

ACCOUNT AGREEMENT

TRUTH-IN- SAVINGS DISCLOSURE

THIS DISCLOSURE SUPERSEDES
ALL DISCLOSURES PRIOR TO THE
EFFECTIVE DATE SHOWN BELOW.

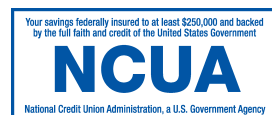
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ACCOUNT AGREEMENT AND TRUTH-IN-SAVINGS DISCLOSURE

In the following Agreement and Disclosure, the words "I," "me," "mine," "my," "we," "us," and "our" mean each and all of those (whether one or more persons) who are subject to this Agreement and Disclosure as a result of signing a Membership Agreement or opening one or more account(s) with you. The words "you," "your," and "yours" mean PACIFIC RESOURCE CREDIT UNION.

Important Information About Procedures for Opening a New Account

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

What this means to me: When I open an account, you will ask for my name, address, date of birth, and other information that will allow you to identify me. You may also ask to see my driver's license or other identifying documents.

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.

A member who fails to complete payment of one share within 6 months of admission to membership, or within 6 months from the increase in the par value of one share and does not increase the balance to at least the par value of one share within 6 months of the reduction may be expelled from membership.

Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than 7 days notice and not more than 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, 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.

Requirement to Maintain a Regular Share Account

I must open a Regular Share Account to open any subsequent accounts. I must maintain the Regular Share Account to avoid closure of that account and any subsequent accounts.

I. PAYMENT OF DIVIDENDS

DIVIDEND RATES: The frequency and conditions upon which dividends are paid on all dividend bearing accounts are in accordance with the Bylaws of the Credit Union, state law, and the Truth-in-Savings Act and Regulations. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

For all dividend bearing accounts, except term share (certificate) accounts, the Dividend Rate and Annual Percentage Yield (APY) may change periodically as determined by the Credit Union's Board of Directors. For specific dividend rate(s) for each type of dividend bearing account, I will refer to the Dividend Rate Sheet (Rate Sheet), which is incorporated by this reference.

For all dividend bearing Share Accounts, except Term Share Certificate Accounts, dividends will be compounded monthly and will be credited monthly. For such 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 of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the ending date of a dividend period, and for the example is January 31. Dividends on term share (certificate) accounts are compounded and credited quarterly.

If I close my account before dividends are credited, I will receive the accrued dividends.

BALANCE COMPUTATION METHOD: Dividends on dividend bearing accounts are calculated by the average daily balance method which applies a daily periodic rate to the balance in the account each day.

Dividends will begin to accrue no later than the business day you receive provisional credit for the deposit of noncash items (e.g., checks) to my account.

The Dividend Rate and Annual Percentage Yield (APY) on High Flying Checking, Tiered Savings and Health Savings Accounts are stepped. A Step is a range of Account balances; different Rates and APYs may apply to different steps. I will earn the applicable APY for the average daily balance in each Step. These rates are subject to change without notice. The Rate Sheet will show current Rates, APYs and Steps.

II. TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS

1. I must be and remain a member in good standing to maintain any account. The par value of a share in this Credit Union is \$5.00.
2. For any account opened by a minor, the Credit Union reserves the right to require the minor account to be a joint or multiple party account with an owner who is at least 18 years old, who shall be primarily liable to the Credit Union for any returned item, overdraft, or unpaid charges. Unless a guardian is an account holder, the guardian shall not have any right to access the account. Account opening and the issuance of an ATM card or Debit Card is subject to verification by ChexSystems (a consumer reporting agency) and Credit Union approval.
3. All accounts (except checking accounts) are not transferable except as defined in 12 CFR, Part 204.
4. Your delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit you from enforcing such terms and conditions at a later date.
5. You reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this Agreement and Disclosure.
6. You may refuse to follow any of my instructions that in your sole judgment are illegal or would expose you to potential liability. Alternatively, you may require adequate security or invoke other security measures to protect you from all losses and expenses incurred if you follow my instructions. I agree to reimburse you for any damages, losses, liabilities, expenses, and fees (including, but not limited to, reasonable attorneys' fees) that you incur in connection with my account if you take an action in accordance with my or what purports to be my oral, written, or electronic instructions.
7. You reserve the right to refuse to open any account or to service or to accept additional deposits to an existing account.
8. You may endorse and/or collect items deposited to my account without my endorsement, but may require my personal endorsement prior to accepting an item for deposit. If I deposit items which bear the endorsement of more than one person or persons that are not known to you or that require endorsement of more than one payee, you may refuse the item or require all endorsers to be present or to have their endorsements guaranteed before you accept the item.

9. I authorize you to accept items payable to any account owner for deposit to my account from any source without questioning the authority of the person making the deposit, and to give cash back to any authorized signer(s) or designated agent on any check payable to any one or more of the account owners, whether or not it is endorsed by me.
10. I understand and agree that you may utilize automated means to process checks and other items written on or deposited to my account. Although you may manually review checks or other items drawn on my account, I understand and agree reasonable commercial standards do not require you to do so.
11. You will mail or deliver all statements and other notices only to the person whose signature appears first on the Membership Agreement. I shall exercise reasonable care and promptness examining my statements and must promptly notify you of any error or unauthorized payment including, but not limited to, an altered item or an unauthorized signature. If I fail to uphold these duties, I understand and agree that I am precluded from asserting the error or unauthorized payment against you if: 1) you suffer a loss on the item because of my failure; or 2) you pay on another item presented by the same wrongdoer if the payment was made before I properly notified you. Notification to you must be within sixty (60) days of the date of the statement. If I fail to uphold my duties but I can prove that you failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between you and me to the extent our respective actions contributed to the loss. If I have failed to examine my statement and report any unauthorized item within one (1) year after my statement or the item has been made available to me, I cannot recover from you even if you failed to exercise ordinary care in paying the item.
12. You or I may terminate an account(s) at any time. I understand and agree, however, that your authority may not be changed or terminated except by written notice to you which will not affect prior transactions. Moreover, if you receive conflicting claims regarding funds in my account, including disputes between the signers, a payee, a beneficiary of a trust account or a payable on death account, or any other person claiming an interest in funds in my account, you may, without liability to me and in your sole and absolute discretion, restrict the account and deny access to all; close the account and send the funds to the owner or owners of the account, according to your records, at the statement mailing address; interplead all or any portion of the funds from an account to the court; or hold the funds, without liability to anyone, pending resolution of the claim to your satisfaction. Such resolution may include, but is not limited to, execution of written instructions as to the distribution of funds by all affected parties, or a court of proper jurisdiction authorizing or directing you to distribute the funds. In addition, if you receive written notice from any owner that withdrawals, in accordance with the terms of the account, should not be permitted, you may refuse, without liability, to pay any sums on deposit pending determination of the rights of the owners. Further, if there is more than one (1) owner and there is a conflict among us, you may require the signatures of all owners. Such written notice(s) shall become effective only upon receipt and after you have had a reasonable opportunity to act thereon.
13. You reserve the right to close any account(s) should you discover that any of my accounts or any other accounts with you have been deliberately manipulated by me to your, any other account holder's, and/or your membership's detriment. "Manipulation" includes, but is not limited to, making unauthorized withdrawals or other transactions, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to your detriment.
14. I acknowledge that you may be obligated to report cases of actual or suspected financial abuse of elders or dependent care adults. If you suspect such financial abuse, I understand and agree that, in addition to reporting such abuse as may be required under law, you have the right to freeze the account, refuse to complete transactions on the account, or to take any other action(s) that you deem appropriate under the circumstances. I agree to indemnify and hold you harmless from and against all claims, actions, damages, liabilities, costs, and expenses, including reasonable attorneys' fees and expenses, arising out of or related to any action or inaction related to the matters described in this paragraph.
15. You may recognize the signature of anyone who signed a Membership Agreement as authorized to transact business on that account. Any payment made on my account by you in good faith and in reliance on the terms and conditions of this Agreement and Disclosure and/or the Membership Agreement shall be valid and discharge you from liability. Without limitation to the foregoing, you may honor checks drawn against my account by authorized signers, even if the checks are made payable to them, to cash, or for deposit to their personal accounts. You have no duty to investigate or question withdrawals or the application of funds.
16. If a check or other item which you cash for me or which I deposit to my account is returned to you as unpaid for any reason, you may charge my account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to you accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. You may charge my account for the amount without questioning the truth of such documentation. You may also charge back any amount of accrued or paid dividends related to the returned check. You may re-present a returned check for payment by the financial institution upon which it is drawn if there were insufficient funds to initially pay the item, but you are not required to do so. If you choose to re-present the check, you may do so without telling me the check was not paid or that you are presenting it again. An exception hold equal to the amount of the check, as allowed by Regulation CC may apply. You may charge a fee for each deposited or cashed check charged back to my account. You may, at your option, notify me, by telephone or in writing, if a check has been returned unpaid and the fee charged.
17. You reserve the right to require me to give not less than seven (7) days written notice of my intention to withdraw funds from any account.
18. I understand and agree that Individual, Joint, Trust and Pay-on-Death accounts may be subject to Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
19. Ownership for the primary account and all sub-accounts shall be established and determined by the most recent Membership Agreement or other document(s) evidencing such account(s). A different form of ownership may be established by executing a new Signature Card(s). The word "owner(s)" means the owner of the funds in the case of an individual account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties.

20. I am required to keep you informed of my current address. I agree to notify you promptly of any change of address. I may notify you in person at your office, by sending a written and signed notice to Pacific Resource Credit Union, 333 South Hope Street, Concourse Level, Los Angeles CA 90071 or through Online Banking. In the event that I fail to do this, a charge may be made to my account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining my address.
21. I agree to notify you immediately of the death or court declared incompetence of any owner of my account. I agree to inform each owner of my account to notify you of such an event as well. If I die or am declared legally incompetent, you can continue to accept and collect items deposited to my account until you know of my death or adjudication of incompetency and have a reasonable opportunity to act.
22. All non-cash payments shall be credited subject to final payment on the day of deposit. My right to withdraw the funds represented by certain checks, savings or other items I deposit may be delayed for several days. I will be notified if my right to withdraw will be delayed. I will refer to the Credit Union's Disclosure of Funds Availability Policy for further details in this pamphlet Section III.
23. I agree that you will not be responsible for any damages I incur in the event I deposit an item with you which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the check caused by me or a prior endorser.
24. Although you are not obligated to, you may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If I cash or deposit an item or write a check with such notation, I agree that it applies only between me and the payee or maker. The notation will have no effect on you, and I agree to accept responsibility for payment of the item. I agree to indemnify and hold you harmless from any claim or alleged loss of any maker or payee involving such notations, whether I am the maker or payee or the funds are otherwise deposited into an account in which I have an interest.
25. You are under no obligation to pay a check which is presented more than six (6) months after its date, but you may do so at your discretion and charge my account without liability, even if the presentation occurs after the expiration of a stop payment order or notice of postdated change. I agree that you are not required to identify stale dated checks or seek my permission to pay them.
26. All accounts are subject to your Schedule of Fees and Charges, which is incorporated by this reference. You shall debit such charges against any account I own (including accounts on which I am a joint owner) except my IRA Accounts. Only fees related to an IRA Account will be debited from an IRA Account. If sufficient funds are not available, the charges are payable on demand and, for checking accounts, will be treated as an overdraft.
27. California law states that inactive account balances in savings, checking, and matured Term Share (Certificate) accounts must escheat to the state after a period of three (3) years since the last time I:
- Increased or decreased the amount of funds on deposit with you or presented an appropriate record for crediting of dividends or cashed a dividend check from any of my accounts with you; or
 - Corresponded in writing or electronically with you concerning the funds on deposit; or
 - Otherwise indicated an interest in the funds on deposit as evidenced by a memorandum on file with you.
- My deposit account will not escheat to the state, however, if, during the previous three (3) years, I have owned another deposit account with the Credit Union and, with respect to that deposit account, I have done any of the acts described in paragraphs (a), (b), or (c) above, and, with regard to the deposit account that would otherwise escheat, you have "communicated" (i.e., sent account statements or statements of dividends paid for federal and state income tax purposes) electronically or in writing with me at the address to which communications regarding the other deposit account are regularly sent. You may charge a fee for mailing an escheat notice and/or a service charge for official checks escheated to the state. To recover funds turned over to the state, I must file a claim with the state.
28. You reserve the right to require that withdrawals made from my deposit accounts be made in minimum amounts as established from time to time by Board policy.
29. You may, but are not obligated to, transfer funds from my share accounts or loan accounts on my written, oral, or electronic request. I understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer. I agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on your "business days" and the request meets your minimum withdrawal requirements (if any). If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer will not occur.
30. Federal law requires you to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
31. You agree to retain and furnish to me, if requested, photocopies of certain records pertaining to my account and that these records will be available to me for the time period required by law. I agree to pay applicable fees as listed in your Schedule of Fees and Charges for those copies.
32. I understand and agree that you must comply if you are served with any notice of garnishment or of attachment, tax levy, injunction, restraining order, subpoena, or other legal process relating to my account that you know or otherwise believe in good faith is valid. I direct you not to contest any such notice of legal process and understand that you are under no obligation to notify me of the legal process and will not notify me if prohibited by law. You may charge a Legal Documents Processing fee, and you may assess this fee against any account I maintain with you, including the account that is the subject of the legal process. I understand and agree that if a subpoena or legal process requires you to release information about an owner and/or signer on an account, you must comply with such request and the information released pursuant to such legal process may include information about other owners and/or signers on the account, even if their information was not expressly requested by the subpoena or legal process.
33. In the event that a cashier's, teller's or certified check is lost or stolen, I must execute and deliver to you a written Declaration of Loss and Claim for Reimbursement and/or affidavit in a form acceptable to you and in time for you to have a reasonable time to act thereon. I further understand and agree that the Declaration of Loss and Claim for Reimbursement is not enforceable until the latter of (i) the time the Declaration of Loss and Claim for Reimbursement is properly delivered to you, or (ii) the 90th day following the date of

the cashier's or teller's check, or the 90th day following the date of the acceptance of a certified check. I agree to indemnify you for any loss or claim occasioned by your attempting to, or stopping payment on such check.

34. I authorize you to gather whatever credit, checking account, and employment information you consider appropriate from time to time. I understand that this will assist you, for example, in determining my initial and ongoing eligibility for my account and/or in connection with making future credit opportunities available to me. I authorize you to give information concerning your experiences with me to others.
35. You are not responsible for any loss or damage which results from my negligence, including without limitation, my failure to adequately safeguard my blank checks or other personal information or means of access to my account.
36. Federal law requires that you obtain and have certified by me a Taxpayer Identification Number (TIN) on all accounts. You will not open an account without this identification number. For additional information on this requirement, I will ask you for the brochure entitled "INSTRUCTION FOR REPORTING TAXPAYER IDENTIFICATION NUMBER."
37. In the event that a negative balance is created in my deposit account (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) or I have other outstanding financial obligations of any kind owed to you, which are in default, I understand and agree that you may transfer funds to such account from any other account (excluding IRA accounts), including account(s) upon which I am an owner or a joint owner, in an amount equal to the negative account balance or the outstanding financial obligation which is in default.
In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of off-set for any liabilities owed to you by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, I knowingly consent and expressly agree that the application of an offset of funds in any account includes the offset of government benefits (such as social security and other public benefits deposited to my account).
38. Pursuant to federal law, the Credit Union must verify the identity of any person seeking to open or add a joint owner or signer to any account and must maintain records of the information used to verify the person's identity. For the purposes of this paragraph, "account" means "each formal banking or business relationship established to provide ongoing services, dealings, or other financial transactions." For example, a deposit account, a transaction or asset account, and a credit account or other extension of credit would each constitute an account.
39. Member accounts in this Credit Union are federally-insured by the National Credit Union Share Insurance Fund.
40. An action or proceeding by me to enforce an obligation, duty, or right arising under this Agreement and Disclosure or by law with respect to my account must be commenced within one year after the cause of action occurs.
41. I agree to indemnify, defend, and hold you and your employees harmless from and against every claim, demand, action, cost, loss, liability, and expense including, without limitation, attorneys' fees, which you incur by acting in accordance with this Agreement and Disclosure or as a result of my failure to abide by its terms.

42. My account will be governed by California law, to the extent that California law is not inconsistent with controlling federal law. However, California's choice of law rules shall not be applied if that would result in the application of non-California law.

43. I acknowledge that if I give anyone access to my account (such as, for example, providing any person with my Debit Card, ATM Card, ATM or Online Banking PIN, or granting any person power to act as my agent under a power of attorney or trustee for a Trust Account), that any transaction completed by such person shall be considered authorized by me.

44. REGULATION "D" RESTRICTIONS: During any month, I may not make more than six withdrawals or transfers from my Share Account(s) or Money Market Account(s) to another Credit Union account of mine or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction (such as Online Banking, Bill Pay Service or Call-24). If I exceed the transfer limitations set forth above in any calendar month, the excess transfer requests may be refused or reversed, and a fee may be imposed. (See Schedule of Fees and Charges).
However, I may make an unlimited number of withdrawals from or transfers among my own Share Account(s) and Money Market Account(s) by mail, messenger, or in person at the Credit Union or at an ATM. I may also make unlimited number of withdrawals from my Share Account(s) and Money Market Account(s) through the Credit Union's Call-24 Audio Response Service; Online Banking System, or by telephoning a Credit Union Representative if I request a check payable to me.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS:

1. If there is more than one owner, all agree with each other and with you that all sums now paid in or hereafter paid in by any one or all account owner(s) including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge you from any liability.
2. You are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of funds.
4. Being a joint owner of a member's account does not constitute credit union membership for the joint owner. Joint owners may be non-members.
5. Except as set forth herein or in the applicable loan agreement(s), I may pledge any or all of the funds on deposit in an account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us. I may not withdraw funds that are pledged as security on loan(s) without the written approval of Credit Union management, except to the extent that such funds exceed my total primary and contingent liability to you. I may not withdraw any funds below the amount of my primary or contingent liability to you if I am delinquent as a

borrower, or if borrowers for whom I am cosigner, endorser, or guarantor are delinquent, without the written approval of Credit Union management.

6. A right of survivorship arising from the express terms of a joint account cannot be changed by a will.

TERMS AND CONDITIONS APPLICABLE TO ALL PAY-ON-DEATH (P.O.D.) DESIGNATIONS:

1. If I have made a Pay-on-Death (P.O.D.) designation, all sums are payable on request to me during my lifetime and upon my death, first to you to the extent of any outstanding matured or unmatured debts owed to you by me and second to my designated P.O.D. payee(s). If the account is jointly owned, to one or more account owner(s) during their lives and on the death of all of them, first to you to the extent of any outstanding matured or unmatured debts owed to you by any of us and second to one or more payees then surviving in equal and individual shares. If a P.O.D. payee dies before all of the account owner(s), then upon the death of all of the owner(s), all sums are divided equally among the surviving P.O.D. payees.
2. A Pay-on-Death designation cannot be changed by a will.

TERMS AND CONDITIONS APPLICABLE TO LIVING TRUST ACCOUNTS:

1. If I am a trustor/trustee and want to establish an account in connection with a written trust, you may require me to provide you with a notarized trust certification confirming my power as a trustee prior to opening the account.
2. You are not required to know, understand, interpret, or enforce the terms of the Trust Instrument.
3. I acknowledge that the Account is governed by the applicable terms and conditions set forth in this Agreement and Disclosure and by the terms and conditions set forth in my "Application for Membership and Agreement for Credit Union Account in the Name of Trustee(s)."
4. Living trust accounts are not subject to Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO UNIFORM TRANSFER TO MINORS' ACCOUNTS:

1. The transferor/custodian is opening an account as custodian for the minor named on the Membership Agreement under the Uniform Transfers to Minors Act. The transfer of money to the minor named on the Membership Agreement, which transfer shall be deemed to include all dividends and any future deposits or other additions thereto, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.
2. I acknowledge that by signing the Membership Agreement, I have received the funds deposited to the account as custodian for the minor named herein under the Uniform Transfers to Minors Act and I agree to the applicable terms and conditions set forth in this Agreement and Disclosure as well as the terms and conditions of the Membership Agreement.
3. The successor custodian named on the Membership Agreement shall serve if I should be unable to act as custodian because I resign, die, or become legally incapacitated.
4. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).

5. Custodial accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS:

1. I am duly appointed and acting in the capacity of Executor/Executrix, Administrator/Administratrix, Guardian, or Conservator. By the authority vested in me, I, acting individually or jointly, am authorized and empowered to transact business of any character in connection with this account. My authority shall continue in force until written notice to the contrary is received by you.
2. If the account is blocked, I understand and agree that I shall file with the court a written receipt including an agreement with you that the funds in the account, including any dividends, shall not be withdrawn or pledged except upon court order.
3. I may pledge any or all funds on deposit in the account as security for any loan(s) subject to then current loan policies. Further, a pledge of funds by any one of us shall be binding on all of us.
4. Fiduciary accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS:

1. I affirm that I am the sole proprietor of the sole proprietorship named on the Membership Agreement. You may pay out funds with my signature. You may accept and/or endorse checks made payable to me or the sole proprietorship named on the Membership Agreement which you receive for deposit. Funds received are not withdrawable until collected.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).
3. Sole proprietorship accounts are not subject to Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO ALL CORPORATE, PARTNERSHIP, AND UNINCORPORATED ASSOCIATION ACCOUNTS:

1. The person(s) named on the Membership Agreement, duly authorized to make the certification, certify that, at a regularly held meeting, the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in me by the constitution, bylaws, or otherwise, any one (1) of the signators, as named on the Membership Agreement, is authorized and empowered to transact business of any character whatsoever in connection with the account. I certify that the signature(s) appearing on the Membership Agreement is the genuine signature(s) of said authorized person(s); and that my authority shall continue in force until written notice to the contrary is received by you.
2. I may not pledge any or all of the funds on deposit in the account as security for any loan(s).

3. Corporate, partnership, and unincorporated association accounts are not subject to the Multiple Party Accounts Law.

TERMS AND CONDITIONS APPLICABLE TO REGULAR SHARE AND IRA SHARE ACCOUNTS:

1. A minimum balance as disclosed on the Rate Sheet is required to open a Regular Share or IRA Share Account.
2. No minimum balance requirements apply to these accounts in order to obtain the disclosed Annual Percentage Yield (APY).
3. All other terms and disclosures for our Traditional IRAs, Roth IRAs, and Coverdell Education Savings Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statements, which by this reference, are incorporated into this Agreement and Disclosure in their entirety. When I open my Traditional IRA, Roth IRA, or Coverdell Education Savings Account, the Credit Union agreement and disclosure statements will be provided to me.

TERMS AND CONDITIONS APPLICABLE TO ALL CLUB ACCOUNTS:

1. A minimum balance as disclosed on the Rate Sheet is required to open a Club Account.
2. No minimum balance requirements apply to these accounts in order to obtain the disclosed Annual Percentage Yield (APY).
3. Holiday Club Account- Term ends each November 1st.
Vacation Club Account- Term ends each May 31st.
Tax Club Account- Term ends each March 1st.

At the end of the term, the balance of the account will be transferred to a Regular Share account or Checking Account or I may opt to have a check issued.

TERMS AND CONDITIONS APPLICABLE TO MONEY MARKET ACCOUNTS

1. MONEY MARKET PLUS ACCOUNT

Rate Information: The Money Market Plus is a tiered variable rate account.

Minimum Balance and Deposit Requirements: The minimum deposit required to open this account and the minimum balance required to obtain the Annual Percentage Yield are indicated for each tier on the Rate Sheet. If the balance falls below the minimum required for the lowest tier, the Annual Percentage Yield will revert to the Regular Share Account rate indicated on the Rate Sheet.

Transaction Limitations: See section on Reg D restrictions for transfer limitations.

Fees: Excessive account withdrawals (more than 6 per statement cycle) will be assessed a fee as disclosed in the Schedule of Fees and Charges.

A non-sufficient funds fee, as disclosed in the Schedule of Fees and Charges, will apply to any item returned unpaid.

2. OPTIMA MONEY MARKET ACCOUNT

Rate Information: The Optima Money Market Plus is a variable rate account.

Minimum Balance and Deposit Requirements: The minimum deposit required to open this account and the minimum balance required to obtain the Annual

Percentage Yield are indicated on the Rate Sheet. If the balance falls below the minimum required for the lowest tier, the Annual Percentage Yield will revert to the Regular Share Account rate indicated on the Rate Sheet.

Transaction Limitations: See section on Reg D restrictions for transfer limitations.

Fees: Excessive account withdrawals (more than 6 per statement cycle) will be assessed a fee as disclosed in the Schedule of Fees and Charges.

TERMS AND CONDITIONS APPLICABLE TO HEALTH SAVINGS ACCOUNTS:

1. A minimum balance as disclosed on the Rate Sheet is required to open this Account.
2. I must maintain a minimum average daily balance in my account in order to obtain the disclosed Annual Percentage Yield (APY) for each Step.
3. All other terms and disclosures for the Health Savings Accounts are contained in the Credit Union's Health Savings Account agreement and disclosure statements, which by this reference, are incorporated into this account disclosure in their entirety. When I open a Health Savings Account, the Credit Union agreement and disclosure statements will be provided to me.

TERMS AND CONDITIONS APPLICABLE TO HIGH FLYING CHECKING, RESOURCE CHECKING AND TIERED SAVINGS/ZERO BALANCE CHECKING ACCOUNTS:

1. HIGH FLYING CHECKING ACCOUNT

To maintain a High Flying Checking Account, I must:

- a. Make a minimum of 10 Debit Card point of sale transactions per "qualification cycle" (each transaction must be at least \$10 to qualify);and
- b. Receive my monthly statement electronically; and
- c. Set up one monthly direct deposit or one auto debit.

"Qualification cycle" means a period beginning one business day prior to the current statement cycle through one business day prior to the close of the current statement cycle. There is no minimum balance to open this account.

When the High Flying Checking qualifications are met, the dividend rate on my account and corresponding annual percentage yield (APY) is as described on the Rate Sheet. When the High Flying Checking qualifications are not met, the dividend rate on my account and the corresponding annual percentage yield (APY) is as described on the Rate Sheet.

If I have met the above criteria for a qualification cycle, you will refund domestic ATM fees up to \$5.00 per item, up to a maximum of \$25 per "qualification cycle."

Fees: A non-sufficient funds fee, as disclosed in the Schedule of Fees and Charges, will apply to any item returned unpaid.

2. RESOURCE CHECKING ACCOUNT

No dividends are earned and no minimum balance is required to open a Resource Checking Account.

Fees: A non-sufficient funds fee, as disclosed in the Schedule of Fees and Charges, will apply to any item returned unpaid. A monthly service fee may apply. (Fee waived with Direct Deposit. See Schedule of Fees and Charges).

3. TIERED SAVINGS/ZERO BALANCE CHECKING ACCOUNTS:

Balance Information (Tiered Savings): There is no minimum deposit required to open this account. You compute the balance in the Tiered Savings Account to determine the dividends I will be paid by using the average daily balance method which applies a daily average periodic rate to the balance in each tier, in my account each day.

Rate Information: This type of account has a variable, tiered-rate feature. The Credit Union pays the stated dividend rate on the portion of the balance within the specified tier.

The minimum balance requirements to obtain the Annual Percentage Yield for each tier are set forth on the Rate Sheet. Rates and yields may change at any time at the Credit Union's discretion. See Rate Sheet for current rates and yields.

Dividend Compounding and Crediting: Dividends will be compounded monthly and will be credited monthly.

Transaction Limitations: None

Fees: A monthly fee, as disclosed in the Schedule of Fees and Charges, will be imposed on average daily balances below \$1000.00.

Balance Information (Zero Balance Checking): A balance is not maintained in this account and no deposits are allowed. Funds from the Tiered Savings account will be used to pay checks written against the Zero Balance checking account.

Rate Information: Not applicable.

Dividend Compounding and Crediting: Not applicable.

Transaction Limitations: None

Fees: A monthly fee, as disclosed in the Schedule of Fees and Charges, will be imposed on accounts without activity for 90 consecutive days.

A non-sufficient funds fee, as disclosed on the Schedule of Fees and Charges, will apply to any item returned unpaid.

4. You may, at your discretion, but are not obligated to nor shall you be liable for, refuse to pay funds from these accounts:
 - a. When such payment would draw the account below the minimum balance for the account as established from time to time by you ("overdrafts").
 - b. If drawn by means not authorized in advance by you.
 - c. Against checks presented over six (6) months past their dates.
5. You may pay and charge to my applicable account checks drawn by and payable to any person, organization, association, or corporation whom I have authorized by providing sample MICR encoded information identifying my account, provided there are sufficient available funds in my account to pay such checks. I agree that your rights in respect to such checks shall be the

same as if it were a check drawn and signed by me personally. This authority shall remain in effect until revoked by me in writing (to you and to the agency to which the sample MICR writing was provided) and you have had a reasonable opportunity to act on it. I agree that you shall be fully protected in honoring such checks. I further agree that if any such check is dishonored, whether with or without cause, and whether intentional or inadvertent, you shall be under no liability whatsoever, even though such dishonor results in the forfeiture of insurance, loss, or damage to me of any kind.

6. If you have made good faith payment to a holder, you may charge my account according to:
 - a. The original terms of my check; or
 - b. The terms of my completed check unless you have notice that any such completion is improper.
7. I, or any other person authorized to draw on the account, may request a stop payment of any check payable against my account, provided my request is timely and affords you a reasonable opportunity to act upon it under your rules. I may also stop payment on a line of credit check. My stop payment must include the account number, check number, exact amount, check date, and name of payee. You will not be liable for paying a check over a stop payment request if the request is incomplete or incorrect. I agree to indemnify, defend, and hold you harmless for all claims, actions, and damages related to or arising from your action in stopping payment of any check pursuant to my request. A stop payment fee will be assessed for each stop payment request. If I give a stop payment request orally, the order shall be valid for only fourteen (14) days thereafter unless confirmed in writing. Written requests shall be valid no longer than six (6) months, but may be renewed for additional six (6) month periods by written notice given during the time that the stop payment order was effective. An additional fee as disclosed in the Schedule of Fees and Charges, will apply. If no written request is received you will remove the stop payment request. I have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment order.

I may not stop payment on completed electronic point-of-sale transactions, official checks or checks issued or guaranteed by you.
8. Death, dissolution, or incompetence of me (or any of us) shall not revoke your authority to accept, pay, or collect a check or to account for proceeds of its collection until you know of the fact of death or adjudication of incompetence and have a reasonable opportunity to act on it. Even with knowledge, you may for ten (10) days after the date of death, dissolution, or incapacity, pay or guarantee checks drawn on or prior to that date unless ordered in writing to stop payment by a person claiming an interest in the account under rules established by you. We shall notify you if any of us die, become incapacitated, or our organization is dissolved.
9. If you have paid a check under circumstances giving a basis for objection by me, you shall be subrogated to the rights of:
 - a. Any holder in due course on the check against the drawer or maker;
 - b. The payee or any other holder of the check against the drawer or maker either on the item or under the transaction out of which the item arose; and
 - c. The drawer or maker against the payee or any other holder of the check with respect to the transaction out of which the check arose.

10. You may, without liability, accept, pay, guarantee, or charge checks to the account in any order convenient to you.
11. In the event of wrongful dishonor which occurs by mistake, your liability shall be limited to actual damages I prove. In the event of a dishonor of any check, share draft, or other debit on my account, your determination of whether sufficient available funds exist in my account may be made at any time between the time the item is received and the time it is returned. If you should choose to make a subsequent account balance check, you must use the last figure in deciding whether to dishonor the check, share draft, or other debit.
12. You are neither given notice nor otherwise affected by a restrictive endorsement of any person or entity except your immediate transferor.
13. I agree that in the event I draw a check on my account with you that I will hold you harmless and indemnify you from any liability I incur due to a delay or misrouting of the check where the delay or misrouting is caused by markings placed on the check by me or a prior endorser that obscure any depository endorsement placed by you or your agent.
14. You are under no obligation to pay checks which exceed my checking account balance. I may authorize all checks from my checking account(s) to be cleared pursuant to a written automatic overdraft protection request. If overdrafts are to be covered by a transfer of funds from my share account(s) or a designated personal line of credit, such transfer(s) will generally be made only if there are sufficient clear funds on deposit at the time of transfer. Overdraft transfers will be made in increments sufficient to cover the overdraft. I agree that overdrafts, if paid in excess of funds in any share account or available from any loan account, are payable on demand. Any items returned unpaid because of insufficient clear funds or paid without sufficient clear funds in my checking account and overdraft source(s) will be subject to nonsufficient fund (NSF) fees. An Overdraft Transfer Fee will be assessed for each overdraft as set forth in your Schedule of Fees and Charges. See additional disclosure below regarding Courtesy Pay service.
15. You may recognize the signature of anyone who signed the Membership Agreement as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts and endorsement of checks payable to any signer of this account. Each account owner is jointly and severally responsible for paying any overdrafts created by us whether or not we participate in the transaction or benefit from its proceeds.
16. If the Membership Agreement is signed by more than one person, we hereby appoint each other as agents and attorneys-in-fact to overdraft from any of our share or loan accounts (including accounts on which we are joint owners, except IRA accounts).
17. I may not pledge any or all of the funds on deposit in this account as security for any loan(s).
18. If this is an organization account (i.e., corporate, partnership, or unincorporated association account), the persons authorized to sign on this account certify that they are duly appointed officers of said organization and have the authority to transact business of any character whatsoever in connection with this account.
19. I will notify you immediately if my checks are lost or stolen. I agree that I will be responsible for losses caused by a delay in my notification to you.
20. As a convenience to me, you will submit my initial order and reorders for personalized checks to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the checks either directly to me or to me in care of you. I authorize you to charge my checking account for the cost of delivered checks ordered, plus applicable sales tax and shipping costs at the fee set forth in the Schedule of Fees and Charges. I am responsible for verifying the accuracy of all information shown on my checks whether I order them through you or elsewhere. You will provide me with temporary checks that include the exact Magnetic Ink Character Recognition ("MICR") line, including routing number and account number, necessary for the proper processing of my checks. I am responsible for ensuring that any checks I use to draw on my account include this same MICR encoding. I understand that it is my responsibility to ensure that checks I order from any third party printer are printed in accordance with applicable standards set by the American National Standards Institute (ANSI) for font, paper, toner, and positioning. I understand that if checks I write do not have the correct routing number, they may not be properly posted, and that if any other part of the encoding is incorrect, posting of the checks may be delayed. If I fail to include proper MICR encoding on my checks and this results in them being hand processed by you, then I will pay a fee, which shall be determined according to the Schedule of Fees and Charges.
21. Checking accounts are truncated. Checks are not returned with statements. Checks are microfilmed on both sides and stored for seven years from date of posting. Checks are also available online through Online Banking. I may request and you will provide me with a photocopy of a requested item within a reasonable time. You will not charge me for copies of the first two items I request appearing on any statement. Additional copies will be subject to an assessment of a fee as set forth in your Schedule of Fees and Charges. If I have not ordered my Credit Union checks through your approved check vendors, I understand and agree that you are not responsible for the quality of any check copy that I request from you.
22. You may charge against my account a postdated check even though payment is made before the date of the check. However, if I notify you within a reasonable time to permit you to act and identify the check with reasonable certainty, you cannot pay the check until the due date. Notice may be written or oral and it must include the exact amount, account number, check number, date of check, and name of payee. If oral, the notice shall be valid for fourteen (14) days. If written, the notice shall be valid for up to six (6) months, and can be renewed within six (6) months for another successive six (6) month period. An additional fee as disclosed in the Schedule of Fees and Charges will apply.
23. If a transaction involves a remotely-created check, you reserve the right to accept or reject the item for deposit into any of my accounts. If I deposit a remotely-created check into any of my accounts, I represent and warrant to you that I have instituted procedures to ensure that these drafts are authorized by the person on whose account the remotely-created check is drawn in the amount stated on the check and to the payee stated on the check. If a remotely-created check which I have deposited into my account is returned by the drawee-payor bank for any reason, I agree that you may debit my account for the amount of the item, plus any applicable fees. If the debit causes my account to be overdrawn, I agree to pay the overdrawn amount on your demand. For purposes of this Agreement and Disclosure, the term "remotely-created check" means a check that is not created by the paying bank and that does

not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn.

TERMS AND CONDITIONS OF COURTESY PAY:

In this Courtesy Pay Agreement (“Agreement”), the word “overdraft” includes a negative balance in my Checking Account that may occur for various reasons, including, but not limited to: (1) the payment of checks, electronic transfers, telephone-initiated transfers, preauthorized payments under your Bill Pay Service, or other withdrawal requests authorized by me including, but not limited to, In-branch transactions, ATM transactions, VISA Debit Card transactions, Point-of-Sale transactions, ACH transactions, and other preauthorized transfers, for which funds are insufficient; (2) the return (unpaid) of items deposited by me; (3) the imposition of service charges by you; or (4) the deposit of items which are treated as not yet “available” according to your Funds Availability Agreement. The Courtesy Pay Service is available for any of the above transactions however, I understand that effective July 1, 2010, you will not pay overdrafts on ATM withdrawals and Debit Card purchases I make in a store, online or by telephone (one-time Debit Card transactions), unless I opt-in for the coverage of these transactions. I further understand that even if I do not request coverage for ATM and one-time Debit Cards transactions, you may still pay my overdrafts for other transactions covered under the Courtesy Pay program; as detailed above. The Courtesy Pay Service is not available for Zero Balance and Business Checking Accounts.

Pursuant to your commitment to provide valued service and benefits, you may pay my overdrafts that would cause my eligible checking account (“Checking Account”) to have a negative (or further negative) balance, pursuant to the terms and conditions of this Agreement up to the amount of my Courtesy Pay Limit, which is determined by you in your sole and absolute discretion.

The Courtesy Pay Service is not a credit product and requires no application or credit approval process. The Service will only be applied to my Checking Account if:

- My membership account is in good standing;
- I have been a member for at least four (4) months;
- I maintain a monthly Direct Deposit to any PRCU Account;
- I have a Checking Account with the Credit Union that is more than 120 days old with aggregate monthly deposits equal to or greater than the Courtesy Pay limit;
- I must not be more than twenty (20) days delinquent or be in default in any other respect on any loan or other obligation to you;
- There must not be any legal or administrative orders, levies, or fraud against my Checking Account;
- The primary accountholder must be 18 years of age or older

ANY COURTESY PAY PAYMENT WILL BE MADE ON A CASE-BY-CASE BASIS, AT YOUR SOLE AND ABSOLUTE DISCRETION. THE COURTESY PAY SERVICE DOES NOT CONSTITUTE AN ACTUAL OR IMPLIED AGREEMENT BETWEEN ME AND YOU, NOR DOES IT CONSTITUTE AN ACTUAL OR IMPLIED OBLIGATION OF THE CREDIT UNION. THE COURTESY PAY SERVICE IS A PRIVILEGE THAT THE CREDIT UNION MAY PROVIDE FROM TIME TO TIME AND WHICH MAY BE WITHDRAWN OR WITHHELD BY THE CREDIT UNION AT ANY TIME, WITHOUT PRIOR NOTICE, REASON OR CAUSE.

You reserve the right to limit the number of overdrawn checks in any calendar month and the total dollar amount of overdrawn checks, transfers, and/or withdrawal requests that may be paid under the Courtesy Pay service during any calendar month. Further, you do not guarantee payment of any overdrawn check, transfer, or withdrawal request pursuant to the Courtesy Pay service, or otherwise, and you are not required or obligated to make payment of any other overdrawn check, transfer, or withdrawal request. I will be notified by mail of any nonsufficient

funds checks, items, or other transactions that have been paid or returned; however, I understand that you have no obligation to notify me before you pay or return any check, item, or other transaction. You may refuse to pay any overdrafts without first notifying me even though my account is in good standing and even if you have paid previous overdrafts. The total of the overdraft (negative) balance in my Checking Account, including any and all fees and charges, is due and payable upon demand, and I am required to immediately deposit with you sufficient funds to cover the overdraft paid by you and pay the related fees. I understand that items presented for payment on the same day will be paid in the order items are presented for payment. This means that items may not be processed in the order in which they occurred. I understand that the order in which items are processed can affect the total amount of fees that may be assessed against my Checking Account.

A Courtesy Pay Fee as disclosed on the Schedule of Fees and Charges will be charged to my Checking Account, in accordance with your Schedule of Fees and Charges, for each overdraft that is cleared on my Checking Account through the Courtesy Pay Service. This means that more than one Courtesy Pay Fee may be assessed against my Checking Account per day depending upon the number of overdrafts cleared through the Courtesy Pay Service. I understand that my Courtesy Pay Limit shall be reduced by the amount of each overdraft paid by you through the Courtesy Pay Service and the amount of the related Courtesy Pay Fee imposed until such amounts are repaid by me as set forth herein at which time you may replenish my Courtesy Pay Limit by the amount of the repayment. The Courtesy Pay Fee is the same as your NSF Fee charged by you for each “nonsufficient funds” item presented for payment and returned unpaid on a Checking Account. If you choose not to pay the overdrawn check or other item/transaction under the Courtesy Pay Service, I am subject to an NSF Fee as disclosed on the Schedule of Fees and Charges for each such item.

I also agree that you have the right to transfer available funds from my other accounts I may have with you to cover the overdraft and pay the related fees. I understand and agree that you may transfer funds to my Checking Account from any of my other account(s) with you (excluding IRA accounts), including account(s) upon which I am a joint owner, in an amount equal to the overdraft which you may pay according to the terms and conditions of this Agreement and to pay the related fees. In addition to any other rights that you may have, I agree that any deposits or future deposits in or other credits to any account in which I may now or in the future may have an interest are subject to your right of off-set for any liabilities, obligations, or other amounts owed to you by me (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, I consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid. Each person who causes an overdraft, which is paid by you, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of this Agreement. You reserve the right to limit Courtesy Pay Service to one (1) account per household or member without notice of reason or cause.

I will be in default under the terms of this Agreement if I fail to live up to any of the terms and conditions of this Agreement or I am in default on any loan obligation with you and/or a negative balance exists in any other deposit account with you on which I am an owner. If I am in default, in addition to any other rights you may have, you may

temporarily suspend overdraft privileges or terminate the Courtesy Pay Service or close my Checking Account and demand immediate payment of the entire unpaid negative balance. I also agree to pay any collection costs, attorneys' fees, and court costs which you or I shall or may incur as a result of my default.

You may terminate or suspend the Courtesy Pay Service at any time without prior notice. In no event shall any termination relieve me of my obligation to repay such sums already overdrafted, overdraft fees, collection costs, and attorneys' fees, if any. You can delay enforcing any of your rights under this Agreement without losing them.

If I prefer not to have Courtesy Pay Service, I will contact you at (800) 276-6024 and you will remove the Courtesy Pay Service from my Checking Account(s).

TERMS AND CONDITIONS APPLICABLE TO TERM SHARE (CERTIFICATE) ACCOUNTS:

Pacific Resource Credit Union's Share Certificate accounts let me deposit my money for a specified period of time. Your Share Certificate Accounts are the Term Share Certificates, Traditional, Roth and Coverdell Education Savings Account Certificates.

Annual Percentage Yield

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

Maturity

My account maturity date will be stated on the transaction receipt provided when the share certificate is opened.

Balance Information

You compute the balance in your Share Certificate Accounts to determine the dividends I will be paid by using the Average daily balance method which applies a daily periodic rate to the balance in my account each day.

Rate Information

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

Dividend Compounding and Crediting

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

Account Limitations

I may not make deposits into this account after opening. I may make withdrawals of dividends from my account at any time.

Early Withdrawal Penalty

You may impose a penalty if I withdraw principal from my account before the maturity date. The penalty imposed shall be as follows:

1. The member shall forfeit an amount equal to:
 - a. If the term of the certificate is 3 month or less, 45 days of dividends.
 - b. If the term of the certificate is 6 months to 12 months, 90 days of dividends.
 - c. If the term of the certificate is over 12 months, 180 days of dividends.
 - d. If a withdrawal reduces the balance below the required minimum, the account shall be closed.

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;
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.

Term Share Certificate Accounts

Your Share Certificate Accounts are offered with account terms as disclosed on the Rate Sheet.

Minimum Balance and Deposit Requirements

The minimum deposit required to open a Term Share Certificate Account and the minimum balance required to obtain the Annual Percentage Yield are indicated on the Rate Sheet.

Renewal of Account and Grace Period

My Term Share Certificate account will automatically renew at maturity for the same time period as the original term at the prevailing rate unless I withdraw all of the funds in my account at maturity, or choose another option within a grace period of 7 days after maturity.

TRADITIONAL IRA, ROTH IRA, AND COVERDELL EDUCATION SAVINGS TERM CERTIFICATE ACCOUNTS

Traditional IRA, Roth IRA, and Coverdell Education Savings Account Term Certificate Accounts are offered in terms as disclosed on the Rate Sheet.

Minimum Balance and Deposit Requirements

The minimum deposit required to open a Traditional IRA, Roth IRA, or Coverdell Savings Term Certificate Account and the minimum balance required to obtain the Annual Percentage Yield are indicated on the Rate Sheet.

Renewal of my Account and Grace Period

My IRA Term Certificate account will automatically renew at maturity for the same time period as the original term at the prevailing rate unless I withdraw all of the funds in my account at maturity, or choose another option within a grace period of 7 days after maturity.

Incorporation of IRA Agreement and Disclosures

All other terms and disclosures for your Traditional IRAs, Roth IRAs, and Coverdell Education Savings Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statements, which by this reference, are incorporated into this account disclosure in their entirety. When I open my Traditional, Roth, or Coverdell Education Savings Account, the Credit Union agreement and disclosure statements will be provided to me.

III. (A) DISCLOSURE OF FUNDS AVAILABILITY FOR ALL CREDIT UNION ACCOUNTS

Your policy is to make funds from my cash and check deposits available to me on the first business day after the day you receive my

deposit. Electronic direct deposits will be available on the day you receive the deposit. Once they are available, I can withdraw the funds and you will use the funds to cover transactions I have initiated.

For determining the availability of my deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If I make a deposit before 5:00 p.m. on a business day that you are open, you will consider that day to be the day of my deposit. However, if I make a deposit after 5:00 p.m. on a day you are open, you will consider that the deposit was made on the next business day you are open.

Case-by-Case Holds

In some cases, you will not make all of the funds that I deposit by check available to me on the first business day after the day of my deposit. Depending on the type of check that I deposit, funds may not be available until the second (2nd) business day after the day of my deposit. However, the first \$100 of my deposits will generally be available on the first business day after the day of deposit.

If you are not going to make all funds from my deposit available on the first business day after my deposit, you will notify me at the time I make my deposit. You will also tell me when the funds will be available. If my deposit is not made directly to one of your employees (for example, at an ATM, or Night Drop), or if you decide to take this action after I have left the premises, you will mail me the notice by the day after you receive my deposit.

Deposits at Nonproprietary Automated Teller Machines (ATMs)

Funds from any deposits (cash or checks) made at ATMs you do not own or operate may not be available until the fifth (5th) business day after the day of my deposit. This rule does not apply at ATMs that you own or operate. All ATMs that you own or operate are identified as your machines.

Longer Delays May Apply

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

- You believe the collectability of a check I deposited is doubtful.
- I deposit checks totaling more than \$5,000 on any one day.
- I re-deposit a check that has been returned unpaid.
- I have overdrawn my Account repeatedly in the last six (6) months.
- There is an emergency, such as failure of computer or communications equipment.

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

Special Rules for New Accounts

If I am a new member, the following special rules will apply during the first thirty (30) days my account is open.

Funds from electronic direct deposits to my account will be available on the day you receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 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 my deposit if the deposit meets certain conditions. For example, the checks must be payable to me (and I may have to use a special deposit slip). The excess over \$5,000.00 will be available on the ninth (9th) business day after the day of my deposit. If my deposit of these checks (other than U.S. Treasury checks) is not made in person to one of your employees, the first \$5,000.00 will not be available until the second business day after the day of my deposit.

Funds from all other check deposits will be available on the ninth (9th) business day after the day of my deposit.

(B) SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS

The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed. This rule is designed to prevent unnecessary delays in processing my deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the check when it is facing me) can be used by me for endorsements or any other markings. You will not be responsible for any damages incurred in the event I deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by me or a prior endorser on the back of the check.

In the event that I draw a check on my checking or loan account with you, I am responsible for any delay or misrouting of the check caused by markings placed on the check by me that obscure any depository endorsements placed by you or your agent and I agree to hold you harmless and indemnify you from any liability due to such delay or misrouting.

IV. IMPORTANT INFORMATION ABOUT MY FINANCIAL PRIVACY

Pacific Resource Credit Union understands the importance of protecting the privacy of their members. As such, you are committed to maintaining the confidentiality of each member's financial records consistent with state and federal laws. This notice explains how the Credit Union collects and shares my "nonpublic personal information" (personal information that is not available publicly) and further describes my rights to limit what information you may share about me. This privacy notice replaces any previous privacy notices from you. You reserve the right to revise your privacy notice as your business needs and practices change or as the law requires. If you revise your policies, you will provide your active members with copies of your new policies at that time.

Information You Collect and Share to Conduct Business: During the course of business, you collect nonpublic personal information ("information") about me from the following sources:

- Information that I provide to you in person, in writing, or through the Internet.
- Information obtained through my transactions and experiences with you and your affiliates.
- Information you receive from nonaffiliated third parties about their transactions and experiences with me.
- Information provided by credit reporting agencies and similar companies.

You collect this information about me to complete my transactions and to maintain my accounts and related records. In the course of conducting your business, you may share any of the information you collect about me with third parties if: 1) I request or authorize it; 2) the information is provided to help complete a transaction initiated by me; 3) the information is provided to a third party providing services to you, such as data processing, printing services, mailing services, and marketing services; 4) the information is provided to a consumer reporting agency in accordance with the Fair Credit Reporting Act; or 5) the disclosure is otherwise lawfully required or permitted. Furthermore, you may also disclose information about me to other nonaffiliated and affiliated third parties not described in this notice as permitted by law.

Information Shared Within the Credit Union: You restrict access to my information to those employees who need to know that information to provide products or services to me. Your employees may also access my information to exercise your rights under the law or pursuant to any agreement with me. You maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard my information.

Information Shared with Non-Financial Service Providers: You sometimes share any of the information you collect about me with outside companies that perform services for you. For example, to maintain and service my accounts or to fulfill my transaction requests, you share information with non-financial companies that provide services to you, such as data-processing companies, printing companies, mailing companies, and marketing companies. Prior to sharing any information with such entities, you require them to agree to safeguard your members' information and to comply with all applicable privacy laws.

Information Shared with Financial Service Providers: In addition, to offer me a wider array of financial products and services, you may enter into joint marketing agreements with other financial institutions such as tax preparers, financial advisors, mortgage bankers, securities broker-dealers and insurance agents. You never give these financial institutions my account numbers. Prior to sharing any information with such entities, you require them to agree to safeguard your members' information and to comply with all applicable privacy laws. However, if I do not wish for you to share any of my information under these joint marketing arrangements, I have the right to opt-out of such information-sharing as explained below in the section entitled "My Right to Opt-out."

Information Sharing in the Event of Termination of Membership: If I terminate my membership or become an inactive member, you will adhere to the privacy policies and practices as described in this notice.

My Right to Opt-out: You understand that there are certain third parties with whom I do not wish for you to share my information. If I do not wish for you to share my information with those financial service providers with whom you have joint marketing agreements, I have the right to opt-out at any time. If I wish to exercise any of my opt-out rights as described above, I may opt-out [in one of three ways] as follows:

- Fill out an opt-out form and send it back to you at Pacific Resource Credit Union, 333 S. Hope St., Concourse Level, Los Angeles, CA 90071.
- Call you toll-free at (800) 276-6024 from 8:00 a.m. to 5:00 p.m. M-F, PST.
- Reply electronically by contacting you at web@prcu.org

My opt-out will remain effective until revoked in writing. I understand that even if I opt-out, you will continue to share my information to conduct your business as described above, to the extent permitted by law.

Children's Online Information Policy

Pacific Resource Credit Union does not knowingly collect, maintain, or use personal information about children under age 13 from its website. If a person sends personal information to you through any online service and identifies himself or herself as being under the age of 13, you will only use that information to respond directly to that child or to notify the parents. You will not retain such information unless you obtain parental consent.

E-Mail

If I choose to contact you via e-mail, I will keep in mind that my e-mail address and any other information my e-mail header shows about me, (e.g. name or organization), will be revealed to you in the e-mail. You pledge, however, that

when I communicate with you via e-mail, you will use my e-mail information only for the specific purpose or responding to my comments or questions. I understand I should not send confidential information using e-mail as it is not a secure method of communication. My e-mail address will not be sold or shared with others outside the Credit Union unless you are compelled to do so by law.

Loan Application

I may apply for a loan online. This information will be used for the sole purpose of determining my eligibility for the loan.

Links to other websites found in Pacific Resource Credit Union.

A link to another website does not constitute a product or program endorsement by Pacific Resource Credit Union. Pacific Resource Credit Union has no responsibility for content of the website found at these links, or beyond, and does not attest to the accuracy or propriety of any information located there.

Links to Co-Branded Sites

Your website contains links to other "co-branded" sites. Pacific Resource Credit Union is not responsible for the privacy practices or the content of such Websites. Please refer to the privacy policy statement on these sites for their privacy practices.

You reserve the right to change this policy at any time by posting a new policy.