



Membership Account Agreement

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MEMBERSHIP and ACCOUNT AGREEMENT

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MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement is the contract of deposit, which covers your and our rights and responsibilities concerning Membership and Account(s) offered to you. In this Agreement, the words “you” and “yours” mean those who sign the Account Card or Account Enhancement/Authorization Card (“Account Card”). The words “we,” “us,” and “our” mean the NW Priority Credit Union® (“Credit Union”). The word “account” means any one or more deposit accounts you have with the Credit Union.

The classification and form of ownership of your accounts are designated on your Account Card. By signing the Account Card or completing and transmitting an online account authorization or service request that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Funds Availability Policy, Electronic Funds Transfer Agreement, and the Truth-in-Savings Disclosures (Rate and Fee Schedule) accompanying this Agreement, any account receipt, the Credit Union’s Bylaws and policies, and any amendments which collectively govern your Membership and Accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time. Unless you waive your rights, you understand that certain designations, such as joint ownership with right of survivorship or 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.

I. MEMBERSHIP AND ACCOUNTS

1. Membership Eligibility

To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union’s field of membership and must purchase and maintain at least one share as required by the Credit Union’s Bylaws. You authorize us to check your account, credit and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request and to review your account to determine whether you continue to meet the terms of this Agreement.

2. Individual Accounts

An individual account is an account owned by one depositor including any individual, corporation, partnership, trust, or other organization qualified for Credit Union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent’s estate or payable on death (“POD”)/trust beneficiary, if applicable.

3. Joint Accounts

An account owned by two or more persons is a joint account.

a. Rights of Survivorship.

If your account is a joint account, the account is owned as a joint account with rights of survivorship unless otherwise stated on the Account Card. Upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners.

b. Rights of Joint Account Owners.

Any joint account owner is authorized and deemed to act for the other owner(s). The Credit Union may accept orders and instructions regarding the account and requests for future services from any account owner. Each account owner guarantees the signature of the other owners. Any account owner may withdraw all funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the shares of any account, including funds representing a membership share, without the consent of the other account owner(s) and the Credit Union shall have no duty to notify any other joint account owner(s). If the Credit Union receives written a notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a Court Order to act, or require that all joint account owners agree in writing to any transaction concerning the account.

c. Joint Account Owner Liability.

If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners 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 owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

4. POD/Trust Beneficiaries

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

5. Accounts for Minors

For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner to have a parental joint account owner who is at least eighteen (18) years of age who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid fees or amounts on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship unless otherwise indicated on the Account Card. The Credit Union may make payments of funds directly to the minor without regard to his or her minority. The Credit Union has no duty to inquire about the use or purpose of any transaction by the minor or joint account owner. The minor account owner's tax identification number must be shown on the Account Card. The Credit Union shall not change the account status when the minor reaches age eighteen (18) unless authorized in writing by all account owners.

6. Accounts for Living Trusts

An account of a living trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a revocable trust agreement. Upon request of the Credit Union, the trustee shall sign an Account Card and provide any other evidence of the trustee's authority the Credit Union requires. Trustee warrants that a valid living trust has been created is currently existing, and that the trustor and primary beneficiary are eligible for membership in the Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). Trustee agrees to notify the Credit Union in writing if a change of trustee occurs. The Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. The Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the living trust. Funds may be released to anyone trustee acting alone or with a co-trustee. The trustee(s) agrees to indemnify and hold the Credit Union harmless from 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 the 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.

7. Accounts of Businesses and Organizations

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

8. Deposit Requirements

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are non-assignable and nonnegotiable to third parties. Term share accounts are governed by the terms of this Agreement and the terms and disclosures on your Account Receipt for each account, which is incorporated herein by this reference. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute warranties and indemnity. If you do so, you agree to indemnify the Credit Union for all losses the Credit Union incurs in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

a. Endorsements.

You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third-party checks presented for deposit either in person or by comparison with member signature files. If an insurance, government, and certain other checks or drafts require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as set forth on the check. Endorsements must be placed in the space between the top edge and 1½ inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

b. Collection of Items.

The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.

c. Final Payment.

All items or Automated Clearing House (“ACH”) transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return 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 chargeback against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

d. Direct Deposits.

The Credit Union may offer direct deposit options allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers

from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the

U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts unless prohibited by law.

e. **Crediting of Deposits.**

Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Ask for our current deposit cutoff time. Deposits received at unstaffed facilities, such as night depositories, will be credited on the day funds are removed and processed by the Credit Union. Items drawn from an institution located outside the United States are handled on a collection basis only. Funds will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

9. Account Access

a. **Authorized Signature.**

In order to access any account, the Credit Union must have an authorized signature of yours on an Account Card. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

b. **Access Options.**

You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, audio response, telephone, home banking and mobile banking). If the Credit Union accepts any draft that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the draft. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

c. **Electronic Check Transactions.**

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

2. Electronic Re-presented checks. If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction (Electronic Re-presented Check) to charge your account for the amount of the check. If we receive an electronic re-presented check, we will pay or return the electronic re-presented check as if the original paper check was presented to us. Any collection fee you authorize the merchant to debit from your account is an electronic funds transfer subject to the terms of III. Electronic Funds Transfer Agreement. If you want to reverse an electronic re-presented check, you must give us an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your affidavit, you must declare and swear under oath that the electronic re-presented check was ineligible or unauthorized. If we receive proper notice or affidavit from you within the 15- 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 the check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on an electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree that you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.

d. ACH & Wire Transfers.

You may initiate or receive credits or debits to your account via wire transfer or ACH ("Automated Clearing House") transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Wire transfers are governed by Federal Reserve Regulation if the transfer is cleared through the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association.

e. International ACH Transactions.

You understand that in the event an International ACH Transaction ("IAT") Entry that is transmitted to or from any of your accounts is identified and designated by the Credit Union's screening criteria for review and examination under the OFAC Rules and Regulations ("OFAC Rules"). The settlement of such an IAT Entry may be delayed or suspended pending the Credit Union's review of the IAT Entry and may be terminated under applicable OFAC Rules. You acknowledge that we may be required to place an indefinite hold on the funds covered by the IAT Entry if the IAT Entry is required to be terminated under the OFAC Rules. You agree that any delay described above will be a permissible delay under the regulations applicable to the availability of funds held in deposit accounts. In the event an IAT Entry is delayed or terminated, we will provide you such notice as may be required by applicable laws and regulations.

f. 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 magnetically encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

10. Account Rates and Fees

The Credit Union's payment of dividends on any account is subject to the account rates, fees, earnings, payment and balance requirements as set forth on the Rate and Fee Schedule and each Term Share Account Receipt, which are incorporated herein by this reference. You agree the Credit Union may impose fees for the deposit account services provided by the Credit Union. A current Rate and Fee Schedule has been provided to you separately. You agree the Credit Union may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

11. Transaction Limitations

a. Withdrawal Restrictions.

The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Drafts (checks) or other transfer or payment orders which are drawn against insufficient available funds will be subject to a service fee, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion. The Credit Union may also refuse to allow a withdrawal in other cases, for example: any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal), a legal garnishment or attachment is served, the account secures an obligation to the Credit Union, any required documentation has not been presented, or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks of not less than 7 days and up to 60 days), as required by law, before such withdrawal.

b. Transfer Limitations.

For Share Savings accounts and Money Market accounts, you may make up to six (6) preauthorized, automatic, telephonic or audio response transfers to another account of yours or to a third party during any calendar month. A preauthorized transfer includes any arrangement with the Credit Union to pay a third party from the member's account upon oral or written orders including orders received through the automated clearing house (ACH). There is no limit on the number of transactions you may make in the following manner: (i) transfers to any loan account with the Credit Union, and (ii) transfers to another Credit Union account or withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail, email or at an ATM. If a transfer request would exceed the transfer limitations set forth above in any statement period, the Credit Union may refuse or reverse the transfer, and your account will be subject to suspension or closure by the Credit Union and the Credit Union may impose a fee.

12. Overdrafts

a. Your Overdraft Liability.

If on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures and the terms of this Agreement. The Credit Union's determination of an insufficient account balance is made at the time the check or item is presented to us, which may be later than the time you conduct the transaction. The Credit Union has no duty to notify you of a check or item that will overdraw your account. If we pay an item that overdraws your account, you are liable for and agree to pay the overdraft amount and any fees immediately. You will be subject to a charge for the item whether paid or returned as set forth in the Rate and Fee Schedule. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond any midnight deadline limits.

b. Overdraft Transfers.

If you have an approved overdraft protection line of credit, we will cover overdrafts on your checking account by making loan advances in increments of \$100 on your line of credit, subject to your available credit, and transferring those amounts to your checking account. If you do not have an overdraft protection line of credit, we will transfer funds from another savings account of yours. If you have enough funds in a savings account, you authorize us to automatically transfer funds equal to the lesser of (i) the amount of the overdraft, or (ii) the available balance to cover any overdraft on your checking account. You may choose the specific savings account you want overdraft transfers to come from. Any fee for an overdraft transfer is set forth in the Rate and Fee Schedule. You may opt out of this overdraft transfer service at any time by notifying us in writing.

13. Postdated and Stale 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 postdating. Your notice will be effective only if the Credit Union receives the notice in time for the Credit Union to notify its employees and reasonably act upon the notice and you accurately describe the check, including the number, date, and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the check. If you give the Credit Union an incorrect, incomplete, or untimely notice, the Credit Union will not be responsible for paying the item before the date stated and the Credit Union may charge your account as of the date the Credit Union pays the item. You may make an oral notice which will lapse within fourteen (14) days unless continued in writing, within that time. A written notice will be effective for six (6) months. A written notice may be renewed in writing from time to time. You also agree not to deposit checks, drafts, or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check drawn on your account which is presented more than six months after its date.

14. Stop Payment Orders

a. Stop Payment Request.

You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your checking account. You may request a stop payment by telephone, by mail, Express PC or in person. For checks, the stop payment will be effective if the Credit Union receives the order in time for the

Credit Union to act upon the order. For ACH debits, the stop payment order must be received at least three (3) banking days before the scheduled date of the transfer. You must state the number of the account, date and the exact amount of the check or ACH and the number of the check or originator of the ACH debit. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, date and number of the item, its exact amount, and to whom it was issued. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. If we recredit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check to the Credit Union, and to assist the Credit Union in legal action taken against the person.

b. Duration of Order.

You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order will be effective for six (6) months. A written stop payment order may be renewed in writing from time to time. The Credit Union is not obligated to notify you when a stop payment order expires.

c. Liability.

The Credit Union may charge a fee for each stop payment order requested, as set forth in the Rate and Fee Schedule. You may not stop payment on any certified check or draft, cashier's check or teller's check, or any other check, draft, or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

15. Lost Items

The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items should they become lost in the collection process.

16. Credit Union's Liability for Errors

If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction, (b) circumstances beyond the Credit Union's control prevents the transaction, (c) your loss is caused by your negligence or the negligence of another financial institution, or (d) the money in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or notations are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area serviced by the Credit Union.

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

17. Credit Union Lien and Security Interest

To the extent you owe the Credit Union money as a borrower, guarantor, endorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness without further notice to you. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwelling, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties.

18. Legal Process

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

19. Account Information

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (1) it is necessary to complete the transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (3) such disclosure is in compliance with the law, government agencies or court orders; or (4) you give us your written permission.

20. Notices

a. Name or Address Changes.

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

b. Notice of Amendments.

Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. The Credit Union reserves the right to require written consent of all account owners for a change of

ownership or termination of a joint account. Only a member may remove another joint owner from the account. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

c. Effect of Notice.

Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any one account owner is considered a notice to all owners of the account.

d. Negative Information Notice.

We may report information about your loan, share or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

21. Taxpayer Identification Numbers (TIN) and Backup Withholding

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

22. Statements

a. Contents.

If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided you agree that only one statement is necessary for a multiple party account. For checking accounts, you understand that when paid, your original check (or any substitute check) becomes the property of the Credit Union and may not be returned to you. You agree to keep a copy or carbon copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy. If you have agreed to receive account information or statements electronically. You understand your statements and checks are made available to you on the date the statement is mailed to you.

b. Examination.

You are responsible for examining each statement and reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized item drawn on your account if (1) you fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item or (2) any items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.

c. Notice to Credit Union.

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

d. Electronic Statements (E-Statements).

If your statement is provided electronically, statements will be electronically mailed to you as an attachment, or you will be sent an electronic mail notice that will direct you to the website where you may access, review, print and otherwise copy/download your periodic statements using procedures we authorize. Electronic mails from us will be sent to the electronic mail address provided by the account owner.

23. Dormant and Abandoned Accounts

If you have not made a withdrawal from, deposit to, or transfer involving your account for more than twelve (12) months and the Credit Union has been unable to contact you by regular mail during that period, the Credit Union may classify your account as a dormant account and may charge a dormant account service fee as allowed by applicable law and set forth in the Rate and Fee Schedule. Thereafter, dividends will not be paid on the account if the balance falls below any minimum balance requirement. The Credit Union will notify you at your last known address prior to imposing any fee as required by law. If a deposit or withdrawal has not been made on the account and the Credit Union has had no other contact with you for five (5) years as required by the Uniform Unclaimed Property Act, the account will be presumed to be abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

24. Death of Account Owner

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. The Credit Union may require the survivor or other claimant to the account to produce certain documents before releasing the funds in the account. The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union learns of an account owner's death. Once the Credit Union learns of a member's death, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree that the Credit Union can require that anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim.

25. Termination of Account

The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers, (2) there has been a forgery or fraud reported or committed involving your account, (3) there is a

dispute as to the ownership of the funds in the account, (4) any account checks are lost or stolen, (5) if there are excessive returned unpaid items not covered by an overdraft protection plan, or (6) if there has been any misrepresentation or any other abuse of any of your accounts. You may terminate your account at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment.

26. Termination of Membership

You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw from membership. You may be denied services or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union.

27. Special Account Instructions

You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. You and any surviving owner 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 that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond to indemnify the Credit Union. Any item presented with a full payment legend must be presented in person to a Credit Union officer; otherwise, payment is accepted with full reservation of rights. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Card and accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the Power of Attorney on record at the Credit Union.

28. Severability

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

29. Enforcement

You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, (subject to applicable law), to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions, if applicable.

30. Governing Law

This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Oregon and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

II. FUNDS AVAILABILITY POLICY

1. General Policy

For savings accounts, we reserve the right to place reasonable holds on deposited funds to the extent permitted by law.

For checking accounts, our policy is to make funds from your deposits available to you on the first business day after the day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays.

If you make a deposit before 4:00 p.m. 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 4:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

2. Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the next/same business day that we receive your deposit. Depending on the type of check that you deposit (e.g. large checks without available funds or third party check), funds may not be available until the second business day after the day of your deposit. However, the first \$200.00 of your deposit will be available on the first business day. If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

3. Holds on Other Funds

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

4. Longer Delays May Apply

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

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

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

5. Special Rules for New Accounts

If you are a new member, the following special rules will apply during the first 30 days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

III. ELECTRONIC FUNDS TRANSFER

By signing the Account Card, completing and transmitting an online account card or service request, signing or using the ATM/ POS Card or Quick Teller services, you agree to the following terms governing your and our rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service. Electronic funds transfers ("EFTs") are electronically initiated transfers of money through direct deposits, automated teller machines ("ATMs"), Point of Sale ("POS") terminals, Quick Teller audio response and Mobile Banking transactions involving your deposit accounts at the Credit Union.

1. Services

- a. Automated Teller Machines (ATMs).

Upon approval, you may use your ATM card and your Personal Identification Number ("PIN") in automated teller machines of the Credit Union, the Interlink Network, or such other machines we may designate. At the present time, you may use your Card to make the following transactions on your accounts:

- Withdraw cash from your Checking or Savings accounts.
- Transfer funds between your Checking or Savings accounts.
- Make advances on your Line of Credit loan.
- Make balance inquiries on your Checking, Savings, or Line of Credit accounts.

Some of these services may not be available at all ATMs.

b. POS Purchases.

You may use your Card to purchase goods and services any place your Card is honored by participating merchants, including Point of Sale (POS) terminals within the ACCEL/INTERLINK networks or such other POS terminals as the Credit Union may designate. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to the overdraft protection plan or may terminate all services under the Agreement.

c. Electronic Check Transactions.

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

d. Direct Deposit.

Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of Federal recurring payments, such as Social Security.

e. Quick Teller.

If we approve the Quick Teller service for your accounts, a personal access code (PAC) will be issued to you. You must use your PAC along with your account number to access your accounts. At the present time, you may use the Quick Teller service to:

- Transfer funds between your Savings, Checking, and loan accounts.
- Withdraw funds from your Savings, Checking, or Line of Credit account by check made payable to you and mailed to you at your mailing address.
- Obtain balance information on your Checking, Savings, and loan accounts.
- Obtain prior and current year-to-date interest on loans and dividends earned on deposit accounts.
- Obtain transaction history on your Checking, Savings, and loan accounts (up to thirty transactions).

- Verify if a particular check has cleared.
 - Other transactions as offered and permitted in the future.
- f. Home Banking.

If we approve your application for the Home Banking Service, you may use your personal computer to access your accounts. You must use your access code along with your account number to access your accounts. The Home Banking Service is accessible seven (7) days a week, 24 hours a day. You will need a personal computer or access to the Internet. The online address for Home Banking Service is www.nwprioritycu.org. You are responsible for the installation, maintenance and operation of your computer. The Credit Union will not be responsible for any errors or failures involving any telephone service or your computer. At the present time, you may use Home Banking Service to:

- Transfer funds between your Savings, Checking and loan accounts.
- Transfer funds to accounts of other members you authorize for any of your accounts.
- Review account balance, transaction history, direct and tax information for any of your accounts.
- Review information on your loan accounts including payoff amounts, due dates, finance charges, interest rates, and balance information.
- Review past statements of yours.
- Request a withdrawal from any Savings, Checking, or loan accounts by check mailed to you.
- Make bill payments from your Checking account.
- Communicate with the Credit Union using the secure electronic mail (E-mail) feature.

Transactions involving your deposit accounts, including checking account stop payment requests, will be subject to the terms of your Membership and Account Agreement and transactions involving a Line of Credit account will be subject to your Loan Agreement and Disclosures, as applicable.

2. Mobile Banking Service Terms

a. Service Access.

Mobile Banking is a personal financial information management service that allows you to access account information and make transactions as set forth above using compatible and supported mobile phones and/or other compatible and supported wireless devices (“Mobile Device”). If we approve the Mobile Banking service, you must use your PIN with your Login to access your accounts. We reserve the right to modify the scope of the Mobile Banking Services at any time. We reserve the right to refuse to make any transaction you request through Mobile Banking. You agree and understand that Mobile Banking may not be accessible or may have limited utility over some mobile telephone networks, such as while roaming. The most up-to-date list of services which you may be able to access through Mobile Banking is posted on the Mobile Banking registration and management website accessed through the Online banking system. When you register for Mobile Banking, designated accounts and payees (or billers) linked to your account through Home Banking and Bill Payment services will be accessible through the Mobile Banking service.

b. Use of Services.

You accept responsibility for making sure that you understand how to use Mobile Banking before you actually do so, and you use Mobile Banking in accordance with the online instructions posted on our Web site. You also accept responsibility for making sure that you know how to properly use your Mobile Device and the Mobile Banking software application. In the event we change or upgrade Mobile Banking, you are responsible for making sure you that you understand how to use Mobile Banking as changed or upgraded. We will not be liable to you for any losses caused by your failure to properly use Mobile Banking or your Mobile Device.

c. Transactions.

At the present time, you may use the Mobile Banking account access service to:

- Transfer funds between your savings, checking, and money market accounts.
- Transfer from your savings, checking, and money market accounts to a loan account.
- Transfer funds from a line of credit account to your savings, checking, or money market account.
- Review account balance, transaction history, and tax information for any of your deposit accounts.
- Review information on your loan account including payment amounts, due dates, interest charges, and balance information.
- Make bill payments from your checking account using the Bill Payment service.
- Make deposits through the Mobile Deposit service.
- Communicate with the Credit Union using email.

d. Relationship to Other Agreements.

You agree that when you use Mobile Banking, you will remain subject to the Credit Union's Rate and Fee Schedule, terms and conditions of all your existing agreements with us or any service providers of yours, including service carrier or provider (e.g., Cingular, Verizon, Sprint, T-Mobile, Alltel, etc.). You understand that those agreements may provide for fees, limitations and restrictions which might impact your use of Mobile Banking (for example, your mobile service carrier or provider may impose data usage or text message charges for your use of or interaction with Mobile Banking, including while downloading the Software, receiving or sending Mobile Banking text messages, or other use of your Mobile Device when using the Software or other products and services provided by Mobile Banking), and you agree to be solely responsible for all such fees, limitations and restrictions. You agree that only your mobile service carrier or provider is responsible for its products and services. Accordingly, you agree to resolve any problems with your carrier or provider directly with your carrier or provider without involving us. You also agree that if you have any problems with Mobile Banking, you will contact us directly.

e. Mobile Banking Software License.

You are hereby granted a personal, limited, non-transferable, non-exclusive, non-sublicensable and non-assignable license (“License”) to download, install and use the Software application on your Mobile Device within the United States and its territories. In the event that you obtain a new or different Mobile Device, you will be required to download and install the Software application to that new or different Mobile Device. This License shall be deemed revoked immediately upon (i) your termination of Mobile Banking in accordance with this Addendum; (ii) your deletion of the Software application from your Mobile Device; or

(iii) our written notice to you at any time with or without cause. If this License is revoked for any of the foregoing reasons, you agree to promptly delete the Software application from your Mobile Device.

Your Obligations. When you use Mobile Banking to access accounts you designate during the registration process, you agree to the following requirements:

i. **Account Ownership/Accurate Information.**

You represent that you are the legal owner of the accounts and other financial information which may be accessed via Mobile Banking. You represent and agree that all information you provide to us in connection with Mobile Banking is accurate, current and complete, and that you have the right to provide such information to us for the purpose of operating Mobile Banking. You agree to not misrepresent your identity or your account information. You agree to keep your account information up to date and accurate.

ii. **User Conduct.**

You agree not to use Mobile Banking or the content or information delivered through Mobile Banking in any way that would: (a) infringe any third-party copyright, patent, trademark, trade secret, or other proprietary rights or rights of publicity or privacy, including any rights in the Software application (b) be fraudulent or involve the sale of counterfeit or stolen items, including, but not limited to, use of Mobile Banking to impersonate another person or entity; (c) violate any law, statute, ordinance or regulation (including, but not limited to, those governing export control, consumer protection, unfair competition, anti-discrimination or false advertising); (d) be false, misleading or inaccurate; (e) create liability for us or our affiliates or service providers, or cause us to lose (in whole or in part) the services of any of our service providers; (f) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (g) potentially be perceived as illegal, offensive or objectionable; (h) interfere with or disrupt computer networks connected to Mobile Banking; (i) interfere with or disrupt the use of Mobile Banking by any other user; or (k) use Mobile Banking in such a manner as to gain unauthorized entry or access to the computer systems of others.

3. Service Limitations

a. **Automated Teller Machines (ATMs).**

i. **Withdrawals.**

There is no limit on the number of withdrawals from Checking or Savings on any day. For security reasons, there are limits on the amount you may withdraw on any one day.

ii. **Transfers.**

You may transfer between your Savings and Checking accounts up to the balance in your accounts at the time of the transfer at available locations.

b. POS Purchases.

There is no limit on the number of POS purchase transactions you may make by Card during a statement period. No purchase may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds.

c. Quick Teller

Your accounts can be accessed under audio response via a touch tone telephone only. Not all pushbutton phones are touch-tone. Converters may be purchased for pulse and rotary dial phones. Audio response service will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, there are limitations on transactions you make per telephone calls.

You may complete five (5) transactions per telephone call. After five transactions, the system will automatically disconnect and you must redial. There is a minimum savings withdrawal of

\$5.00 and maximum savings withdrawal of \$10,000.00. For Line of Credit (overdraft) accounts, you may withdraw a minimum of

\$100.00 and a maximum of \$1,500.00 in the form of a check.

No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a member and will be mailed to your address of record. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. The system will discontinue service after three unsuccessful attempts to enter a transaction.

d. Home Banking.

The following limitations on Home Banking transactions may apply in using the services listed above.

i. Transfers.

You may make funds transfers to other accounts of yours as often as you like. However, transfers from your savings accounts will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or up to the available credit limit on a line of credit at the time of the transfer, except as limited under this Agreement or your deposit or loan agreements. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

ii. Account Information.

The account balance and transaction history information may be limited to recent account information involving your accounts. Also, the availability of funds for transfer or withdrawal may be limited due to the processing time for ATM transactions and our Funds Availability Policy.

iii. E-Mail.

You may use the secure E-mail to send messages to us. E-mail may not, however, be used to initiate transactions on your account or stop payment requests. The Credit Union may not immediately receive E-mail communications that you send and the Credit Union will not take action based on E-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. If you need to contact the Credit Union immediately regarding any unauthorized transaction or stop payment request, you may call the Credit Union at the telephone number set forth in Section 4.

iv. Bill Payments.

You may authorize new payment instructions or edit previously authorized payment instructions for bill payments that are either periodic and nonrecurring (i.e. payments on merchant charge accounts that vary in amount) or automatic and recurring (i.e. fixed mortgage payments). When you transmit a bill payment instruction to us, you authorize us to transfer funds to make the bill payment transaction from the account you designate. We will process bill payment transfer requests only to those creditors the Credit Union has designated in the User Instructions and such creditors as you authorize and for whom the Credit Union has the proper vendor code number. The Credit Union will not process any bill payment transfer if the required transaction information is incomplete. If there are insufficient funds in your account to make the bill payment request, we may either refuse to make the payment or make the payment and transfer funds from any overdraft protection account you have established.

The Credit Union reserves the right to refuse to process payment instructions that reasonably appear to the Credit Union to be fraudulent or erroneous. The Credit Union will withdraw the designated funds from your account for the bill payment transfer by midnight on the date you schedule for payment. The Credit Union will process your bill payment transfer within one (1) business day of the date you schedule for payment.

It is your responsibility to schedule your bill payments in such a manner that your obligations will be paid on time. You should enter and transmit your bill payment instructions at least six (6) days before a bill is due. You are responsible for any late payments or finance charges that may be imposed as a result of your failure to transmit a timely payment authorization.

You may cancel or stop payment on periodic bill payments and automatic, recurring bill payment instructions under certain circumstances. If you discover an error in or want to change a payment instruction (i.e. payment date or payment amount) for a periodic or automatic payment you have already scheduled for a transmission through the Home Banking Service, you may electronically edit or cancel your payment request through the Home Banking Service. Your cancellation request must be entered and transmitted through the Home Banking Service before the date you have scheduled for payment. If your request is not timely entered, you will be responsible for the payment. If you wish to place an oral stop payment on an automatic, recurring bill payment transaction, not using the Home Banking Service, the Credit Union must receive your oral stop payment request at least three (3) business days before the next payment is scheduled to be made. You may call the Credit Union at the telephone number set forth in Section 4 to request a stop payment. If you call, the Credit Union may

require you to confirm your stop payment in writing within fourteen (14) days after the call. If any automatic, recurring payments vary in amount, the company you are going to pay will tell you ten (10) days before each payment, when it will be made and how much it will be.

e. **Mobile Banking Service Limitations.**

Neither we nor any of our service providers assume responsibility for the timeliness, deletion, misdelivery or failure to store any user data, communications or personalization settings in connection with your use of Mobile Banking. Neither we nor any of our service providers assume responsibility for the operation, security, functionality or availability of any Mobile Device or mobile network which you utilize to access Mobile Banking. You agree to exercise caution when utilizing the Mobile Banking application on your Mobile Device and to use good judgment and discretion when obtaining or transmitting information. Financial information shown on Mobile Banking reflects the most recent account information available through Mobile Banking, and may not be current. You agree that neither we nor our service providers will be liable for any delays in the content, or for any actions you take in reliance thereon. If you need current account information you agree to contact us directly.

4. Conditions of Card Use

The use of your Card and Account are subject to the following conditions:

a. **Ownership of Cards.**

Any Card or other device which we supply to you is our property and must be returned to us, (or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card), immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person. You may not use the Card for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

b. **Honoring the Card.**

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

c. **Security Access Code.**

The personal identification number or access code that you select is for your security purposes. The access code is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your access code, you understand that person may use the Quick Teller or Home Banking Service to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your signature authorizing transactions.

If you authorize anyone to use your access code in any manner that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your access code immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized

and your access code is changed. If you fail to maintain or change the security of these access codes and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

d. Foreign Transactions.

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

e. Illegal Use of Internet Gambling.

You agree that all transactions that you initiate by use of your VISA Check Card are legal in the jurisdiction where you live and/or where the transaction occurred. Internet gambling may be illegal in the jurisdiction in which you are located, including the United States. Your VISA Check Card may only be used for legal transactions. Display of a payment card logo by an online merchant does not mean that internet gambling transactions are lawful in all jurisdictions in which you may be located. We have restricted all online gambling transactions with the VISA Check Card.

f. Non-VISA Debit Transactions Processing.

We have enabled non-Visa debit transaction processing. This means you may use your Visa debit card on a PIN-Debit Network (a non-Visa network) without using a PIN. Examples of the types of actions that you may be required to make to initiate a Visa transaction on your Visa debit card include signing a receipt, providing a card number over the phone or via the Internet, or swiping the card through a point-of-sale terminal. Examples of the types of actions you may be required to make to initiate a transaction on a PIN-Debit Network include initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through use of a PIN. The provisions of your agreement with us relating only to Visa transactions are not applicable to non-Visa transactions. For example, the additional limits on liability (sometimes referred to as Visa's zero-liability program) and the streamlined error resolution procedures offered on Visa debit card transactions are not applicable to transactions processed on a PIN-Debit Network and the liability rules for other EFTs in the Section. Member Liability will apply. VISA rules generally define PIN-Debit Network as a non-Visa debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card.

5. Member Liability

You are responsible for all transfers you authorize using EFT services under this Agreement. If you permit other persons to use an EFT service, Card, or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. Tell us at once if you believe anyone has used your Account, Card or access code and accessed your accounts without your authority or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. If you use any EFT service for a business purpose there is no limit on the liability for transfers using any Card or access code. The

following conditions and limits of liability apply to EFT services use for consumer purposes. For Check Card purchase transactions, if you notify us of your lost or stolen card, you may not be liable for any losses. These liability limits will apply, provided you were not grossly negligent or fraudulent in handling your Check Card and you provide us with a written statement regarding your unauthorized Check Card claim, otherwise the following liability limits may apply. For all other EFT transactions except electronic check transactions, if you tell us within two (2) business days, you can lose no more than \$50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or EFT service, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500. Your liability for an unauthorized line of credit transactions through an EFT service is \$50. Also, if your statement shows EFT transfers that you did not make, including made by card, access code or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you; you may be liable for the full amount of the loss if we can prove that we could have stopped someone from making transfers if you had told us in time. If a good reason (such as hospital stay) kept you from telling us, we will extend the time periods. If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: (503) 760-5304 or 1 (800) 331- 0968 or write: NW Priority Credit Union Attention: Card Services Dept., P.O. Box 16640 Portland, OR 97292-0640.

6. Business Days

Our business days are Monday through Friday. Holidays are not included.

7. Fees

There are certain fees for electronic fund transfer services as set forth in the Rate and Fee Schedule. From time to time, the fees may be changed. We will notify you of any changes as required by law. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction. You may not use the Card for any illegal or unlawful transactions and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

8. Right to Receive Documentation Transfers

a. Periodic Statements.

Transfers and withdrawals transacted through any electronic funds transfer will be recorded on your periodic statement provided by mail or electronically. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly. You may request that your statement be provided electronically.

b. Direct Deposits

If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling Quick Teller or through our Home Banking system..

c. Terminal Receipt

You will get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM or POS terminal in excess of \$15.

9. Account Information Disclosure

We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy as stated on our website at www.nwprioritycu.org. However, we will disclose information to third parties about your account or the electronic fund transfers you make in the following limited circumstances:

- a. As necessary to complete transfers,
- b. To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant,
- c. To comply with government agency or court orders, and
- d. If you give us your express permission.

10. Credit Union's Liability for Failure to Make Transfers

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. Our sole responsibility for an error will be to correct the error. In no case will we be liable for any indirect, special or incidental damages. For instance, we will not be liable:

- a. If through no fault of ours, you do not have enough money in your account to make the transfer, your account is inactive, or the transfer would go over the credit limit on your line of credit.
- b. If you used the wrong access code, or you used an access code in an incorrect manner.
- c. If the Card has expired or is damaged and cannot be used.
- d. If the automated teller machine (ATM) where you are making the transfer does not have enough cash.
- e. If the ATM or POS terminal was not working properly and you knew about the problem when you started the transaction.
- f. Circumstances beyond our control (such as fire, flood or power failure) prevent the transaction.
- g. If the money in your account is subject to legal process or other claim.
- h. If your account is frozen because of a delinquent loan.
- i. If the error was caused by a system of any of the designated ATM networks.
- j. If you have not given the Credit Union complete, correct and current instructions so the Credit Union can process a transfer or bill payment.

- k. If through no fault of ours, a bill payment or funds transfer transaction does not reach a particular payee due to changes in the payee address, account number or otherwise, the time you allow for payment delivery was inaccurate, or the payee failed to process a payment correctly, or in a timely manner, and a fee, penalty, or interest is assessed against you.
- l. If the error was caused by a system beyond the Credit Union's control such as a telecommunications system, an Internet service provider, or any computer virus or problems related to software not provided by the Credit Union.
- m. If there are other exceptions as established by the Credit Union.
- n. The ATM machine may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.

11. Termination of Electronic Fund Transfer Services

You agree that we may terminate this Agreement and your electronic fund transfer services, if you or any authorized user of your electronic fund transfer services or access code breach this or any other agreement with us, or if we have reason to believe that there has been an unauthorized use of your Card or access code.

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

12. Notices

The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

13. Billing Errors

In the case of errors or questions about your consumer purpose electronic transfers, telephone us at the phone numbers or write us at the address set forth in Section 5 as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears.

- a. Tell us your name and account number.
- b. Describe the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- c. Tell us the dollar amount of the suspected error.

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

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. For errors related to transactions occurring within thirty

(30) days after the first deposit to the account (new accounts), we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-

five (45) days to investigate your complaint or question (ninety (90) days for POS transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States).

If we decide to do this, we will re-credit your account within five (5) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not re-credit your account. If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) relied upon to conclude that the error did not occur.

14. ATM Safety Notice

The following information is a list of safety precautions regarding the use of Automated Teller Machine (ATM) and Night Deposit Facilities.

- a. Be aware of your surroundings, particularly at night.
- b. Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- c. If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- d. Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- e. If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM access device or deposit envelope, and leave.
- f. If you are followed after making a transaction, go to the nearest public area where people are located.
- g. Do not write your personal identification number on your ATM card.
- h. Report all crimes to law enforcement officials immediately.

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Serving you in Milwaukie, SE Portland, Beaverton, NW Portland, Vancouver & Portland Airbase