further, this Agreement or any claim or dispute arising hereunder shall be construed in accordance with and governed by the Laws of the State of Arizona; unless applicable law expressly requires otherwise.

MEMBERSHIP, ACCOUNT, AND ACCOUNT SERVICES AGREEMENT

You understand and agree that the USA PATRIOT Act of 2001 obligates all persons/entities seeking to open an account to fully comply with the identity verification requirements of the Bank Secrecy Act, as amended from time to time. **Transactions to and from any accounts may be limited until identification verification of all account owners and/or authorized users/signors, where deemed necessary and appropriate by the Credit Union, is completed.**

1. Terms, Conditions, and Limitations of Your Relationship with the Credit Union. The purpose of this section is to state the terms and conditions that apply to all of your accounts, account services or other relationships with us, including, without limitation, loan, safe deposit and other services. You understand that the agreements, terms, conditions, rules and regulations applicable to your VISA® credit card, line of credit, other loans and any other applicable accounts or services remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement. Further, to the extent that the terms of a specific subsection of this Agreement vary from the terms set forth in this section, the specific terms and conditions of the subsection will govern our relationship with you. All Credit Union services are further governed by the terms and conditions set forth in your Account Card, account receipts, addenda or schedules that accompany agreements and/or disclosures, statements and certificates; any other application or agreement we require; together with the Credit Union's Bylaws, policies, and procedures, which are herein collectively referred to as "Agreement". This Agreement governs all services whether opened now or in the future. This Agreement may be amended or revised by us at any time, and any change in the Agreement shall be immediately effective unless otherwise specifically required by law. This Agreement is binding upon the account owner and all parties hereto together with their heirs, successors, assigns, and any other person claiming any right or interest under or through said parties. You agree at all times that you will comply with all applicable laws. Applicable laws shall include (1) Visa U.S.A. Inc. Bylaws; Visa U.S.A. Inc. and Visa International Operating Regulations; Visa U.S.A. Inc. Certificate of Incorporation; (2) NACHA (The National Automated Clearing House Association) Operating Regulations; (3) any and all laws, treaties, rules, regulations, or regulatory guidance of the government of the United States, any state thereof, or of any applicable foreign government or state thereof, as the same may be amended and in effect from time to time; and you agree that such applicable law shall govern despite any other general or specific terms or conditions set forth in the entirety of this Agreement.

2. General Definitions. In this Agreement the words "you" or "your(s)" mean every account owner and everyone that signs any Account Card or is authorized to make transactions regarding your account(s) as provided herein or by governing law, including any account service. "We," "us," or "our" means the Credit Union.

Terms used in this agreement are intended to have the same meaning whether those terms are written in upper or lower case, or a combination of upper and lower case, letters.

Account Card means any signature card, such as the Membership Application and Signature Card; account change card or other form required to open or change an account or obtain an account service with us. Share drafts include checks and other instruments drawn on your account(s) or submitted for deposit or collection.

Access or Card Device means any card, electronic access device and/or any codes, passwords or personal identification numbers that we issue to allow you to access and/or use any account or other services. With regard to online or Internet transactions, an access device shall also include any computer, smart-phone, electronic device, or other hardware used to make or process a transaction.

Account Service means all deposits, loans and other financial services offered by the Credit Union.

Authorized User means any person who has actual, implied or apparent authority, or to whom any owner has given any information, access device, or documentation that enables such a person to access, withdraw, make transactions to or from your accounts, or to use any of your account services. If you authorize anyone to use your access devices, such authority shall continue until you specifically revoke such authority by notifying the Credit Union in writing or as required by applicable law. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate any or all of your account services. This definition is intended to be construed broadly and includes without limitation all users acting under a written document such as a Power of Attorney as well as any person or entity that is authorized to make deposits or debits to or from your account(s) with us. You authorize us to honor transactions initiated by any authorized user or agent even if you do not authorize a particular transaction or amount.

Check means an acceptable written instrument on your account(s), and includes the term “share draft.”

Instrument means a written order as defined by Articles 3 and 4 of the Arizona Uniform Commercial Code.

Member means the person or entity that has established membership with us as set forth in this Agreement and applicable law. Each person or entity must deposit and maintain the par value of the required shares to be a Member. An owner’s rights with regard to the par value deposit necessary to maintain membership may be restricted as set forth in this Agreement. We require that you have the minimum par necessary to maintain membership to apply for additional services.

Owner means the person(s) or the entity that has/have a present ownership interest in the sums on deposit in the multiple party (joint) accounts with the Credit Union, subject to the Credit Union’s lien rights or any security interest. A person is not an owner unless specifically designated as such in a completed and signed Account Card. With the exception of an Individual Retirement Account (IRA), we require that owners of the savings account be the same owners of the checking account and other share and sub-share accounts.

Fiduciary means any individual acting as an agent, guardian, personal representative, trustee, or custodian acting on behalf of the owner.

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

Transaction means any deposit, order, transfer, payment, purchase via Point of Sale, withdrawal, or other instruction relating to any account or account service provided by the Credit Union.

3. Inappropriate Transactions. You warrant and agree that you will not use any Credit Union accounts or services, including but not limited to loans, to make or facilitate any illegal transaction(s) as determined by applicable law; and that any such use, including any such authorized use, will constitute a breach of this Agreement.

a. The Unlawful Internet Gambling Enforcement Act (UIGEA). The UIGEA prohibits persons engaged in the business of betting or wagering from knowingly accepting payments from another person engaged in unlawful Internet gambling. The term “unlawful Internet gambling”

means “to place, receive, or otherwise knowingly transmit a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable Federal or State law in the State or Tribal lands in which the bet or wager is initiated, received, or otherwise made.” The UIGEA and other certain federal and/or state laws or rules of third party service providers may limit or prohibit transactions such as, but not limited to, those coded as possible gambling transactions. The Credit Union may decline to accept, process, or pay any transaction that we believe to be illegal or unenforceable (regarding your obligation to pay us or otherwise) under applicable law; or which is otherwise limited or prohibited, including but not limited to any transaction involving or relating to any gambling activity. Such prohibition or limitations may affect some otherwise proper or allowable transactions such as debits, charges, or other transactions at or relating to a hotel-casino. You understand and agree such limitations/prohibitions are not within the Credit Union’s control and that the Credit Union will not have any liability, responsibility, or culpability whatsoever for any such use by you or an authorized user; or for declining to accept, process, or pay any such transaction. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages, or adverse action of any kind that results directly or indirectly from any such use of your account and/or access devices.

b. Taxpayer Identification Numbers and Certification. Pursuant to the Account Card used to establish your membership with us, you provided a certification regarding the accuracy of your taxpayer identification number (usually your Social Security Number) and whether your account is subject to backup withholding under the Internal Revenue Code. You acknowledge and agree that this certification applies to any and all accounts you have with us now or in the future, unless you provide written notification to us that specifically provides otherwise.

c. Transaction Limitations and the Credit Union’s Business Days. Except as may be otherwise specifically provided in our agreements, all transactions after our daily cut-off time, or made on days that are not our business days as defined in the Business Day Disclosure later in the Agreement, will be treated, transmitted, and recorded as applicable and appropriate as if received on the next business day that we are open. Deposits, orders, instructions, requests, etc., received by mail, electronically, at an unstaffed facility, or outside depository will be processed and credited only when actually received by us, and we shall have no responsibility until we actually receive the item.

4. Membership Benefits and Obligations. Upon approval of your application and the deposit of any required shares, you become a Member-Owner of this Credit Union. As a Member-Owner you are eligible to apply for account services, and you may vote at all annual or special meetings of the membership if you are 18 years of age or older. You have an obligation to the Credit Union and all other Member-Owners to follow the rules established from time to time for the use of these services, and not to cause the Credit Union any loss. This includes, but is not limited to your obligation to repay all debts, loans, credit advances as well as other contractual, equitable and statutory obligations that may be payable by you to us.

a. Limitations. The Credit Union shall not extend any credit or other services to any member, joint owner, or authorized user who has caused, or to whom the Credit Union believes may cause, it to incur a loss and has not repaid or made arrangements acceptable to the Credit Union to repay the loss, except when it is in the best interests of the Credit Union to do so. The Credit Union may also close, restrict, or deny any Member, joint owner, fiduciary, or authorized user of any account service who has violated Credit Union policies, procedures, standards, laws, regulations, or rules as addressed in this Agreement. This includes the right to terminate existing use of account services.

b. Cross-Collateralization. To reduce the possibility of loss, you grant to the Credit Union a lien on all shares and agree that all collateral pledged to secure any loan obligation owed to us will also secure payment of your other obligations to the Credit Union. This pledge will secure all obligations owed at the time of the pledge or which arise thereafter. This cross-collateralization of your obligations with us applies to all debts regarding your accounts, loans, or otherwise,

including but not limited to each closed-end loan, each advance under any open-end loan plan, all obligations under any credit card agreement, and overdrafts. Unless a contrary intent is evidenced in writing, obligations secured by a primary residence are not included in the cross-collateralization of your obligations with us.

c. Right to Investigate. You agree that it is critical to the Credit Union and its members that the Credit Union have full rights to investigate all transactions, methods, and means of making transactions to protect its members and the Credit Union. Therefore, it is agreed that upon notification of any claim or error, unauthorized transaction or other notification related to or arising from any transaction, methods, or means of making transactions the Credit Union shall have full rights of investigation to extend to all persons, means, and methods of making transactions. It is expressly agreed that this shall specifically include the right to inspect and scan a member's or users access devices; and to report the Credit Union's findings of such investigation to all owners and/or users.

5. Credit Reports, Membership Eligibility, and Future Services. To open or maintain any account service with us, you must qualify for membership and deposit and maintain the par value of the required shares as provided by the Credit Union's Bylaws and other applicable laws. To verify your eligibility for any account, service, or loan product, increases or decreases in services and/or credit limits, now and in the future or as needed to comply with any applicable law, regulation, or governmental agency requirements, you authorize us to make inquiry to determine your employment history and to obtain information concerning any accounts with other institutions and your credit history, including consumer credit reports. You agree that this authority applies to any account, account service, loan, or other financial products you request or that we offer or make available to you. We may also report information concerning your account and credit to others.

a. Defaults and Your Credit Reports. The Credit Union may report information about your account(s) to third parties such as credit reporting agencies/bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your loan and share/share draft account may be reflected in your credit report.

b. Contacting You. The Credit Union or its agents may from time to time make calls and send text messages to the telephone number associated with your account, including wireless telephone number that could result in charges to you. The manner in which these calls or text messages are made to you may include the use of prerecorded/artificial voice messages and/or an automatic telephone dialing system. In addition, to better serve you and/or collect any amounts owed to the Credit Union, we may contact you by way of an e-mail address provided to us.

c. Fingerprinting. To protect your account we may require the use of an inkless fingerprinting system or a biometric fingerprinting device to place fingerprints next to signatures on the membership application for use in researching transactions. We require that all non-members be fingerprinted when negotiating a check drawn on us or a member account.

6. Deposits to Your Account(s) and Instruments Cashed. Funds may be deposited to any account in any manner that is acceptable to us. Deposits may be made by mail, in person at any of our offices having facilities to accept deposits, or by direct deposit or other electronic funds transfer allowed by us.

a. Endorsements. You authorize us, at our discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of any one or more owners on the account, whether or not endorsed by all payees or their fiduciaries. All owners are deemed to receive the benefit of all deposits and the proceeds of such deposits, and we may give cash back to any payee. You authorize us to supply missing endorsements of any owners. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be placed in the space on the back of the share draft or check between the

top edge and 1½ inches from the top edge. We may accept drafts or checks with endorsements outside this space. However, if any such endorsement or any other markings you or any prior endorser has made on the draft or check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by us due to the delay or error. When you endorse any item, your endorsement is a guaranty by you to us and all others who accept the item you deposit is properly payable. This means that if the item is not properly payable for any reason, you are responsible to us or any other person for the amount of the item.

b. Substitute Checks. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses we incur in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

c. E-Checks. When you or any person with authority authorize any E-Check you agree: (1) that we may pay the item as submitted to us; (2) that you shall be solely responsible for all information transmitted regarding such items including but not limited to the payees, the amounts of the items and endorsements or the lack thereof; and (3) to indemnify us for all losses we incur in connection with any E-Check you authorize. By authorizing any E-Check, you warrant to the Credit Union the sufficiency of funds to pay any E-Check, and you agree any such transaction is subject to all applicable terms and conditions set forth in this Agreement.

d. Collection of Deposits. In handling deposits to your account, we act only as your agent for collection and assume no responsibility beyond the exercise of ordinary care. By signing the Account Card or using any accounts or services, you specifically waive your rights to notice of non-payment, dishonor or protest regarding all items presented for collection. We have the right to refuse any order, transfer or deposit, limit the amount that may be offered for deposit and to return all or any part of a deposit. Special instructions for handling an item are effective only if made in writing and given to us separately along with the item in question. We will not be liable for any default or negligence of correspondents or for loss in transit, and each correspondent will only be liable for its own negligence. Items and their proceeds may be handled in accordance with applicable Federal Reserve and other/local Clearing House rules/agreements. Without prior notice to you, we may charge back any item at any time before final payment, whether returned or not, and may also charge back any item drawn on us if, within the normal handling period for such item, the item cannot be honored against the drawer's account. We are authorized to pursue collection of previously dishonored items (including representment), and in so doing we may permit the payor bank to hold an item beyond the midnight deadline. Items that we present or represent may be truncated or converted to an electronic or other format. You agree to reimburse us for any loss or expense we incur due to any failure to endorse an item exactly as drawn, or to obtain the endorsement of all payees. This means that if an item is not paid, you are responsible for any loss we may incur in seeking to collect the item for you. Items not drawn by you upon us are not overdrafts, but are insufficient funds items that you must pay to us if we incur any loss.

If the return of an item deposited in your account is delayed because of by markings made by you or a prior endorser in the space reserved for the depository bank, you agree that we will not be liable to you if this item is returned after the time set by applicable law. Similarly, you will be liable to us for any loss or expense, including without limitation reasonable attorneys' fees, we incur because we are unable to properly return an item drawn on your account within the time set by applicable law where the delay in properly returning the item is caused by markings on the item in the space reserved for the depository bank's endorsement that existed at the time you issued the item.

e. Direct Deposits. We may offer a direct deposit option allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts with us. You must authorize any direct deposits to your account by a separate authorization form. If applicable, you must notify us at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change

the direct deposit or direct transfer option. You agree that you have an obligation to notify us immediately regarding the death of any person that receives any federal or state retirement, welfare benefits or other payments via electronic or other deposit. If we are required to reimburse the federal or any state government, agency, or authority for any benefit payment directly deposited into your account for any reason, you agree that we may deduct the amount returned from any of your accounts, unless prohibited by law, and that you will be obligated to repay us on demand any such sums.

f. Direct Deposit or Transfer Authorization/ Bankruptcy. If you file bankruptcy and fail to cancel any instructions in your direct deposit or transfer authorization, then you are deemed to have instructed your employer and us to continue to make and apply deposits, make loan payments in order to avoid delinquency and other transfers in accordance with your authorization, until written notification is received by us to discontinue any payments or transfers

g. Multiple Payees. Unless any check, share draft or other instrument expressly indicates that the item is payable to conjunctive payees, the instrument shall be deemed payable in the alternative. If there is any ambiguity, the instrument shall be deemed payable in the alternative (example: a check payable to "A and B" is a conjunctive instrument. A check payable to "A or B;" "A, B;" "A/B;" where A and B are listed on separate lines; or otherwise, where not expressly conjunctive are payable in the alternative).

h. Deposit at ATM and Night Deposit Facilities. All deposits and payments made at an ATM that we own, or at one of our night deposit facilities, are subject to the provisions and check collection procedures as disclosed to you in our Funds Availability Disclosure section of this Agreement.

Deposit transactions of cash and other items to your account can only be accepted at ATMs specifically designated by us. Not all of our ATMs can process deposit transactions. If you make a deposit or payment at an ATM or night drop facility, you agree that the correct amount in the event of discrepancy between a written receipt or deposit slip will be the amount that the Credit Union finds in the envelope used to make the transaction. You further agree that the credit to accounts for non-cash items will be conditional until we can collect the item. If we cannot collect the amount of a non-cash item, the amount will be deducted from your account.

i. Final Payment. All items, deposits, ACH (Automated Clearing House) transfers, or other transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of such items or ACH transfers or both and impose a return item charge on your account. If we incur any fee collecting any item, we may charge such fee to any of your accounts with us. We reserve the right to refuse or to return all or any item or funds transfer. We also have the right to charge back against any of your accounts with us all deposits, transfers, or collection items, including checks presented for payment of cash, that are returned to us due to non-payment, as a reclamation by the United States Treasury, or if we are required to repay any amounts previously collected for any reason whatsoever. These rights apply regardless of whether the amount of the item has been available for your use, or the amount of time that has passed since the date of the deposit.

If for any reason you do not have sufficient funds in your accounts to satisfy our charge back, then all joint owners agree to pay us the amount charged back on demand, together with all fees and costs as set forth herein.

7. Transaction Account Reclassification. The Credit Union uses a deposit balance-monitoring program, approved by the Federal Reserve, which determines if account balances subject to reserve requirements can be reclassified to a non-reserve status. This reclassification process occurs within the balance-monitoring program using substitute accounts, referred to as sub accounts. Share checking accounts, savings accounts, and money market deposit accounts consist of a checking sub account and a savings sub account. The Credit Union may periodically transfer funds between these two sub accounts. On the sixth transfer during a calendar month,

any funds in the savings sub account will be transferred back to the checking sub account. If your existing account earns dividends, the savings sub account will also earn dividends at the same rate.

8. Transactions from Your Account(s). Generally, you may withdraw and/or transfer funds from your account(s) at any time subject to the limitations set forth in this section and the Funds Availability Disclosure in effect at the time of the deposit. Except as otherwise specifically provided in this Agreement or other written agreement(s) with us, all withdrawals shall be made in person or by written order, duly executed or by power of attorney upon a form acceptable to us and duly authenticated. Payments upon your order may be made in coin, bills, or checks at our option. You also agree that your account(s) are not assignable or transferable except to us, unless specifically authorized by the Credit Union in writing.

a. Restrictions on Withdrawals from All Accounts. In accordance with applicable law, we reserve the right to require you to provide written notice of any intended withdrawals from any account of not less than seven (7) but not more than sixty (60) days before the intended date of withdrawal. Withdrawals will only be permitted if you have sufficient funds available in your account to pay the full amount of your withdrawal orders or you have an overdraft protection plan with limits sufficient to cover such withdrawal. If there are sufficient funds to cover some but not all of your withdrawal orders, we may permit those for which there are sufficient funds in any order we choose. We may refuse to allow a withdrawal and will advise you of such refusal when required by applicable law if, for example: (1) there is a dispute between account owners; (2) a legal garnishment, attachment or levy is served on us; (3) the account secures any obligation owed to us; (4) any required documentation has not been provided to us; or (5) you are delinquent or fail to pay a loan or any other obligation owed to us when due.

Additionally, if you instruct the Credit Union to make a large cash withdrawal (the definition of which shall be within the Credit Union's sole discretion) in lieu of other methods of transferring funds offered by the Credit Union, you hereby release the Credit Union from any and all liability, claims and demands, which may arise from or in any way relate to your possession of any large sums of cash from the time possession of the cash is made available to you.

b. Transaction Limitations for All Share Savings and Money Market Accounts. Pursuant to Federal Regulation D, during any calendar month, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a preauthorized, automatic, telephonic, home banking, or audio response transfer or instruction. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon verbal or written orders, including orders received through ACH. Any minimum withdrawal requirements are set forth in the Schedule. If you exceed the transfer limitations set forth above in any statement period, we may reverse or refuse to make the transfer, and your account will be subject to closure by the Credit Union and an excessive withdrawal fee will be charged as stated in the Schedule.

If payment is made directly to the depositor, you may make an unlimited number of withdrawals from these accounts in person, by mail, at an ATM, or by telephone if the withdrawal is mailed to you in a check. There is also no limit on the number of transfers you may make to any loan with us.

c. Term Share Certificates. Any term share certificate, or share certificate accounts offered by the Credit Union are subject to the terms of this Agreement, the Schedule, and any account receipt or certificate, which are incorporated herein by reference. IRA certificate accounts are also subject to the limitations imposed by federal law and regulations and to any limitations set forth in your Credit Union IRA Agreement, the terms of which are also incorporated herein by reference.

d. Checking Accounts. The Credit Union may refuse any check or other item drawn against your account or used to withdraw funds from your account if it is not on a form approved by

us. We also reserve the right to refuse any check or other item drawn against your account or used to withdraw funds from your account if made in a manner not specifically authorized for your account, if made more frequently or in a greater number than specifically permitted for your account, or if made in an amount less than the minimum withdrawal or transfer specifically permitted for your account. If we accept a check or other item not on a form approved by us, you will be responsible for any loss by us in handling the item. We may pay checks or other items drawn upon your account in any order determined by us, even if paying a particular check or item results in an insufficient balance in your account to pay one or more other items that otherwise could have been paid out of your account.

Because of the nature of the Credit Union check program, neither the Credit Union nor any other processing entities shall be responsible for the authenticity of the checks with regard to the signature or alterations and checks, when presented, shall be paid without verification. We may disregard all information on or any writing or memorandum attached to any check or item except for your signature, the amount and the information that is magnetically encoded. You agree that we do not fail to use ordinary care because our procedures do not provide for sight examination. You agree to take precaution in safeguarding your blank checks. You will notify us immediately if you learn or have reason to know that any of your checks have been lost or stolen. If you are negligent in safeguarding your checks, we will not have any liability or responsibility for any losses you incur as a result of fraud or forgery if we pay any such check in good faith pursuant to standard commercial practices.

e. Checks from Source Other Than Credit Union Approved Vendor: To ensure the quality of printed share draft checks, the Credit Union uses a preferred check-printing vendor. Other companies that provide check-printing services may not meet the high standards of our approved vendor. Therefore, you acknowledge and agree that we have no responsibility or liability to you whatsoever resulting, arising, or relating from/to: Non-payment; returns as no account, insufficient funds, or otherwise; or any other processing/payment error with regard to any check that is not printed by our approved vendor.

f. Telephone Services. Telephone services are provided by our Teleservices staff during business hours. Verification of account ownership will be requested before account information is released. A transfer of funds from one of your accounts to another of your accounts at the Credit Union may be made by telephonic instructions given by the same person and under the same conditions that a written transfer request could be made. You agree the Credit Union may rely upon the apparent authority of a person who is able to provide the Credit Union the information we require to initiate a transaction by telephone.

g. Checks you Request from the Credit Union. If you request any check be issued by the Credit Union pursuant to any means we make available, then all such checks are payable to the first named owner of the account, record owner, trustee, custodian, or as otherwise indicated on your Account Card with us and will be mailed to the address of record.

h. Temporary Holds. To facilitate certain electronic transactions, we may place temporary holds on funds in your account(s). These holds may be for periods of 36 hours or more, and are generally imposed by the transaction networks that process your payment requests. The Credit Union can neither control the parties with whom you do business nor regulate the processing of transactions through the commercial networks used to facilitate your transactions; therefore, it is your obligation to ensure sufficient funds are on deposit at all times to cover transactions you make, including the amount that may be subject to these holds. Pursuant to the processing network rules a merchant (hotel, car rental company, retailer, etc.) may obtain authorizations for up to three (3) times the total amount of your actual purchase. This is deemed to be an authorized amount by you and the authorized amount will not be available in your account for 36 hours or more after your bill is settled with such merchant(s), which can cause an insufficient funds situation in your account(s). Even if your bill is satisfied with another form of payment,

the merchant/retailer may continue to hold funds as originally authorized by you for these time periods.

i. Restrictions Required by Applicable Laws. We will block, limit, or otherwise restrict certain accounts or transactions when we believe in good faith that certain laws including, but not limited to, the Bank Secrecy Act, USA PATRIOT Act, and Office of Foreign Asset Control require us to do so.

j. Foreign Exchange Rate. A foreign exchange rate assessed to you is the rate applicable to the clearing date of the foreign transaction, which may be different than the rate offered on the day the transaction was originated. If we use a third party vendor to process your foreign transaction and the third party vendor charges a processing fee, the fee will be deducted from your account or from the transaction settlement amount.

9. Account Rates and Fees. Our payment of dividends on your account is subject to the account rates, fees, compounding and crediting policies and balance requirements set forth in this Agreement. Fees applicable to all accounts and account services are set forth in the Schedule. We may transfer from any of your accounts any charges or costs in connection with the operation and maintenance of accounts as stated in this Agreement or the Schedule. You agree that we may change the Schedule at any time upon proper notice as required by law.

10. Authorized Signature. We are authorized to recognize any signature on an Account Card or document, but will not be liable for refusing any order or item if we believe in good faith that the signature on any order or item is not genuine. We are authorized to honor any transactions initiated by a third person if you provide your access device or other information to a third person. Also, if you authorize the use of a facsimile signature, we shall not be liable for honoring any instrument that appears to bear your facsimile signature, even if made by an unauthorized person.

11. Account Access. You may make deposits, withdrawals, transfers and other authorized transactions from your account in any manner specifically permitted by us, subject to the limitations and restrictions set forth in this Agreement or as otherwise provided for by applicable law.

a. Authorized User. You should exercise caution in providing authority, information, documentation, or access devices to others. All withdrawals, transfers and transactions made by any person to whom you have at any time provided authority or the means to access your account or other services shall be deemed authorized by you, and the Credit Union will not have any responsibility or liability whatsoever for such withdrawals, transfers, or other transactions. Further, you and the person authorized (as defined herein) shall be jointly and severally responsible to the Credit Union for all such access or use of your accounts and services with us.

b. Access to Account Information. You agree that all owners may have access to all of the information you provide to us, or which we gather and maintain regarding our relationships with you. This includes, but is not limited to, information regarding transactions, account history, your loan relationships with us, and other information relating to or arising with regard to any of your account services. You acknowledge and agree that any owner of an Account Service may provide authority to others, or may make transactions involving others, who will have access to all such information as to all owners and/or co-borrowers. Further, you understand that we utilize a consolidated statement for your accounts, account services, loans and all other services with you. You understand and agree that we are authorized to send jointly and/or provide to any individual owner or borrower a statement that includes all of the information on the consolidated statement even though parties receiving the statement may not be owners or borrowers as to all of the accounts or services addressed in the statement.

c. Sharing Information with Co-Borrowers, Owners of Collateral Pledged, and Other Lien Holders. You hereby consent and agree that we may share any information regarding your

obligations with us or collateral pledged to secure any obligations you owe to the Credit Union with the persons listed in this subsection.

12. Powers of Attorney. The Credit Union may allow a third person acting as your attorney-in-fact to make transactions regarding your account, pursuant to a Power of Attorney, but has no obligation to do so. You agree that we have no obligation to verify the scope, authenticity, and validity of any Power of Attorney presented to us. If we accept the Power of Attorney, the Credit Union has no duty to inquire as to the use or purpose of any transaction by your attorney-in-fact, and may restrict or refuse account access, withdrawals and transfers. Further, you agree to reimburse the Credit Union for all costs and expenses, including attorneys' fees, we incur and agree to indemnify us for any loss or other expense we incur from our acceptance of your Power of Attorney.

13. Insufficient Funds Transactions. If your account is insufficient to cover any transaction, we may treat such transactions as insufficient funds transactions; or as overdraft requests if you have an approved overdraft protection plan with us. The Credit Union reserves the right to refuse any transaction if you do not have an approved overdraft protection agreement with us, which decision shall be in the Credit Union's sole discretion.

14. Overdraft and Overdraft Protection Plan Agreement. An overdraft occurs when you make or authorize any transaction that exceeds the balance in any account with us you access by check, electronically, or otherwise or if we impose a fee that exceeds the balance in your account. Unless you have an approved overdraft protection agreement with us, you agree not to cause any overdraft on your accounts with us. The Credit Union, in its sole discretion, may pay an overdraft, if you have an approved overdraft protection plan. We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction. If we do not pay an overdraft, your transaction will be declined.

We may impose a fee as set forth in the Schedule for any overdraft, whether paid or denied. The Credit Union has no obligation to notify you of any overdraft transaction or charge that creates an insufficient funds balance in your account. However, if for any reason we pay any transaction or impose a fee that creates an overdraft, you agree to pay us promptly the amount of the overdraft and the fee.

Transactions eligible for payment under our approved Standard Overdraft Practices and the Overdraft Courtesy Program include, but are not limited to, checks, electronic transfers, point of sale transactions, automated teller machine transactions (ATM), payments authorized by any accountholder, unpaid return items deposited by any accountholder, and service charges imposed by the Credit Union or other financial institutions.

15. Overdrafts and Government Benefits. You agree that the Credit Union may utilize any funds in any of your accounts to pay overdrafts as defined herein or to pay any other debts that you owe as a result of any authorized acts. Authorized acts include, but are not limited to, any transaction on your accounts, payments on your loans, and other obligations whether pre-authorized otherwise, any default or transaction that exceeds your authorized credit limits. Funds may be applied from any account in which you have a beneficial interest and may include funds regardless of the source including, but not limited to, deposits of funds representing the payment of **Social Security, Veterans benefits, or any other funds that may be subject to limitations under federal or state laws.** Any application of funds hereunder shall be deemed a voluntary transfer that you have authorized. Further, you agree that any overdraft protection plans you have now or in the future are intended to cover and be utilized for any such matter addressed herein caused by or arising from the actions of any owner or authorized users.

16. Standard Overdraft Practices. In addition to the terms set forth above and if you have an approved overdraft protection agreement, you agree to the following: (1) in the event that you make a transaction that causes your checking account to be overdrawn, we shall transfer funds from your available savings, approved Line of Credit (LOC), or approved VISA credit card as

provided herein; (2) funds shall be transferred in a sufficient amount to honor the overdraft. To receive overdraft protection from a LOC or VISA credit card, you must apply and be approved for a separate LOC loan or VISA credit card with us; (3) you will not have any overdraft protection if you do not have sufficient available funds in your share savings or credit under your approved LOC or VISA credit card to cover the amount of the overdraft and any fees associated with the overdraft. If you do not have sufficient funds in your approved share savings, LOC or VISA credit card, any overdraft will be subject to an insufficient funds fee; (4) if you have a joint account, you acknowledge that transactions made by any joint owner, authorized user, agent, or fiduciary shall be protected by this agreement and will be paid to the extent funds are available to do so, even though the designated LOC loan or VISA credit card account may not be jointly owned or jointly made.

To the extent any term herein conflicts with an applicable loan agreement or VISA credit card agreement regarding the overdraft protection plan, then the applicable loan and VISA agreements and disclosures govern.

17. Arizona Federal Overdraft Courtesy Program Agreement. We may provide you the ability to overdraw your checking account up to \$500 under our Overdraft Courtesy Program (Program). Program eligibility conditions must be met and maintained. Eligibility conditions include, but are not limited to the following (1) your checking account has been open for at least 90 days; (2) the primary account owner (the person in first position on the account) is over 18 years of age; (3) you are current (no past due amounts owed) on any loan or account obligation, including negative account balances; (4) the account is not titled as or managed under a fiduciary arrangement, which includes an estate account, a representative payee account, an irrevocable trust or trusts managed by successor trustees, representative payees, guardianships, and conservatorships; (5) the account is not under the ownership of a deceased person; (6) you have paid charge-off loan balances in full.

Conditions to maintain eligibility are: (1) regular deposits being made to the account sufficient to cover the overdraft transactions; (2) checking account deposits are sufficient to bring the account balance positive at least once every 30 days; (3) you maintain a current address on file with us.

Note: For consumer accounts, we will not pay transactions from your eligible Overdraft Courtesy Program limit for everyday debit card and ATM withdrawals unless you have affirmatively told us to do so. If we do not have your affirmative consent, we will decline these transaction types. This restriction does not apply to an eligible business or grantor trust accounts.

If you meet and maintain eligibility conditions, we may, at our sole discretion, pay applicable transactions up to the authorized limit. We will assess a fee, as defined in the Schedule for each overdraft processed. The program does not release you from your obligation to pay your debts including any amount by which your account(s) may be overdrawn.

Contact us if you do not want us to pay overdrafts from the Overdraft Courtesy Program. The Credit Union reserves the right to limit or restrict your access to the Overdraft Courtesy Program at any time without notice.

18. Postdated and Stale-dated Instruments. We may pay any instrument without regard to its date unless you notify us of a Stop Payment Order. You agree not to deposit instruments before they are properly payable. We are not obligated to pay any instrument drawn on your account, which is presented more than six (6) months past its date; however, we have no obligation or liability to you or any other party to the instrument or in the chain of the collection process if we do so.

19. Stop Payment Orders. If you do not want us to pay a specific transaction you have initiated such as a personal check or an automatic withdrawal, you may submit a Stop Payment Order (SPO) for the transaction using the Touchtone 24, CUOnline account features, or at a branch

location. You may also call us to request a stop payment for an automatic withdrawal. Your SPO will take effect when we record it on your account. Stop payments are not guaranteed. If the transaction is presented electronically or if the transaction has already been accepted for processing, we will not be able to place a stop payment on the transaction.

An SPO will not be valid and binding on us unless it includes your account number, the number and date of the written instrument, the name(s) of the payee(s), and the exact amount of the instrument. If this is a multiple party account, we will accept an SPO from any owner or fiduciary regardless of who signed the instrument or otherwise authorized the transaction. Only the person placing the SPO may release the SPO. Your SPO will be effective for a period of one (1) year.

We will charge you a fee for any SPO as set forth in the Schedule, which sum may be transferred by us from any owner's account(s) or paid directly to the Credit Union.

If you give a verbal SPO that is not subsequently submitted in writing by you and confirmed by us within 14 days, your SPO will expire and we may thereafter pay the instrument.

The Credit Union will not be responsible for any loss as a result of honoring a SPO transaction through inadvertence, oversight, or accident or if we honor any postdated check, or if you fail to provide us with complete or accurate information. We have no obligation to accept any order to stop payment on any certified check, cashier's check, teller's check or other instrument guaranteed by us. You will be responsible to the Credit Union if any claim or demand is made against us as a result of our acting in accordance with your SPO. This means that you are required to reimburse us for any loss or damages and reasonable costs, expenses or attorneys' fees that we incur in defending the Credit Union against any claims or demands made against us as a result of following your SPO.

You agree that any SPO received when you do not have sufficient funds on deposit in your account to cover the item on which you are requesting us to stop payment shall be subject to a fee for return of an insufficient funds item rather than the fee for a SPO. A SPO we receive by electronic mail or by similar means shall be treated as a written order. If you do not provide the means for us to collect the stop payment fee, we may not honor your stop payment request.

20. Legal Process and Other Adverse Claims. Should we receive any legal process, including any summons, order, injunction, execution, levy, or lien, (hereafter called Process), or other adverse claim which, in the Credit Union's opinion, affects your account, we may, at our option and without liability, refuse to honor orders to pay or withdraw sums from the account, and either hold the balance in the subject account until the Process is disposed of to the Credit Union's satisfaction, or pay the balance over to the source of the Process and/or comply with any applicable laws addressing the Process. We may also refuse to allow a withdrawal if there is a dispute between owners about the account or if the account secures any obligations owed to the Credit Union. Any Process is subordinate to our lien and security interest in all funds in your account.

21. Statements. If the Credit Union provides a periodic statement for your account, you will receive a periodic statement from us, or notice of the availability of your statement, describing all activity on your account during the statement period as required by law. The periodic statement will list all account and/or loan information as described in this Agreement. If you have a multiple party account we are only required to provide one periodic statement to any of the account owners or fiduciaries identified on the Account Card. If provided electronically, you will be sent a notice via e-mail that will direct you to a site we maintain or cause to be maintained where you may access, review, print, and otherwise copy/download your periodic statements using procedures that we authorize. E-mails from us will be sent to the e-mail address provided by any owner or fiduciary.

For checking accounts, you understand and agree that when paid, your original check (or any substitute check) becomes the property of the Credit Union and will not be returned to you. We

have no obligation to retain the originals of any checks or other documentation. You agree to keep a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if we offer and you have agreed to receive account information or statements electronically. Further, the Credit Union may charge you a fee as set forth in the Schedule for each requested item and/or for research as applicable.

a. Your Duty of Examination. You understand and agree that periodic statements are made available to you on the date mailed by us, or our agent. You acknowledge and agree that checks and other instruments are also made available to you for review on the date the periodic statement is mailed, even though they do not accompany the statement. You further agree that it is your duty and obligation to carefully and promptly review each periodic statement to verify that each transaction is authorized and accurate. We will have no responsibility or liability whatsoever for any forged, altered, unauthorized, unsigned, improperly endorsed, improperly encoded or inaccurate transaction or item if: (1) you do not notify us in writing within 30 days of the mailing date of the earliest periodic statement containing information about or indicating any forgery, alteration, unauthorized signature or transaction, missing signature, improper or missing endorsement, encoding error or other inaccuracy; or (2) any checks or instruments are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature.

The time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act.

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

c. Fiduciary Accounts. Statements will be provided to the fiduciary of any trust, custodial or other fiduciary or representative account, and the requirements of paragraph 20 and its subsections will be binding on all parties in interest with regard to such accounts pursuant to such delivery.

22. Change of Name or Address. You will promptly notify us in writing of any change of address or your name, including your e-mail or other electronic address by writing us at the address set forth in this Agreement or through your CU Online account user options. In the absence of such written notice, any mail, disclosure or notice to you at any address, forwarding address provided to us by the U.S. Postal Service, or e-mail address shown by our records or any communication received from you will be deemed properly addressed, and unless otherwise provided by applicable law, constitute effective delivery of any item we may be required to provide, regardless of receipt by you. If the address you provide to us is not correct, or has changed without written notice to us, and we attempt to determine your new name or address, the Credit Union may charge a substantial fee as set forth in the Schedule and discontinue sending any statements, notices or other items to you until verifiable information is provided to correct any deficiency under this provision.

23. Inactive/Dormant Accounts. If your account falls below any applicable minimum balance or you have not made any transactions within the period of time specified in the Schedule, we may classify your account as inactive. An account is generally considered dormant when an applicable State law requires such classification (e.g., dormant or abandoned). Although having no obligation to do so, we reserve the right to not classify a particular account as either inactive or dormant if any owner thereof has other active accounts or services with us. You may be charged fees as set forth in the Schedule for inactivity, which is generally the failure of an owner to initiate an account transaction within the period of time set forth in the Schedule. Unless

specifically prohibited by applicable law, we may charge a fee as set forth on the Schedule for processing your inactive account. You authorize us to transfer funds from another account of yours to cover any applicable fees. Unless prohibited by applicable law, we reserve the right to transfer your inactive or dormant account funds to a general Credit Union account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

24. Termination of Accounts and Services. We, at our sole discretion, may terminate, limit, restrict, any of your accounts or services or place a freeze on any sums on deposit with us at any time without notice or require you to close your account and apply for a new account if: (1) there is a request to change the owners, fiduciaries, or authorized users; (2) there is a fraud/forgery or unauthorized use committed or reported; (3) there is a dispute as to ownership of any account or sum on deposit; (4) there are any share drafts that are lost or stolen; (5) there are returned unpaid items (transactions not covered by an overdraft plan agreement with us or abuse of any such plan per our assessment thereof); (6) there is any misrepresentation regarding any account or service; (7) we incur any loss, or believe we may incur a loss, relating to any loan, account, or service you have with us; (8) we believe you have been negligent in protecting any access devices or codes; (9) we deem it necessary to protect the Credit Union from any risk or losses, or otherwise deem it to be in the best interests of the Credit Union, our Members or our employees; (10) you breach any promise under this Agreement; or any other agreements with us including, but not limited to, any default or other delinquency with regard to any loan or other agreements; (11) a bankruptcy or any other insolvency proceeding is filed by or against you, or if we otherwise deem you to be insolvent or incapable of meeting your obligations to us; (12) you refuse or fail to cooperate as provided in this Agreement; or (13) you violate any Credit Union policy, procedure or standard or any law, regulation or rule.

We, on our own accord, may place a stop payment on any share draft item or transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If you do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends. You may terminate a single party account at any time by notifying us in writing. We have the right to require the written consent of all parties to a multiple party account for termination.

Club accounts may be terminated if deposits are not made within certain time periods in successive periods. We are not responsible for any draft, withdrawal, item, or transaction after your account is terminated. However, if we pay any item after termination, you agree to reimburse us upon demand.

a. Residence outside the U.S., Its Possessions, or Territories. We may require that all checking accounts and related services be closed or deactivated if you move your residence to a country or place outside the U.S., its possessions or territories. You will have a period of thirty (30) days from the date you move to close or deactivate your checking account. Thereafter, the Credit Union may close your checking account and related services.

b. Duty to Cooperate. You have a duty to cooperate with us, and any law enforcement or government agent or agency with regard to any claim of fraud, forgery, unauthorized access or any other Process or adverse claim.

c. Par Value Requirement. If your membership account balance falls below the required par value for membership, then we may terminate your membership pursuant to the Credit Union's Bylaws. Upon termination, the Credit Union may charge a fee as set forth in the Schedule.

25. Membership Termination. You may terminate your membership by giving us notice and complying with the policies and procedures of the Credit Union. Termination will not release you from any fees or obligations you owe us, those incurred in the process of terminating your account services or your liability on outstanding items or transactions. You further agree that we can terminate your membership for cause based on any of the circumstances defined in this Agreement; without notice or further action. Upon termination, no further transactions will be allowed.

26. Death of Account Owner. We may continue to honor all transactions on your account until we receive actual notice of your death. After receiving actual notice, we may honor all transactions you authorized for a period of ten (10) days, unless we are ordered not to do so by a person claiming an interest in your account. We can require any person claiming the funds in your account to indemnify us for any losses we may incur as a result of honoring their order. Upon the death of an individual account holder, all funds on deposit shall be paid according to the express instructions in the Account Card (i.e., Payable on Death Beneficiary). If no express beneficiary is provided, survives the death of the last owner, or can be located via the information provided to the Credit Union by the owners, then all funds on deposit will be paid to the estate of the account holder. If there is no estate, then the Credit Union may, but has no obligation to do so, pay the funds to any person who is entitled, in the Credit Union's sole discretion, to receipt of said funds. The Credit Union may require satisfactory documentation be provided regarding any right, claim or fact regarding any matter related or arising from the payment of funds hereunder. The Credit Union will have no further obligation or responsibility and you agree that we shall have no liability to you, your estate or any heir, successor or assign relating to the distribution of such funds pursuant to this Agreement. The payment of any funds is subject to our lien or other security interest; and all debts you owe to the Credit Union will be paid from the funds in your account before any payment is made to your estate or any heir, successor or assign. In case of the death of a joint account owner, the deposits will be subject to additional provisions of this Agreement.

27. Statutory Consensual Liens on Shares. By signing an Account Card or other agreement conveying a pledge or security interest in shares, or your use of any accounts or services, you grant us and we impress a lien on any and all shares in all joint and individual share accounts, together with all dividends, regardless of the source of the shares or any owner's contributions. This lien secures any account owner's joint and individual obligations to us now or in the future, whether direct, indirect, contingent or secondary. Payment of any sums to a joint owner, beneficiary or other party will be subject to payment of all outstanding obligations owed to us. This lien conveyance is in addition to any lien rights afforded to the Credit Union by law.

You agree that this lien is impressed as of the first date that any applicable account is opened with us. This lien secures all debts you owe us pursuant to any loan agreements or under this Agreement arising from any insufficient funds item, fees, costs, expenses, or any combination or all of the above. You authorize us to apply shares to any obligation(s) owed to us if you default or fail to pay or satisfy any obligation to us without notice to any account owner or other party. This right is immediate and applies to all accounts which means there will be no limitation or delay with regard to any stated maturity date as to any certificate or other applicable shares.

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

29. Status-Quo - Collateral Preservation. You specifically agree that all shares on deposit constitute collateral for all obligations owed to the Credit Union. You agree that the Credit Union has the right to preserve this collateral, and may use appropriate administrative procedures, including but not limited to placing a temporary hold or freeze on such funds, to safeguard such funds if the Credit Union at any time has reason to believe such collateral may be impaired or

at risk due to any default, bankruptcy, breach of any agreement or promise, or as otherwise provided for by our agreements or applicable law, without notice to any owner. In the case of any bankruptcy proceeding, the Credit Union has a right to preserve such collateral as set forth herein as cash collateral; and is not required to surrender or turnover such collateral absent the owner's filing any appropriate motions and the entry of an order either providing for adequate protection of the Credit Union's rights in such collateral, or modifying or terminating the automatic stay as to such collateral. You further agree that the Credit Union's exercise of this right to safeguard or freeze funds on deposit shall not constitute a violation of the automatic stay afforded by the Bankruptcy Code.

30. Administrative Freeze. You specifically agree that we have the right to place an administrative freeze on any joint or individual accounts to preserve the Credit Union's lien rights, to preserve our right of set off/off set, to comply with legal process, or otherwise without notice to any owner or other party.

31. General Limitation on Credit Union Liability. If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if, through no fault of ours: (1) your account does not contain enough money to make the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your negligence or another financial institution; or (4) the money in your account is subject to legal process or other claim.

We will not be liable for consequential damages, except liability for wrongful dishonor. Our actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable federal and state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area served by us. You grant us 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. You agree that the person establishing any account with us are solely responsible for the structure and information provided for the account (e.g., owners name, Social Security or other Tax ID Number, trustee, custodian, etc.); and we provide no advice and make no representations regarding the structure of any account or other services. The Credit Union will not have any responsibility or liability to you or others relating to the dishonor or other return of any check, draft, ACH transaction, or other order occurring as a result of our exercising our lien rights or freezing any accounts in order to protect or preserve such rights, insufficiency of funds, or otherwise.

32. Telephone Requests. You agree that funds in any account with us can be transferred, upon the telephone request of any owner on the account, to another account with us or to any other financial institution. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we reserve the right to refuse to execute any telephone request or order.

33. Recording Conversations. You understand and agree that for our mutual protection we may record any of our telephone conversations with you or any account owner.

34. Information about Your Accounts and about You. Generally, we will not disclose information to third parties about your account or about you without your permission. However, we may disclose information: (1) when it is necessary to complete transfers or transactions; or to send notice of dishonor or nonpayment; (2) to our accountants; (3) to state or federal government regulators; (4) to exchange, in the regular course of business, credit information with other banks, financial institutions, or commercial enterprises, directly or through credit reporting agencies; (5) to advise third parties of accounts closed for misuse; (6) to furnish information to appropriate law enforcement authorities when we reasonably believe we have been the victim of a crime; (7) to comply with government agency or court orders, subpoenas or other legal

process or to furnish any information required by statute including court appointed conservators, guardians, and fiduciaries; (8) to furnish information about the existence of an account to any judgment creditor of yours who has made a written request for such information; or (9) when we are attempting to collect an obligation owed to us. In addition, you understand and agree that we may, from time to time, request and review consumer credit reports and other information about you prepared by credit reporting agencies or others.

You will be responsible to pay all legal, copying and other expenses incurred by us or payable pursuant to the Schedule regarding any subpoena or other legal process.

You may apply for additional financial services or seek to refinance your loan and other obligations from time to time with other lenders or financial service providers. You may also seek to sell, trade or exchange collateral pledged to secure your obligations to us. You authorize and specifically grant us permission to provide verbally, electronically or in writing "payoff" and other information including the amounts you owe on all obligations to us, if we receive a request which we in good faith believe to be related to any such application, refinancing, sale, trade or exchange. To expedite such transactions for your benefit, you agree that we can rely on the representations made to us by third parties, and our duties to you hereunder do not require us to investigate or document a request for such information.

35. Costs, Expenses and Attorneys' Fees. All owners or fiduciaries of accounts or services with us agree, jointly and severally, to pay us for all costs and expenses, including attorney fees we may incur: (1) if it is necessary for us to bring any legal or other action to collect any sum you owe the Credit Union; (2) if we incur any costs or expense as a result of any order or instruction received from any owner or any owner's agent under this Agreement; (3) if we incur any costs or expense as a result of any Process or adverse claim, your failure to comply with any obligation in this Agreement or otherwise; (4) if we incur any expense as a result of any dispute, adverse or inconsistent claims; (5) if we bring any action contemplated in this Agreement; (6) if we successfully defend any claim against the Credit Union brought by any owner, agent, personal representative, executor, heir or other party in interest brought via any formal or informal process (including but not limited to arbitration or mediation) involving your account(s) or services with us; or (7) if we deem it necessary to seek the advice or opinion of legal counsel or other professionals regarding the bona fides or legality of any transaction(s) to/from your account or involving any services with us, or any request for information or documentation regarding any of your accounts and/or services with us.

If you are responsible to pay us any costs of collection or legal expenses incurred in collecting any amount you owe in enforcing or protecting our rights under this Agreement or otherwise, or as provided in this subsection, including but not limited to costs of repossession, repair, appraisal, and all other costs or expenses, you agree to pay us the actual amount of such costs and expenses together with reasonable attorney fees. In the case of any collection action you agree that 20% of the unpaid balance or such greater sum as may be appropriate based on the circumstances, shall be a reasonable amount, unless applicable law specifically provides otherwise. Further, you agree to pay the Credit Union an additional sum for any costs, legal expenses or attorney fees incurred in any appellate, bankruptcy or post-judgment proceedings, except as limited or prohibited by applicable law. Any costs, expenses or fees hereunder will be paid from any of your accounts with the Credit Union before payment to any owner or other party. If the amounts in any of your accounts are not sufficient, then the owner(s) of the affected accounts or parties to any applicable services will immediately pay any difference.

36. Indemnity. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require a bond or other protections. An example of the kind of protection asked for would be your promise to protect the Credit Union against any claims (an indemnity).

37. Miscellaneous. You represent and agree that you will perform all transactions, undertakings, and all of your obligations under this Agreement in accordance with all applicable laws and regulations. This includes, but is not limited to sanctions enforced by the Office of Foreign Assets Control (OFAC). You shall indemnify the Credit Union against any loss, liability, or expense (including attorney fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.

Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any provision of this Agreement. If any law or judicial ruling renders any term or condition of this Agreement unenforceable, the remaining terms and conditions shall remain in full force and effect. We reserve the right to waive enforcement of any of the terms set forth in this Agreement regarding any transaction or series of transactions. Any such waiver will not affect our right to enforce any of our rights with respect to our Members; or to enforce any of our rights with respect to other transactions with you. Any such waiver is not sufficient to modify the terms and conditions of this Agreement. Transactions involving a loan will not alter the terms or conditions of the loan agreement(s), but will remain subject to the terms and conditions of this Agreement where not inconsistent with the loan agreement. In the case of any conflict, the loan agreement will govern.

If there is a dispute between owners, fiduciaries, or any other parties claiming an interest in any account or transaction; if there is any dispute regarding ownership, entitlement, payment, an owner's or fiduciary's intent or instructions, or otherwise with regard to any account or any transaction; or if we receive inconsistent instructions or claims, we can in our sole discretion: (1) suspend or terminate the account and require a court order; (2) require an agreement in writing that we deem sufficient; (3) file an interpleader or similar action and pay any sums in dispute into a court or other appropriate entity; or (4) take such other action as we deem appropriate.

Our web site and the electronic services that we provide (excluding linked sites) are controlled by the Credit Union from its principal offices with the State of Arizona. While you may choose to access our web site and electronic services from other locations, we make no representation that any information, materials, or functions included in our web site or via our electronic service are appropriate or authorized for use in other jurisdictions. Your access from other locations is made on your own initiative, and you are solely responsible for compliance with any applicable local laws and regulations.

38. Additional Benefits/Card Enhancements. The Credit Union may from time to time offer additional account services, such as travel accident insurance, purchase rewards, or rebates at no additional cost to you. You understand that the Credit Union is not obligated to continue or to offer such services and may withdraw or change them at any time.

39. Account Changes. Changes to any account or account service requested by any Member, owner, or fiduciary can only be made with the express consent of the Credit Union. If a change to a multiple account or service is requested, we may require that all multiple owners or fiduciaries indicate their consent by signing our document evidencing the change. The Credit Union, at its sole discretion, may change any term or condition of this Agreement, including the method for determining dividends, at any time without notice except as expressly required by applicable law.

40. Member Organization or Business Accounts. Accounts held in the name of a Member, organization, or association for business purposes are subject to the same terms set forth in the Agreement and the following additional rules: (1) the account business owners and/or authorized agents agree to inform us of the persons authorized to transact business on behalf of the business or organization in a resolution acceptable to us; (2) the parties identified in the resolution will be authorized to contract and otherwise act on behalf of the entity identified; (3) we may rely on the resolution and corresponding Account Card until such time as we are informed of changes in a written document signed by any business owner, officer, director, partner, manager or member of the organization that is actually delivered and received by us; (4) we may require that third

party checks payable to a business not be cashed, and be deposited to a business account; (5) if a resolution or Account Card identifies the Member-Owner as an organization of any type; or if the Credit Union determines that any account is used for any business or organization purpose, such account is deemed to be a “business account” and may be subject to additional fees or other requirements.

The Credit Union will comply with all aspects of the Unlawful Gambling Enforcement Act (UIGEA). We will not offer accounts or services to a business with known activities in gaming or Internet gambling as defined by the UIGEA.

41. Multiple Party Accounts. Any or all owners or fiduciaries can make deposits or withdrawals regardless of contributions. To make withdrawals, an owner or fiduciary must have his or her signature on file with us. If only one owner or fiduciary has signed a signature card, the account may be treated as an individual account. Each owner or fiduciary guarantees the signature of all other owners or fiduciaries. We may accept orders, instructions, and requests for future services from any account owner or fiduciary. Any account owner or fiduciary may withdraw funds, stop payment of items, transfer or pledge to us all or any part of the shares in any account and block, terminate or discontinue any service without the consent of the other owners or fiduciary and we have no obligation to notify the other account owners or fiduciary of any pledge or other actions, orders or instructions by any owner or fiduciary. If there is a dispute between owners or fiduciary, if there is a dispute regarding ownership of an account or any deposit to an account by an owner or a party who we, in good faith, believe has a right to assert a claim or dispute (such as a personal representative of an owner), or if we receive inconsistent instructions, we can suspend or terminate the account and require a court order or require an agreement in writing concerning any transaction on the account. Each owner and fiduciary is jointly and severally liable for all returned items, overdrafts, or any other obligations owed to the Credit Union as a result of any transaction on a multiple party account, regardless of the drawer, user or authorized user who orders or causes said transaction.

We have the right to endorse any drafts, checks, or other orders for the payment of money made out to any of the owners. Once endorsed, we can deposit them in the multiple party account, or we can endorse them for deposit by using a stamp to show a general endorsement for the account. Each owner appoints the others as his or her agent to endorse, deposit, withdraw, cash and conduct business for the account. Further, any owner or fiduciary may make requests for services or make elections related to a multiple party account; and as such requests or elections shall be binding upon all owners. Acting as an agent, any owner or owners can endorse a draft, check, or other payment order made out to any other owner or owners of the account and any owner may pledge to us the funds in any account to secure any joint or individual obligation to us. Once endorsed, the money can be taken in cash or deposited into the multiple party account. You agree that any money in this account can be paid to any one or more of the owners. This payment can be made on the orders or instructions of any of the owners, whether or not the other owners are alive at the time of the payment. If we make a payment following these rules, you release us from liability.

42. Rights of Survivorship. Unless your Account Card or this Agreement specifically indicates otherwise, you agree that it is your intention to create a joint tenancy with the right of survivorship (a form of ownership) in any multiple party account and if one or more of the multiple party owners dies, his or her interest in the account passes to the remaining owners; unless subject to our right of set off/off set or a pledge of the funds in the account, in which case all sums in the account will belong to us regardless of contributions, up to the amount of the obligations owed. We may not release any funds to a survivor until all required legal documents are delivered to us. Once a multiple party account is opened, one owner cannot remove another from the account. Further, the Credit Union reserves the right to require any changes to the account be made in writing signed by all account owners. Member business and/or member organization accounts and fiduciary accounts such as trusts, custodial, guardianship, and conservatorships are not subject to a right of survivorship.

43. Payable on Death. Payable on Death (“POD”) accounts are governed by your agreements with the Credit Union and applicable state law. A POD account instructs us that the designated account is payable to the owner(s) during their lifetimes, and upon death of the last account owner, is payable to any surviving beneficiary designated by your Account Card. During his or her lifetime, only the Member-Owner who has the legal capacity to execute contracts may provide us written direction to designate or change the POD beneficiary. Accounts payable to more than one surviving beneficiary are jointly owned without any rights of survivorship and will be paid in proportion to the remaining beneficiaries’ share. No amount will be paid to any beneficiary, their heirs or successors, who are not living at the time the account becomes payable to beneficiaries. POD beneficiary designations do not apply to IRA accounts, but instead, are subject to your IRA Agreement/Certificate. The Credit Union has no obligation to notify any beneficiary of any POD account or the vesting of his or her interest. Further, the Credit Union is also entitled to all additional protections provided by applicable law regarding the payment of sums on deposit in POD accounts. If any beneficiary is not of legal age at the time the account balance is to be paid to said beneficiary, we reserve the right to pay said amounts only to the legal guardian of such beneficiary. If the minor has no legal guardian, then we may require the funds to be retained in an account similar to the account from which the funds are payable, or such other account for which the deposit may qualify if no longer entitled to the benefits of the original POD account based on the terms we offer, until such time as the beneficiary reaches legal age, or we may release the funds only after receipt of a duly authorized court order appointing a conservator of said funds.

44. Uniform Gifts to Minors Act / Uniform Transfer to Minor Act (“UGMA/UTMA”). The grantor, custodian and beneficiary agree to the terms of this paragraph. If you have signed an account as custodian for a beneficiary under the UGMA and/or UTMA, your rights and duties are governed by that Act. We allow one custodian and one beneficiary per account. A custodian will not be allowed to pledge the account as collateral for a loan to the custodian. We have no duty to inquire into the use of any funds or purpose of any transaction by the account custodian. The account will be opened in the name of the beneficiary using the social security number of the beneficiary. Upon the death of the account custodian where no successor custodian has been named pursuant to applicable laws, we may place a hold on the account until we receive instructions from a person authorized by law to withdraw funds or an appropriate court order. Any successor custodian shall provide documentation required to evidence compliance with applicable laws to our satisfaction. It is agreed that funds deposited into such an account belong to the beneficiary. When the beneficiary is entitled to the funds, it is the responsibility of the custodian to make arrangements necessary to transfer the account proceeds to the beneficiary. If the beneficiary wishes to retain an account with us, the beneficiary can execute a new membership application. Any authority to make transactions will then be governed by the new Account Card and the authority of any custodian will be terminated.

45. Minors Accounts. For any account established by or for a minor, we reserve the right to require the minor account to be a multiple party account with an owner who is the appointed guardian or parent under applicable state law who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may require a minor to sign the Account Card if the minor can sign his or her name, but may accept the representative signature of the minor’s appointed guardian or parent (e.g. Mary Doe by John Doe, father) on the Account Card. The appointed guardian or parent must also sign the Account Card. All parties to such an account acknowledge and agree that the minor’s guardian or parent may make any and all transactions we allow on behalf of a minor. We may require a minor’s signature on the Account Card before the minor can make an individual withdrawal on any account, but are not required to do so. We may make payments of funds directly to the minor without regard to his or her minority. Unless the appointed guardian or parent has signed the Account Card and is a joint account owner, the appointed guardian or parent shall not have any right to access the account. We have no duty to inquire about the use or purpose of any transaction by the minor or any account owner. We will not change the account status when the minor reaches the age of majority, unless authorized in writing by all account owners.

46. Custodial and Other Fiduciary Accounts. The Credit Union may open other accounts pursuant to a court order or to facilitate your request for a trust, custodial, probate or other acceptable purposes. We make no representations and give no advice concerning any such accounts and may refuse to open any account or refuse to follow any instruction that may expose us to any expense or liability.

Any individual acting as an agent, guardian, personal representative, trustee, custodian or in some other fiduciary capacity must be designated to us as such on the Account Card, as well as any other documentation we may require. We are authorized to follow the directions of any such agent/fiduciary until we receive written notice that the authority is terminated and have had a reasonable time to act upon the notice. Further, you specifically agree that we are not liable for the misapplication of funds by your agent/fiduciary.

47. Club Accounts. If the Credit Union offers club plan accounts to help you save for holidays, vacations or other purposes, you authorize the Credit Union to transfer the balance into your checking or savings account at the end of the club account period. This payment is a pre-authorized transfer. If you withdraw funds during a period, we may require you to withdraw the entire balance and not allow additional deposits until the following club period. Club periods may be changed by the Credit Union from time to time. Since we plan to make a single withdrawal at the end of a club period, we may charge a transaction fee for any additional withdrawal requests.

TERMS AND CONSENT APPLICABLE TO ELECTRONIC SIGNATURES, ELECTRONIC CONTRACTS, ELECTRONIC RECORDS, ELECTRONIC MAIL (“E-MAIL”), FACSIMILE AND OTHER ELECTRONIC SERVICES AND COMMUNICATIONS

1. Agreement. You specifically acknowledge and agree that we may provide all disclosures, agreements, contracts, periodic statements, receipts, notices, modifications, amendments, and all other evidence of our transactions with you or on your behalf electronically (electronic records). You have a right to receive a paper copy of any of these electronic records if applicable law specifically requires us to provide such documentation. Also, you may withdraw your consent and revoke your agreement to receive records electronically. To request a paper copy or to withdraw your consent and agreement to receive electronic records, call or write us at the address or phone number provided at the end of this Agreement. You may also e-mail us if you have established a secure Credit Union online account.

2. Electronic Signature. You consent and agree that your use of a keypad, mouse or other device to select an item, button, icon or similar act/action while using any electronic service we offer; or in accessing or making any transactions regarding any agreement, acknowledgment, consent, terms, disclosures or conditions, constitutes your signature, acceptance and agreement as if actually signed by you in writing. Further, you agree that no certification authority or other third party verification is necessary to the validity of your electronic signature; and that the lack of such certification or third party verification will not in any way affect the enforceability of your signature or any resulting contract between you and the Credit Union.

3. Electronic Records. To facilitate electronic commerce, to reduce the expense of records storage, and to obtain the benefits of faster access to records, you acknowledge and agree that we may at our discretion store all records electronically; and that we will not retain and have no obligation to retain any original documents for any period of time. This applies to all documentation including but not limited to checks, transaction records, notes, mortgages, deeds of trust and other loan and/or security documentation. You further acknowledge and understand that we will routinely destroy all original documentation. We may store records electronically via imaging, scanning, filming or other technology used in the financial services industry for the storage of documentation via internal processes or third-party processors that we approve for these services. You agree that such storage shall be secure, and further agree that such records shall for all purposes be recognized and admissible in evidence or otherwise to prove the

agreements, rights and obligations of the parties pursuant to any such records. You further agree that electronic records, and not the original documents, may be used in any court proceeding.

4. “E-Mail” and Facsimile Communications. You acknowledge and agree that the Internet is considered inherently insecure. Therefore, you agree that we have no liability to you whatsoever for any loss, claim or damages arising or in any way related to our response(s) to any e-mail or other electronic communication that we in good faith believe you have submitted to us. We have no duty to investigate the validity or to verify any e-mail or other electronic communication; and may respond to an e-mail at either the address provided with the communication, the e-mail address in your Account Card, or any other application or written communication actually received by us.

Any account owner may change the e-mail address for statements or other information from us at any time.

You consent and agree to authorize us, our agents, or other parties we authorize to send communications by facsimile or other electronic methods including offers for Credit Union products and affiliate or third party services.

Although having no obligation to do so, we reserve the right to require authentication of e-mails or electronic communications. The decision to require authentication is in the sole discretion of the Credit Union. We will have no obligation, liability or responsibility to you or any other person or company if we do not act upon or follow any instruction to us if a communication cannot be authenticated to our satisfaction.

Further, the Credit Union may not immediately receive e-mail communications that you send. Also, we will not take action based on e-mail requests until we actually receive your message and have a reasonable opportunity to act. We reserve the right to require any notices from you to be submitted to us in a non-email written format, and we may refuse to send certain information through unsecured e-mail communications. If you need to contact the Credit Union immediately regarding an unauthorized transaction, stop payment request, or otherwise, you may call the Credit Union at the telephone number at the back of this Agreement.

5. Links to Other Sites. Our website may contain links to third party websites. These links are provided solely as a convenience to you and not as an endorsement by the Credit Union of the contents on such third-party websites. The Credit Union is not responsible for the content of linked third-party sites and does not make any representations regarding the content or accuracy of materials on such third-party websites. If you decide to access linked third-party websites, you do so at your own risk.

ELECTRONIC FUNDS TRANSFERS AGREEMENT AND DISCLOSURES

1. Purpose. This Agreement defines your and the Credit Union’s rights and responsibilities with respect to transactions. You understand that all agreements and rules and regulations applicable to your accounts and account services, as set forth in this Agreement and otherwise, remain in effect and apply to this Agreement, except as specifically modified in this Section. You agree to abide by this Agreement, and all rules, regulations and instructions of the Credit Union and the Networks relating to the use of any access device, as amended, modified or revoked. The Credit Union may not offer all services discussed in this Agreement at this time and/or some of these services may not be available from all terminals.

2. Electronic Processing and Transactions. Due to the processing systems for electronic transactions used in the United States and by us, a payment or other transaction may be effective / posted before we are open for business on the date scheduled for the payment or other

transaction. Therefore, you are responsible for insuring that your account has sufficient balances for the scheduled payment / transaction one business day prior to the date scheduled.

3. Types of Electronic Funds Transactions. The Electronic Funds Transactions we are or may be capable of handling in the future are indicated below. Some of these services may not apply to your account.

a. Automatic Teller Machines (ATMs). The Credit Union may issue to you an access device for use at an ATM and personal identification number (PIN) to be used to make transactions.

b. ATM Access Device. You can use your access device at ATMs displaying the name of the applicable Networks to: (1) withdraw cash from the account designated in your application; (2) check the balances in the account designated in your application; and (3) make deposits to the account designated in your application (limited to ATMs that accept deposits). Some services may not be available at all ATMs.

c. Debit/Point of Sale (POS) Transactions. Your check/debit card and other access devices are intended to let you purchase goods and services at selected retail outlets that accept such cards and access devices or the Networks that appear on the check/debit card. These POS purchases will be covered by funds deducted from your checking account.

At any POS or other electronic terminal, you may pay for goods and services (or make certain other transfers if the merchant is a financial institution) up to the available balance in your designated checking account and any available funds under your approved overdraft program. A merchant is not required to receive prior authorization from us for every transaction you originate, and the merchant may request authorization for a dollar amount different from the actual transaction originated by you. You agree to maintain sufficient funds in your account to cover all transactions and understand you are subject to fees as set forth in the Schedule if you fail to do so. Your account balance is reduced when we receive the actual transaction from the merchant, which may be several days after you have originated the transaction. If we place a hold on your account funds for merchant requested authorizations, the hold will not prevent other transactions from reducing your account balance below any authorized amount.

Note: Cards designated as ATM-only may not be used at POS or other non-ATM terminals.

d. Preauthorized Transfer Services. You can authorize the following transactions without the use of an access device issued by the Credit Union: (1) you can make payments on your loans with the Credit Union directly from your share or checking accounts; (2) you can arrange to transfer funds between your share and checking accounts; (3) by separate application, you can arrange to transfer funds from your accounts to the accounts of other Members; (4) you can authorize persons or companies to make direct deposits or withdrawals to or from your share or checking accounts for payroll, pension, social security and other types of deposits or payments; (5) you may give other persons or companies written or verbal permission to transfer payments from your Credit Union accounts through ACH or other electronic means. Such agreements or arrangements are solely between you and the other person or company. The Credit Union shall have no responsibility or liability to you for any such transactions. You should exercise caution in providing such authority and/or information to access your accounts to others. The authority or information you give to others applies to all ACH or other electronic transactions, whether evidenced by any type or writing or converted to a written instrument by the other person and/or their agents. All such transactions are deemed authorized by you.

e. Telephone Transactions. Telephone services are available as set forth in the General Rules for Using TouchTone 24 section of this Agreement.

f. Home Banking Services. The CU Online Internet Agreement and Electronic Funds Transfer Disclosure are available from our web site and from your CU Online account.

g. Electronic Check Conversion. (“E-Check”) Your check or information you convey to a third party can result in an electronic funds transfer. This can happen in several ways and you agree that any such transaction is subject to all applicable terms and conditions set forth in this Agreement. For example: (1) you can purchase goods or pay for services and authorize a merchant or service provider to convert your check into an electronic funds transfer; (2) at the time you offer a check to a merchant or service provider, you may be asked to authorize the merchant or service provider to electronically collect a charge in the event the check is returned for insufficient funds. Paying such a fee electronically is an electronic funds transfer; (3) your authorization to make these types of electronic funds transfers may be expressed in writing, implied through the posting of a sign, or your participation in the initiation of the processing of the transaction; (4) this can also happen when you provide information from your check or an account to another by telephone, Internet, or otherwise who then converts the information given to an electronic transaction, ACH, or otherwise.

h. Charges for Transactions in Foreign Currency and Cross-Border Transactions:

Multi-Currency (Currency Conversion) International Service Assessment Fee: If you effect or authorize a transaction with your access device in a currency other than United States dollars, VISA will convert the charge into a United States dollar amount. The VISA currency conversion process includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by VISA, as applicable. The exchange rate VISA uses will be a rate in effect on the date the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction posted to your account. A Currency Conversion fee, as disclosed in the Schedule, will be applied to transactions that are converted from foreign currencies to United States dollars. This fee will be reflected on your periodic billing statement.

Single-Currency (Cross-Border) International Service Assessment Fee: In addition, VISA charges us a Cross-Border Assessment up to 1% on each transaction for all Cross-Border Transactions regardless of whether there is a currency conversion. For purposes of this section, “Cross-Border Transaction” shall include both (a) transactions initiated in a foreign country which are subsequently settled in the United States, and (b) transactions initiated in the United States but ultimately settled in a country outside of the United States. The Credit Union will assess these fees and reserves the right to charge an additional amount, as disclosed on the Schedule. This fee will be reflected on your periodic billing statement.

4. Money Transfer Services. If you receive any transmittal amount from any Money Transfer Service (MTS) provider you agree to limit the daily transaction amount to \$2,500. We may increase or decrease this limit from time to time or accept or decline any MTS request in our sole discretion or as allowed by regulation. Each transmittal amount sent will generally post within two business days after we receive the transmittal amount from the sender.

5. General Rules for Using Your Access Devices. You acknowledge and agree to the following:

a. Your access devices are for personal use only. You agree not to allow another person to use your access devices, as they are non-transferable.

b. You agree **not** to reveal your PIN/Password(s) to another person and **will not** write your PIN/Password(s) on any access device. You are responsible for all transactions made by you or anyone else who uses your access devices with your knowledge and consent. You are also responsible for unauthorized use of your access devices to the full extent allowed by applicable law. In addition, any person other than yourself who uses your access devices is responsible for all transactions they make and for all transactions made by others with their permission. This does not limit your own responsibility. You agree to be responsible and to maintain your access devices with maximum security.

c. You authorize the Credit Union to debit/credit your accounts for all transactions as if you signed each transaction. Further, you agree that by acceptance or use of your access devices the Credit Union is authorized to pay from any account necessary to satisfy any transaction, fee or service charge that results from the use or misuse of your access devices.

- d.** You acknowledge that your access devices remain the Credit Union's property and agree to surrender your access devices to the Credit Union or its agent upon demand or through retrieval by any other method.
- e.** You agree to use caution when using any ATM or other electronic terminal or access device to complete any transaction contemplated by this Agreement. You further agree that the Credit Union shall have no responsibility to you or any user, or be liable for any personal injury or property damage, which may occur as a result of any act before, during or after a transaction or other visit to any ATM or other electronic terminal location. You or any user assumes the risk of nighttime use of any ATM or other electronic terminal location or other electronic banking device.
- f.** An access device may be issued to any Member or joint owner of legal age when qualified under the rules, regulations, and bylaws of the Credit Union. Only one card device may be issued to each Member or joint owner.
- g.** If your access device is lost or stolen, you agree to notify the Credit Union immediately upon discovery of such loss or theft. Replacement of an access device may be issued by us at the cost set forth in the Schedule. You agree to pay the Credit Union the fee in effect at the time for all replacement cards that you request from us.
- h.** The Credit Union shall not be responsible for the use or condition of any ATM or other electronic banking terminal or device it does not own. Further, the Credit Union will not be responsible for any failure of an ATM or other electronic banking terminal or device to function except as specifically provided for by law.
- i.** The Credit Union reserves the right to add or delete ATM or other electronic terminal locations or other electronic banking devices, as it deems necessary.
- j.** You agree to hold the Credit Union harmless in its pursuit to locate, apprehend, and prosecute unauthorized use of any access device issued by the Credit Union, and you agree to assist the Credit Union in these efforts.
- k.** The Credit Union reserves the right to make any changes in the daily withdrawal limits it deems necessary.
- l.** The Credit Union is not liable for any claims you may have against a merchant, company or other financial institution arising from use of your access device.
- m.** The Credit Union cannot stop payment on any point-of-sale transaction.
- n.** You agree that by acceptance or use of an access device, or other Electronic Funds Transfer Services the Credit Union is authorized to pay from any account you have, jointly or otherwise, with the Credit Union any amount necessary to satisfy any transaction, fee or service charge that results from your use or misuse of such services.
- o.** You will not obtain any access device to make transactions on your accounts with us that is not issued or approved by us.
- p.** Merchants and others who honor the access device(s) may give credit for returns and adjustments, and they will do so by initiating a credit with us, and we will credit that amount to your account.
- q.** You understand that you must keep your share and share checking account open in order for your electronic services to remain valid. You agree to return all access devices if you close your account(s), or upon our request.

6. General Rules for Using TouchTone 24

a. The Credit Union will issue to you a Personal Identification Number (TouchTone 24 PIN) to be used to make transactions through our TouchTone 24 service. Your TouchTone 24 PIN will be different from the PIN issued for using any card device issued by the Credit Union. You cannot use this service without your TouchTone 24 PIN. Your TouchTone 24 PIN is not transferable.

b. You can use TouchTone 24 to make inquiries on your accounts, transfers between your accounts, transfers from your account(s) to someone else's account(s), check withdrawals, advances by transfer and check on a line-of-credit loan (if applied for and approved by the Credit Union), to change your TouchTone 24 PIN, and such other transactions as may become available. You may transfer funds by telephone from your primary savings account provided the aggregate number of telephone transfers, automated transfers and pre-authorized transfers for your accounts does not exceed the limitations set forth in the "Transaction Limitations for All Share Savings and Money Market Accounts" section of this Agreement.

c. You agree that the general rules for using your access device apply to your use of TouchTone 24 and your TouchTone 24 PIN, where applicable, including, but not limited to, your responsibility for the security of your TouchTone 24 PIN.

d. Withdrawals from your share savings account through TouchTone 24 are not included in the maximum number of withdrawals allowed per month. Such withdrawals will be made payable and mailed to the account owner by check.

e. We reserve the right to discontinue your access to TouchTone 24 at any time without notice.

f. TouchTone 24 is available for your convenience twenty-four (24) hours a day, seven (7) days a week.

7. Making ATM Transactions. Your PIN will allow you to identify yourself when making an ATM transaction. The presentation of your access device together with the input of your PIN constitutes your authorization to the Credit Union to make transactions. You agree to follow all instructions for use of ATMs accessible by your access device. Difficulties or complaints concerning the use or condition of any ATM should be reported directly to the Credit Union. Security or safety measures should be reported directly to the owner of any ATM not owned by the Credit Union.

8. Termination and Amendment. The Credit Union reserves the right at any time to terminate your right to make transactions and to retrieve or ask for the immediate return of any card device it deems necessary without prior notice to you. If notification is required by law, notice will be mailed to you at the address shown on the Credit Union's share account records. It is the obligation of each Member to provide new addresses to the Credit Union.

9. Access Device Revocation. Any access device issued by the Credit Union may be revoked without notice to you in the event that any of the following conditions occur:

a. Overdrafts occur as a result of insufficient or uncollected funds on an account.

b. Any transaction that occurs on your account(s) that results in a monetary loss to the Credit Union.

c. Any loan delinquency or negative share account with the Credit Union.

d. Forced closure of a share or share checking account at the Credit Union due to misuse.

e. Special balance requirements, if any, are not maintained by the Member.

- f. The Credit Union's reasonable belief that the access device is being misused or is not secure.
- g. Any other situation in which the Credit Union deems revocation to be in its best interest.

10. Transaction Fees. You are allowed to initiate transactions at any ATM owned by the Credit Union. You may be charged certain transaction and other fees as set forth in the Schedule, which will be automatically debited from your share or checking account. An insufficient funds fee will be automatically debited from your share or checking account for any transaction that cannot be completed because of insufficient funds in your account. The Credit Union reserves the right to establish and maintain transaction fees and charges, which may be modified from time to time.

Note: Owners of non-Credit Union ATMs may charge fees in addition to any fees disclosed in the Schedule. These fees are generally called a "surcharge." This is not a fee charged by your Credit Union; however, any such fee will be paid from your account.

11. Service Limitation, Limitation or Frequency and Dollar Amounts of Transactions and Transfer Limitations.

- a. We may reduce the limit for point-of-sale transactions during any interruption in the electronic connection between the Credit Union and the retail outlet. Further, we may at any time limit or reduce the number or dollar amount of transactions when we, at our sole discretion, deem it in the best interest of the Credit Union.
- b. We do not guarantee that everyone will honor your card device, and we have no obligation to you if anyone refuses to accept your card device or otherwise fails to provide any services made available to you by the Credit Union.
- c. Because of the servicing schedule and processing time required in ATM operations, there is a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. You should review the Credit Union's Funds Availability Disclosure to determine the availability of funds deposited at ATMs.

12. Right to Documentation.

- a. **Terminal Transactions.** You can get a receipt at the time you make any transfer to or from your account using any automatic teller machine or a point-of-sale terminal.
- b. **Direct Deposits.** If you have arranged to have direct deposits made into your account at least once every sixty (60) days from the same person or company, the person or company making the deposit should tell you every time they send us the money. You can call or write us at the telephone number or address listed in this Agreement to find out whether a deposit has been made. If the only possible transfers to or from your accounts are direct deposits, you will get a statement from us at least quarterly.
- c. **Periodic Statements.** You will receive a monthly account statement, or notice of the availability of your statement, for your share draft accounts from us, unless there are no transactions in a particular month. In any case, you will receive an account statement or notice of the availability of your statement on all accounts at least quarterly.

13. Notice When Amount of Preauthorized Payments Vary. If you preauthorize the Credit Union to make payments to persons or companies other than the Credit Union that vary in amount, then the person or company you are going to pay has the obligation to notify you ten (10) days before each such payment is due and how much it will be. You must fill out an appropriate agreement with the Credit Union authorizing such payments, the terms of which are incorporated herein. You may choose instead to get this notice only when the payment differs by more than a certain amount from the previous payment, or the amount falls outside certain limits that you set.

14. Liability for Failure to Make a Transaction. If the Credit Union does not complete a transaction to or from your account on time or in the correct amount according to our agreement with you, the Credit Union may be liable for your losses or damages. However, there are some exceptions to this, which include the following:

- a. You do not have enough money in your account to make the transaction through no fault of ours.
- b. The transaction goes over the credit limit on your overdraft line.
- c. The ATM terminal where you were making the transaction does not have enough cash.
- d. The ATM terminal or other system was not working properly and you knew about the breakdown when you started the transaction.
- e. Circumstances beyond our control (such as fire, flood or electrical failure) prevent the transaction, despite reasonable precautions that we have taken.
- f. You have not properly followed instructions for operation of the ATM or system.
- g. The funds in your account are subject to legal process or other similar encumbrance.
- h. The transaction would exceed one of the established limits contained in this Agreement or by other Credit Union agreements.
- i. Access to your account has been blocked after you have reported your access device lost or stolen or you use a damaged or expired access device.

15. Information Disclosure. We will disclose information to third parties about your account or the transactions you make:

- a. When it is necessary for completing transactions.
- b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant.
- c. In order to comply with government agency or court orders.
- d. If you give us your written permission to discuss this information.

16. Business Day Disclosure. Every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before the daily cut-off time (5:00 p.m. Arizona observed time) on a business day, we will consider that day to be the effective date of your transaction. Transactions received after the business day cut-off time or on non-business days will have an effective date of that day, but a posting date of the next business day. For purposes of share dividend accrual and loan finance charge calculations, an effective date (the date you initiated the transaction regardless of the cut-off time or non-business day) will be used. Credit Union online service may be interrupted for a short time each day for data processing.

17. In Case of Errors or Questions about Transactions. Telephone us at the telephone number or write us at the address listed in this Agreement or on your monthly statements as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transaction listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared; and you must provide us with the following information:

- a. Tell us your name and account number;

- b. Describe the error or transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information;
- c. The date of the transaction; and
- d. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you, and will correct any error within one (1) business day after determining that an error occurred. If we need more time, we may take up to forty-five (45) days to investigate your claim. If we decide to do this, we will provisionally credit your account within ten (10) business days of receiving your notice, and will inform you within two (2) business days, after providing the provisional credit, for the amount you think is in error so you will have the use of the money during the time it takes us to complete our investigation. A recap of our results will be provided to you within three (3) business days after the conclusion of our investigation. We will follow the required provisions of Regulation E including those required for reversing a provisional credit as applicable.

For transactions initiated outside the United States, or resulting from a POS debit card transaction, we will have ninety (90) calendar days instead of forty-five (45) business days, unless otherwise required by law, to investigate your claim. For transactions on accounts that have been opened less than thirty (3) calendar days, we will have twenty (20) business days instead of ten (10) to provide provisional credit and ninety (90) calendar days instead of forty-five (45) business days, unless otherwise required by law, to investigate your claim.

If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation. Expenses incurred by the Credit Union to research disputed transaction shall be paid by you when such transaction are proven to have been authorized by you or made by an unauthorized user. Further, when we determine that there was no error or that the disputed transaction was authorized, you will repay any amount we provisionally re-credited to your account.

18. Your Liability for Unauthorized Transactions. Tell us AT ONCE if you believe your ATM access device (meaning all Card Devices used at the ATM) or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. Telephone us at the telephone number or write to us at the address listed in this Agreement. If you do not tell us, you could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your ATM access device and PIN without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your ATM access device and we can prove we could have stopped someone from using your ATM access device without permission if you had told us, you can lose as much as \$500.00.

You are responsible for all transfers you authorize using an Electronic Funds Transfer (EFT) service under this Agreement. If you permit other persons to use an EFT service or your access device, you are responsible for any transactions they authorize or conduct on any of your accounts.

Special Notice to VISA Check Cardholders: If there is an unauthorized use of your VISA check/debit card or an Internet transaction, and the transaction takes place on the VISA Network, then your liability will be zero (\$0.00). This provision limiting your liability does not apply to either VISA commercial cards or ATM cash disbursements. Additionally, your liability with

respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your account or card. In any case, to minimize your potential liability you should notify our Card Services Department of any unauthorized use no later than 60 days after your statement was mailed to you.

Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as extended travel or hospitalization) kept you from telling us, we may extend these time periods.

19. Reporting A Lost Card, PIN, or TouchTone 24 PIN. If you believe that any access device has been lost or stolen or that someone has withdrawn or may withdraw money from your account without your permission, you agree to immediately notify us. You can call the Credit Union or write us at the telephone number or address listed in this Agreement. If you recover your access device after you have notified us, **DO NOT USE IT.**

UNIFORM COMMERCIAL CODE FUNDS TRANSFERS AGREEMENT AND DISCLOSURE

1. Summary and Definitions. This Agreement governs the movement of funds by means of funds transfers defined in Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System (generally referred to as “Fedwire” or “wholesale” wire transfers), and as may be applicable the operating rules for the National Automated Clearing House Association (NACHA). This Agreement does not apply to any transaction or any part of any transaction governed by the Electronic Funds Transfer Act and Regulation E. To the extent that the terms of this Agreement vary from the other agreements or disclosures in this Agreement, this Agreement shall govern. Further, to the extent that this Agreement varies from any provision of Article 4A or Regulation J or the operating rules of NACHA, this Agreement shall govern, except where specifically prohibited by applicable law.

2. Services Available. You authorize us to transfer funds in accordance with your request to and from your account with us, or to and from another institution. Transfers shall be made according to the security procedures defined in this Agreement. We may debit any of the accounts you designate as a source of payment for funds transfers and any related fees and service charges. We will have no obligation to accept or execute any payment order if: (1) the account from which it is to be made does not contain sufficient available collected funds; (2) the payment order is not authorized or does not comply with applicable security procedures; or (3) if acting in good faith we have reasonable cause for rejecting the payment order.

3. Persons Authorized to Make Transfers. You agree that you, any joint owner of an account, or any person authorized by a written instrument by you or any joint owner, that is acceptable to us, may initiate, request, cancel, amend or verify transfers on your account. We may rely on the authority of any person designated by you or any joint owner until we receive written notice revoking or modifying that authority.

4. Security Procedures. We may establish security procedures to verify the authenticity of a payment order. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify us in writing that you do not agree to that security procedure. In that event, we shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree in writing to an alternate security procedure. You authorize us to record any telephone communications regarding any transfer order, which we may maintain for any period of time we deem appropriate.

5. Time Limitations for Acceptance of Orders. We may establish and change cut-off times for the receipt and processing of funds transfer orders, amendments or cancellations. Our transfer business days and cut-off times are set forth on the Wire Transfer Order form, as amended from time to time. Transfer orders, cancellations or amendments received after the cut-off time may be treated as received on the next following funds transfer business day, and processed accordingly. Your request for transfers, amendments and cancellations are considered accepted when executed by us.

6. Cancellation or Amendment of Transfer Request(s). You may not be able to cancel or amend a request after we receive it. However, we may, at our sole discretion, use reasonable efforts to act on your request for cancellation or amendment. Any request for cancellation or amendment is subject to applicable security procedures. We shall have no liability if such cancellation or amendment is not effected. Furthermore, you agree to indemnify and hold us harmless from any and all liabilities, costs and expenses we may incur in attempting to cancel or amend any transfer.

7. Member Instructions Identifying Beneficiary or Financial Institution. You acknowledge and agree that when you provide us with the name and account number when requesting a transfer, that payment may be made solely on the basis of the account number even if the account number identifies a beneficiary different from the beneficiary named by you. Further, payment instructions identifying a beneficiary's financial institution name, routing and transit number may result in payment solely on the basis of the routing and transit number even if the name of the institution does not correspond to said numbers. You further agree that your obligation to pay the amount of the wire transfer to us is not excused in such circumstances. Likewise, we may pay wire transfers received by us for your benefit by us solely on the basis of account number.

8. Account Statements and Notices. All transfers subject to this Agreement will be reflected on your periodic account statements. All ACH transactions are governed by the operating rules for the National Automated Clearing House Association (NACHA). We will not provide you with next day notice of the receipt of any transfer that is governed by this Agreement. Notification of receipt of all such transfers will be provided by including such item in the periodic account statement we provide. You may inquire whether a specific transfer has been received at any time during our normal business hours. If provided electronically, statements you will sent a notice via e-mail that will direct you to a site we maintain or cause to be maintained where you may access, review, print and otherwise copy/download your periodic statements using procedures that we authorize. E-mails from us will be sent to the e-mail address provided by any owner.

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

Notwithstanding the foregoing, the time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act.

b. Your Duty to Notify Us: You agree that the information in each statement will be considered correct for all purposes and we will have no liability whatsoever unless you notify us in writing

within the time described in this section. If you do not receive or have any problem accessing a periodic statement, you agree to notify us in writing within fourteen (14) days of the date that the statement is usually sent or made available by us. If you do not so notify us, you will be deemed to have received the statement for all purposes.

c. Fiduciary Accounts: Statements will be provided to the fiduciary upon any trust, custodial, or other fiduciary or representative account; and the requirements of notification as stated above will be binding on all parties in interest with regard to such accounts pursuant to such delivery.

9. Method Used to Make the Wire Transfer. We may select any means for the transmission of funds we consider suitable, including but not limited to the Credit Union's own internal systems or Fedwire. Any subsequent financial institution may also use Fedwire. Any use of Fedwire shall be governed by applicable Fedwire regulations. The Credit Union is not responsible for performance failure as a result of an interruption in transfer facilities, labor disputes, power failures, equipment malfunctions, suspension of payment by another party, refusal or delay by another financial institution to accept the transfer, war, emergency conditions, fire, earthquake or other circumstances not within our control.

10. Limitation of Credit Union's Liability. In addition to any defense or exception from liability provided in this Agreement or applicable law, the Credit Union shall not be liable in any case for any special, indirect, exemplary, consequential, or punitive damages (including lost profits). Further, we shall in no case be responsible for the payment of any attorneys' fees or other legal expenses whatsoever. If we become obligated to pay dividends to you under applicable law, you agree that the dividend rate shall be equal to the dividend rate applicable to the account on which the transfer was made.

11. Provisional Payment. Credit given by us to you with respect to ACH payments or wire transfers are provisional until we receive final settlement of the funds transfer. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

12. Choice of Law. We may accept on your behalf payments to your account which have been transmitted through one or more ACH and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with Arizona law, and as provided in the operating rules of the NACHA.

FUNDS AVAILABILITY DISCLOSURE

This disclosure applies to all transaction accounts, which are accounts that, generally, permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. A checking account is the most common type of transaction account.

Funds availability means your ability to withdraw funds from your account, whether those withdrawals are to be in cash, by check, automatic payment, or any other method we offer you for access to your account. If deposited funds are not available to you on a given day, you may not withdraw the funds in cash and we may not use the funds to pay items that you have written or honor other withdrawals before funds are available to you. We may charge a fee if funds are not available and transactions are presented for payment against unavailable funds.

Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other unforeseen issue involving your deposit.

1. Determining Funds Availability. The day funds become available is determined by counting business days from the day of your deposit. Every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit in person before the cut-off time, which is no earlier than 5:00 p.m., on a business day that we are open, we will consider that day to be the day of your deposit for purposes of calculating when your funds will become available. However, if you make a deposit after the cut-off time or on a day we are not open, we will consider that deposit made on the next business day we are open. In all cases, availability of any deposit assumes that a requested withdrawal will not overdraw the account.

2. Automated Teller Machine (ATM) Deposits. Funds from any deposit (cash or checks) made at a proprietary ATM (an ATM owned by the Credit Union) will be available the second business day after the day of your deposit. Funds from any deposit (cash or checks) made at an ATM we do not own or operate will not be available until the fifth business day after the day of your deposit. If your deposit is subject to an Exception Hold, funds may not be available until the seventh business day after the day of your deposit. All ATMs that we own or operate are identified as our machines.

3. Exception Holds. Funds you deposit by check may be delayed for a longer period under the following circumstances:

- a. We believe a check you deposit will not be paid.
- b. You deposit checks totaling more than \$5,000 on any one day.
- c. You redeposit a check that has been returned unpaid.
- d. You have had a negative balance (or would have had a negative balance if items were paid) repeatedly within the preceding six (6) month period.
- e. There is an emergency, such as failure of computer or communications equipment.

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

4. Mailed Deposits. Deposits you send by mail are considered deposited on the business day it arrives at the Credit Union if the deposit arrives by the business day cut-off time.

5. Funds Availability. The following types of deposits will usually be made available as noted. Exception and new account holds apply. The Credit Union reserves the right to make deposited amounts available sooner than noted, but has no obligation to do so.

Available the Day of Deposit.

- a. Cash, if deposited in person to an employee at a branch location; new account rules apply.
- b. Electronic direct deposits.
- c. Wire transfers.

Available the Next Business Day after the Day of Deposit.

- a. Checks drawn on the Credit Union.
- b. The first \$200 of local checks; large deposit exception hold apply.
- c. Checks drawn on a Federal Reserve Bank, Federal Home Loan Bank, Cashiers, Certified, and Tellers checks.
- d. U.S. Treasury check.
- e. U.S. Postal Money Orders.
- f. State or Local Government checks; deposited in person and deposited into the named payee's account.

Available the Second Business after the Day of Deposit.

- a. Cash deposited using a method other than in person to an employee at a branch location.
- b. Checks not deposited in person and either deposited into the named payee's account or the account of another.

- c. U.S. Treasury checks deposited into an account other than the named payee's account whether or not in person.
- d. U.S. Postal Money Orders not deposited in person and deposited into the named payee's account.
- e. State or Local Government checks not deposited in person and either deposited into the named payee's account or the account of another.
- f. ATM deposits into an ATM owned by the Credit Union.

Available the Fifth Business Day after the Day of Deposit.

- a. Deposits made into an ATM not owned by the Credit Union.

6. ACH and Wire Transfers. If you initiate an ACH or wire transfer from your account at another financial institution to your Credit Union account, the funds transferred in this way to your Credit Union account will be available on the first business day after the day we receive the deposit, at which time you may withdraw the funds in cash and we will use them to pay checks and other transactions you have initiated. Funds that you transfer by ACH or wire to your Credit Union account from your account at another financial institution may not be available for a subsequent wire transfer to another financial institution until the third business day after the day we receive the deposit.

7. Deposits at Credit Union Service Centers or Shared Branches. Availability on deposited items is based on the Credit Union's policies, and not those of the Credit Union Service Center or Shared Branch location.

8. Paper Checks. Deposits of paper checks will not be available until after the second business day from the date of deposit. The first \$200 of your deposits, however, will generally be available no later than the first business day after the day of deposit, and usually immediately.

9. Cashing Checks. If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account or another account you have with us. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

10. Special Rules for New Accounts. If you are a new Member, or have just opened a checking account, the following special rules may apply during the first thirty (30) days your new account or checking account is open.

- a. Funds from cash and electronic payments into your account will be available the day we receive the deposit.
- b. The first \$5,000 of a day's total deposits into a new account of cashiers, certified, tellers, travelers, on-us (checks drawn on Arizona Federal), and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the fifth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.
- c. Funds from all other check deposits will generally be available on the fifth business day after the day of your deposit. In certain instances, we may hold funds from other check deposits for longer than five business days. For example, if we receive a check that falls within the Exception Holds section above, we may delay funds for up to eight business days after the date of your deposit. If we do so, we will provide you with a hold notice at the time of deposit or when we learn that we will hold the funds from the deposit.

11. Special Rules for Time Period Adjustment for Withdrawals by Cash or Similar Means. The Credit Union reserves the right to extend by one business day the time that funds deposited will be available for withdrawal by cash or similar means. However, an additional \$400 will be

available for withdrawal by cash or similar means on the date funds are otherwise available for withdrawal under this policy.

12. Foreign Checks. Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposit of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn. Foreign checks with no routing numbers and payable in foreign currency are not accepted for deposit. These items must be sent as a collection item. Only foreign checks payable through a U.S. bank with routing numbers and payable in U.S. dollars will be available subject to the schedule described in this section.

13. Debit Originations (ACH and/or Wire Transfer). If we originate, per your request, a debit origination (called ACH DBO) from your account at another institution to your Credit Union account, funds transferred in this way to your Credit Union account may not be available until the funds are settled with the other financial institution, which is the first business day after we originate the ACH DBO. At that time, you may withdraw the funds in cash and we will use them to pay checks you have written. We reserve the right to restrict a wire transfer from the ACH DBO funds in your Credit Union account to a non-credit union account until the third business day after the day we receive the deposit. We do not process ACH DBO's on days we are not open for business.

TRUTH-IN-SAVINGS ACT DISCLOSURE

Share and Checking Accounts:

1. Rate Information. The dividend rate and Annual Percentage Yield (APY) on your accounts are set forth in the Schedule provided with this Agreement. The dividend rate and APY may change each dividend period as determined by the Credit Union's Board of Directors.

2. Compounding and Crediting. Dividends will be compounded and may be credited as set forth in the Schedule. The Dividend Period (Period) for each of your accounts is set forth in the Schedule. The Period begins on the first calendar day of the Period and ends on the last calendar day of the Period. If your account is closed or you make a withdrawal during a Period before dividends are credited, you may not receive accrued but un-credited dividends.

3. Balance Information. Any minimum deposit to open an account and the minimum average daily balance you must maintain to avoid fees and to earn the annual percentage yield stated for your account is set forth in the Schedule. Dividends are calculated by the average daily balance method, which applies a periodic rate to the average daily balance in your account for the Period. Adding the balance in your account for each day of the Period and dividing that figure by the number of days in the Period calculate the average daily balance.

4. Accrual of Dividends. Dividends will begin to accrue on the business day we receive provisional credit for the deposit of non-cash items (e.g. checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account.

5. Transaction Limitations for All Share Savings Accounts. Limitations are set forth in the section titled "Transactions from Your Account" herein.

6. Dividend Earnings Restriction. The Credit Union reserves the right, and you expressly agree that we may restrict share balances and the Credit Unions' payment of share dividends or other earnings on any and all accounts, including share certificates and individual retirement accounts (IRAs), if you breach this Agreement or any other agreements with us. A breach includes, but is not limited to, a default or delinquency with regard to any loan or share account balance.

Share Certificate and IRA Certificate Accounts:

1. Rate Information. The Dividend Rate and Annual Percentage Yield on your accounts are stated in the Schedule and/or your Term Share Certificate. The Annual Percentage Yield reflects the dividends to be paid on your accounts based on the dividend rate and the frequency of compounding for an annual period. For Fixed Rate Share Certificate and Fixed Rate IRA Certificate Accounts the dividend rate and annual percentage yield are fixed and will be in effect for the term of the account. For Variable Rate Share Certificate and Variable Rate IRA Certificate Accounts the dividend rate and annual percentage yield are variable and may change each dividend period based on the determination of the Credit Union's Board of Directors. The annual percentage yield assumes that dividends will remain on deposit until maturity. Any withdrawals will reduce your earnings.

2. Compounding and Crediting. Dividends will be compounded and credited as set forth in the Schedule. The Dividend Period (Period) for each account is set forth in the Schedule. The Period begins on the first calendar day of the Period and ends on the last calendar day of the Period.

3. Minimum Balance Requirements. The minimum opening deposit required to open any Term Share Certificate Account is set forth in the Schedule. You must maintain a daily balance equal to or greater than the minimum opening deposit to earn the annual percentage yield and avoid any service charges set forth in the Schedule.

4. Balance Computation Information. Dividends are calculated by the Daily Balance method, which applies a daily periodic rate to the balance in your account each day.

5. Accrual of Dividends. Dividends will begin to accrue on the business day you deposit non-cash items (e.g. checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account.

6. Transaction Limitations. In addition to any other applicable limitations described in this Agreement, after a Certificate is opened, you may not make deposits into the account before maturity. After an IRA Certificate Account is opened, you may make additional deposits into the account before maturity; however, your deposits may not exceed the maximum allowed pursuant to applicable laws or as set forth in the Schedule in any single calendar year.

7. Maturity Date. Your account will mature on the date stated in your Certificate or any Renewal Notice the Credit Union provides to you.

8. Early Withdrawal Penalties. You have agreed to leave the principal of this account on deposit for the full term stated on your Certificate deposit receipt. If all or part of the principal is withdrawn before the maturity date, the Credit Union may charge you a penalty. Withdrawal of the principal amount of your Certificate may be made only with the consent of the Credit Union. Unless stated otherwise, withdrawals made within the first six (6) days of a new certificate will be penalized minimum of seven (7) days of dividends on the withdrawn amount. Additional penalties apply; refer to the Schedule or terms stated in your Certificate. The penalty may be calculated at the rate paid on the deposit. The penalty will, if necessary, be taken from the principal amount of the deposit. The Credit Union may grant a premature withdrawal request without penalty or with a reduced penalty in the event of the owner's death or legal incompetence; or if your account is an IRA account and the account is revoked within seven (7) days after the IRA Disclosure Statement is received; or when the account is an IRA account and the owner is over the age of 59 ½ and taking a Normal Distribution payable to themselves, or is disabled as defined under federal tax code section 72(M)(7). Penalties are not waived for the death of a fiduciary such as a trustee, business agent, or custodian. The certificate balance at maturity, which may include dividends paid during the prior term, will be considered the principal balance of the renewed certificate.

9. Renewal Policy. Unless you instruct the Credit Union otherwise, your Certificate will automatically renew at maturity. You will have a grace period of ten (10) business days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty. However, the Credit Union reserves the right to give the owner written notice that the account will be renewed as a different Certificate type or that the account will not be renewed. In the latter case, upon maturity, the account will be converted to a regular share account and receive earnings at the rate then paid on regular share deposits. The rate of earnings for any renewal terms shall be at the rate the Credit Union is then offering on the same accounts in this class. If you instruct us not to renew your account, then no dividends will be paid after the stated maturity date.

10. Partial Withdrawal. No partial withdrawal will be permitted at any time that would result in a principal balance of less than the required minimum opening deposit.

COMMON FEATURES OF ALL ACCOUNTS

1. Nature of Dividends. The Credit Union pays dividends from current income and available earnings, after required transfers to reserves at the end of the dividend period; thus, dividends are not guaranteed. The Dividend Rate and Annual Percentage Yield set forth in the Schedule are prospective rates and yields the Credit Union anticipates paying for the applicable dividend period.

2. National Credit Union Share Insurance Fund. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

3. Limitations on Maximum Shares Held by One Member. The Credit Union's Board of Directors may limit the maximum amount of shares one Member may hold by resolution, which they may set or change from time to time.

4. Transfer and Assignment. Ownership of an account is not transferable without the written consent of the Credit Union. Subject to approval by the Credit Union, joint owners may request in writing to surrender their ownership rights to an account. The Credit Union may, before giving its consent, use any of the funds in this account to repay any debt due it from any named account owner. Your accounts may be pledged to secure your existing or future obligations owed to this Credit Union.

5. Fees and Charges. The fees and charges set forth in the Schedule may be assessed against your account(s).

6. Par Value Requirements. The Par Value of a membership share, which must be fully paid to become a Member or maintain membership or to receive and maintain any accounts or services with us is set forth in the Schedule. The sum of your membership share shall be paid into and retained in your share savings or other appropriate account.

7. Transaction Limitation on All Accounts. No Member may withdraw any amount on deposit below the amount of their primary or contingent liability to the Credit Union if they are delinquent as borrower, co-borrower, or guarantor, without the Credit Union's written permission. Further, if your accounts are pledged to us to secure any loan obligation, then you must pay, or, with our permission, renew the loan before any principal or dividends may be withdrawn or transferred. If we allow you to renew a loan secured by such a pledge, you may be required to renew any pledged account or leave the funds on deposit with us until the loan is paid or we specifically release the funds.

8. Notice of Changes in Temporary NCUA Insurance Coverage for Transaction Accounts. All funds in a "noninterest-bearing transaction account" are insured in full by the National Credit Union Administration through December 31, 2012. This temporary unlimited coverage is in

addition to, and separate from, the coverage of at least \$250,000 available to members under the NCUA's general share insurance rules.

The term "noninterest-bearing transaction account" includes a traditional share draft account (or demand deposit account) on which the insured credit union pays no interest or dividend. It does *not* include any transaction account that may earn interest or dividends, a negotiable order of withdrawal ("NOW") account, money market deposit account, and Interest on Lawyers Trust Account ("IOLTA"), even if share drafts may be drawn on the account. For more information about temporary NCUA insurance coverage of transaction accounts, visit www.ncua.gov.

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