

**About Your Credit Union Accounts • Important Document Please Read and Retain For Your Records**

**Share Savings Account • Holiday Club Account • Individual Retirement Accounts  
Uniform Transfer to Minor Account • Share Draft Account • Share Certificate Account  
Funds Availability • Unclaimed Property Law • Account Agreements**

Glendale Area Schools Credit Union is a not-for-profit, member-owned financial cooperative. Established 1937, Glendale Area Schools Credit Union is a Credit Union that exists solely to provide quality financial services and maximum return on equity to each member. By saving systematically and collectively, Credit Union members earn a high return on their savings and create a source of low-cost credit for themselves and their families. This Truth-In-Savings Disclosure is provided to Credit Union members, and potential members, for use in comparing important account information offered by the Credit Union. The Credit Union wants you to know the nature and terms of dividends, fees, conditions and penalties applicable to your account(s).

To open your account, complete the appropriate Membership Application & Account Agreement and return it to our Member Services Representative. 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 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 may also ask to see your driver's license or other acceptable forms of identification.

**General Information About All Of Our Accounts**

**Par Value**

The par value of a share in the Glendale Area Schools Credit Union is \$5.

**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 at a Credit Union office, or before 3:00 p.m. if the deposit is made through an on-site Automatic Teller Machine (ATM). Deposits made at an off-site ATM will be credited the following business day, along with on-site ATM deposits made after 3:00 p.m.

**Dividend Rates**

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

**Balance Information**

We compute the balance in our share accounts and 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. In order to open an account with Glendale Area Schools Credit Union, an opening deposit of \$50 is required. This covers the purchase of one share per account in the Credit Union.

### **Requirement To Maintain A Share Savings Account**

You must open a Share Savings Account to open any subsequent account except UTMA Accounts. You must maintain your Share Savings Account or UTMA Account to avoid closure of that account and any subsequent accounts.

### **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.

### **Bylaw Requirements**

A member who fails to complete payment of one share within one (1) day of admission to membership, or within six (6) months from the increase in the par value in shares, or a member who reduces his share balance below the par value of one share and does not increase the balance to at least the par value of one share within ninety (90) days of the reduction may be terminated from membership.

Shares may be transferred only from one (1) 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 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 a loan officer.

### **About Our Share Accounts**

At Glendale Area Schools Credit Union, you can deposit your money in a savings account and withdraw your money generally at any time. Our share accounts are the Share Savings Account, Holiday Club Account, Uniform Transfer to Minors Account ("UTMA"), Money Market Account, and the IRA Account.

### **Rate Information**

Our share accounts are designated as variable rate accounts on the Rate Schedule. These rates and yields may change at any time and without notice at the discretion of the Board of Directors.

### **Dividend Compounding And Crediting**

Dividends will be compounded daily and will be credited quarterly. For share accounts, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your share account before dividends are credited, you will not receive accrued dividends.

### **Transaction Limitations**

The maximum daily cash amount you may withdraw is \$2,000. No more than six (6) preauthorized, automatic, electronic 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, debit card or similar order payable to a third party may be made from each savings account or Money Market Account in any calendar month. If you exceed, or attempt 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 you when initiated by mail, telephone or messenger. There are no limits on the number of withdrawals if initiated in person.



## **+ Share Savings Account**

### **Minimum Balance And Deposit Requirements**

You must maintain a minimum daily balance of \$50 in your Share Savings Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your Share Savings Account falls below \$1 for one (1) day, the account will be subject to closure.

## **+ Holiday Club Account**

This account is designed to provide for holiday season expenses. The funds will be disbursed each November 1st unless the account holder requests that they be disbursed earlier or credited back to this or another account at the Credit Union.

### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

You must maintain a minimum daily balance of \$25 in your Holiday Club Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your Holiday Club Account falls below \$1 for a period of one (1) day, the account will be subject to closure.

## **+ Uniform Transfer to Minors Account (UTMA)**

The UTMA account is offered to members who are 16 years of age and under.

### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

You must maintain a minimum daily balance of \$5 in your UTMA Account to obtain the Annual Percentage Yield stated on the Rate Schedule. If the balance in your UTMA Account falls below \$1 for one (1) day, the account will be subject to closure.

## **+ Money Market Account**

### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your Money Market Account is \$1,000. You must maintain a minimum average daily balance of \$1,000 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure of the account. If the account falls below \$1,000, your Money Market Account will convert to a Regular Share Account.

## **+ Individual Retirement Account (IRA)**

### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

The minimum deposit required for you to open your IRA Account is \$100. You must maintain the minimum daily balance of \$100 to obtain the Annual Percentage Yield stated on the Rate Schedule 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.

## **+ Share Draft Accounts**

Glendale Area Schools Credit Union offers a Share Draft Account that lets you withdraw your money and write checks against your account at any time.

### **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS**

You must open either a Share Savings Account, or an Organizational Account in order to open a Share Draft Account. You must maintain your Share Account in order to avoid closure of your Share Draft Account.

### **DIVIDEND COMPOUNDING AND CREDITING**

Our Share Draft Account is a non-dividend earning account.

## Share Certificate Accounts

Glendale Area Schools Credit Union's share certificate accounts let you deposit your money for a specified period of time. Our certificate accounts are the Regular Share Certificate and IRA Share Certificates.

### 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 share certificate account, your earnings will be reduced.

### MATURITY

Your account will mature as reflected on the Rate Schedule. The maturity date will be stated on the certificate or receipt provided to you at the time of opening your account.

### RATE INFORMATION

Our share certificates are designated as fixed rate accounts on the Rate Schedule. You will be paid these dividend rates and yields until maturity.

### EARLY WITHDRAWAL PENALTY

We may impose a penalty if you withdraw principal from your share certificate account before the maturity date. The penalty is the loss of ninety (90) days dividends earned, or all dividends earned on the amount withdrawn since the date of issuance, or the date of renewal, whichever is less.

### 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 certificate account, or is made pursuant to the Credit Union's bylaws.
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 70 1/2 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.

## Regular Share Certificates

Our Regular Share Certificates are offered in 91 day, 6 month, 1 year, 2 year, 3 year, 4 year, and 5-year terms.

### DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded daily and will be credited monthly and at maturity. For the Regular Share Certificates, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. Dividends may be credited to the Regular Share Certificate Account and will be compounded at the rate and yield stated for the Certificate. At your option, dividends may be credited to your Share Savings or Share Draft Account and be available for withdrawal without breaking the certificate. If credited to the Share Saving Account, dividends are not compounded at the certificate rate; dividends will be compounded at the lower Share Savings rate until withdrawn by you.

### MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

You must open and maintain a Share Savings Account or UTMA or in order to open a Regular Share Certificate Account and to avoid closure of that account and your Regular Share Certificate Account. The minimum deposit required for you to open one of our Regular Share Certificate Accounts is \$1,000. You must maintain this minimum daily balance in order to obtain the Annual Percentage Yield stated on the Rate Schedule.

### RENEWAL OF ACCOUNT/GRACE PERIOD

The Regular Share Certificate is initially established to automatically renew at maturity or to transfer to the member's Share Savings or Share Draft Account. The Credit Union will mail you a notice ten (10) days prior to maturity. Upon receipt of this notice, you may withdraw or transfer the funds at maturity. If no action is taken on

your part, the Regular Share Certificate will automatically renew at maturity for the same time period as the original term at the prevailing rate, unless you withdraw all of the funds in your account at maturity or within a grace period of seven (7) days after maturity without being charged an early withdrawal penalty.

#### ACCOUNT LIMITATIONS

After your Regular Share Certificate is opened, you may not make deposits into the account until the maturity date stated on the certificate. You may not make withdrawals prior to maturity without breaking the certificate.

### **✦ Individual Retirement Account (IRA) Share Certificate**

Our IRA Share Certificates are offered in one (1) year, two (2) year, three (3) year, four (4) year, and five (5) year terms.

#### DIVIDEND COMPOUNDING AND CREDITING

Dividends will be compounded daily and will be credited monthly and at maturity. For the IRA Share Certificates the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last date of the dividend period. The most recent dividend declaration date is reflected on the accompanying Rate Schedule. If you close your IRA Share Certificate Account before dividends are credited, you will not receive accrued dividends. Dividends will be credited to the IRA Share Certificate Account and compounded at the rate and yield stated for the certificate.

#### MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

The minimum deposit required for you to open one of our IRA Share Certificate Accounts is \$100. You must maintain this minimum daily balance in order to obtain the Annual Percentage Yield stated on the Rate Schedule.

#### RENEWAL OF ACCOUNT/GRACE PERIOD

The IRA Share Certificate is initially established to automatically renew at maturity. The Credit Union will mail you a notice ten (10) days prior to maturity. Upon receipt of this notice, you may withdraw or transfer the funds at maturity. If no action is taken on your part, the IRA Share Certificate will automatically renew at maturity for the same time period as the original term at the prevailing rate, unless you withdraw all of the funds in your account at maturity or within a grace period of seven (7) days after maturity without being charged an early withdrawal penalty.

#### ACCOUNT LIMITATIONS

After your IRA Share Certificate is opened, you may not make deposits into the account until the maturity date stated on the certificate. You may not make withdrawals prior to maturity without breaking the certificate.

#### 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.

### **✦ Your Ability To Withdraw Funds**

Our policy is to make funds from your deposits available to you no later than the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposits, or on the "effective dates," whichever is later. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business at a Credit Union office or no later than 3:00 p.m., if made through an on-site ATM machine on a business day that we are open, we will consider that day to be the day of your deposit. Deposits made at an off-site ATM will be credited the next business day. However, if you make a deposit after close of business at a Credit Union office or after 3:00 p.m. at our ATM machine 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

Funds you deposit by check may be delayed for a longer period (up to two (2) business days) 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 (1) 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 or on the "effective date" of the deposits, whichever is later. Funds from deposits of cash, wire transfers, and the 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 your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, it will still be available no later than the next business day after the day of your deposit. Funds from all other check deposits will be available on the seventh (7th) business day after the day of your deposit. Deposits at automated Teller machines, funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth (5th) business day after the day of your deposit. This rule does not apply at ATMs that we own or operate.

### **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 & ACCOUNT APPLICATION**

The terms, conditions and information contained in the Membership & Account Application, 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 AND TYPES**

The ownership of individual, joint, pay-on-death, living trust, Totten trust, unincorporated, organizational and custodial accounts (under the "Uniform Transfers to Minors Act") 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 is owned by the party named on the Account Signature Card ("Account Owner"). Upon the death of the party, ownership passes to the named pay-on-death payee(s), designated as the beneficiary(ies) on the Account Signature Card.

#### **JOINT ACCOUNTS**

The Account is owned by all the Account Owners on the Account Signature Card. Upon the death of an Account Owner of a Joint Account, any funds remaining in the Account at the death of a party to a joint account belong to the surviving Account Owners as against the estate of the deceased Account Owner. The right of survivorship continues between the surviving parties.

#### **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.

### **UNINCORPORATED ASSOCIATION**

If your account is in the name of an unincorporated association, the persons whose signatures appear on the Account Signature Card represent, warrant and agree that all items and funds deposited in this Account belong to the unincorporated association, that each of them has been duly authorized by the unincorporated association and has the power and authority to act, sign and bind the unincorporated association, that we may rely on such authority until written notice of revocation is received by us from one of the authorized signers, and that no dissolution of the unincorporated association has occurred. If the unincorporated association uses an assumed name for its business, it has a current Assumed Name Certificate file in the Office of the County Clerk in each county in which it conducts business. If the unincorporated association uses a name for the business other than the name of the unincorporated association, a current fictitious business name statement is on file in the county clerk's office in each county in which the unincorporated association conducts business. Funds received may not be withdrawn until collected. Unincorporated association accounts are not subject to the Multiple Party Accounts Law.

### **PAYABLE ON DEATH ACCOUNTS**

A pay on death account ("P.O.D. Account") is an account payable on request to one or more Account Owner(s) during their lifetime and on the death of all Account Owners to one or more pay on death beneficiaries. The pay on death beneficiaries are the person or persons designated as such on the Account Signature Card; you may modify the pay on death beneficiaries by completing a new Account Signature Card or completing a new designation of beneficiary on the form provided by the Credit Union. The pay on death beneficiary has no rights to the funds in the Account during the lifetime of any Account Owner.

On death of the sole Account Owner or of the survivor of two or more Account Owners:

- a) any funds remaining in the Account belong to the P.O.D. payee or payees if surviving, or to the survivor of them if one or more die before the death of the sole Account Owner or the last surviving Account Owner;
- b) if two or more P.O.D. payees survive, any funds remaining on deposit belong to them in equal and undivided

shares unless the Account Signature Card expressly provides for different shares; and  
c) if two or more P.O.D. payees survive, there is no right of survivorship in the event of death of a P.O.D. payee. The Credit Union may require certain legal documents before releasing funds in the Account. Upon the death of the sole Account Owner or the last surviving Account Owner, payment on a P.O.D. 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.

### **SOLE PROPRIETORSHIP ACCOUNTS**

If your account is in the name of a sole proprietorship, the person(s) whose signature appears on the Account Signature Card represents and warrants that the Account Owner is an unincorporated business owned wholly and exclusively by an individual and agrees that the Credit Union is authorized to act upon the instructions of such person(s) until the Credit Union receives written notice of others to sign for the sole proprietorship. You agree to inform us in writing promptly of any changes in the organizational status of your business. You further certify that if you use a name for the business other than the name of the individual, a current fictitious business name statement is on file in the county clerk's office in each county in which you conduct business. Funds received may not be withdrawn until collected.

### **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.

### **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 offset and charges, notwithstanding the source of the contribution.

### **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.

### **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.

### **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, 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 Glendale Area Schools Credit Union, 1800 Broadview Drive, Glendale, CA 91208 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 fee 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. The Credit Union may also apply the funds held in a joint account to cover any amount owing to the Credit Union by any individual Account Holder(s). 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 as to Individual Retirement Accounts (IRA), Keogh Plan, Social Security/SSI, and as otherwise prohibited by law.

## **GOVERNING LAW**

This TIS 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, electronic 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, debit card or similar order payable to a third party may be made from each savings account or Money Market Account in any calendar month. If you exceed, or attempt 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 you 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 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 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.

### **COURTESY PAY PROGRAM**

The Credit Union recognizes that sometimes you may overdraw your share draft account. In such cases, the Credit Union may decide to honor drafts for which there are insufficient funds. This is 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. You do not apply for this service.

Qualifications:

To be eligible for the Courtesy Pay Program, you must meet the following criteria:

- Must be a member in good standing with an active share account with a minimum balance of \$50
- Must have an active share draft account that has been opened for a minimum of sixty (60) days
- Cannot be delinquent on any loan with the Credit Union
- Cannot exceed the combined total of fifteen (15) NSF drafts and ACH items in one (1) month

Description of Service

By participating in the program, the Credit Union may honor overdrafts, including share draft/checks and automated debits. 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 member, including the Courtesy Pay fee, will be:

- \$500; if you meet the above program qualifications; or
- \$750; if you meet the above program qualifications and you have a business account

The Credit Union will send you a notice of the use of the Courtesy Pay service approximately within ten (10) days of the initial date of the overdraft. When the Credit Union honors overdraft items, you must deposit funds immediately, but in no case more than thirty (30) days from the initial date of the overdraft. If you fail to cover the total overdraft amount within thirty (30) days, the Credit Union may pursue all collection options available to it. The Credit Union may, but is not obligated to, transfer funds from your other accounts with us to cover the overdraft.

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 Service is described in our Fee Schedule.

The Courtesy Pay Program service is a discretionary privilege offered to members and 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 do not want the Courtesy Pay Program, you must inform the Credit Union in-person; by sending written notice to Glendale Area Schools Credit Union, 1800 Broadview Drive, Glendale, CA 91208.

### **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 fee 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 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 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 pre-authorized, automatic or telephonic transfers.

**FOR SHARE DRAFT ACCOUNTS WITH LOAN OVERDRAFT PROTECTION**

If any Account Holder(s) writes a share draft which would result in this Share Draft 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 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.

**+ 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.

