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~San Mateo~ Credit Union

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To open your account, visit one of our New Account Specialists. Please read this brochure completely and retain it with your personal records.

All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Share accounts, share draft/checking accounts and share certificate accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements.

Information Regarding Member Identification

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

General Information About All of Our Accounts

Membership Fee

To become a member of San Mateo Credit Union, you must pay a one time, non-refundable membership fee. Please see the Cost Recovery Schedule for additional information.

Membership Application and Agreement

The terms, conditions and information contained in the Membership Application and Agreement, and all amendments, are by this reference incorporated in their entirety into this Account Agreement and become an integral part of the General Terms and Conditions of your Credit Union accounts.

Membership Eligibility

Membership in San Mateo Credit Union is open to all individuals who:

- live, regularly work, regularly worship or attend school in San Mateo County, California, the City of Palo Alto, California and the following zip codes located within San Francisco County, California: 94110, 94112, 94122, 94124, 94132, 94134; or
- are employed by one of our member companies; or
- are employed by a company that belongs to the Better Business Bureau or one of the fifteen (15) Chambers of Commerce that we serve; or
- are a family member, domestic partner, or housemate of an SMCU member.

Accrual of Dividends

Dividends begin to accrue on the business day you deposit cash or non-cash items (e.g., checks) to your account if deposited before close of business. Once the minimum balance for dividend earning accounts is reached, all funds in the account will earn dividends.

Dividend Rates

The initial dividend rate and Annual Percentage Yield on our share, share draft/checking, and share certificate accounts are stated on the Rate Sheet accompanying this Disclosure. Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

Bylaw Requirements

The maximum amount of shares which may be held by any one member shall be established from time to time by resolution of the Board.

Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. No transfer of voting rights or other membership privilege is permitted by virtue of transfer to or co-ownership of shares by nonmembers. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than seven (7) days and not more than sixty (60) days notice of intention to withdraw the whole or any part of the amounts so paid in by them.

No member may withdraw shareholdings that are pledged as required for security on loans without the written approval of the credit manager or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. No member may withdraw any shareholdings below the amount of his/her primary or contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom he/she is co-maker, endorser, or guarantor are delinquent, without the written consent of the credit manager or loan officer.

Members in Good Standing

The Board of Directors of San Mateo Credit Union has determined that the privilege of Credit Union services available to our members must be reserved for members who are in "good standing" with the Credit Union. As a result, Member Services may be limited for members not in good standing with our Credit Union. This policy shall extend to any member not in good standing who seeks Member Services whether directly or indirectly through a Credit Union account with another member.

A member will not be considered in "good standing" with our Credit Union if:

1. The member fails to comply with the terms and conditions of any lawful obligation with the San Mateo Credit Union and causes the Credit Union to suffer a loss;
2. The member manipulates or otherwise abuses Credit Union services or products to the detriment of the Credit Union's membership;
3. The member engages in threatening, disrupting, harassing or illegal behavior or otherwise injures any person or property while on Credit Union premises or at any Credit Union functions. The determination of whether a member is in "good standing" with San Mateo Credit Union will be made pursuant to the sole discretion of the Senior Management of the Credit Union.

"Member Services" are hereby defined as any products or services now or hereafter provided by or sponsored by San Mateo Credit Union or otherwise made available to Credit Union members. Member Services shall include, but are not limited to: loans, deposit accounts, checking or share draft accounts, ATM services, online services, and EFT services.

Any member whose access to Member Services is limited as described above shall be permitted to maintain a regular share account with the Credit Union and shall be permitted to vote at annual and special meetings subject to the bylaws and policies of San Mateo Credit Union. In the event that a member has limited access to Member Services due to threatening, disrupting, harassing or illegal behavior or for injuring any person or property on Credit Union's premises, the Credit Union's senior management, at their sole discretion, may limit any further contact with the Credit Union to written communication through the U.S. Mail only.

Dividend Compounding and Crediting

Dividends will be compounded monthly and will be credited monthly. For the share, share draft/checking, and share certificate accounts the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Sheet.

Changes in Terms and Conditions

The use of an account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time. The Credit Union has the right to change the terms and conditions of this Agreement at any time, in any manner, and for any reason. We may delete or modify existing terms. We may add new terms without regard to whether the matter is already addressed by this Agreement. We may offer new or different services at any time, and may convert an existing account or service into a new account or service. We will generally notify you in advance of changes by sending written notice to your address as it appears on our records. However, we may make changes without sending you advance notice, unless such notice is required by law. By continuing to use or keep your account open, you will be deemed to accept and agree to any such changes in terms.

About Our Share Accounts

San Mateo Credit Union offers share accounts that let you deposit your money in a savings account and withdraw your money generally at any time (with the exception of Individual Retirement Accounts). Our share accounts are: Regular (Share) Savings, Youth/Teen Account, Money Market Plus Account, Holiday Savings, Uniform Transfers to Minor Act Account, and Individual Retirement Account (IRA).

Balance Information

We compute the balance in our share accounts to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

Rate Information

Our share accounts are designated as variable rate accounts on the Rate Sheet. This rate and yield may change at any time at the Credit Union's discretion.

Transaction Limitations

No more than six (6) preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six (6) transfers or withdrawals made by check, draft, VISA Direct Check Card, or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six (6) monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

Sub Account Services

This Account consists of a transaction sub-account and a savings sub-account. Funds not routinely needed to pay debits may be transferred to a savings sub-account. We may periodically transfer funds between these two sub-accounts. If your Account is a Plan on which dividends are paid, your dividend calculation will remain the same. Otherwise, the savings sub-accounts will be non-dividend bearing. The savings sub-accounts will be governed by the rules governing our other savings accounts indicated within the Withdrawals Section of your Account Agreement. This process will not affect your available balance, the dividends you may earn, your monthly statement, or any other features of this Account. This process, however, may affect your National Credit Union Administration ("NCUA") insurance coverage. For non-dividend bearing transaction accounts opened prior to December 31, 2012, all funds in a "non-dividend bearing transaction account" are insured in full by the NCUA through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least $250,000 available to members under the NCUA's general share insurance rules. The term "non-dividend-bearing transaction account" includes a traditional share draft account (or demand deposit account) on which the insured credit union pays no interest or dividend. It does ***NOT*** include any transaction account that may earn interest or dividends, a negotiable order of withdrawal ("NOW") account, money-market deposit account, and Interest on Lawyers Trust Account ("IOLTA"), even if share drafts may be drawn on the account.

➥ *About Our Regular (Share) Savings Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Regular (Share) Savings Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

➥ *About Our Youth/Teen Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Youth/Teen Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

➥ *About Our Money Market Plus Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Money Market Plus Account is stated on the Rate Sheet. You must maintain the minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

➥ *About Our Holiday Savings Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Holiday Savings Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

Transaction Limitations

Your Holiday Savings Account may be opened at any time. Funds will be disbursed to you on or about November 1. No withdrawals may be made prior to November 1. If a withdrawal is necessary, the full balance must be withdrawn and the account will be closed.

➥ *About Our Trust Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Trust Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

➥ *About Our Uniform Transfers to Minor Act Account*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Uniform Transfers to Minor Act Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

➥ *About Our IRA (Traditional, Roth & SEP) & Education Savings (ESA) Accounts*

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open an IRA or ESA Account is stated on the Rate Sheet and you must maintain this minimum daily balance in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

Incorporation of IRA Agreement and Disclosures

All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

About Our Share Draft/Checking Accounts

San Mateo Credit Union offers share draft/checking accounts which let you withdraw your money and write checks against your account at any time. Our share draft/checking accounts are: High-Yield Interest Checking, Interest Checking, Free Checking, New Start Checking, and Health Savings "HSA" Checking Account.

Sub Account Services

This Account consists of a transaction sub-account and a savings sub-account. Funds not routinely needed to pay debits may be transferred to a savings sub-account. We may periodically transfer funds between these two sub-accounts. If your Account is a Plan on which dividends are paid, your dividend calculation will remain the same. Otherwise, the savings sub-accounts will be non-dividend bearing. The savings sub-accounts will be governed by the rules governing our other savings accounts indicated within the Withdrawals Section of your Account Agreement. This process will not affect your available balance, the dividends you may earn, your monthly statement, or any other features of this Account. This process, however, may affect your National Credit Union Administration ("NCUA") insurance coverage. For non-dividend bearing transaction accounts opened prior to December 31, 2012, all funds in a "non-dividend bearing transaction account" are insured in full by the NCUA through December 31, 2012. This temporary unlimited coverage is in addition to, and separate from, the coverage of at least $250,000 available to members under the NCUA's general share insurance rules. The term "non-dividend-bearing transaction account" includes a traditional share draft account (or demand deposit account) on which the insured credit union pays no interest or dividend. It does ***NOT*** include any transaction account that may earn interest or dividends, a negotiable order of withdrawal ("NOW") account, money-market deposit account, and Interest on Lawyers Trust Account ("IOLTA"), even if share drafts may be drawn on the account.

➥ *About Our High-Yield Interest and Interest Checking Accounts*

Balance Information

We compute the balance in our High-Yield Interest and Interest Checking Accounts to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

Rate Information

Our High-Yield Interest and Interest Checking Accounts are designated as variable rate accounts on the Rate Sheet. This rate and yield may change at any time at the Credit Union's discretion.

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open your High-Yield Interest or Interest Checking Account is stated on the Rate Sheet. You must maintain a minimum average daily balance stated on the Rate Sheet to obtain the Annual Percentage Yield as stated on the Rate Sheet. You must maintain the combined balance requirement stated on the Cost Recovery Schedule in deposits and loans to avoid a service charge as stated on the Cost Recovery Schedule.

➥ *About Our Free Checking Account*

Our Free Checking Account is a non-dividend earning account.

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open your Free Checking Account is stated on the Rate Sheet.

➥ *About Our New Start Checking Account*

All other terms and disclosures for our New Start Checking Account are contained in the Credit Union's New Start Checking Disclosure Notice Addendum and Agreement which is provided to you at account opening.

Our New Start Checking Account is a non-dividend earning account.

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open your New Start Checking Account and the monthly service fee assessed to the account are stated on the New Start Checking Disclosure Notice Addendum and Agreement.

➥ *About Our Health Savings "HSA" Checking Account*

To open a HSA Checking Account, an individual or family must be covered by a qualified health plan. Access to the HSA Checking Account is available with the VISA HSA Direct Check Card or check writing upon member's request.

Balance Information

We compute the balance in our HSA Checking Account to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

Rate Information

Our HSA Checking Account is designated as a variable rate account on the Rate Sheet. This rate and yield may change at any time at the Credit Union's discretion.

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a HSA Checking Account is stated on the Rate Sheet. You must maintain a minimum daily balance stated on the Rate Sheet to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

Incorporation of Health Savings Account Agreement and Disclosures

All other terms and disclosures for our Health Savings Accounts are contained in the Credit Union's Health Savings Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Health Savings Account, the Credit Union agreement and disclosure statement will be provided to you.

About Our Share Certificate Accounts

San Mateo Credit Union's share certificate accounts let you deposit your money for a specified period of time. The various maturity options offered by our share certificate accounts are stated on SMCU's current Rate Sheet. The Credit Union offers Certificates, Add-On Certificates, Registry Certificates, Youth Certificates, IRA Certificates and Add-On IRA Certificates. Special Certificates are offered on a promotional basis from time to time. When they are offered in the future, full disclosures will be provided.

Annual Percentage Yield

The Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. If you make a withdrawal from your account, your earnings will be reduced.

Maturity

Your Share Certificate Account will mature with the rate and term you select during the account opening process. The maturity date, current rate and term will be provided once your account is opened.

Balance Information

We compute the balance in our share certificate accounts to determine the dividends you will be paid by using the daily balance method which applies a daily periodic rate to the balance in your account each day.

Rate Information

Our Share Certificate Accounts are designated as fixed rate accounts on the Rate Sheet. You will be paid this rate and yield until maturity.

Dividend Compounding and Crediting

Dividends will be compounded monthly and will be credited monthly and at maturity.

Minimum Balance and Deposit Requirements

The minimum deposit required for you to open a Share Certificate is stated on the Rate Sheet. You must maintain the minimum daily balance stated on the Rate Sheet in order to obtain the Annual Percentage Yield stated on the Rate Sheet and to avoid closure.

Renewal of Account/Grace Period

Your account will automatically renew at maturity for the same time period or time period closest to that of the initial term and at the dividend rate in effect at the time for such term unless you withdraw all of the funds in your account at maturity or within a grace period of ten (10) calendar days after maturity. If you withdraw any of the principal after the grace period has expired your account will be assessed an early withdrawal penalty.

Exceptions to Penalties

The penalties stated above will not apply if:

1. The withdrawal is made subsequent to the death of any owner of the share account or the share certificate account, or is made pursuant to the Credit Union's bylaws, or
2. The share certificate account is part of a pension plan which qualifies or is qualified for specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than fifty-nine and one-half (59½) years of age, or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

➥ *About Our Certificate Accounts*

Account Limitations

You may not make deposits into or withdrawals of principal from this account until the maturity date. See the Early Withdrawal Penalty section below. However, deposits may be made during the ten (10) day grace period. Once dividends have been posted, they become part of the principal and any withdrawal will be subject to an early withdrawal penalty.

Early Withdrawal Penalty

We may impose a penalty if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

➥ *About Our Add-On Certificate Accounts*

Members may make additional deposits to their Add-On Certificate Account at any time during the term of the certificate.

Account Limitations
You may not make withdrawals of principal from this account until the maturity date. Once dividends have been posted, they become part of the principal and any withdrawal will be subject to an early withdrawal penalty. See the Early Withdrawal Penalty section below.

Transaction Limitations
The minimum amount you may deposit at any time during the term of the certificate is stated on the Rate Sheet.

Early Withdrawal Penalty
We may impose a penalty if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

➥ *About Our Registry Certificate Accounts*

Account Limitations
You may not make deposits into until the maturity date. However, deposits may be made during the ten (10) day grace period. Once dividends have been posted, they become part of the principal and any withdrawal (with exceptions listed below) will be subject to an early withdrawal penalty. See the Early Withdrawal Penalty section below. You may make withdrawals of principal from this account during the term. See the Transaction Limitations section below.

Transaction Limitations
The maximum number of withdrawals you may make within a calendar month is stated on the Rate Sheet. Any withdrawals that exceed the withdrawal limitations will be subject to an early withdrawal penalty. See the Early Withdrawal Penalty section below.

Early Withdrawal Penalty
We may impose a penalty (with exceptions as listed above) if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

➥ *About Our Youth Certificate Accounts*
Members may make additional deposits to their Youth Certificate Account at any time during the term of the certificate.

Account Limitations
You may not make withdrawals of principal from this account until the maturity date. Once dividends have been posted, they become part of the principal and any withdrawal will be subject to an early withdrawal penalty. See the Early Withdrawal Penalty section below.

Transaction Limitations
The minimum amount you may deposit at any time during the term of the certificate is stated on the Rate Sheet.

Early Withdrawal Penalty
We may impose a penalty if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

➥ *About Our IRA Certificate Accounts (Traditional, Roth & Coverdell Education Savings)*

Account Limitations
You may not make deposits into or withdrawals from this account until the maturity date. See the Early Withdrawal Penalty section below. However, deposits may be made during the ten (10) day grace period.

Early Withdrawal Penalty
We may impose a penalty if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

Incorporation of IRA Agreement and Disclosures
All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

➥ *About Our Add-On IRA Certificate Accounts (Traditional, Roth, Coverdell Education Savings)*
Members may make additional deposits to their Add-On IRA Certificate Account at any time during the term of the certificate.

Account Limitations
You may not make withdrawals of principal from this account until the maturity date. Once dividends have been posted, they become part of the principal and any withdrawal will be subject to an early withdrawal penalty. See the Early Withdrawal Penalty section below.

Transaction Limitations
The minimum amount you may deposit at any time during the initial term of the certificate is stated on the Rate Sheet.

Early Withdrawal Penalty
We may impose a penalty if you withdraw any of the principal from your account before the maturity date. The penalty imposed shall be as follows: the lesser of ninety (90) days dividends or all the dividends which have been earned since the date of issue or the date of renewal, whichever is later.

Incorporation of IRA Agreement and Disclosures
All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

Electronic Fund Transfer (EFT) Disclosure and Agreement

This Electronic Fund Transfer (EFT) Disclosure and Agreement as amended from time to time ("Agreement") sets forth the terms and conditions governing the use of the San Mateo Credit Union electronic transfer services. Disclosure information that applies to all electronic services offered by San Mateo Credit Union is given below, followed by specific disclosure information for each service. This Agreement takes the place of all prior agreements and disclosures governing the use of all electronic services. By retaining, using, or allowing others to use the electronic services offered by San Mateo Credit Union, you are agreeing to be bound by the terms and conditions of this Agreement. In this Agreement, the term "you" and "your(s)" refer to the member, and the terms "we," "us" and "our(s)" refer to San Mateo Credit Union.

Personal Identification Number

We will issue you a Personal Identification Number (PIN) that must be used with the ATM, VISA Direct Check Card, Call-24 and online services for transactions that require the use of a PIN. This number and/or password should be memorized---DO NOT write it on your ATM/VISA Direct Check Card. After memorizing your PIN, you should destroy the notice disclosing your PIN. If you forget your PIN, contact the Credit Union and we will issue you a new one.

Access Cards

All ATM/VISA Direct Check Cards are nontransferable and belong to the Credit Union. The Credit Union may cancel, modify and restrict the use of any ATM/VISA Direct Check Card upon proper notice or without notice if your account is overdrawn or where necessary to maintain or restore the security of accounts on the ATM system.

Right to Receive Documentation of Transactions

You will get a monthly account statement reflecting all of your transactions unless there is no activity in a particular month. In any case you will get the statement at least quarterly. Depending on the terminal, or if the transaction is $15 or less, you may receive a receipt at the time you make a transaction at a terminal. If you do receive a receipt, retain the receipt to compare with your monthly statement from the Credit Union.

Your Liability for Lost, Stolen or Unauthorized Transactions Involving Automated Teller Machine (ATM) Cards

Tell us AT ONCE if you believe your ATM/POS Card and/or Personal Identification Number (PIN) has been lost or stolen, or if you believe that an electronic transfer has been made without your permission using information from your check. Contacting us by telephone is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within two (2) business days, you can lose no more than $50 if someone used your ATM Card or PIN without your permission. If you DO NOT tell us within two (2) business days after you learn of the loss or theft of your ATM Card or PIN, and we can prove that we could have stopped someone from using your ATM Card or PIN without your permission if you had told us, you could lose as much as $500. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you have authorized someone else to use the ATM Card and/or PIN, you are responsible for all transactions that person or persons initiates at any time, even if the amount or transactions exceed what you may have authorized.

Your Liability for Lost, Stolen or Unauthorized Transactions Involving VISA Direct Check Card

Tell us AT ONCE if you believe your VISA Direct Check Card and/or Personal Identification Number (PIN) has been lost or stolen or if your statement shows an electronic fund transfer has been made without your permission using information from your check. Contacting us by telephone is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within sixty (60) days of our sending your statement, you can lose no more than $50 if someone used your debit card without your permission. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the close of the sixty (60) days and before notice to us. If your delay in notifying us was due to extenuating circumstances beyond your reasonable control, including extended travel, your or a member of your family's death or serious illness, hospitalization, permanent mental impairment or serious physical impairment, unless the circumstance did not reasonably contribute to your delay in notifying us within the sixty (60) day period, we will extend the sixty (60) days period by a reasonable period.

Special Notice to VISA Direct Check Cardholders

If there is an unauthorized use of your VISA Direct Check Card or an Interlink transaction, and the transaction takes place on the VISA network, then your liability will be zero ($0.00). This provision limiting your liability does not apply to either VISA commercial cards, ATM cash disbursements, or non-VISA PIN-less debit transactions. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero ($0.00) liability limit, to the extent allowed under applicable law, if the Credit Union reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your account or card. In any case, to minimize your potential liability you should notify us of any unauthorized use no later than sixty (60) days after your statement was mailed to you.

How to Notify the Credit Union in the Event of an Unauthorized Transaction

If you believe your ATM/VISA Direct Check Card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us at (650) 363-1725 or (888) 363-1725, or write to us at P.O. Box 910, Redwood City, CA 94064. You should also call the number or write to the address listed above if you believe a transfer has been made using information from your check without your permission.

Business Days

Our business days are Monday through Friday, excluding holidays.

Our Liability for Failure to Make Transfers

If we do not complete a transaction to or from your share or share draft/checking account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance, if:

a) through no fault of ours, you do not have enough money in your account to complete the transaction;

b) the transaction would go over the credit limit on your credit line;

c) the terminal where you were making the transaction did not have enough cash;

d) the ATM or network system was not working properly and you were aware of the malfunction when you started the transaction;

e) circumstances beyond our control (such as fire, flood, power failure, or computer downtime) prevented the transaction, despite reasonable precautions that we have taken;

f) the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;

g) your ATM/VISA Direct Check Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;

h) your ATM/Direct Check Card or PIN has been reported lost or stolen and we have blocked the account; or

i) the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

In Case of Errors or Questions About Your Transactions

Call us at (650) 363-1725 or (888) 363-1725, or write to us at P.O. Box 910, Redwood City, CA 94064, as soon as you can if you think your statement is wrong, or if you need more information about a transaction listed on the statement or receipt. We must hear from you no later than sixty (60) days after we send the FIRST statement on which the problem or error appears. When you inquire about transactions on your statement:

a) tell us your name and account number;

b) describe the error or 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; and

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. If we need more time, however, we may take up to forty-five (45)** days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10)* 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 the error you assert is an unauthorized VISA transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.) 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 credit your account.

If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

* If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of 10 business days.

** If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

Charges

In order to obtain the electronic services listed, you must open and maintain a share (a share draft is required for POS or VISA Direct Check Card Access). All charges associated with our electronic fund transactions are disclosed in our Cost Recovery Schedule which accompanies this Disclosure and Agreement.

Disclosure of Account Information to Third Parties

We will disclose information to third parties about your account or the transfers you make:

a) when it is necessary to complete the transaction;

b) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;

c) in order to comply with government agency or court orders or other legal process; or

d) if you give us your prior oral or written permission.

Address Change

Keep the Credit Union informed of your current address to insure correct mailing of monthly statements. If you do not, an invalid address charge may be assessed on your account (See the accompanying Cost Recovery Schedule).

Amendments

The Credit Union may change the terms and conditions of this Agreement from time to time by mailing written notice to your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least twenty-one (21) days prior notice of the change. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of ATM Cards, VISA Direct Check Cards, or designated accounts.

Termination

You may terminate this Agreement with us at any time. The Credit Union reserves the right to terminate this Agreement and/or your use of your VISA Direct Check Card, ATM Card or PIN with or without cause. We may do so immediately if:

a) you or any authorized user of your VISA Direct Check Card, ATM Card, PIN or account breaches this or any other agreement with the Credit Union;

b) we have reason to believe that there has been, or might be, an unauthorized use of your VISA Direct Check Card, ATM Card, PIN or account; or

c) you or any authorized user of your VISA Direct Check Card, ATM Card, PIN or account request that we do so.

Additional Benefits/Card Enhancements

The Credit Union may from time to time offer additional services to your Account. Some may be at no additional cost to you and others may involve a specified charge. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

Waiver of Rights

The Credit Union can delay enforcing any of the provisions under this Agreement or the law any number of times without losing its right to enforce them at a later date.

Other Agreements

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.

Severability

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.

Who is Bound by this Agreement

Each person who signs the Membership Application and Agreement agrees to be bound by the terms and conditions of this Agreement. If more than one person signs the application, all signers are jointly and severally liable. The Credit Union can waive or delay enforcement of its rights as to one signer without affecting its ability to enforce its rights as to the other signers. The Agreement is also binding upon your heirs, personal representatives and successors.

Signatures

By using your access to the system, or authorizing anyone else to use your access to the system, and/or by signing the application or electronic signature pad, you agree to be bound by the terms and conditions of this Agreement and Disclosure.

➥ *Additional Disclosures Applicable to ACH Services*

Documentation of Direct Deposit

If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call us at (650) 363-1725 or (888) 363-1725, or use Call-24 or SMCU OnLine, to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits or pre-authorized deposits, you will get at least a quarterly statement from us.

Disclosure of Right to Stop Payment

a) Right to stop payment and procedure for doing so.

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call us at (650) 363-1725 or (888) 363-1725, or write to us at P.O. Box 910, Redwood City, CA 94064, in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call we may also require you to put your request in writing and get it to us within fourteen(14) days after you call.

b) Notice of varying amounts.

If these regular payments vary in amount, the person 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. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Transactions Available

You may use your ACH services to perform the following transactions:

- Make deposits to your share or share draft/checking account;
- Make loan payments;
- Transfer funds between your share or share draft/checking to another member's account;
- Transfer funds from your share or share draft/checking account to accounts at other financial institutions;
- Pay bills directly from your share or share draft/checking account in the amounts and on the days you request;
- Authorize a merchant or other payee to make a one-time electronic payment from your share draft/checking account using information from your check to pay bills or pay for purchases; and
- Authorize a merchant or other payee to debit your share draft/checking account for returned check fees or returned debit entry fees.

All payments and deposits are subject to later verification by us.

Provisional Payment Disclosure

Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such enter (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

Notice Disclosure

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Choice of Law Disclosure

We may accept on your behalf payment to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of California as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transaction involving your account.

➥ *Additional Disclosures Applicable to "SMCU OnLine"*

System Requirements

SMCU OnLine allows convenient access to your account information twenty-four (24) hours a day. To use SMCU OnLine you must have a computer, Internet access, browser, your e-mail address, your account number, and a Call-24 PIN. You will need to choose an User ID and an OnLine password.

Transactions Available

You may use your SMCU OnLine service to perform the following transactions:

- Obtain account/loan balance information;
- Obtain loan payment due date information;
- Obtain last dividend, date and amount;
- Obtain clearance of specific checks;
- Request check withdrawals from your share draft/checking and share/savings account;
- Transfer funds between your share draft/checking, share/savings account and Line of Credit;
- Access your Line of Credit for loan advancements;
- Download transaction information to personal financial management software from share draft/checking, share/savings and loan accounts;
- Make loan payments;
- Pay bills through Bill Pay from share draft/checking account;
- View statements; and
- No more than six (6) preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six (6) transfers or withdrawals made by check, draft, VISA Direct Check Card, or similar order payable to a third party may be made from each savings

account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

Limitations on Transactions

- The maximum transaction amount for use of SMCU OnLine is $10,000 during any twenty-four (24) hour period.

➥ *Additional Disclosures Applicable to "OnLine" Bill Pay*

System Requirements

To use On-Line Bill Pay you must have a computer, Internet access, browser, your account number, your e-mail address, an active SMCU OnLine User ID, and password.

Right to Stop Payment of Preauthorized Transfers and Right to Receive Notice of Varying Amounts

a) Right to stop payment and procedure for doing so.

If you have told us in advance to make regular payments out of your account, you can also stop any of these payments. Here's how: Call at (650) 363-1725 or (888) 363-1725 for OnLine Bill Pay Services or write to us P.O. Box 910, Redwood City, CA 94064, in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call.

b) Notice of varying amounts.

If these regular payments vary in amount, the person 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. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Transactions Available

You may use your Bill Pay Service to perform the following transactions:

- Add/Edit Payees: Payee refers to the entity to which you pay bills. The payee can be a company, organization, or individual. The Add/Edit Payee feature allows you to add payees to, delete payees from or edit payee information on your personal list of payees.
- Make nonrecurring payments from share draft/checking account. This feature allows you to schedule one (1) time payments to payees. This feature enables you to specify the amount of the payment and the processing date.
- Make recurring payments from share draft/checking account. This feature allows you to schedule recurring payments to payees.
- View History: View History permits you to see account history made over a specified time period.

Limitations on transactions

The following are limitations to the use of the Credit Union's Bill Pay Service:

- The maximum you may withdraw by check per payee is $10,000 during any twenty-four (24) hour period;
- Bill payments can be made from your share draft/checking account;
- If you close the designated bill payment share draft/checking account, all scheduled payments will be stopped;
- You cannot stop an ACH payment if the ACH payment has already been processed;
- You can schedule payments twenty-four (24) hours a day, seven days a week, however, if a scheduled due date falls on a non-business day, you must select a schedule payment date that is at least one (1) business day before the actual due date;
- Funds must be in the account the day before the process date;
- The bill being paid can be in the member's name or in the joint owner's name.

Methods and Restrictions

Payments are made to your payee either electronically via the Automated Clearing House (ACH) or by check. The method of payment depends upon the processing method that can be accommodated by the payee or by our bill payment service provider.

It is important that you take into consideration what method of bill payment will be used when scheduling bill payments to ensure payment deadlines are met. If the payee accepts electronic bill payment, the payment may take up to three (3) business days to process. If the payee does not accept electronic bill payment, the payment will be sent in a check form, and may take up to six (6) business days to process.

Member Responsibilities

You are responsible for:

- Data input of payee information (payment amount(s), name, address and any other pertinent information);
- Any late payment, late fees, interest payments, and service charges charged by merchant(s);
- Any overdraft, NSF or stop payment fees charged by the Credit Union as a result of these transactions;
- You may cancel this service at any time either OnLine, by telephone during normal business hours, or in writing. You must allow sufficient time for bill payments to be processed so that the funds can be delivered to the payee on or before the due date; and
- Keeping your SMCU PIN and password confidential.

➥ *Additional Disclosures Applicable to Mobile Banking Services*

System Requirements

To use the Mobile Banking service, you must be a member in good standing. You must also have a mobile device with a service plan that includes text messaging and data and Internet access with Secure Sockery Layer (SSL) capability. Third party fees may apply for data and Internet access and text messaging. Contact your mobile device carrier for additional information.

Transactions Available

You may use the Mobile Banking service to perform the following transactions:

- Obtain account balance information;
- View recent transactions and history of deposits, withdrawals, transfers, purchases and ATM activity;
- Locate an SMCU ATM or CO-OP Network ATM;

- Locate an SMCU branch or shared branch;
- Transfer funds between your share/savings and share draft/checking accounts; and
- Pay bills through Bill Pay from share draft/checking account.

Limitations on Transactions

The following are limitations to the use of the Mobile Internet Banking service:

- No more than six (6) preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six (6) transfers or withdrawals made by check, draft, VISA Direct Check Card, or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

➥ *Additional Disclosures Applicable to Call-24™*

Transactions Available

You may use our Call-24 Service to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment, due date, available credit and pay off information;
- Obtain last dividend date and amount;
- Obtain clearance of specific checks;
- Request a check withdrawal from your share or share draft/checking account;
- Transfer funds between your share and share draft/checking accounts;
- Access your Line of Credit Account to request loan advances;
- Transfer funds from your Line of Credit to your share checking and share savings accounts; and
- Make loan payments and credit card payments by transfer.

All payments and deposits are subject to later verification by us.

Limitations on Transactions

The maximum amount you may withdraw by check is $1,000 during any twenty-four (24) hour period. Transactions cannot exceed $5,000 in any twenty-four (24) hour period.

➥ *Additional Disclosures Applicable to ATM Card Services*

Rules for Use

By using your ATM Card with your personal identification number (PIN) at automated teller machines ("ATMs") or other electronic terminals operated by a participating institution, network system, or company (collectively "terminals"), you authorize us to effect the transactions from or to your share or share draft/checking account(s) in accordance with the instructions given at the terminals. All ATM Card transactions are subject to the terms and conditions of your account agreements with us governing the affected accounts.

ATM Fees

When you use an ATM not owned by San Mateo Credit Union, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. A fee will not be imposed for use of an ATM or Check Card issued by San Mateo Credit Union for use of an electronic terminal operated by San Mateo Credit Union.

Transactions Available

You may use your ATM Card to perform the following transactions:

- Make deposits to your share or share draft/checking account;
- Withdraw cash from your share or share draft/checking account;
- Transfer funds between your share and share draft/checking accounts;
- Make point-of-sale (POS) payments for goods and services to others from your share draft/checking account.
- Access your Line of Credit Account for loan advances;
- Transfer funds from your Line of Credit to your share checking and share savings accounts;
- Make loan payments; and
- Make account balance inquiries

Some of the transactions listed above may not be available at all terminals. All payments and deposits are subject to later verification by us.

Limitations on Transactions

You may make ATM cash withdrawals up to $500 each calendar day as long as your available balance will cover the transaction. You may make POS transactions up to $500 each calendar day as long as your available balance will cover the transaction. Your daily ATM/POS transaction limits are subject to the available balance in your checking account, including any overdraft protection (if applicable). The maximum number of ATM/POS transactions may not exceed twenty-five (25) transactions in a given day. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that specific ATM/POS transactions are so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

Foreign Transactions

Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by VISA from a 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 each instance, plus or minus any adjustment determined by the Issuer.

ATM Safety

An ATM provides a quick and convenient way to access your money. However, use caution and remember the following safety tips whenever you use an ATM:

- Be aware of the surroundings, particularly at night.
- Look for well lighted ATMs when transacting at night.
- If you notice anything suspicious when approaching the ATM, return later or use another ATM.
- Have your transaction ready before you go to the ATM. When you can, fill out any deposit or withdrawal slips/envelopes before leaving your vehicle.
- Have your ATM Card ready, to avoid going through your purse or searching through the contents of your wallet at the ATM site.
- If you notice anything suspicious while you are transacting business, immediately stop your transaction, put your ATM Card away and leave.
- Consider having another person accompany you to the ATM.
- Immediately report all crimes to the ATM operator and to local law enforcement officials.
- Stand close to the ATM and away from others in line to avoid detection of your PIN or other account information.
- Put your cash away as soon as the transaction is complete; count the cash later in the safety of your vehicle or home.
- Never give information to strangers at the ATM or to anyone over the phone. Be aware of fraud or people who pose as Credit Union employees who try to get information from you. This information should only be discussed in person by you at the Credit Union.
- Remember to keep your PIN a secret. Make sure not to write it on your ATM Card or anywhere else in your wallet; thieves can easily figure out the reason for "hidden" or "secret" numbers.

➥ *Additional Disclosures Applicable to VISA Direct Check Card Services*

Issuance of Card

"Card" means the San Mateo Credit Union VISA Direct Check Card and any duplicates, renewals, or substitutions the Credit Union issues to you; "Account" means the account designated on the application for your VISA Direct Check Card. You must maintain an eligible share draft account to use the VISA Direct Check Card.

Responsibility for Transactions

You are responsible for all transactions you make with the Card or that you authorize another person to make with the Card. You understand that if you disclose your VISA Direct Check Card PIN to anyone, they will have access to all accounts identified by your account number. If the Account is a joint account, all transactions involving the Account are binding on all Account Holders.

Merchant Disputes

For point-of-sale (POS) transactions directly accessing a line of credit, the Credit Union is not responsible for the refusal of any merchant or financial institution to honor the card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider and (a) your purchase was made in response to an advertisement the credit union sent or participated in sending to you or (b) your purchase cost more than $50 and was made in your state or within one hundred (100) miles of your home.

Limitations on Dollar Amounts and Frequency of Transactions

You may make VISA Direct Check Card transactions up to $2,100 each calendar day as long as your available balance will cover the transactions. You may make ATM cash withdrawals up to $500 each calendar day as long as your available balance will cover the transaction. You may make POS transactions up to $500 each calendar day as long as your available balance will cover the transaction. Your daily ATM/VISA Direct Check Card transaction limits are subject to the available balance in your checking account, including any overdraft protection (if applicable). The maximum number of ATM/POS transactions may not exceed twenty-five (25) transactions in a given day. Purchases made above the floor limit of the merchant will require an authorization number from VISA.

Use of the Card

You may use the Card and PIN to:

- Withdraw cash from your Account at ATMs, merchants, or financial institutions that accept VISA Direct Check Cards; and
- Make deposits to one of your accounts at the Credit Union.

You may use the Card without the PIN to:

- Purchase goods or services at places that accept VISA Direct Check Cards (these are point-of-sale or POS transactions);
- Order goods or services by mail or telephone from places that accept VISA Direct Check Cards;
- Order goods or services without a PIN by mail, online, or telephone at merchants who offer the payment transactions processed through the STAR, PULSE, CO-OP, ACCEL/Exchange or any other Debit Card network; and
- Make automatic payments from your Account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

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

Use of the Card, the Account number on the Card, the PIN or any combination of the three for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor VISA Direct Check Cards is an order by you for the withdrawal of the amount of the Transaction from your Account. Each Transaction with the Card will be charged to your Account on the date the Transaction is posted to your Account. When the Credit Union receives notification of a Check Card/Debit Card transaction, it will put a hold on an equivalent amount of funds in your share draft/checking account for three (3) days.

All VISA Direct Check Card transactions covered by this Agreement are subject to the terms and conditions of your Account agreements with us governing the affected Accounts, except as modified by this Agreement. Any future changes to your Account agreements may affect the use of the card.

Illegal Use of VISA Direct Check Card

You agree that your VISA Direct Check Card Account will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under this Agreement. You agree that the Credit Union has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

Overdrafts
You promise to pay the Credit Union immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. If you do not have overdraft privileges, the Credit Union may deduct the amount of any overdraft on your Account from any other account you have with the Credit Union, except an Individual Retirement Account.

Refusal to Honor Card
The Credit Union is not liable for the refusal or inability of any electronic terminal to honor the card or to complete a withdrawal from your Account, or for their retention of the card. The Credit Union is also not responsible for the refusal of any merchant or financial institution to honor the card or for their retention of the card.

Foreign Transactions
Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. The conversion rate in dollars will be a rate selected by VISA from a 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 each instance, plus or minus any adjustment determined by the Issuer.

Regulations Relating to Fund Transfers

Applicable Law
This agreement and notice applies to funds transfers as defined in the Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System.

Funds Transfer Cut-Off Time
The Credit Union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time will be at 11:30 a.m. on each weekday that the Credit Union is open excluding holidays. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next funds transfer business day and processed accordingly.

Service Charges/Fees
The Credit Union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made. Please refer to our Cost Recovery Schedule for current charges.

Security Procedures
The Credit Union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify the Credit Union in writing that you do not agree to that security procedure. In that event, the Credit Union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the Credit Union agree, in writing, on an alternate security procedure.

Use of Fedwires
If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.

Identification of Beneficiary
If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's bank on the basis of the identifying or bank account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identification number you provided the Credit Union.

Identification of Beneficiary and Intermediary Bank by Number
If you give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different bank than the named bank. This means that you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

Provisional ACH Payments
The Credit Union may at its discretion give you credit for automated clearinghouse (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the Credit Union receives final settlement of the payment. You are hereby notified and agree, if the Credit Union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. This means that the Credit Union may provide you with access to ACH funds before the Credit Union actually receives the money. However, if the Credit Union does not receive the money, then the Credit Union may reverse the entry on your account and you would be liable to repay the Credit Union.

Notice of Receipt of ACH Funds
ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

Receipt of Incoming (Non-ACH) Funds Transfers
If the Credit Union receives a funds transfer for you or for other persons authorized to have access to your account, you agree that the Credit Union is not obligated to provide you with next day notice of the receipt of the funds transfer. The Credit Union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.

Payment of Dividends (or Interest)
If the Credit Union becomes obligated under Article 4A to pay interest (or dividends) to you, you agree that the rate of interest (or dividends) to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the Credit Union to which the funds transfer should have been made or from which the funds transfer was made.

SMCU Mobile Deposit Services

SMCU Mobile Deposit service allows you to remotely deposit paper checks from your mobile device to your Credit Union account by electronically transmitting a digital image of the paper check to the Credit Union.

System Requirements

To use the SMCU Mobile Deposit service, you must have a smartphone or tablet with a camera and Internet access. Third party fees may apply for data and Internet access. Contact your mobile device carrier for additional information. You may only submit items through the SMCU Mobile Deposit service using the website, software, or other system specifically designated by the Credit Union for such purpose.

How to Notify Us in Case of Errors

If you believe there has been an error with respect to any original check or image transmitted to the Credit Union for deposit, call us at (650) 363-1725 or (888) 363-1725 or write to us at P.O. Box 910, Redwood City, CA 94064.

Cut-Off Time and Credit To Your Account

Deposits received prior to 3:00 p.m. Pacific Standard Time (PST) on a business day the Credit Union is open will be credited to your account on the same business day. Deposits received after 3:00 p.m. PST or on any day the Credit Union is not open, including holidays, will be credited on the next business day.

Funds Availability

Our policy is to make funds from your check deposits available to you on the first (1st) business day after the day we receive your deposit. However, funds that you deposit may not be immediately available to you. Refer to the section of this disclosure entitled “Your Ability to Withdraw Funds.”

Requirements of Checks Transmitted

Prior to scanning the check, you must add: “For Deposit Only;” your SMCU account number; and your signature endorsement to the back of the check, or as otherwise instructed by SMCU.

You must provide the Credit Union a complete, legible and accurate image of the front of the check showing the name of the drawer/payor and signature(s), the paying bank’s pre-printed information, MICR encoded information, the name of the payee and the payment amount information.

You must also provide the Credit Union a complete, legible and accurate image of the back of the check showing your signature endorsement.

Deposit Limitations

All deposits are subject to later verification by us. We may return or refuse to accept all or any part of a deposit to your Account using the SMCU Mobile Deposit service at any time and will not be liable for doing so even if such action causes checks or other debits to your Account to be dishonored and returned.

The following transaction limitations apply to the standard SMCU Mobile Deposit service:

- The maximum amount you may deposit on any day is $5,000 and the maximum aggregate amount you may deposit during any seven (7) day period is $10,000. We reserve the right to modify these limits from time to time.
- The maximum number of items you may deposit during any seven (7) day period is ten (10). We reserve the right to modify these limits from time to time.

The following are check items **not** accepted for deposit through the SMCU Mobile Deposit service:

- Items displaying a “non-negotiable” or “void” notation or watermark.
- Items containing evidence of alteration to any information on the check or other indicators that call into question either the authenticity of the item or your authority to negotiate it.
- Items dated more than six (6) months prior to the date of deposit.
- Items previously converted to a substitute check or items that are remotely created checks as defined by Regulation CC.
- Items issued by or through a financial institution in a foreign country.
- Items not payable in United States currency.
- Items with incomplete or illegible information.
- Items that are money orders.
- Items that are traveler’s checks.
- Items that are savings bonds.
- Items made payable to a third party (i.e., any person or entity other than you).

Member Responsibilities

You are solely responsible for:

- Transmitting to the Credit Union a complete, accurate and legible image of the front and back of the original check without any alteration.
- Paying any overdraft or NSF fee charged by the Credit Union or any third party as a result of the Credit Union’s rejection of any item(s), or for any item(s) returned unpaid.
- Ensuring the safekeeping or destruction of the original item after the item has been scanned, transmitted and deposited electronically.

Member Warranties

By using the SMCU Mobile Deposit service, you represent and warrant that:

- The item transmitted is a complete, accurate and unaltered item payable to you, that it originated as a paper item, and that you are legally entitled to negotiate it.
- The original check has not and will not be: (i) deposited; (ii) endorsed to a third party; or (iii) otherwise negotiated or submitted for payment, after transmitting the digital image through the SMCU Mobile Deposit service.
- No other duplicate images of the original check have been made.
- The electronic image of the check, or any substitute check as defined by federal law, will become the representation of the check for all purposes (except funds availability) including return item processing.
- Any files and images transmitted to the Credit Union will not contain any viruses or any other disabling features that may have an adverse impact on the Credit Union’s network, data, or related system.

Your Ability to Withdraw Funds

Our policy is to make funds from your cash and check deposits available to you on the first (1st) business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them 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 close of business 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 close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

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 first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second (2nd) business day after the day of your deposit. However, the first $200 of your deposits 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.

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

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than $5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh (7th) business day after the day of your deposit.

Special Rules for New Accounts

If you are a new member, the following special rules will 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 $5,000 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 (and you may have to use a special deposit slip). 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 eleventh (11th) business day after the day of your deposit.

Holds on Other Funds (Check Cashing)

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.

Holds on Other Funds (Other Account)

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.

Deposits at Automated Teller Machines

Our Machines. If you make a deposit at an ATM we own or operate, your deposit will generally be available on the second (2nd) business day after the banking day of deposit. The first $200 of the deposit will be made available the next business day after the banking day of deposit.

Other Machines. If you make a deposit at an ATM machine we do not own or operate, your deposit will not be available until the fifth (5th) business day after the banking day of deposit. The first $200 of the deposit will be made available the second business day after the banking day of deposit.

Important Notice About Your Account(s) (California Residents)

In accordance with California's Unclaimed Property Law, C.C.P. §1500, et seq., any funds held by the Credit Union (including, without limitation, funds in a share, share draft, certificate, or other account, sums for the payment of cashier's checks, teller's checks, etc.) may be transferred to the Unclaimed Property Division of the California State Controller's Office if no activity occurs in the account within the time period specified by state law.

General Terms and Conditions of Your Credit Union Accounts

Definitions

ACCOUNT AGREEMENT means any share, share draft, share certificate, trust, totten trust or UTMA account.

TIS AGREEMENT means Truth In Savings Agreement entitled, "About Your Credit Union Accounts."

Membership Application & Agreement

The terms, conditions and information contained in the Membership Application & Agreement, and all amendments thereto, are by this reference hereby incorporated in their entirety into this TIS Agreement and become an integral part of the General Terms and Conditions of the Credit Union Accounts.

Account Ownership

The ownership of trust, totten trust and UTMA accounts shall be governed by the applicable Account Agreement. Unless otherwise specified in the Account Agreement, the parties who sign an Account Agreement agree with each other and with the Credit Union that all funds in the accounts shall be owned as follows:

- Individual Accounts: The account or certificate is owned by the party named on the Account Agreement ("Account Holder"). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Agreement.
- Joint Accounts: The account or certificate is owned by the parties named on the Account Agreement ("Account Holders"). Upon the death of any of them, ownership passes to the survivor(s). Upon the death of all of them, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) named on the Account Agreement.

- Custodial (UTMA) Account: This Custodial Account is established as a result of the transfer of the funds deposited in the Custodial Account for the benefit of the minor named as beneficiary on the Account Signature Card. This transfer is irrevocable and includes all earnings on this Account. Neither the donor of the funds nor the custodian is entitled to the use or benefit of the funds, except for the benefit of the minor as allowed by California Uniform Transfers to Minors Act. The Credit Union is authorized to act without further inquiry in accordance with writings bearing the signature of the custodian. The terms of the California Uniform Transfers to Minors Act, as amended, are hereby incorporated herein by this reference.
- Fiduciary Accounts: In order to open your fiduciary account, you shall present to the Credit Union the court order appointing you as executor/executrix, administrator/administratrix, guardian or conservator. Immediately upon receipt or as otherwise required by the court, you shall present to the Credit Union any court order modifying your appointment or your powers to transact business on this Account.

  In your capacity as executor/executrix, administrator/administratrix, guardian or conservator, you certify to the Credit Union that:

  1. You have been appointed to act in the capacity of executor/executrix, administrator/administratrix, guardian or conservator.

  2. You are authorized and empowered to transact any and all business on this account. Your authority shall continue in force until written notice to the contrary is received by the Credit Union.
- Living Trust Account: You understand and agree that this Living Trust Account will be governed by the terms and conditions of this Agreement. For a revocable living trust at least one trustor of the trust must be a member of the Credit Union, and for an irrevocable living trust either all of the trustors or all of the Beneficiaries of the Trust must be members of the Credit Union. Regarding any transaction on this account, the Credit Union may ask the trustee to provide a certification of trust, and the Credit Union will not read, interpret or retain copies of the trust agreement. The trustee agrees to notify the Credit Union of any changes in the terms of the trust that would affect the trustee's authority to transact business on the Living Trust Account or status of the membership of the parties to the trust.
- Totten Trust Accounts: All shares in this Totten Trust Account and all dividends paid or credited thereon shall be held by the Trustee(s) in trust for the beneficiary(ies) named below subject to the right of the Trustee(s) or any one of them from time to time and in their sole discretion to revoke the same to the extent of any withdrawal of funds from this Account. In the case of multiple trustees, each trustee shall be considered the joint tenant of the other. Upon the death of the Trustee, (or if more than one, upon the death of the last surviving Trustee), the balance remaining in this Account shall be distributed to the beneficiaries in equal shares. If there are no surviving beneficiaries, the balance remaining in this Account shall be distributed to the estate of the last surviving Trustee.

  The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the trustee or the last surviving trustee, payment on a Totten Trust Account will be made to the beneficiaries within a reasonable time. Until final payment is made, the Credit Union shall continue to operate the Account according to the terms of this Agreement. The terms of this Account may not be altered by will or other testamentary instrument.

Special Rules for Joint Accounts

Withdrawals by and Liability of Joint Owners – The Account Holders of an account agree with each other and with the Credit Union that all funds and all accumulations thereon are subject to the withdrawal of or receipt by any of the Account Holders, and payment to any of them shall be valid and discharge the Credit Union from any and all liability for such payment. The Account Holders of an account expressly agree that each Account Holder is jointly and severally liable for any and all overdrafts, losses or charges to an account created by any Account Holder(s).

Deposits – The Credit Union may cash or deposit all checks payable to any signer when endorsed by any other signer.

Disputes – If there is a dispute about ownership or control of an account, the Credit Union may place a hold on the account and not release funds until the Credit Union receives either a court order or an instruction signed by all persons claiming an interest in the account.

Power of Attorney

You may need to appoint a person to act for you by use of a Power of Attorney. If a properly executed Power of Attorney is received by the Credit Union in accordance with the terms of the Power of Attorney, the person you designate to act for you will be authorized to transact business on your account pursuant to the terms of this Agreement.

The Credit Union is not liable for any transactions or changes made to or by an agent for a deceased or incompetent Account Owner unless the Credit Union had written notice provided in accordance with applicable law, that the agent's principal is deceased, has revoked the power, or is adjudicated totally or partially incapacitated by a court of competent jurisdiction, and we have had time to act on that notice. Unless prohibited by law, we may refuse, with or without cause, to honor powers of attorney, which you grant to others.

Notice

Notice to one Account Holder shall constitute notice to all persons authorized to have access to the account.

Ability to Pledge Funds

Any or all of the joint Account Holders may pledge all or any part of the funds as security for a loan or loans with the Credit Union only.

Enforcement of Liens

All funds in an account remain subject to any and all liens, including but not limited to statutory liens and/or consensual liens, security interests, rights of set off and charges, notwithstanding the source of the contribution.

Financial Abuse Reporting

Account Holder(s) understand(s) and agree(s) that the Credit Union may report known or suspected illegal or fraudulent activity including, but not limited to, the following:

- Financial abuse involving an elder or dependent adult;
- Where the ownership or collectability of funds are subject to dispute; or
- Misuse or abuse of account services;

to appropriate law enforcement or government entities, as required or permitted by law. In addition, the Credit Union reserves the right to suspend, restrict, deny or terminate account services and activity, including the placement of an administrative hold (freeze) on account proceeds, or take such other actions as deemed necessary under the circumstances. Account Holder(s) agree(s) to indemnify and hold the credit union harmless from and against all claims, actions, damages, losses, and expenses, including attorneys' fees, as a result of any action or inaction taken in relation to the matters described here.

Notification of Changes

Each Account Holder agrees to promptly notify us in writing of any change in address(es). If you fail to do so, we may send notices, statements or other important information to the address shown in our records and you agree to release us from any liability for doing so. You also agree to notify us in writing of any change in ownership or authorized signers, or if an owner or authorized signer dies or is placed under legal guardianship or conservatorship. We may, at our option, require a new Account Agreement to be completed before any such change takes effect. Any such changes shall not affect transactions previously made.

Waiver of Certain Rights
The Credit Union reserves the right to waive the enforcement of any of the provisions of this TIS Agreement with respect to any transaction or series of transactions. Any such waiver will not affect the right of the Credit Union to enforce any of its rights with respect to later transactions and is not sufficient to modify the terms and conditions of this TIS Agreement.

Consumer Reports
The Credit Union makes credit available to its members on a regular basis. The Applicant(s)/Account Holder(s) of the account authorizes the Credit Union to obtain consumer reports in connection with credit and business transactions involving the Applicant(s)/Account Holder(s), including but not limited to applying for membership, the opening of a share or share/draft account or the issuance of an ATM Card, VISA Direct Check Card, or other service provided by the Credit Union, and the Applicant(s)/Account Holder(s) of the account authorize any person, association, or corporation to furnish on request of this Credit Union, information concerning the affairs of the Applicant(s)/Account Holder(s). The Applicant(s)/Account Holder(s) also authorizes the Credit Union to furnish information concerning the account to consumer reporting agencies.

Negative Credit Reporting
We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

Reporting Inaccurate Information
If you believe the Credit Union is reporting inaccurate information to a credit reporting agency, please notify us at San Mateo Credit Union, P.O. Box 910, Redwood City, CA 94064, so we can investigate.

Post-Dated Share Drafts and Checks
The Credit Union will treat all share drafts or checks as though the share drafts or checks were written on the date presented.

Examination of Statements
The Account Holder(s) to whom the periodic statement of account is sent agree(s) to exercise reasonable care and promptness in examining the statement to discover any errors or discrepancies, and to promptly notify the Credit Union after discovery thereof.

Non-Cash Payments
Non-cash payments deposited into an account may be credited subject to final payment.

Fees and Charges
All accounts shall be subject to service charges in accordance with Cost Recovery Schedules adopted by the Credit Union as amended from time to time.

Attorneys' Fees
You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

Credit Union's Right to Offset
Account Holder(s) agrees that the Credit Union has the right to offset against any account of any Account Holder to cover any amount owing to the Credit Union for any reason. Account Holder(s) understand that this means that the Credit Union has the right to impress and enforce a statutory lien against the Account Holder(s')'s share and dividends in the event of the failure of the Account Holder(s) to satisfy any financial obligation due and payable to the Credit Union. Account Holder(s) understand that the Credit Union may enforce this right without further notice except Individual Retirement Accounts (IRA), Keogh Plan, Social Security/SSI, and as otherwise prohibited by law.

Governing Law
This Truth in Savings Agreement shall be construed in accordance with the laws of the State of California, including the California Uniform Commercial Code (UCC).

➥ *Share Account Agreement*

Transfers to Third Parties
No more than six (6) preauthorized, automatic, online or telephonic transfers made to another account at the Credit Union or to a third party or no more than six (6) transfers or withdrawals made by check, draft, VISA Direct Check Card, or similar order payable to a third party may be made from each savings account or money market deposit account in any calendar month. If an Account Holder exceeds, or attempts to exceed, these transfer limits, the excess transfer requests may be refused or reversed, a fee may be imposed on the excess transfer requests, and the Credit Union may reclassify or close the account. Transfers initiated by telephone must be counted among the six monthly transfers, except that there are no limits on the number of withdrawals paid directly to an Account Holder when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.

Withdrawals, Prior Notice Requirement
The Credit Union reserves the right to require prior written notice of intention to withdraw all or any part of shares not to exceed the notice requirement as set forth in the Credit Union's bylaws.

➥ *Share Draft/Checking Account Agreement*

Withdrawals, Approved Methods
Only share draft blanks and other methods approved by the Credit Union may be used to withdraw funds from a share draft account.

Electronic Check Conversion
Upon prior notification from the merchant to the Account Holder, a purchase made with a share draft or check can be converted to a one-time electronic fund transfer (EFT) if authorized by the Account Holder. The Account Holder may also authorize merchants to electronically debit the account for returned check fees. It is agreed that the Account Holder authorizes the electronic funds transfers if the transaction is completed after being told (orally or by a notice posted) that the transfer may be processed electronically or if the Account Holder signs a written authorization.

Demand Drafts
The Credit Union may pay and charge to the applicable share draft/checking account, share drafts drawn by and payable to any person, organization, association or corporation that has been authorized by an Account Holder to be paid, by the provision of MICR encoded information on the account. It is agreed that the Credit Union's rights in respect to such share drafts shall be the same as if it were a share draft drawn and signed by an Account

Holder(s) personally. This authority shall remain in effect until revoked by an Account Holder in writing. It is agreed that the Credit Union shall be fully protected in honoring such share drafts. It is further agreed that if any such share draft is dishonored, whether with or without cause, and whether intentionally or inadvertently, the Credit Union shall incur no liability whatsoever, even though such dishonor results in the forfeit of insurance, loss or damage of any kind.

Overdrafts

The Credit Union is under no obligation to pay a share draft which exceeds the balance in an account; the Credit Union may, however, pay such a share draft and recover or obtain a refund of the amount of the resulting overdraft plus a service charge from any of the Account Holders of this account, each of whom expressly agrees that each Account Holder is jointly and severally liable for any and all overdrafts of this account and any and all associated costs created by any Account Holder.

Stale-Dated Share Drafts

The Credit Union is under no obligation but may pay a share draft which is presented more than six (6) months after it is dated. The Credit Union may assess a special handling charge upon receipt of any such item in addition to a service charge upon the account in accordance with the Cost Recovery Schedules adopted by the Credit Union and as amended from time to time.

Stop Payments

Any Account Holder(s) of this account may stop payment of any item drawn against the account. The Stop Payment Order must describe the item with reasonable certainty and must be received in such time and manner as to afford the Credit Union a reasonable opportunity to act upon it. A Stop Payment Order is effective for six (6) months, but it lapses after fourteen (14) calendar days if the original order was oral and was not confirmed in writing within that 14 day period. The Stop Payment Order may be renewed in writing for an additional six (6) month period.

Truncation of Drafts

The Account Holder(s) acknowledges that share drafts are truncated, (meaning the cancelled checks are not returned to the account holder, but kept electronically), and hereby waives any and all rights to receive the items without prejudice to any of the Credit Union's defenses available under the California Uniform Commercial Code (UCC).

Liability of Credit Union

Except for its own lack of good faith or failure to exercise ordinary care, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a share draft, even if nonpayment results in the forfeit of insurance, loss or damage of any kind.

Closure of Account

The Credit Union may close a share draft account at any time. Closure of a share draft account will not affect the obligation to pay any outstanding balances or charges owed.

For Share Draft Accounts with Share Overdraft Protection

If any Account Holder(s) writes a share draft that would result in this Share Draft Account being overdrawn, the Credit Union is authorized to charge the designated share account(s), regardless of which party signed the item, in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor the share draft and any associated fees and to credit such charge to this Share Draft Account. No share draft overdraft may be paid by charging a share account if, as a result of such charge, that share account would be subject in any one month to more than six (6) pre-authorized, automatic or telephonic transfers.

For Share Draft/Checking Accounts with Loan Overdraft Protection

If any Account Holder(s) writes a share draft which would result in this share draft/checking Account being overdrawn, and if at that time any Account Holder(s) is eligible to receive loan advances from this Credit Union on a loan designated on the Overdraft Agreement, the Credit Union is authorized to make an advance from the designated loan account, and to credit the advance to this share draft/checking Account in such multiples as determined by the Credit Union sufficient to permit the Credit Union to honor such share draft and any associated fees.

For Share Draft/Checking Accounts with Courtesy Pay

The Credit Union recognizes that sometimes you may overdraw your share draft/checking account. In such cases the Credit Union may decide to honor overdrafts on your share draft/checking account for which there are insufficient funds. This service is referred to as the Credit Union's Courtesy Pay Program. The Credit Union provides the Courtesy Pay Program as an accommodation to you and is not obligated to do so, even when it has done so in the past. It is not necessary to apply for this service.

To be eligible for Courtesy Pay's Program, the member must meet all of the following criteria:

- You must be 18 years of age.
- You must pass a ChexSystems inquiry at account opening to be eligible for a share draft/checking account.
- Your share draft/checking account must be opened for a minimum of sixty (60) days.
- You must be a member in good standing.
- Your loans with the Credit Union cannot be more than thirty (30) days delinquent.
- Your loans with the Credit Union cannot have been charged-off.

The Credit Union may honor overdrafts on your share draft/checking account for the following types of transactions:

- Checks
- Pre-authorized or automatic debits (ACH)
- Point of Sale transactions (using your VISA® Direct Check Card or ATM card)
- Transactions at Automated Teller Machines (ATMs)

Unless the Credit Union currently has your affirmative consent (opt-in) on file, we will not pay your overdrafts for ATM withdrawals and debit card purchases at a store, online, or by telephone. You must tell us you want overdraft coverage for these transactions. To request overdraft coverage for your ATM withdrawals and debit card purchases, please contact us using one of the following methods: in person; by calling us at (650) 363-1725 or (888) 363-1725; or in writing at P.O. Box 910, Redwood City, CA 94064. Complete and sign the Overdraft Consent Form, which is provided with this disclosure, or mail it to us at the address shown. The Credit Union will provide you with written confirmation of your opt-in choice.

When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft plus the amount of the Courtesy Pay fee. If we honor multiple overdrafts we may honor them in any order at the Credit Union's option or return any such items. The maximum dollar amount of overdrafts the Credit Union will cover for each eligible membership is five-hundred dollars ($500), exclusive of the Courtesy Pay fee.

When the Credit Union honors overdraft items, you must deposit funds immediately, but in no case more than thirty (30) days from the date of the overdraft. If you fail to cover the total overdraft amount within thirty (30) days, the Credit Union may revoke eligibility and pursue all collection options available. The Credit Union may, but is not obligated to, transfer funds from your other accounts with us to cover the overdraft. If you have elected to have multiple overdraft protection services, the overdraft will be covered in the following sequence: selected share overdraft protection; loan overdraft protection; and Courtesy Pay protection.

The Courtesy Pay Program fee is a flat fee charged regardless of the amount the account is overdrawn and will be charged for each overdraft item presented and paid by the Credit Union. The charge for Courtesy Pay is the same as the NSF (Non-Sufficient Funds) fee. The charge for Courtesy Pay Service is referred to in our Cost Recovery Schedule. The Credit Union will send you a notice for each item covered by the Courtesy Pay Program.

The Courtesy Pay Program service is a discretionary privilege offered to member-owners and is not a right of membership. The Credit Union encourages you to properly maintain your accounts with us. You agree that the Credit Union will not be held liable for either paying or refusing to pay any overdraft item. The Credit Union reserves the right to discontinue this service at any time without any notice.

If you would like to opt out of the Courtesy Pay Program, you must inform the Credit Union by calling the Credit Union at (650) 363-1725 or (888) 363-1725, or by sending written notice directed to San Mateo Credit Union, P.O. Box 910, Redwood City, CA 94064.

➥ *Share Certificate Account Agreement*

Pledging of Funds

Share certificates may not be pledged, transferred, or assigned to any party other than the Credit Union unless otherwise provided by statute. Shares invested for an Individual Retirement Account (IRA) or Keogh Plan may not be pledged as security for any loan. The Credit Union reserves the right to offset this certificate except as otherwise precluded by law. If the Credit Union offsets funds from this certificate, the funds withdrawn are subject to the early withdrawal penalty.

Taxpayer Identification Number (TIN) and Backup Withholding

Specific Instructions for Completing Form W-9

Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). Check the "Limited liability company" box only and enter the appropriate code for the tax classification ("D" for disregarded entity, "C" for corporation, and "P" for partnership) in the space provided.

For a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line.

For an LLC classified as a partnership or a corporation, enter the LLC's name on the "Name" line and any business, trade, or DBA name on the "Business name" line.

Other entities. Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt Payee

If you are exempt from backup withholding, enter your name as described above and check the appropriate box for your status, then check the "Exempt payee" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete form W-9 to avoid possible erroneous backup withholding.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see How to get a TIN below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see Limited liability company (LLC)), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at www.socialsecurity.gov. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at www.irs.gov/businesses and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt payees, see Exempt Payee section.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.
2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.
3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.
4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a non-employee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).
5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal non-tax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

Call the IRS at 1-800-829-1040 if you think your identity has been used inappropriately for tax purposes.

Victims of identity theft who are experiencing economic harm or a system problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to phishing@irs.gov. You may also report misuse of the IRS name, logo, or other IRS personal property to the Treasury Inspector General for Tax Administration at 1-800-366-4484. You can forward suspicious emails to the Federal Trade Commission at: spam@uce.gov or contact them at www.consumer.gov/idtheft or 1-877-IDTHEFT (438-4338).

Visit the IRS website at www.irs.gov to learn more about identify theft and how to reduce your risk.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account (#1)
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor (#2)
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee (#1)
b. So-called trust account that is not a legal or valid trust under state law	The actual owner (#1)
5. Sole proprietorship or single-owner LLC	The owner (#3)
For this type of account:	**Give name and EIN of:**
6. Sole proprietorship or single-owner LLC	The owner (#3)
7. A valid trust, estate, or pension trust	Legal entity (#4)
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity(such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

(#1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

(#2) Circle the minor's name and furnish the minor's SSN.

(#3) You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

(#4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see Special rules regarding partnerships on page 1.

Note: *If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.*

Rev. 03/2012

FACTS WHAT DOES SAN MATEO CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- social security number and income
- account balances and payment history
- credit history and credit scores

When you are *no longer* our member, we continue to share your information as described in this notice.

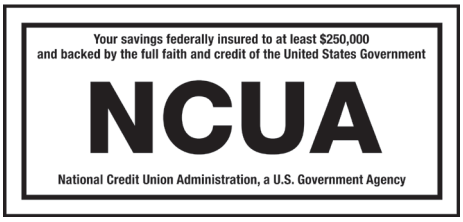
How?

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons San Mateo Credit Union chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does San Mateo Credit Union share?	Can you limit this sharing?
For our everyday business purposes -- such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	**Yes**	**No**
For our marketing purposes -- to offer our products and services to you	**Yes**	**No**
For joint marketing with other financial companies	**Yes**	**No**
For our affiliates' everyday business purposes-- information about your transactions and experiences	**No**	**No**
For our affiliates' everyday business purposes -- information about your creditworthiness	**No**	**No**
For nonaffiliates to market to you	**Yes**	**No**

Questions? Call us at (650) 363-1725 or (888) 363-1725

What we do	
How does San Mateo Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does San Mateo Credit Union collect my personal information?	We collect your personal information, for example when you ♦ open an account or deposit money ♦ provide account information or apply for a loan ♦ use your credit or debit card We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only ♦ sharing for affiliates' everyday business purposes -- information about your creditworthiness ♦ affiliates from using your information to market to you ♦ sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.
Definitions	
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies ♦ *San Mateo Credit Union has no affiliates*
Nonaffiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies ♦ *Nonaffiliates we share with can include companies such as financial advisors, securities broker-dealers and insurance agents*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. ♦ *Our joint marketing partners include financial advisors, securities broker-dealers and insurance agents*
Other important information	
California law provides that a consumer has the right to control the sharing of personal and financial information with outside companies the financial institution contracts with to provide financial products and services. To exercise your right, refer to the separate notice titled, "Important Privacy Choices for Consumers" which is provided to you by the Credit Union.	



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