

Consumer
**Membership
& Account
Agreement**

SALAL 
CREDIT UNION

Effective January 1, 2021

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I. Membership & Account Information

1. Overview/Contract

This Consumer Membership & Account Agreement (Agreement), Disclosure(s), Membership and Account Card (Account Card) and other account opening documents are part of the binding contract between you and us for your membership and account(s). Collectively, they contain the terms of our agreement with you. Please read all of these documents carefully so you understand your and our rights and responsibilities concerning membership and the account(s) offered to you.

The classification and form of ownership of your accounts are designated on your Account Card. Unless you waive your rights, you understand certain account designations, such as a joint ownership with right of survivorship or payable on death (POD) beneficiary may be invalidated upon the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

By signing the Account Card that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, Disclosures, and any other account opening documents accompanying this Agreement, which collectively govern your membership and accounts. You agree additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

DEFINITIONS

The terms below have the following meanings as used in this Agreement.

You, your: In this Agreement, the words "you" and "your" mean those who signed the Membership and Account Card, Terms of Membership, or Account Change Card (collectively referred to as "Account Card").

We, us, our, Credit Union: The words "we," "us," "our," and "Credit Union" mean Salal Credit Union.

Account holder: Anyone who is a primary member, a joint account holder, or a person defined as a "depositor" under Washington's Financial Institutions Account Deposit Act (RCW 30A.22.040).

Primary member: The Salal member whose Tax Identification Number (TIN) is used on the account for reporting interest income to the Internal Revenue Service (IRS) and who signs the Membership and Account Card.

Joint account holder: A party who has signed an Account Card, has ownership interest in, and legal liability for, a joint account.

Power of Attorney (POA): When you designate another party with the authority to act as your attorney-in-fact (AIF) and to handle affairs on your behalf while you are alive.

Account: The word “account” throughout this Agreement may be used collectively to refer to your checking, savings, or certificate of deposit accounts with the Credit Union.

Transaction: Any deposit, withdrawal, transfer, payment, or purchase via point-of-sale (POS) or otherwise, or other instruction related to any account or account service provided by the Credit Union.

Balance and Available Balance: Defined in Section 15 of this Agreement. As explained in Sections 15 and 16 of this Agreement, the Credit Union uses the available balance to determine whether your account is overdrawn and in assessing overdraft transfer, non-sufficient funds (NSF), overdraft, and Courtesy Pay fees in the amounts set forth in the Consumer Product & Fee Disclosure.

Access device: Any card, code, or other means of access to a member’s account, or any combination thereof, that may be used by the member to initiate electronic fund transfers.

Debit card: A card that may be used at an automated teller machine (ATM) to access your checking and savings accounts to make cash withdrawals, deposits, and transfers, and to obtain balance information. Debit cards have a Visa logo on the front and may be used to make purchases from participating merchants.

CHANGE IN TERMS

Except as otherwise prohibited by applicable law, the terms of this Agreement which includes any Disclosures are subject to change at any time. Changes may include any or all of the following:

- *Addition of new terms;*
- *Deletion or amendment to existing terms;*
- *Addition of new accounts and services and the discontinuation of existing accounts or services.*

We may also convert existing accounts and services into new accounts and services.

The Credit Union will notify you of any changes to the account terms, rates, or fees in advance of the change as required by law. Other changes may not require advanced notice. We may, but do not have to, notify you of any change we make for security reasons or that we believe is either beneficial or not adverse to you.

Notice of changes in terms to any one account holder is considered notice to all account holders. If you continue to keep your account open on or after the effective date of the change, you are deemed to accept and agree to the change and are bound by the change. If you do not accept a change, you may close your account and/or membership as provided for in this Agreement.

The Credit Union reserves the right to waive any terms in this Agreement. Any such waiver shall not affect the Credit Union’s right to enforce any right in the future.

2. Membership & Accounts

IDENTIFICATION

Important Information About Procedures for Opening a New Account

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

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

MEMBERSHIP ELIGIBILITY

To be eligible for membership in the Credit Union, you must be an individual qualifying within the Credit Union’s field of membership as prescribed by the Credit Union’s bylaws. You authorize us to check financial information data and employment history about you by any means allowed by law, including obtaining a credit report or credit score from any consumer reporting agency for the purpose of extending accounts or services to you upon your request, reviewing or collecting on a current account, and verifying your eligibility for other credit union accounts and services we may offer.

3. Ownership

GENERAL TERMS

When you request membership, we rely upon information you give us to determine the form of ownership for your membership and account(s) opened under that membership. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

INDIVIDUAL ACCOUNT

An individual account is an account owned by one depositor. Upon death, the balance of the account, less any previous pledge to the Credit Union, will pass, subject to applicable law, to the decedent’s estate or Payable on Death (POD) beneficiary, if applicable.

JOINT ACCOUNT WITH RIGHT OF SURVIVORSHIP

If more than one person’s name appears in the title of the membership and account, i.e., member and a joint account holder, the account is a joint account. All persons whose names appear on the membership and account(s) are co-owners of the membership/accounts(s), regardless of whose money is deposited into the account.

The account is owned as a joint account with rights of survivorship. If the account is a joint account with right of survivorship upon the death of one of the joint account holders, that person's interest will become the property of the surviving joint account holder(s). A surviving joint account holder's interest is subject to the Credit Union's statutory lien for the deceased account holder's obligations and to any security interest or pledge granted by a deceased account holder, even if a surviving account holder did not consent to it.

Rights of Joint Account Holders

Any joint account holder is authorized and deemed to act for the other account holder(s) and the Credit Union may accept orders and instructions regarding the account and requests for future services from any other account holder. Each account holder guarantees the signature of the other account holders. Any account holder may:

- *Deposit funds and withdraw or transfer part or all of the funds in the account;*
- *Instruct us to stop payment on items drawn on an account;*
- *Obtain information about the account, including transactions conducted by other account holders;*
- *Perform account maintenance for any account holder such as changing account address;*
- *Withdraw or pledge all or any part of the funds of any account without the consent of the other account holder(s); and*
- *Close any account(s) and the membership.*

The Credit Union shall have no duty to notify any other joint account holder(s). If the Credit Union receives written notice of a dispute between account holders or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a court order to act, or require all joint account holders agree in writing to any transaction concerning the account.

Joint Account Holder Liability

If any item deposited in a joint account is returned unpaid, if an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account holders is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft or unpaid amount, and any fees, regardless of who created the overdraft, deposited or cashed the item, or benefited from the transaction. If any account holder is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

PAYABLE ON DEATH (POD) DESIGNATION

A POD designation is an instruction to the Credit Union that a designated account is an account payable to the holder or holders during their lifetime(s) and upon the death of the last joint account holder, payable to any named and surviving POD beneficiary designated on your Account Card. A POD takes full precedence over a will or other documents. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries with right of survivorship. Any POD beneficiary designation shall not apply to Individual Retirement Accounts (IRA) which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law. If there is no surviving POD beneficiary upon the death of the last account holder, state law will determine rights to the funds.

INDIVIDUAL RETIREMENT ACCOUNTS (IRA)

An Individual Retirement Account is governed by the terms of this Agreement and the terms and disclosures set forth in any IRA Agreement(s) we may provide to you. The Credit Union offers the following types of IRA Plans:

- *Traditional IRA*
- *Roth IRA*
- *Coverdell Education Savings Account (ESA)*
- *Simplified Employee Pension (SEP) IRA*

You may deposit funds to each IRA Plan you have with us through an IRA Savings or IRA Certificate of Deposit (CD).

UNIFORM TRANSFERS TO MINORS ACT ACCOUNTS

A Uniform Transfers to Minors Act Account (UTMA) is an individual account established by a member as a custodian on behalf of a minor (a person under twenty-one [21] years of age). The custodian shall open the account in the name of the minor, include the minor's Tax Identification Number (TIN) and the custodian must sign their own name on the Account Card. The custodian is the owner of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to make deposits to, withdraw from, or close the account. In the event of the custodian's death, the Credit Union may place an administrative hold on the account until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing such withdrawal.

Ownership of an UTMA is not transferred to the named minor without direction from the custodian or court order.

YOUTH ACCOUNTS

A youth account is established when the primary account holder is under the age of eighteen (18). The Credit Union reserves the right to require a youth account to have a joint

account holder who is at least eighteen (18) years of age, such as a parent or legal guardian, who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid fees, or amounts owed to the Credit Union on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship. The Credit Union may make payments of funds directly to the youth without regard to their age. Unless a guardian is a joint account holder, the guardian shall not have any right to access the account. This does not apply to guardianship accounts opened pursuant to a court order. The Credit Union has no duty to inquire of the use or purpose of any transaction by the youth or joint account holder. The youth account holder's TIN must be shown on the Account Card.

ACCOUNTS FOR REVOCABLE TRUSTS

An account in the name of a trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a trust agreement. Upon request of the Credit Union, the trustee shall provide evidence of the trustee's authority. The trustee warrants a valid trust has been created, currently exists, and that the trustor and primary beneficiary are eligible for membership in the Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). The trustee agrees to notify the Credit Union in writing if a change occurs. Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the trust or an Account Card is received. Funds may be released to any one trustee acting alone or with a co-trustee. The trustee(s) agrees to indemnify and hold Credit Union harmless of any liability, claim, damage, or loss arising as a result of unauthorized acts of any trustee or former trustee or acts of any trustee upon which Credit Union relies prior to notice of revocation of the trust. This Agreement shall be binding on the trust, any trustee, successor trustee, and beneficiaries.

SPECIAL ACCOUNT INSTRUCTIONS

You may request the Credit Union to facilitate certain trust, fiduciary, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. You and any surviving account holder or beneficiary agree(s) to indemnify and hold the Credit Union harmless from any claim or liability asserted against the Credit Union as a result of the disposition of funds in reliance on this Agreement and any account designation of yours. If you ask the Credit Union to follow instructions the Credit Union believes might expose it to claims, suits,

lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond indemnifying the Credit Union.

Any item presented with a full payment legend must be presented in person to a Credit Union employee; otherwise, payment is accepted with full reservation of rights. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the power of attorney on record at the Credit Union. You understand the Credit Union may choose to retain electronic or imaged copies of any original documents and you agree an electronic or imaged copy is valid as an original document.

POWER OF ATTORNEY

A Power of Attorney (POA) has the authority to act as your attorney-in-fact (AIF) and to handle affairs on your behalf while you are alive. To protect you, we are not obligated to honor a POA unless we are satisfied of the legality and authority of the POA and any related documents requested by us in making this determination. You agree that the Credit Union is not providing you with legal advice concerning POA formation, scope, authority, or termination.

You are bound by any actions taken by the AIF in connection with the account. Unless expressly allowed in the POA, your AIF cannot:

- *Change or alter account ownership;*
- *Add or delete a beneficiary from the account;*
- *Empower others to act on the Primary Member's behalf; and*
- *Terminate membership.*

4. Tax Information & Backup Withholding

In most instances we are required to report on an annual basis to you and to the Internal Revenue Service (IRS) interest payments that total \$10.00 or more during the calendar year on your deposit accounts with us, this information is reported along with the primary member's TIN (generally, this is your Social Security Number [SSN] if you are an individual or the Employer Identification Number [EIN] for other accounts such as businesses). We may also be required to report this information to the appropriate state revenue authority.

When you establish a membership and open an account with us, we are required to obtain—and each U.S. citizen or resident alien must give and certify to us—a TIN and information regarding your backup withholding status. When you apply for membership and an account, you must certify you have provided the correct TIN for the primary member and the correct backup withholding status.

Failure to furnish a correct TIN or meet other applicable requirements may result in backup withholding as well as civil or criminal penalties. If you refuse to provide your TIN, we may suspend your account privileges.

If you fail to certify your name and TIN, if the IRS notifies us that the name and TIN you gave us is incorrect, or if the IRS notifies us that you have underreported interest or dividends on your tax return, we are required to backup withhold at the current rate on interest earned on your account and pay it to the IRS.

Resident aliens and nonresident aliens or entities: If you are not a U.S. citizen, special rules may apply and we may require additional documentation.

You should consult a qualified tax advisor if this applies to you.

5. Business Days

Our business days are defined as Monday through Friday. Saturdays, Sundays, and federal holidays are excluded.

6. Account Changes

NAME OR ADDRESS CHANGES

It is your responsibility to notify the Credit Union upon a change of name or change of address. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. You may change your address by providing written notice to the Credit Union, or through the Credit Union's Mobile or Online Banking applications. Failure to maintain a current address with the Credit Union may result in the assessment of a fee to your account as defined in the Consumer Product & Fee Disclosure. If the Credit Union attempts to locate you, the Credit Union may impose a fee as set forth in the Consumer Product & Fee Disclosure.

MEMBER-INITIATED ACCOUNT CHANGES

Changes in account ownership, such as adding or removing a joint account holder, must be evidenced by a signed Account Change Card, which upon execution, will be incorporated herein by this reference. Amendments requested by you or any account holder, such as adding or closing accounts or services, may be made in person, by telephone, or written instruction.

EFFECT OF NOTICE

Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union.

7. Fee Information

You agree to pay for our services in accordance with the fees that apply to your membership and account(s) with us.

As a member, you are subject to the fees described in the Consumer Product & Fee Disclosure. A current disclosure is

provided to you when you open your membership and any accounts with us. We may change the Consumer Product & Fee Disclosure from time to time and will notify you of such changes as required by law. By continuing to maintain your membership and account after changes are made and effective, you are agreeing to accept them.

8. Checking Accounts

We offer several types of checking accounts as described in our Consumer Product & Fee Disclosure. Additional information is provided below on interest-bearing checking accounts.

RATE INFORMATION

The Interest Rate (Rate) and Annual Percentage Yield (APY) are provided when you open your interest-bearing checking account with us. The APY is a percentage rate that reflects the total amount of interest to be paid on an account based on the Rate and frequency of compounding for an annual period. The Rate may change monthly as determined by Credit Union management. All of our interest-earning checking accounts are tiered-rate accounts.* Once a balance range is met, the Rate and APY for that range will apply to your entire balance.

COMPOUNDING AND CREDITING

Interest will be compounded and credited monthly. The interest period for all interest-bearing accounts is monthly and begins on the first calendar day of the month and ends on the last calendar day of the month. Interest is calculated by the daily balance method which applies a daily periodic rate to the principal in the checking account each day.

ACCRUAL OF INTEREST

Interest will begin to accrue on deposits on the business day you make your deposit to your checking account. If you close your account before accrued interest is credited, accrued interest will not be paid.

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product & Fee Disclosure.

- *Minimum balance required to open a checking account.*
- *Minimum monthly balance required to avoid a monthly service charge.*
- *Minimum monthly balance required to obtain the disclosed APY.*

9. Savings Accounts

We offer several types of savings accounts as described in our Consumer Product & Fee Disclosure. The information

*A tiered-rate account is an account that has two or more interest rates that are applicable to specified balance levels.

in this section also applies to our money market and IRA savings accounts.

RATE INFORMATION

The Interest Rate (Rate) and Annual Percentage Yield (APY) are provided when you open your savings account with us. The APY is a percentage rate that reflects the total amount of interest to be paid on an account based on the Rate and frequency of compounding for an annual period. The Rate may change monthly as determined by Credit Union management. All of our savings accounts are tiered-rate accounts.* Once a balance range is met, the Rate and APY for that range will apply to your entire balance. Certain money market accounts may pay the stated Rate and APY only on the portion of the balance within the specified tier. Refer to our Consumer Product & Fee Disclosure and Consumer Deposit Rate Sheet for additional details.

COMPOUNDING AND CREDITING

Interest will be compounded and credited monthly. The interest period for all savings accounts is monthly and begins on the first calendar day of the month and ends on the last calendar day of the month.

ACCRUAL OF INTEREST

Interest will begin to accrue on deposits on the business day you make your deposit to your savings account.

If you close your account before accrued interest is credited, accrued interest will not be paid.

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product & Fee Disclosure.

- *Minimum balance required to open a savings account.*
- *Minimum monthly balance required to avoid a monthly service charge.*
- *Minimum monthly balance required to obtain the disclosed APY.*

Interest is calculated by the daily balance method which applies a daily periodic rate to the principal in the savings account each day.

TRANSFER LIMITATIONS

Under this Agreement the Credit Union may impose limits on the number of pre-authorized or third-party transactions you can make each calendar month from your savings account or money market account. The Credit Union will allow you to make up to six (6) preauthorized or third-party transactions from your savings account or money market account each calendar month, or more than six (6) at the Credit Union's sole discretion and in accordance with federal regulations, from among the following:

- *Pre-authorized transfers from your savings or money market account (including transfers through an overdraft transfer protection plan);*
- *Telephonic transfers from your savings or money market account;*
- *Mobile or Online Banking transfers or bill payment transfers from your savings or money market account; or*
- *Checks from your account (only applicable to money market accounts).*

A pre-authorized transfer includes any arrangement with the Credit Union to pay a third party from your savings or money market account upon oral or written orders including orders received through the Automated Clearing House (ACH).

The Credit Union counts transactions on the date the transaction posts to your savings account or money market account. In the case of a check, this date may be different from the date you wrote the check, which means a check written during one calendar month may not post and be counted until the next calendar month.

If a transfer or withdrawal request would exceed the transfer limitations set forth above in any calendar month, the Credit Union may, at its sole discretion and in accordance with federal regulations, refuse or reverse the transfer. The Credit Union may impose a fee as described in our Consumer Product & Fee Disclosure. Exceeding the transfer limitations set forth above during three (3) separate calendar months within a rolling 12-month period may result in your savings or money market account being converted to a checking account.

There is no limit on the number of transactions you may make from your savings account or money market account in the following manner:

- *In-branch withdrawals or transfers;*
- *ATM withdrawals or transfers;*
- *Transfers to any loan account with the Credit Union from a savings or money market account with the same ownership;*
- *Transfers to another Credit Union account from a savings or money market account with the same ownership if the transfer is initiated in person, by mail, or at an ATM;*
- *Withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail, or at an ATM; or*
- *Withdrawals by telephone if the withdrawal is mailed to you by check.*

These transaction limits do not apply to deposits.

10. Certificates of Deposit

We offer several types of Certificates of Deposit (CD) as described in our Consumer Product & Fee Disclosure. This

*A tiered-rate account is an account that has two or more interest rates that are applicable to specified balance levels.

Agreement also applies to any IRA CD you open with us. Any differences between the CD and IRA CD are explained below, when applicable.

RATE INFORMATION

The Interest Rate (Rate) and Annual Percentage Yield (APY) are provided to you when you open your CD with us. The APY is a percentage rate that reflects the total amount of interest to be paid on an account based on the Rate and frequency of compounding for an annual period.

The Rate and APY for an IRA CD are fixed and will be in effect for the term of the IRA CD. The Rate is tiered and depends upon the opening balance as explained in our Consumer Product & Fee Disclosure.

The APY is based on an assumption that interest will remain on deposit until maturity. A withdrawal of interest will reduce earnings.

COMPOUNDING AND CREDITING

Interest will be compounded and credited monthly. The interest period begins on the first calendar day of the month and ends on the last calendar day of the month. Interest will compound to your CD unless you elect to have interest credited to one of your other Credit Union accounts (does not apply to an IRA CD).

BALANCE INFORMATION

The following information, when applicable, is provided in our Consumer Product & Fee Disclosure.

- *Minimum balance required to open a CD.*
- *Minimum monthly balance required to obtain the disclosed APY.*

Interest is calculated by the daily balance method which applies a daily periodic rate to the principal in the CD each day.

ACCRUAL OF INTEREST

Interest will begin to accrue on deposits on the business day you make your deposit to your CD.

ADDITIONAL DEPOSITS

Additional deposits of any dollar amount may be made at any time during the term of certain CDs as outlined in the Consumer Product & Fee Disclosure.

Additional deposits may be made at any time during the term of an IRA CD up to the allowable contribution amount each tax year for the type of IRA you open with us.

TRANSACTION LIMITATIONS

Except as otherwise noted, you may not make deposits or withdrawals, including interest, during the term of your CD. This does not apply to required minimum distributions (RMD) on an IRA CD.

RENEWAL

Your CD automatically renews for another term of the same duration upon maturity.

You have a grace period of ten (10) calendar days after maturity in which to withdraw all or a part of the funds in the CD without being charged an early withdrawal penalty and to prevent automatic renewal.

The Rate and APY for any renewal term are based upon the Rate we offer on the first day of the new term for the type of CD, amount, and term of the renewed CD. Unless specifically stated otherwise, any bonus or special promotion we are offering will not apply to automatically renewing CDs.

If at maturity we no longer offer a CD for the same term and/or type, we may reinvest your funds in a CD we believe offers similar features.

EARLY WITHDRAWAL

When you open a CD, you have contracted to leave your funds in the CD for the stated term. You may not withdraw all or part of the funds from your CD before the end of the term except as explained below.

At our discretion, we may allow you to withdraw all or part of your funds during the term of your CD (at times other than the grace period). Each time we permit you to make an early withdrawal of principal, we may charge you an early withdrawal penalty as follows:

Amount of Penalty

The amount of the early withdrawal penalty is based on the term of your CD and is as follows:

- *6–12 Month Term — an amount equal to 90 days interest.*
- *Over 12 Month Term — an amount equal to 180 days interest.*

How the Penalty Works

The penalty is calculated as a forfeiture of part of the interest that has been or would be earned on a CD. It applies whether or not the interest has been earned. In other words, if the CD has not yet earned enough interest or if the interest has already been paid, the penalty will be deducted from the principal.

Exceptions to Early Withdrawal Penalties

At our discretion, we may allow an early withdrawal before maturity without imposing an early withdrawal penalty as follows:

- *If the CD account holder becomes disabled.*
- *When a CD account holder is determined to be legally incompetent by a court or other body of competent jurisdiction.*
- *When a CD account holder dies.*
- *When the CD is an IRA CD and any portion is paid within seven (7) calendar days after establishment.*

For IRA CDs opened under a Traditional IRA Plan, the early withdrawal penalty is waived for partial withdrawals made after the age of 72 to permit the RMD for a Traditional IRA. Any withdrawals, partial or full, made prior to attaining the age of 72 are subject to the early withdrawal penalties explained above.

NON-TRANSFERABLE/NON-NEGOTIABLE

Your CD is non-transferable and non-negotiable. The funds in your CD may not be pledged to secure any obligation of an account holder, except obligations with the Credit Union. IRA CDs may not be pledged as collateral to secure a loan.

11. Deposit Requirements

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth in this or other service agreements. All accounts are non-assignable and non-negotiable to third parties. This means you may not transfer your account rights and obligations to a third party.

We reserve the right to reject any deposit presented that requires special handling or processing or that exceeds any maximum dollar limits for deposits set by the Credit Union.

ENDORSEMENTS

You authorize the Credit Union, at its discretion, to accept checks or drafts for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. Missing endorsements are only supplied to account holder(s) of the Credit Union and these checks or drafts can only be deposited into an account in the name of the payee. The Credit Union reserves the right to verify all endorsements on checks or drafts presented for deposit either in person or by comparison with member signature files.

When you endorse checks or drafts, you must endorse them in the area that extends 1 1/2 inches from the trailing edge on the back of the item. You must also confine information you place or have preprinted on the back of the item to the same area. Otherwise, it may overlap into the area reserved for the Credit Union's endorsements. The trailing edge is the left side of the check or draft when you look at it from the front.

If you make endorsements outside that area, mark or otherwise obscure the other area or a prior endorsement, or make an endorsement that is illegible or incomplete, the Credit Union may refuse the deposit. If the Credit Union accepts a deposit with non-conforming endorsements, you agree to hold the Credit Union harmless for any loss, delay, liability, claim, or damage which may arise as a result. If it becomes necessary for the Credit Union to return one of your deposited checks or drafts, your endorsement or information

placed on the back of the item may interfere with the Credit Union endorsements and cause processing delays. You are liable for and agree to reimburse the Credit Union for all claims, costs, losses, and damages that result from late return of any check or draft due to the material entered on the back of the item that obscured or interfered with the Credit Union or another financial institution's endorsement.

If any Magnetic Ink Character Recognition (MICR) information is provided on a check or draft, we may disregard any conflicting information on the item other than the signature of the drawer and the MICR information. If any deposited check or draft lacks a special endorsement as required by any remote or mobile deposit service, you will be liable for any loss associated with the deposit, the deposited item, or any subsequent deposit of the same item and we will debit your account for the amount of the item plus any fees as disclosed in our Consumer Product & Fee Disclosure.

Third-Party Endorsements

The Credit Union may require checks and drafts you want to cash be endorsed by all parties to whom they are payable. We may require verification of any endorsement through any method available to us such as requiring identification of all parties. The Credit Union is under no obligation to accept checks or drafts for deposit bearing a third-party endorsement.

Mobile Check Deposit Endorsements

For mobile deposits, you must endorse the checks as follows:

John Doe (your signature)

For Mobile Deposit Only at Salal CU

If you do not properly endorse the back of the check you are depositing with this added restrictive endorsement, as shown above, the deposit of the check may be denied. Additionally, if your check is missing the proper endorsement and it is deposited more than once, your account may be debited for the amount of the check. Further, you will be liable for any resulting negative balances in your account, overdrafts or fees including overdraft transfer, NSF, overdraft, or Courtesy Pay fees, regardless of circumstances surrounding the deposit.

IMPORTANT REMINDERS:

- *Protect your funds and your accounts by keeping your mobile deposit check(s) in a safe place for a minimum of fifteen (15) days, a maximum of sixty (60) days, and then destroy the check(s).*
- *You remain responsible and liable for checks that are deposited to your account that are returned unpaid, and for any other problems involving your account arising from mobile deposits.*

COLLECTION OF ITEMS

In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.

MAIL DEPOSITS

When you send deposits by mail, the Credit Union may treat them as received at the time we receive actual delivery of the deposits sent by mail. If you place deposits at an unstaffed facility, we may treat them as received when we remove them from the location from which the deposit was made.

FINAL PAYMENT

All items or Automated Clearing House (ACH) credits credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH credits and impose a return fee on your account.

After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the items have been made available for your use.

DIRECT DEPOSIT/PAYROLL DEDUCTION

The Credit Union may offer direct deposit and payroll deduction options allowing you to preauthorize deposits (i.e., payroll, Social Security, retirement, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits/payroll deduction to your accounts by a separate authorization form.

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

CREDITING OF DEPOSITS

Deposits made on a non-business day will be credited to your account on the next business day as defined in this Agreement.

Electronic direct deposits (wires or ACH) will be credited on the day we receive the funds. Deposits made at an ATM or through Mobile Check Deposit will be credited on the day the deposit is made. Deposits received at unstaffed facilities such as night drops will be credited on the business day funds are removed and processed by the Credit Union.

If you make a deposit at a Credit Union branch on a business day during posted business hours, we will consider that day to be the day of your deposit. However, if you make a deposit after posted business hours or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

All items credited to your account are provisional and subject to the Credit Union's receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items and impose a return fee on your account and you may be charged overdraft transfer, NSF, overdraft, or Courtesy Pay fees if the lack of final payment causes your account to be overdrawn. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

DEPOSIT OF FOREIGN ITEMS

Provisional credit of deposited items drawn from institutions in Canada may be made at the discretion of the Credit Union. The Credit Union does not accept checks from any financial institution outside of the United States and Canada.

DEPOSIT ERRORS

If we mistakenly credit your account(s) for funds to which you are not the rightful owner, even if such mistake is solely attributable to our actions, we will deduct those funds from your account(s), even if this causes your account(s) to be overdrawn. In the alternative, in order to recover such funds, we may exercise our right of offset against any other account owned solely or jointly by you under our statutory lien rights, common law lien rights, or contractual lien rights provided for herein. When correcting our error, generally, the Credit Union will not assess returned deposited item fees or overdraft fees if the correction results in an overdraft. However, if the account remains overdrawn, you may be charged overdraft transfer, NSF, overdraft, or Courtesy Pay fees.

12. Account Access

ACCESS OPTIONS

You may make withdrawals or transfers from available funds in your account in any manner that is permitted by

the Credit Union (i.e., check, ATM, debit card, in person, by mail, automatic transfer, telephone, Mobile or Online Banking). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss or costs incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

AUTHORIZED SIGNATURE

In order to access any account, you must be an authorized signatory on the account. The Credit Union is authorized to recognize your signature but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith the signature on such item or instruction is not genuine.

ELECTRONIC CHECK TRANSACTIONS

If you authorize a merchant to electronically debit your checking account using the routing, account, and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed, and signed, such authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer (EFT) subject to the terms of the Electronic Funds Transfer Disclosure. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check. Such transactions may result in overdraft transfer, NSF, overdraft, or Courtesy Pay fees each time they are submitted, presented, or re-presented for payment if there are insufficient available funds in your account.

ACH AND WIRE TRANSFERS

You may initiate or receive credits or debits to your account via wire transfer or ACH transfer. You agree if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. You may also review your account activity using Mobile or Online Banking. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree if the Credit Union does not receive final settlement for a transfer, we may reverse the provisional credit to your account or you will refund the amount to the Credit Union; this may result in your account becoming overdrawn. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Fedwire is the funds transfer system operated by the U.S. Federal Reserve Banks. If any part of a wire is carried out by Fedwire, your rights and obligations are governed by Federal Reserve Regulation J.

For each ACH transaction, you agree the transaction is subject to the National Automated Clearing House Association (NACHA) Operating Rules and their implementing regulations, which are incorporated in this Agreement. You acknowledge that such transactions may be presented to the Credit Union more than once for payment. Such transactions may result in overdraft transfer, NSF, overdraft, or Courtesy Pay fees each time they are submitted, presented, or re-presented for payment if there are insufficient available funds in your account. When posting ACH transactions, we may rely solely on the account number provided in the transaction information even if the number belongs to another party not identified as the beneficiary. The Credit Union is not liable for errors, delays, interruptions, or transmission failures caused by third parties or circumstances beyond our control, including mechanical, electronic, or equipment failure. We may refuse any request to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request that we accept to amend or cancel a payment order will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses, including attorneys' fees, resulting from any actual or attempted amended or canceled payment order.

You may initiate ACH transfers by accessing your account(s) in Mobile and Online Banking, refer to the ACH External Transfer Disclosure & Agreement for cutoff times. To initiate a wire transfer from your account(s), visit a Salal branch or call us at **206.298.9394** or **800.562.5515**. Wire transfers initiated by telephone require a completed Outgoing Wire Transfer Agreement. Refer to the Outgoing Wire Transfer Agreement for wire transfer cutoff times.

CREDIT UNION EXAMINATION

The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

Since the Credit Union does not individually examine checks, it is critical for you to protect, manage, and securely store your checks, promptly review your statements, and immediately report any suspicious or unauthorized activity to us. You agree automated processing of your checks is reasonable and you accept responsibility for preventing and reporting forgeries, alterations, and other unauthorized uses of your checks or accounts. You agree the exercise of ordinary care will not require us to detect forgeries or alterations that could be detected by a person observing reasonable commercial standards.

FACSIMILE SIGNATURES

If you use a facsimile or other mechanical signature (such as a stamp) to sign or endorse items, you acknowledge and agree we can rely on that signature and the Credit Union has no liability to you for failure to detect that such signature was affixed by someone lacking authority to do so. It is your responsibility to ensure appropriate security precautions are taken for any mechanized signature device. You agree we may conclusively treat as authorized any signature that reasonably resembles your facsimile, mechanical, or stamped signature. You agree to execute a written agreement, including an indemnification, regarding the use of such signatures if we request you do so.

If you have authorized the use of an electronic or facsimile signature (e-signature), the Credit Union may honor any draft that appears to bear your signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

13. Withdrawal Limitations

The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft transfer or Courtesy Pay plan. Checks or other transactions, or payment orders which are drawn against insufficient available funds, will be subject to a fee, set forth in the Consumer Product & Fee Disclosure. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion. The Credit Union may also refuse to allow a withdrawal in other cases including, but not limited to, the following:

- *Any dispute between the account holders about the account (unless a court has ordered the Credit Union to allow the withdrawal);*
- *If a writ of garnishment, writ of attachment, tax levy, or similar document is received;*
- *The account secures an obligation to the Credit Union;*
- *Any required documentation has not been presented; or*
- *You fail to repay a Credit Union loan on time.*

You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks of not less than seven [7] days and up to sixty [60] days as required by law before such withdrawal). If deemed necessary, the Credit Union reserves the right to limit cash withdrawals.

Withdrawal limitations from your savings account and money market account are explained in the Savings Account section of this Agreement.

14. Substitute Checks

To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states, "This is a legal copy of your check. You can use it in the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

The Credit Union does not return substitute checks with your statement or provide images of substitute checks on your statement. You may request copies of substitute checks as explained in the Statements section of this Agreement.

ELECTRONIC RE-PRESENTED CHECKS

If you write a check that we return unpaid because of insufficient available funds, the payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction (Electronic Re-presented Check) to charge your account for the amount of the check. If we receive an Electronic Re-presented Check, we will pay or return the Electronic Re-presented Check as if the original paper check was presented to us. The Credit Union may charge you an overdraft transfer, NSF, overdraft, or Courtesy Pay fee in connection with each submission, presentment or re-presentment if there are not sufficient available funds in your account. Any collection fee you authorize the merchant to debit from your account is an electronic funds transfer subject to the terms of the Electronic Funds Transfer Disclosure. If you want to reverse an Electronic Re-presented Check, you must complete an affidavit within sixty (60) days after we send or make available to you the periodic statement that reflects payment of that Electronic Re-presented Check. In your affidavit, you must declare and swear under oath that the Electronic Re-presented Check was ineligible or unauthorized. If we receive a proper affidavit from you within the sixty (60) day period, we will re-credit your account with the amount of the charge. If you wish to stop payment of any Electronic Re-presented Check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.

15. Balance vs. Available Balance

Balance is the actual amount of money in your account, which is updated throughout the day as transactions are posted. It does not take into consideration pending transactions or holds.

Available balance or **available funds** is the amount of money in your account that is currently available for you to make purchases, withdrawals, bill payments, wire transfers, and other transactions. The available balance is the balance in your account minus any approved pending transactions that have yet to clear your account. It does not include any checks you have written that have not been presented for payment, bill payments that have been scheduled but not yet sent, or ACH transactions (direct withdrawals and/or direct deposits) that have not yet posted. Your available balance is updated throughout the day as transactions are posted. Available balance is used to determine whether an item will be paid and to assess overdraft transfer, NSF, overdraft, and Courtesy Pay fees.

The balance and available balance reflected on your account at times may be different. This can be due to things such as:

- *A hold placed on a check you deposited.*
- *A temporary debit authorization hold.*

On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money, which may be more than the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it may be up to three (3) business days before the adjustment is made.

Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in an amount greater than your available balance at the time the transaction is presented, that transaction will be considered a non-sufficient funds (NSF) transaction if we do not pay it or an overdraft transaction if we do pay it. You will be charged a non-sufficient funds (NSF) or overdraft fee according to our Overdraft Policy. The Credit Union will not charge NSF or overdraft fees based on specific debit card transactions when there were sufficient available funds in your account at the time of the authorization hold for that transaction, but there are not sufficient available funds in the account at the time that transaction is settled.

POSTING ORDER

We ordinarily process and post debits to your checking account throughout the day in the manner explained below.

- *Checks—posted nightly from lowest to highest dollar amount.*

- *ACH—posted several times per day, each batch of ACH posted is posted from lowest to highest dollar amount and credits post before debits.*
- *Signature-based debit card transactions—posted daily in the order received from our network processor.*
- *Personal Identification Number (PIN)-based debit card transactions—posted real time (as the transaction occurs).*

16. Overdraft Policy & Courtesy Pay

An overdraft occurs when transactions such as checks, debit card purchases, or ATM withdrawals exceed your account's available balance. An overdraft may result from many things, such as:

- *Payment of checks, electronic funds transfers, or other withdrawal requests authorized by you;*
- *Nonpayment and return of items deposited by you;*
- *Imposition of applicable fees assessed to your account; or*
- *Funds held on deposits in accordance with the Credit Union's Funds Availability Policy.*

We are not obligated to pay any item presented or re-presented for payment if your account does not contain sufficient available funds or a positive available balance.

At the sole discretion of the Credit Union, we may pay transactions that overdraw your checking account, or we may decide to return the items. Items we return are considered non-sufficient funds (NSF) items and we charge non-sufficient funds (NSF) fees. When we decide to pay an item that overdraws your account, we charge overdraft fees. The payment of items which causes an overdraft in your account is never guaranteed and you should not write checks or initiate any debits to your account if payment of those items would exceed the available balance in your account. Payment of ATM and one-time debit card transactions will not be paid into overdraft unless you have expressly opted in for payment of those types of transactions.

If on any day, the available balance in your account is not sufficient to cover checks and other items that are presented or re-presented for payment, those checks and items will be handled in accordance with our overdraft procedures or any overdraft service you may have with us. The Credit Union's determination of an insufficient available balance may be made at any time between presentation of checks or other items and the Credit Union's midnight deadline with only one review of the account required. You may be notified of any NSF items paid or returned; however, we have no obligation to notify you before we pay or return any items. Your account will then be subject to a fee, whether paid or returned, as set forth in the Consumer Product & Fee Disclosure. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to

cover overdrafts in the future and may discontinue covering overdrafts at any time. We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you.

You understand that multiple attempts may be made to submit or present a transaction for payment from your account when we return it due to insufficient available funds. You agree that we may charge a NSF fee in connection with each one of the attempted submissions, presentations, or re-presentments if there are not sufficient available funds in your account when they are made and we do not pay it, and that this may result in multiple fees. You agree that if there are insufficient available funds in your account to cover the submitted, presented, or re-presented item and we pay the transaction, and we may charge applicable overdraft transfer, overdraft, or Courtesy Pay fees.

If the Credit Union pays a check or other item for which your account does not have sufficient available funds, you agree to make a deposit as soon as possible to bring your account to a positive available balance including the amount of the item(s) and any overdraft transfer, NSF, overdraft, or Courtesy pay fees, all of which shall be due and payable on demand. If there is an overdraft paid by us on an account with more than one (1) account holder on the account, each account holder, and agent if applicable, shall be jointly and severally liable for such overdrafts plus any associated fees. If your account remains overdrawn, we will send you notices and will close your account if the required deposit is not made within the timeline we specify. Accounts closed for this reason are reported to a consumer reporting agency and may impact your ability to obtain another account.

We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits. You are responsible for recording account balances and transactions and monitoring your account. Overdraft services offered by the Credit Union are described below.

OVERDRAFT TRANSFER PROTECTION

Overdraft protection through our Overdraft Transfer Protection service is available with any checking account you open with us; however, you must request the service. If enrolled in this service, we will honor the payment of checks and other transactions drawn on insufficient available funds in your enrolled checking account(s) by transferring the necessary funds from available funds in other accounts of yours (savings or checking accounts, credit card or line of credit accounts authorized for this type of overdraft protection [the loan agreement will state if overdraft protection from the line of credit is available]) to your applicable checking account. We will transfer funds to your overdrawn checking account(s) in accordance with

your transfer instructions or in accordance with applicable loan agreements. The fee for overdraft transfers under this service is set forth in the applicable Consumer Product & Fee Disclosure. Transfers from a deposit account will be governed by this Agreement. Transfers from a loan account, including fees, will be governed by the applicable loan agreement. You must apply for a line of credit and your application is subject to credit approval by the Credit Union.

COURTESY PAY BASIC OR COURTESY PAY PLUS

In addition to any Overdraft Transfer Protection plan you may elect to adopt, the Credit Union offers a Courtesy Pay service for the payment of transactions that would cause an overdraft in your checking account. Courtesy Pay offers the following coverage:

Courtesy Pay Basic—Covers overdrafts for checks you write and other recurring transactions you make such as ACH payments and bill pay payments.

Courtesy Pay Plus—In addition to the checks and recurring transactions that may be covered by Courtesy Pay Basic, ATM, and one-time debit card transactions are also paid with Courtesy Pay Plus.

Neither Courtesy Pay Basic nor Courtesy Pay Plus constitutes an actual or implied agreement between you and the Credit Union or an actual or implied obligation of or by the Credit Union to pay items which may overdraw your account due to insufficient available funds. These services represent a purely discretionary courtesy or privilege the Credit Union may provide to you from time to time which may be withdrawn or withheld by us at any time without prior notice, reason, or cause.

Eligibility Requirements

Eligible members are automatically enrolled in Courtesy Pay Basic; you may opt out of this service at any time. Courtesy Pay Plus requires you to opt in through Mobile or Online Banking, fill out a form, or call us at **800.562.5515**. To be eligible for this service, you must be at least 18 years old and be a member in good standing, meeting the following requirements:

- *Not have a negative available balance in a Credit Union account for more than thirty (30) consecutive days;*
- *Not be more than 30 days delinquent on any Credit Union loan;*
- *Not have a modified loan with the Credit Union; and*
- *Not be subject to any legal or administrative order on a Credit Union account.*

Pathway Checking is not eligible for Courtesy Pay Basic or Courtesy Pay Plus.

The Credit Union will cancel your participation in Courtesy Pay Basic or Courtesy Pay Plus if you are no longer

a member in good standing, as defined above. If you wish to be reinstated for participation in Courtesy Pay Basic or Courtesy Pay Plus, you must be a member in good standing for a period of six (6) consecutive months from the date the Credit Union cancels your participation. To request reinstatement, see Changing Your Courtesy Pay Basic or Courtesy Pay Plus Elections.

Courtesy Pay Limitations

We will consider paying transactions for which your account does not have sufficient available funds up to the Courtesy Pay limit established for your account. The table below describes the limits. All fees, including and without limitation, any overdraft transfer, NSF, overdraft, or Courtesy Pay fees (as set forth in our Consumer Product & Fee Disclosure) will be included in this limit and will apply to any transaction that overdraws your account.

Limit:	Days your membership has been open:
\$250	Day 0–90
\$500	Day 91–365
\$700	Day 365+

Changing Your Courtesy Pay Basic or Courtesy Pay Plus Elections

If you would like to opt in or out of Courtesy Pay Basic or Courtesy Pay Plus, you may notify the Credit Union as follows:

- *At the time of account opening.*
- *Call us at 800.562.5515 or 206.298.9394.*
- *Visit a Salal branch.*
- *Visit **SalalCU.org** to download the form, fill it out, and mail it to the address below.*
- *Write to us at:*
 - Salal Credit Union**
 - Attention: Opt In/Out**
 - PO Box 75029**
 - Seattle, WA 98175-0029**

If you opt out of or cancel Courtesy Pay Basic or Courtesy Pay Plus, you may incur overdraft or non-sufficient funds (NSF) fees if you have insufficient available funds when a transaction attempts to clear your account. If a transaction is returned, the merchant may assess their own fees.

17. Post-Dated & Stale-Dated Items

POST-DATED ITEMS

You authorize us to accept and pay any check, even if the check is presented for payment before its date, unless you

notify the Credit Union of the post-dating and request a stop payment.

Your request to stop payment on a post-dated check will be effective only if the Credit Union receives the notice in time for the Credit Union to notify its employees and reasonably act upon the notice and you accurately describe the check, including the number, date, and amount. You understand that exact information is necessary for the Credit Union's core processing system to identify the check. If you give the Credit Union an incorrect, incomplete, or untimely notice, the Credit Union will not be responsible for paying the item before the date stated and the Credit Union may charge your account as of the date the item is presented to the Credit Union for payment.

If we receive a post-dated check that is subject to a stop payment order from you, we will return the check for that reason.

You also agree not to deposit checks, drafts, or other items before they are properly payable. This may result in there being insufficient available funds and one or more overdrafts to your account. Refer to the Balance vs. Available Balance and Overdraft Policy and Courtesy Pay sections of this Agreement for detailed information.

STALE-DATED ITEMS

The Credit Union is under no obligation to you to pay a check or draft drawn on your account or accept a check or draft for payment or deposit into an account, which is presented more than six (6) months after its date.

18. Stop Payment Orders

STOP PAYMENT REQUEST

You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your checking or money market account. You may request a stop payment by telephone, online, mail, or in person. You must provide the originator of the ACH debit and the exact dollar amount, as applicable.

- *For ACH debits, the stop payment order must be received at least three (3) business days before the scheduled date of the transfer.*
- *For checks, the stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order. You must provide your account number, check number, date the check was written, payee, and exact amount of the check.*

If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. The Credit Union may

charge a fee for each stop payment order requested, as set forth in the applicable Consumer Product & Fee Disclosure.

DURATION OF ORDER

Stop Payment on a Check

You may make an oral or written (written includes online requests) stop payment order with us. A confirmation notice will be sent to you and we ask you notify us immediately if any information on the confirmation is not correct. If you provided us with incorrect information, e.g., wrong dollar amount, we may pay the item. A written stop payment order will be effective for six (6) months. A stop payment order may be renewed for an additional six (6) months if done in writing during the stop payment period.

The Credit Union is not obligated to notify you when your stop payment order expires.

Stop Payment on an ACH Debit

If we have not already paid an ACH debit from your account, then at your request and risk we may accept a stop payment order on it. If you give us oral instructions, we may require you to confirm them in writing. If you do not confirm the stop payment in writing, we may remove the stop payment after fourteen (14) days. You may request a one-time stop payment or a permanent stop payment on an ACH debit.

LIABILITY

You may not stop payment on a cashier's check or any other check, draft, or payment guaranteed by the Credit Union. If a cashier's check issued by the Credit Union is lost, stolen, or destroyed, you agree to provide us with a signed declaration of loss and indemnity agreement. We may be able to re-issue the cashier's check; however, a 90-day waiting period may be required. Additionally, you may not stop payment on a point of sale transaction or an ATM withdrawal or transfer.

You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages, or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple-party account holder, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

19. Statements

CONTENTS

If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided, you agree only one statement is necessary for a multiple-party account. For checking

accounts, you understand the Credit Union does not return checks with statements. Copies of checks written from your account are made available upon your request. The Credit Union may impose a fee for copies of checks as set forth in the Consumer Product & Fee Disclosure.

You understand statements are made available to you on the date the statement is sent to you and you will be responsible for any forged, altered, or unauthorized item drawn on your account if:

- *You fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item; or*
- *Items are forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.*

If you request us to provide you with a copy of a substitute check, you agree we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically.

NOTICE TO CREDIT UNION

You agree the Credit Union's retention of substitute checks does not alter or waive your responsibility to examine your statements or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charged to your account unless you notify the Credit Union in writing within the above time limit after the statement is made available to you.

20. Inactive & Abandoned Accounts

If you have an account that you have not made a withdrawal from, deposit to, or transfer involving your account for more than one (1) year, the Credit Union classifies your account as inactive and may charge an inactive fee as allowed by applicable law and set forth on the applicable Consumer Product & Fee Disclosure. If you re-establish contact with us, such fees are nonrefundable. Thereafter, interest will be paid on the account unless the balance falls below any minimum balance required to earn interest. The Credit Union will notify you at your last known address prior to imposing any fee as required by law and within the prescribed timelines. Additionally, accounts will continue to incur applicable monthly fees unless contact is established with you and you elect to close the account. Prior notification regarding the continuance of such fees is not required. You authorize us to transfer funds from any available account of yours to cover any monthly fees, if necessary.

Your account may generally be considered abandoned in accordance with applicable state law if you have not performed at least one of the following activities within three (3) years:

- *Made a deposit or withdrawal;*
- *Written to us about the account; or*
- *Otherwise shown an interest in the account such as asking us to keep the account active.*

Credit Union fees, interest payments, and reoccurring automatic deposits or withdrawals are not considered activity.

Funds in abandoned accounts will be remitted to the state in accordance with state law. Before we remit abandoned funds or property, we may send a notice to the address we currently have on record. We may not send this notice if mail we previously sent to the address was returned. Once funds have been remitted, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

21. Death of Account Holder

You irrevocably waive the right to make a testamentary disposition of any account with the Credit Union, now and in the future. You agree that upon your death, your account will be payable in accordance with any existing account designations and the terms of this Agreement. We may require the survivor or other claimants to the account to produce certain documents before releasing the funds in the account. The Credit Union may continue to honor all transfers, withdrawals, deposits, and other transactions on the account until the Credit Union learns of an account holder's death.

Once the Credit Union learns of a member's death, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree the Credit Union can require anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim.

22. Account Closure

Any account holder may close an account, including a joint account, at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is closed; however, if the Credit Union pays a check after closure, you agree to reimburse the Credit Union for payment.

The Credit Union may close your account at any time without notice to you or may require you to close your account and apply for a new account under the following circumstances.

- *There has been a zero (\$0) balance in the account and no activity for ninety (90) days or longer;*
- *There is a dispute as to the ownership of the funds in the account;*
- *There is a change in account holders or authorized signers;*
- *If there are excessive returned unpaid items not covered by an overdraft transfer protection plan or Courtesy Pay;*
- *If you have not returned the account to a positive available balance within the time that we have specified for you to do so following an overdraft or payment of amount paid by an overdraft transfer protection plan or Courtesy Pay;*
- *Any account checks are lost or stolen;*
- *If there has been any misrepresentation or any other abuse of any of your accounts;*
- *There has been any form of fraud, including forgeries reported or committed involving your account, or*
- *In the event of a loss or to prevent a loss to the Credit Union.*

Suspensions may take the form of a temporary or permanent "hold" or "freeze" on your account at our discretion. We are not responsible for payment of any check, withdrawal, POS transfer, debit card transaction, ACH transaction, Mobile or Online Banking transaction, or other item once your account is terminated. If we terminate your account, we will mail to the mailing address on file all available funds in the account, less any obligations owed to the Credit Union by any account holder. You agree to use all accounts only in compliance with applicable law and that we may restrict or cancel services or terminate the account if we believe any account holder or authorized signer is not doing so.

23. Termination of Membership

To remain a member of the Credit Union, you must retain at least one active deposit account or loan with the Credit Union. A deposit account is no longer active if funds in the account are presumed abandoned in accordance with Washington State RCW 63.29 – Uniform Unclaimed Property Act. A person who does not maintain at least one active deposit account or loan ceases to be a member of the Credit Union and must requalify for membership.

In addition, the Credit Union may deny you services or expel you from membership for any reason allowed by applicable law, Credit Union bylaws, and Credit Union policy, including causing a loss to the Credit Union. We may terminate your membership if it appears that there has been

or may be any misrepresentation regarding, or any abuse of, your account.

We will provide you reasonable notice if we close your account. Reasonable notice depends on the circumstances, and in some cases, such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. At our option, we may suspend your rights to member services if you violate the terms of this agreement.

24. *Lost or Uncollectable Items*

In receiving items from you (e.g., for withdrawal, collection, deposit, checks drawn on Canadian banks, or items lost in transit), the Credit Union acts only as your agent and reserves the right to reverse any credit given for such items or to charge your account for the items if they become lost in the collection process or are uncollectible for any other reason. You waive notice of dishonor on any item charged back to the account. Such a chargeback may cause an overdraft in the account.

25. *Unlawful Internet Gambling*

You acknowledge and agree that “restricted transactions” as defined in the Unlawful Internet Gambling Enforcement Act of 2006 (Regulation GG) are prohibited from being processed through your account or any other relationship between you and us. In the event we identify a suspected restricted transaction, we may block or otherwise prevent or prohibit such transaction. In addition to the actions noted above we may close your account or end the relationship.

26. *Credit Union’s Liability for Errors*

If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your actual losses or damages not to exceed the amount of the transaction, except as otherwise provided by law.

The standard by which our actions will be measured is willful misconduct. The Credit Union will not be liable for any other losses or damages and will not be liable at all as follows:

- a) *Through no willful misconduct of the Credit Union, your account does not contain enough money to make the transaction;*
- b) *Circumstances beyond the control of the Credit Union prevent the transaction from occurring;*

- c) *Your loss is caused by your negligence or the negligence of another financial institution; or*
- d) *The money in your account is subject to legal process (e.g., garnishment, attachment, levy) or other claim.*

The Credit Union will not be liable for consequential, incidental, or punitive damages except liability for wrongful dishonor.

27. *Credit Union Lien & Security Interest*

Unless prohibited by law: To the extent you owe the Credit Union money as a borrower, guarantor, endorser, or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its rights to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwellings. This provision does not include Individual Retirement Accounts (IRAs) or any other account that is prohibited by law. All accounts are non-assignable and nontransferable to third parties.

28. *Legal Orders & Processes*

If any legal order or process, such as a levy, garnishment, subpoena, or attachment, is brought against your account, the Credit Union will comply with that legal process and the Credit Union may refuse to pay out any money from your account until the dispute is resolved. The Credit Union will not be liable for any items that could not be paid from your account as a result of the legal process. The Credit Union may comply with any legal process even if the legal process does not involve all account holders. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses or fees may be charged against your account without prior notice to you, unless prohibited by law. The Credit Union may also impose a fee for certain legal processes as described in the Consumer Product & Fee Disclosure. Any legal process against your account is subject to the Credit Union’s lien and security interest.

29. *Notice of Negative Information*

Federal law requires us to provide the following notice to customers before any “negative information” may be furnished to a nationwide consumer reporting agency. We may report information about your account to consumer reporting agencies. Late payments, missed payments, or

other defaults on your account may be reflected in your credit report. “Negative information” includes information concerning delinquencies, overdrafts, or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about customers/members that have not done what they are required to do under our agreement(s). After providing this notice, additional negative information may be submitted without providing another notice.

30. Account Information

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

- *It is necessary to complete the transaction;*
- *The third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations;*
- *Such disclosure is in compliance with the law, government agencies, or court orders; or*
- *You give us your written permission.*

31. Enforcement, Binding Arbitration, Class Action Waiver & Waiver of Jury Trial

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you.

BINDING ARBITRATION

All disputes or claims arising out of or relating to this Agreement, or your use of the Credit Union’s products and services offered in the accounts covered under this Agreement, or the relationships that arise from this Agreement or your use of such products and services, whether based in contract, tort or otherwise, ***shall be resolved by binding individual arbitration.*** This arbitration clause does not apply to disputes arising out of or relating to loans secured by real estate or lending or loan servicing related to such loans.

CLASS ACTION WAIVER

THE ARBITRATION SHALL BE SOLELY BETWEEN THE PARTIES TO THIS AGREEMENT—YOU AND THE CREDIT UNION. CLASS ARBITRATION, COLLECTIVE PROCEEDINGS OR OTHER REPRESENTATIVE

PROCEEDINGS SHALL NOT BE PERMITTED, NOR SHALL YOUR ARBITRATION BE JOINED OR CONSOLIDATED WITH ANY OTHER ARBITRATION.

YOU ACKNOWLEDGE AND AGREE THAT THIS AGREEMENT PRECLUDES YOU FROM FILING, PARTICIPATING IN, OR SEEKING ANY RELIEF OR RECOVERY FROM A CLASS ACTION LAWSUIT AGAINST THE CREDIT UNION PENDING IN ANY COURT.

ARBITRATION PROCEDURES

The arbitration will be conducted under the AAA Consumer Arbitration Rules – a supplement to the Commercial Arbitration Rules and Mediation Procedures of the American Arbitration Association (AAA) – as in effect at the time the claim is made, except as modified by this Agreement. The Credit Union will not invoke its right to arbitration for any claim filed by you in small claims court so long as the claim is pending only in that court and is only on behalf of you. This arbitration provision shall be interpreted and enforced in accordance with the Federal Arbitration Act in Title 9 of the U.S. Code.

The arbitration filing fees and compensation of the arbitrator shall be paid by the Credit Union, unless otherwise allocated by the arbitrator. The parties shall each be responsible for and shall pay their respective costs, including attorneys’ fees, incurred by them in preparing and presenting their cases or otherwise in connection with the arbitration proceedings. The arbitrator shall award the prevailing party his, her, or its attorney fees and costs to be paid by the non-prevailing party.

Arbitration hearings will be held at a location that is within fifty (50) miles of your residence at the time the arbitration is commenced, to be designated by the arbitrator, or at another location if mutually agreed.

The arbitration will be conducted before a single arbitrator appointed by the AAA and who is an attorney or a retired judge. The arbitrator shall have experience and knowledge in financial transactions. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including but not limited to issues relating to the validity or enforceability of these arbitration provisions, shall be determined by the arbitrator. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law shall be applicable in any arbitration under this Agreement, and the commencement of an arbitration under this Agreement shall be deemed the commencement of an action for such purposes. The arbitrator shall apply the terms of this Agreement and the law governing it to decide the dispute.

Any relief available in an individual action (not a class action) in a court of law applying the substantive law of the state of Washington can be awarded by the arbitrator. Judgment upon the award rendered in arbitration shall be

final and may be entered in any court, state or federal, having jurisdiction.

If binding arbitration determined to be prohibited by law, the exclusive forum for any litigation arising out of or relating to this Agreement your use of the Credit Union's products and services under this Agreement, or the relationships that arise from this Agreement or your use of such products and services, shall be a court situated in King County, Washington.

JURY TRIAL WAIVER

YOU AND THE CREDIT UNION HEREBY MUTUALLY WAIVE THE RIGHT TO TRIAL BY JURY OF ALL DISPUTES, CONTROVERSIES, AND CLAIMS BY, BETWEEN, OR AGAINST EITHER YOU OR THE CREDIT UNION WHETHER THE DISPUTE, CONTROVERSY, OR CLAIM IS SUBMITTED TO ARBITRATION OR IS DECIDED BY A COURT.

This Agreement does not preclude you from informing any federal, state, or local agency or entity of your dispute with the Credit Union. Such agency or entity may be able to seek relief on your behalf.

OPTING OUT OF ARBITRATION

If you do not consent to arbitration, you must opt out of this arbitration clause by sending a written notice to the Credit Union within thirty (30) days of your receipt of this agreement. The opt-out notice shall be signed by you, mailed, and postmarked within the deadline to the Credit Union at:

Salal Credit Union

Attention: Arbitration Opt Out

PO Box 75029

Seattle, WA 98175-0029

Absent a timely opt out, the arbitration clause will be binding. Opting out of this arbitration clause will not terminate this Agreement or affect any other rights and obligations you or the Credit Union have under the terms of this Agreement.

In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Washington law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

32. Severability

In the event any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

33. Governing Law

This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Washington, and local clearing house rules, as amended from time to time.

34. Privacy & Security

OUR CONFIDENTIALITY & SECURITY SAFEGUARDS

We maintain strict policies and security controls to assure your information in our computer systems and files is protected. Our employees and agents are permitted access to your information they may need to perform their jobs and to provide service to you. Our employees and agents have access to such member information as necessary to conduct a transaction or respond to your inquiries. All employees and agents are trained to respect your privacy. Only our employees and agents have regular access to the Credit Union computer system and records storage. The Credit Union has established internal security controls, including physical, electronic, and procedural safeguards to protect the information you provide us and the information we collect about you. We will continue to review our internal security controls to safeguard your member information as we employ new technology in the future.

ONLINE PRIVACY PROTECTIONS

At our website, www.SalalCU.org, you may apply for certain accounts and services, and you may communicate with us via e-mail. To protect the information you provide us online, we use multiple levels of security. Generally, e-mails via our website are not secure. E-mails sent through Mobile or Online Banking are secure. However, if we ask you to e-mail us information other than your name, address, e-mail address, and phone number, it will be obtained using a secure (SSL encryption) e-mail form. When you visit our website, you can access site information without revealing your personal identity. However, in order to help us identify you for future site visits, we use cookies to track your visit. A cookie is a piece of information our web server stores on your computer hard drive and retrieves later. The cookie will not request, require, or collect personal identity information and you remain anonymous. Your member information is not accessed by or stored within a cookie in any way.

Refer to the Credit Union's Online Banking Disclosure & Agreement (available on our website) for more information on how to set up a secure username and password, how to stay secure online, and how to report unauthorized access to your account(s).

35. ATM/Night Deposit Safety Notice

The suggestions that follow offer some simple tips on protecting your debit card(s), your PIN, and on exercising care when using an ATM or night drop.

PROTECT YOUR CARD AND PERSONAL IDENTIFICATION NUMBER (PIN)

- Always protect your card by keeping it in a safe place. If your card is lost or stolen, notify us immediately.
- Always protect your PIN. Do not write your PIN down anywhere, especially on your card, and never give your PIN to anyone. If you choose your own PIN, avoid using obvious numbers such as telephone numbers, addresses, or birth dates.
- Never give information about your card or PIN over the telephone. If someone is asking for this information, refuse and immediately notify us.

BE AWARE OF YOUR SURROUNDINGS AT ATMS

- Be aware of your surroundings, particularly at night. Avoid poorly maintained or poorly lighted locations.
- Consider having someone accompany you when using the ATM or night drop facility after dark.
- If an ATM appears altered, damaged, or tampered with, including loose pieces or signs of adhesive, don't use the ATM and report your findings to the ATM owner.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- If you notice anything suspicious at the ATM or night drop facility, consider using another ATM or night drop facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area.
- At drive-up ATMs, leave enough room between cars to allow for a quick exit, if necessary.
- While waiting in line at the drive-up ATM, keep the engine running, the doors locked, and the windows up.

PROTECT YOUR PRIVACY

- While at the ATM, enter your PIN discreetly; shield the keypad with your hand or body.
- After completing your transaction, refrain from displaying your cash at the ATM or night drop facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.

- Do not leave your transaction record at the ATM. Keep your transaction record in a safe place so you can compare it to your statement. If you find an unexplained transaction, notify us immediately.

REQUEST EMERGENCY ASSISTANCE

- Report all crimes to law enforcement officials immediately.

36. Contact Information

- Visit any Salal Credit Union branch location
- Visit our website: www.SalalCU.org
- Access your account using Mobile or Online Banking and send a secure message
- By telephone: 800.562.5515 or 206.298.9394
- By mail:

Salal Credit Union
PO Box 75029
Seattle, WA 98175-0029

II. Funds Availability Policy

Savings accounts: We reserve the right to place reasonable holds on fund deposits to the extent permitted by law.

Checking accounts: Our funds availability policy is set forth below.

1. *Your Ability to Withdraw Funds*

For determining the availability of your deposits, our business days are Monday through Friday, excluding federal holidays.

Except as otherwise indicated below, our policy is to make funds from your cash and check deposits available to you on the same business day that your deposit is received. Once deposits become available funds, you may withdraw them in cash and we will use them to pay checks or other items being withdrawn from your account.

If you make a deposit during posted business hours in a Credit Union branch on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after posted business hours or on a day we are not open, we will consider that the deposit was made on the next business day that we are open.

All deposits are subject to verification by the Credit Union.

ELECTRONIC DIRECT DEPOSIT

Electronic direct deposits (wires and ACH) will be available on the day we receive the deposit.

NIGHT DROP DEPOSIT

On weekdays, any deposit made after 4:00 p.m. Pacific Time (PT) in a night drop will be credited the next business day.

On weekends, any deposit made after 10:00 a.m. PT in a night drop will be credited the next business day.

ATM DEPOSIT

If you make a deposit at an ATM owned by the Credit Union or through a non-proprietary ATM (not owned by the Credit Union), the first \$225 of the combined daily total of all ATM deposits will be available on the day of deposit. Additional funds will generally be available on the second (2nd) business day after the business day of your deposit, but no later than the fifth (5th) business day after the business day of your deposit for deposits made at non-proprietary ATMs. ATMs owned by the Credit Union will be identified by having the Credit Union's name prominently displayed on the ATM.

MOBILE CHECK DEPOSIT

If you make a deposit using the Credit Union's Mobile Check Deposit, the first \$225 of the combined daily total of all mobile check deposits will be made available on the day of

your deposit. Additional funds will not be available until the second (2nd) business day after the day of your deposit.

ONLINE ACCOUNT OPENING

If you open a new account online, and authorize us to debit your external financial institution account to fund your new account through ACH, we may delay the availability of the opening deposit by up to four (4) business days following the effective date of your new account funding transaction. You will authorize the debit to your external financial institution account during each online account application session.

SHARED BRANCHING DEPOSIT

The first \$225 of the combined daily total of deposits will be available on the day of deposit. Additional funds will generally be available on the second (2nd) business day after the business day of your deposit.

2. *Longer Delays May Apply*

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day as the day of your deposit. Depending on the way the funds were received, and the type of check deposited, funds may not be available until the seventh (7th) business day after the day of your deposit.

The first \$225 of the combined daily total of deposits will be made available on the day of deposit. Funds deposited at a branch of the Credit Union and payable to you from the U.S. Treasury, Federal Reserve Bank, Federal Home Loan Bank, checks drawn on the Credit Union, postal money orders, state or local government checks, or cashier's, certified, or teller's checks will be made available on the day of the deposit.

If we are not going to make all of the funds available on the day of deposit (or as otherwise noted above for ATM, Mobile Check, or Shared Branching deposits), we will notify you of the date when funds will be available. If the funds are not delivered directly to an employee of the Credit Union or we decide to take this action after you have left the branch, we will mail, or make available to you, a notice by the first (1st) business day after we have delayed the availability of the funds.

If you need the funds immediately or by a certain date, you should ask us when the funds will be available.

Funds subject to delayed availability are not available funds, are not included in the available balance of your account and may not be used to pay items presented for payment. After funds have been withdrawn from your account, you remain responsible and liable for checks that were deposited to your account that are returned to us unpaid.

3. *Exception Holds*

We may delay the availability of funds you deposit by check for a longer period under the following circumstances:

- *We believe a check you deposit will not be paid.*
- *You deposit checks totaling more than \$5,525 on any one day.*
- *A check that was returned unpaid is being redeposited.*
- *You have overdrawn your account repeatedly in the last six (6) months.*
- *There is an emergency, such as failure of communications or computer equipment.*

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will notify you of the date when funds will be available. Funds will generally be available no later than the seventh (7th) business day after the day of your deposit. Funds subject to delayed availability due to exception holds are not available funds, are not included in the available balance of your account and may not be used to pay items presented for payment.

4. Special Rules for New Accounts

If you are a new member, the following special rules apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, postal money orders, and federal, state, and local government checks will be available on the first (1st) business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the seventh (7th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second (2nd) business day after the day of your deposit.

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

5. Holds on Other Funds

If we cash a check for you that is drawn on another financial institution, a corresponding amount of funds that are already in your account may be made unavailable. Those funds will become available funds at the time funds from the check we cashed would have been available if you had deposited it.

If we accept a check for deposit that is drawn on another financial institution, we may make the amount of the deposit available for withdrawal immediately, but may delay your ability to withdraw a corresponding amount of available funds that you have on deposit in another account with us. The funds in the other account would then not be available

for withdrawal until the time periods that are described above in this Funds Availability disclosure for the type of check that you deposited.



SALAL
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Federally Insured by NCUA

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