



Account Disclosure and Agreement

1. Par Value

The par value of one share is \$5. Any member whose aggregate share account balance falls below \$5.00 and who has no outstanding loan balance may be transferred to inactive member status. Inactive members have no voting rights and no right to receive notice of meetings of members. The par value may be changed by the Board of Directors.

2. Minimum Balance

Any required minimum balance for opening, maintaining, or obtaining dividends is disclosed on the Savings Rate Sheet and Fee Schedule.

3. Withdrawals & Transfers (Share Savings, SAFE Savers Kids Club, Young Member Account, Non-Dividend Earning Share, Business Savings, Business Non-Dividend Savings, Special Share, Money Market)

SAFE reserves the right to require 60 days written notice prior to withdrawal.

When loan payments are in default, withdrawals are limited to shares above the amount of the remaining loan balance.

Unlimited Withdrawals & Transfers

There are no limitations on the number of withdrawals and transfers made:

- In person, over-the-counter, or by messenger.
- Via a signed request mailed to SAFE.
- At a SAFE ATM or Network ATM.
- By telephone, CALL-24, or pre-authorized agreement when the proceeds are made payable to and mailed to the account owner.
- To SAFE loans.

Limited Withdrawals & Transfers

In accordance with Federal Regulation D, the following withdrawal and transfer transactions are limited to a combined total of six per month.

- Up to six money market checks payable to third parties may clear per month, regardless of the date the checks were written.
- Telephone or pre-authorized transfers between deposit accounts at SAFE, including overdraft transfers.
- CALL-24 or Online Banking transfers to deposit accounts at SAFE.
- Telephone or pre-authorized withdrawals (transfers) to third parties (e.g. merchants, other financial institutions, mortgage companies, insurance companies).

A Money Market Exception Fee, as stated in the Fee Schedule, will be charged for each check or pre-authorized transfer to a third party exceeding the limit. In accordance with regulations, transactions in excess of this limit on more than an occasional basis will be returned unpaid.

4. Prohibited Withdrawals

SAFE may prohibit withdrawals if there is a dispute regarding the account, a legal garnishment or attachment is served, or if any required documentation has not been presented. You will be advised of the reasons for refusal if such action is taken.

5. Overdraft Source

Unless otherwise designated, the Share Savings, Business Savings, Non-Dividend Earning Share, or Business Non-Dividend Savings account shall serve as the overdraft protection source for the checking account. Money Market, Special Share, Credit Card, Quick Cash, and Home Equity Line of Credit may also serve as overdraft sources for checking accounts at SAFE. All owners and authorized signers on my checking account will have access to accounts listed as overdraft sources through Overdraft Protection.

6. Overdraft Protection (Checking only)

SAFE is under no obligation to pay a transaction that exceeds the available balance in your account. Transactions that would overdraw the account may be treated as a request to transfer funds from the overdraft source designated on your checking account. All owners and authorized signers are jointly and severally liable for any and all overdrafts on this account.

Overdraft transfers will be in multiples of \$100, amount of ATM or debit card transaction, or the funds available, whichever is less. Overdraft transfers from your Share Savings, Non-Dividend Earning Share, Special Share, Business Savings, Business Non-Dividend Savings, and Money Market accounts are limited and subject to the terms and conditions of that account. Overdraft transfers from your Credit Card, Quick Cash, or Home Equity Line of Credit are unlimited and subject to the terms and conditions of that account. An overdraft transfer fee, as stated in the Fee Schedule, will be charged to the account receiving the transfer.

Checking accounts without an available overdraft transfer designation will be automatically reviewed for Courtesy Pay (Overdraft) service, which may take your account negative or increase an existing negative balance to pay a SAFE check, ATM or debit card transaction, or debit by other electronic means. This is a non-contractual member courtesy that can be withdrawn at any time. Whether your overdrafts will be paid is discretionary, and we reserve the right not to pay if your account is not in good standing. The negative balance must be paid within 20 days. SAFE will not authorize and pay overdrafts for ATM and everyday debit card transactions unless you ask us to. However, in some situations, we may decide to pay the ATM or everyday debit card transaction and not charge a fee. Refer to the Fee Schedule and Overdraft Service Options for fees. You may choose to opt out of Courtesy Pay by contacting SAFE. Business accounts are not eligible for Courtesy Pay service.

SAFE will only offset government benefits (e.g. Social Security and other public benefits) deposited to your accounts as permitted by law.

7. Returned Items

Items that exceed the overdraft transfer limit or funds available will be returned unpaid. At that time, the account will be subject to a non-sufficient funds fee as stated in the Fee Schedule.

8. Dividends

Rate Information: The dividend rate and APY may change every dividend period as determined by the credit union board of directors. Specific dividend rates are disclosed on SAFE's Savings Rate Sheet and are prospective and subject to change. For the latest declared dividend rate and annual percentage yield (APY) call (916) 979-7233 or (800) SEE-SAFE.

Accrual: Dividends will begin to accrue on the business day you deposit non-cash items to your account.

Nature of Dividends: Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

SAFE Freedom Checking, Non-Dividend Earning Share, Business Non-Dividend Savings, & Business Value Checking: These accounts do not earn dividends.

Share Savings, SAFE Savers Kids Club, Young Member Account, Special Share, Business Savings, Perfect Cents[®] Checking, SAFE Prestige Checking, SAFE Capitol Checking, Business Checking, Capitol Access Money Market, Preferred Money Market, and Business Money Market Accounts: Dividends are compounded monthly and credited on the last day of each month. The dividend period is monthly, for example, the beginning date of the first dividend period is January 1, and the ending date is January 31. All other dividend periods follow the same pattern. The dividend declaration date follows the ending date of a dividend period, which for this example is February 1. Dividends are calculated by the average daily balance method, which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated 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. The dividend rate will change at specified balance levels. If you close your account before dividends are paid, you will not receive the accrued dividends. **Perfect Cents Checking and linked Share Savings or Young Member Account:** Dividends are paid on the portion of the account balance that falls within each specified tier. Two monthly requirements must be met to receive dividends on Perfect Cents Checking and premium dividends on linked Share Savings or Young Member Account: 1) active enrollment in eStatements; and 2) minimum of 10 debit and/or credit card purchase transactions must clear same membership account. **SAFE Capitol Checking:** Dividends are paid on the portion of the account balance that falls within each specified tier. To receive dividends, account must meet three monthly requirements: 1) active enrollment in eStatements; 2) direct deposit of \$500 or more; and 3) minimum of 12 debit and/or credit card purchase transactions must clear same membership account. One Capitol Checking per member. **Preferred Money Market:** Dividends are paid on the portion of the account balance that falls within each specified tier. One Preferred Money Market per member.

9. Checking & Money Market (other terms)

- Only items (or other methods) approved by SAFE may be used to make withdrawals from this account.
- I authorize SAFE to pay items signed by me (or by any joint owner or trustee) and to charge all such payments against the balance in this account.
- Upon notification from a merchant (oral, written, or posted notice), I or any joint owner may authorize a merchant to convert my check to a one-time electronic fund transfer from my account. I or any joint owner may also authorize merchants to electronically debit my account for returned check fees.
- I may request a stop payment on checks for any reason.
- When paid, items become the property of SAFE and will not be returned either with the periodic statement of this account or otherwise.
- SAFE is under no obligation to pay an item on which the date is more than six (6) months old.
- SAFE reserves the right to process every item presented as if dated on the same date received by SAFE or its processing bank, unless otherwise notified prior to the check being presented for payment.
- If I file bankruptcy, access to amounts on deposit prior to filing may be denied until such time as it is determined whether SAFE has suffered a loss. Except for negligence, SAFE is not liable for any action it takes regarding the payment or nonpayment of an item.
- Checking Accounts are structured into checking and savings sub-accounts for regulatory accounting purposes. SAFE Credit Union may periodically transfer funds between these two sub-accounts. Your dividend calculation on dividend earning accounts will stay the same on both sub-accounts. If your Checking Account does not earn dividends, the savings sub-account will not earn dividends. This process will not affect your available balance, the dividends you may earn, NCUA insurance protection, your monthly statement, or any other features of the Checking Account.

10. Reporting Errors

If I think there is an error on my statement, I must notify SAFE no later than 60 days after SAFE sent me the first statement on which the problem or error appeared. Refer to the Electronic Funds Transfer Disclosure for errors relating to electronic transactions.

11. Escheat

In accordance with California law, funds from deposit accounts, shares, or other interests will be transferred to the state (escheated) if you fail to contact SAFE, or make a deposit to or withdrawal from your account, for a period of three years. An escheat fee, as stated in the Fee Schedule, may be assessed to offset administrative costs.

12. Insurance

Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency. Refer to NCUA's "Your Insured Funds" brochure available at any SAFE branch.

13. Perfect Cents Savings®

A Share Savings account, personal checking account, debit card and eStatements are required to participate in Perfect Cents Savings. Debit card purchases will post to your checking account for the exact amount of purchase. SAFE will automatically round up debit card purchases to the next whole dollar and transfer the rounded amount in excess of the purchase amount to your Share Savings (or other designated savings) account each day. The total of all excess amounts will be posted daily as a single transfer from your checking to your savings identified on your eStatement as "Perfect Cents." If a debit card purchase is canceled or refunded, the corresponding Perfect Cents transfer will remain in the Share Savings account. If funds are not available in your checking account, if any transaction has overdrawn your account, or if eStatement service is canceled, the daily transfer to savings will not be posted. Features are subject to change without notice. SAFE may cancel Perfect Cents Savings at any time.

14. Loan Security

Funds in a Share Savings, Non-Dividend Earning Share, Special Share, Business Savings, or Business Non-Dividend Savings may be pledged as security for a SAFE loan. Funds in a Trust Account may only be pledged as security for a SAFE loan if the trustee grants SAFE a security interest by signing the Loan Agreement and Disclosure as trustee prior to the release of the loan funds. Funds in a money market or checking account may not be pledged as security for a loan.

15. Lien on Shares

All the owners, either jointly or severally, of any of the accounts pledge any and all of the present or future shares held in any share, checking, or share certificate accounts at SAFE. Should any of the owners default in any of their obligations to SAFE, for any reason, then SAFE may, without notice, debit any accounts owned by any owner, either individually or jointly, an amount sufficient to satisfy the obligations. SAFE may apply the shares in any manner SAFE deems warranted.

16. Termination

I/we agree and permit SAFE to terminate my/our membership, in SAFE's sole and absolute discretion, without the necessity of any expulsion procedures or rights as required by the bylaws, should any of the following occur:

- All shares, inclusive of shares, checking, share certificates in SAFE are withdrawn either by me/us or by SAFE (due to abuse by me/us of my/our membership privileges or to staff or other members).
- My/our membership status becomes inactive or if my shares fall below the par value of one share for more than three months, whether or not occurring by my actions or the actions of SAFE.
- I/we fail to provide SAFE with a current address within one year from the date the U.S. Postal Service returns mail for reasons such as mail unclaimed, mail refused, insufficient address, no such address, and mail not deliverable as addressed.
- Upon notification by SAFE, due to SAFE's good faith belief that I have abused my membership privileges and/or my conduct is deemed, by SAFE, to be harassing to staff or other members.
- Funds are escheated to the State in accordance with applicable law.

17. Fees

A Fee Schedule is provided when the account is opened and is available upon request.

18. Joint Owners

Joint owners are designated on the account application with right of survivorship. I hereby authorize SAFE to recognize any of the signatures subscribed heretofore in the payment of funds or the transaction of any business for this account. The joint owners of the account hereby agree with each other and with SAFE that all sums now paid in on shares or heretofore or hereafter paid in on shares by any or all of said joint owners with all accumulations thereon are to be held in equal and undivided shares, irrespective of their net contributions, with right of survivorship, and subject to the withdrawal or receipt of any of them, and payment to any of them or the survivors shall be valid and discharge SAFE from any liability for such payment. All owners/signers on the account shall be jointly and severally liable for any and all damages, losses, fees or charges assessed to or created by any owner/signer on the account. The right or authority of SAFE under this agreement shall not be changed or terminated by said owners, or any of them except by written notice to SAFE which shall not affect transactions theretofore made.

19. Facsimile Signature

I/we agree that SAFE is authorized to receive and accept as original any document, transacting any and all business with SAFE, with or without our signatures in a facsimile format, including but not limited to, faxed and electronic signatures. I/we agree to waive any rights we may have should SAFE accept and act upon a document sent by facsimile. Further, I/we agree to indemnify and hold SAFE harmless from any and all claims, costs or damages of any nature should SAFE accept and use a document of ours sent by facsimile.

20. Opening Sub-Accounts

Members have the option of opening additional sub-accounts verbally or electronically. The member by requesting the sub-accounts agrees and acknowledges that all funds in the sub-account will be owned by the same owners and beneficiaries as the Share Savings Account. A signed application is required to designate different owners or beneficiaries on the sub-account, or to open special accounts such as an IRA, trust, or business account.

21. Terms & Amendments (all accounts)

All accounts are governed by SAFE's bylaws, rules, regulations, and practices. The terms and conditions of accounts are set in accordance with SAFE's bylaws and may be amended at any time by SAFE. Amendments will be mailed to the primary account owner at the address currently on file. SAFE accounts are not transferable. All owners/signers on the account are subject to the terms and conditions of the agreement/account. Any owner/signer may notify SAFE that this agreement is canceled. Requests for changes to this agreement must be submitted in writing to SAFE. SAFE reserves the right to terminate this agreement/account without notice.