

INTRODUCTION

This Agreement is the contract of deposit which covers your and our rights and responsibilities concerning Membership and Account(s) offered to you. In this Agreement, the words "you" and "yours" mean those who sign the Membership Application & Information ("Account Card"). The words "we", "us", and "our" mean the Mid Oregon Federal Credit Union ("Credit Union"). The word "account" means any one or more share accounts you have with the Credit Union.

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

Important Information about Procedures for Opening New Accounts. 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. When you open an account, we will ask you 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 identifying documents.

I. MEMBERSHIP AND ACCOUNTS

1. Membership Eligibility.

To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union's field of membership and must purchase and maintain at least one share (the Membership Share Account) as required by the Credit Union's Bylaws. You authorize us to verify your financial information, data, account, credit, and employment history, obtain a credit report from third parties (including credit reporting agencies) to verify your eligibility for the accounts and services you request.

2. Individual Accounts.

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

3. Multiple Accounts.

An account owned by two or more persons is a multiple-party account.

a. Rights of Survivorship. If your account is a multiple-party account, the account is owned as a multiple-party account with rights of survivorship. Upon the death of one of the multiple-party owners, that person's interest will become the property of the surviving multiple-party account owners.

b. Rights of Multiple-Party Account Owners. Any multiple-party account owner is authorized and deemed to act for the other owner(s) and we may accept orders and instructions regarding the account, requests for future services, and any transaction from any other account owner. Each multiple-party account owner may withdraw all funds in the account, stop payment of items drawn on an account, transfer or pledge to us all or any part of the shares of any account without the consent of the other account owner(s) and we shall have no duty in such event to notify any other account owner(s). We reserve the right at any time to require written consent of all account owners for a change of ownership or termination of a multiple-party account. If we receive written notice of a dispute from them, we may: (1) suspend or terminate the account; (2) require any account owner to obtain a court order in order to take any action on a transaction; or (3) require that all account owners agree in writing to any transaction concerning the account.

If any item deposited in a multiple-party account is returned unpaid, an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple party account owners is jointly and severally liable to us for the amount of the returned item, overdraft or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to us, we may enforce that account owner's rights against any or all funds in the multiple-party account regardless of who contributed the funds to the account.

4. POD Designation.

A Payable on Death (POD) designation is an instruction to the Credit Union that a designated account is an account payable to the owner or owners during their lifetimes, and upon the death of the last joint account owner, payable to any named and surviving POD beneficiary designated on your Account Card. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries with right of survivorship. Any POD beneficiary designation shall not apply to IRA accounts, which shall be governed by a separate beneficiary

designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

5. Accounts for Minors.

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

6. Fiduciary Accounts.

A fiduciary account is an account opened by an executor, administrator, personal representative, trustee, conservator, or other fiduciary in such capacity authorized under a will, court order or trust instrument establishing the fiduciary relationship or a Representative Payee authorized by the Social Security Administration ("fiduciary"). The account owner is the estate, conservatorship, trust or Social Security Administration benefit recipient as the sole owner of this account. The fiduciary is authorized to act on behalf of the account owner but has no ownership interest in the account. The fiduciary is the only authorized party to transact on this account. The fiduciary is expressly authorized to endorse all items payable to or owned by the Account owner for deposit with or collection by the Credit Union and to execute such other agreements and to perform any other account transaction under the Agreement. The fiduciary is authorized to receive account information from the Credit Union, either orally or in writing, and any information related to the account. The authority given to the fiduciary shall remain in full force until a court order, termination of the account owner or written notice of revocation is received by the Credit Union either by a court appointed representative of the account owner or by the Social Security Administration, as applicable. Any such notice shall not affect any items in process at the time notice is given. The fiduciary will notify the Credit Union of any change in the account owner's status affecting the deposit relationship between the account owner and the Credit Union. The fiduciary warrants that all actions he or she takes regarding the account will be for the sole benefit of the account owner and that the fiduciary will not conduct any transaction on the account that will personally benefit the fiduciary or will not comply with the terms of the applicable laws, will, court order or instrument establishing the fiduciary relationship. The Credit Union may rely upon these representations and shall have no duty to examine such authorizing documents for compliance or inquire as to the powers and duties of the fiduciary and shall have no notice of any breach of fiduciary duties by the fiduciary unless the Credit Union has actual notice of wrongdoing. The account owner agrees that the Credit Union shall not be liable for any losses due to the account owner's failure to notify the Credit Union of any unauthorized acts of the fiduciary or changes to the relationship between the fiduciary and account owner. The account owner and fiduciary agree to indemnify and hold Credit Union harmless of any claim or liability as a result of unauthorized acts of the fiduciary upon which Credit Union relies prior to any actual notice of any account change or change of account owner.

7. Accounts of Organizations.

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

8. Health Savings Account.

You hereby request the Credit Union establish a Health Savings Account (HSA) in your name. You agree to all of the terms and conditions set forth in the Membership and Account Agreement, Account Disclosures, HSA Custodial Account Agreement, and any other HSA agreements provided by the Credit Union, as they may be amended periodically by the Credit Union. You certify that you are eligible to contribute to an HSA under Internal Revenue Code § 223. You acknowledge that your HSA will be established pursuant to the HSA Custodial Agreement. You may revoke this Agreement within seven days of receiving the HSA Custodial Agreement. You acknowledge and agree the Credit Union is responsible solely for providing custodial account services. You are fully responsible for determining your eligibility to open an HSA. Funds in your HSA cannot be used as collateral and cannot be pledged as security for any loan.

a. Ownership. IRS regulations require that only one individual own an HSA. As the owner, you have the total use of the funds in your HSA. Your HSA will be a single ownership account in your name and only you can designate or change beneficiaries on the account. You understand that any account changes must be requested in writing. If you would like your spouse or another person to have access to funds in your HSA for medical expenses, you must complete an authorization. You will remain fully responsible for any account activity resulting from transactions by persons you permit authorized access and use.

b. Reporting. All transactions posted to the Health Savings Account made by online banking or any other electronic transaction, including ACH, ATM, and debit transactions, will be reported to the IRS as current year, normal distributions, or regular contributions. It is the member's responsibility to know if he or she qualifies for an HSA and to use the funds for qualified medical expenses. The member should refer to a tax professional for specific tax implications.

c. Prior Years and Rollovers. Any request for a prior year contribution, direct transfer, or rollover from another institution must be made in person with a Credit Union representative. In case of a rollover, you certify that this contribution is a rollover contribution within the meaning of Internal Revenue Code § 223, that the rollover is being made within 60 days of receipt, and you have not received a rollover in the last 12 months.

d. Access. We permit you to access your HSA through Electronic Fund Transfers, including and HSA debit, ATM, ACH, and Online Banking transactions. These services are offered for the convenience of managing your HSA. You may use your HSA debit card to purchase goods and services any place your Card is honored by participating merchants. Funds to cover your HSA debit card purchases will be deducted from your HSA share account. You are fully responsible to track your withdrawals from your HSA account, with any available access including your HSA debit card, per Internal Revenue Code § 223. Except as otherwise set forth herein, HSA debit card transactions and other Electronic Fund Transfers are subject to the terms and conditions of the Electronic Fund Transfer provisions in your Membership and Account Agreement.

e. Overdrafts. You must have money in your account to use it. A transaction may not be authorized if the amount of the transaction exceeds the available balance in your account at the time the authorization is requested. If the balance in your account is not sufficient to pay the transaction amount, your account will be subject to a charge as set forth in the Fee Schedule, and the Credit Union may terminate all services under this Agreement. Overdrawing your HSA violates IRS rules and could create tax problems for you. In the event you overdraw your HSA, all items will be returned unpaid. If an overdraft is created, you agree to repay it immediately.

9. Deposit Requirements.

Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are non-assignable and nonnegotiable to third parties. Certificate Accounts are governed by the terms of this Agreement and the terms and disclosures on your Certificate Account Receipt for each account, which is incorporated herein by this reference.

a. Endorsements. You authorize the Credit Union, in its discretion, to accept transfers, checks, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third party checks presented for deposit either in person or by comparison with member signature files. If insurance, government, and certain other checks require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as set forth on the check. Endorsements must be placed in the space on the back of the check between the top edge and 1 1/2 inch from the top edge. The Credit Union may accept checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

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

Final Payment. All items or Automated Clearing House ("ACH") transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, the originator (or sender) will not be considered to have paid the amount of the credit entry to you (the receiver) and the credit union reserves the right to charge your account for the amount of those items or ACH transfers and impose a return fee on your account. If an item or ACH transfer is converted to or from a foreign currency, you assume all risks associated with the foreign exchange conversion, and agree that any loss resulting from any foreign exchange conversion will be allocated to you. After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any items or funds. We have the right to charge-back against your account all previously deposited items or other items endorsed by you that are returned to us unpaid, regardless or whether the amount of the item has been available for your use. We may debit your account into overdraft on a charge-back item, and not be liable for damages to you as a result of the charge-back. Nothing in this Agreement shall be construed to require us to debit the account into overdraft or to create an arrangement for the extension of credit by means of overdrafts.

c. Direct Deposits. The Credit Union may offer direct deposit options allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

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

10. Electronic Check Conversions.

a. Electronic Checks If you pay for purchases or bills with a check or share draft, you may authorize your check or share draft to be converted to an electronic funds transfer. An electronic check conversion is an electronic funds transfer ("EFT") subject to the terms of "III. Electronic Funds Transfer Agreement". You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.

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

11. Account Access.

a. Authorized Signature. In order to access any account, the Credit Union must have an authorized signature of yours on an Account Card. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any check that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction. You agree that your electronic consent is your electronic signature which specifically records your signature and constitutes your agreement to the terms and conditions of this Agreement. You agree your electronic signature captured and stored as an image by electronic means shall be sufficient to evidence of your assent to be contractually bound by the Agreement and shall constitute a valid signature for purposes of any provision of this Agreement.

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

c. ACH & Domestic Wire Transfers. If offered, you may initiate or receive credits or debits to your account via wire transfer or ACH ("Automated Clearing House") transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to the Credit Union. The Credit Union may require that wire transfers be authorized in writing. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. The Credit Union reserves the right to confirm or verify information on all wire requests prior to sending the wire. Once the Credit Union has sent an outgoing wire, the transfer is final and cannot be stopped. If you provide incomplete or inaccurate transfer instructions, written or oral, the Credit Union will not be responsible for any resulting wire transfer losses, delays or failed transactions. You understand international wire transfers may not be completed for up to four weeks or longer. Terms and conditions for international wire transfers will be provided at the time of the transfer transaction. Wire transfers are governed by the Uniform Commercial Code Section 4A, and (if the transfer is cleared through the Federal Reserve) by Federal Reserve Regulation J. International wire transfers are governed by the Bureau of Consumer Financial Protection Regulation E. ACH transactions are governed by the rules of the National Automated Clearing House Association. The origination of ACH transactions to or from the consumer's account must comply with provisions of U.S. Law. You agree that the authorized transfer to/from your account must comply with all applicable federal and state laws or regulations including OFAC (Office of Foreign Asset Control) regulations.

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

e. Credit Union Examination. The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

12. Account Rates and Fees.

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

13. Transaction Limitations.

a. Withdrawal Restrictions. The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks or other transfer or payment orders which are drawn against insufficient available funds will be subject to a service charge, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds. The Credit Union may also refuse to allow a withdrawal in other cases; for example: any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal); a legal garnishment or attachment is served; the account secures an obligation to the Credit Union; any required documentation has not been presented; or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks of not less than 7 days and up to 60 days, as required by law, before such withdrawal.) When processing items drawn on your account, our general policy is to post them according to the dollar amount for each category of payment. For example, when we post ATM, ACH or checks transactions to your account, we post the items of a category (checks) largest to smallest. The order in which items are paid is important if there is insufficient money in your account to pay all of the items that are presented. Our payment policy will cause your largest, and perhaps more important, items to be paid first (such as your rent or mortgage payment), but may increase the overdraft or NSF fees you have to pay if funds are not available to pay all of the items. In the future, our policy may change according to our payment systems and facilities. For example, transactions may be posted at the time of a transaction (POS and ATMs transactions) is made.

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

c. Transaction Volumes. The Credit Union reserves the right to limit the number of items deposited and/or the frequency of deposits per day. If the transactions on your account exceed the volume or amount considered normal for consumer activity, the Credit Union may impose an excess transaction fee, limit your account activity, or close your account.

14. Overdrafts.

a. General Overdraft Liability. If on any day the available funds in your checking account are not sufficient to cover checks and other items (ACH, debit card or ATM card transactions) posted to your account, those checks and items will be handled in accordance with our overdraft procedures and the terms of this Agreement. If we pay a check or item that overdraws your account, you are liable for and agree to pay the overdraft amount and an insufficient funds (NSF) fee immediately. If we do not pay the check or item we will return it unpaid and you agree to pay a return item fee. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond any midnight deadline limits.

b. How We Process Checks. The Credit Union’s determination of an insufficient account balance is made at the time the check or item is presented to us, which may be later during the day than the time you conduct the transaction. Overdrafts will be determined based on

the available balance in your account at the time of presentment. Your available balance may be lower than your actual balance due to funds held for debit card transactions you have authorized and deposited checks held pursuant to our funds availability policy. You can view your available balance through Online Banking and at ATMs to avoid an overdraft. Transactions may not be presented in the order which they occurred and the order in which checks or items are received and processed may affect if an overdraft occurs. The Credit Union processes checks and items as follows: (i) checks are paid in the chronological order they are received, (ii) for ACH items, credits are processed first and ACH debits processed second with the lowest items paid first, and (iii) debit card transactions are paid in the chronological order they are received.

c. Overdraft Protection Plans. If we approve your request for overdraft protection, we will provide an overdraft protection plan for you.

i. Transfers from Savings. We will honor checks and other items drawn on insufficient funds in your checking account by transferring the necessary funds from a savings account or other deposit account as you designate. If you have enough funds in your savings account, you authorize us to transfer funds in amounts necessary to cover the overdraft. If your savings account balance is insufficient to cover the overdraft amount, we will not make any transfer that overdraws your savings account. Unless another overdraft protection plan applies, we will return the check or item unpaid. There is an overdraft transfer fee for each overdraft transfer as set forth on the Rate and Fee Schedule. You may opt out of this overdraft transfer service at any time by notifying us verbally or in writing. Transfers from a savings account will be governed by this Agreement.

ii. Transfers from Line of Credit. We will honor checks and other items drawn on insufficient funds in your checking account by transferring the necessary funds from a line of credit account of yours, if applicable, unless you designate a different order. If you are within the credit limit of your line of credit account, you authorize us to transfer funds in amounts necessary to cover the overdraft. If your credit limit is insufficient to cover the overdraft amount, we will not transfer any amount. Unless another overdraft protection plan applies, we will return the check or item unpaid. There is no cash advance fee, but interest will begin to accrue from the date of any advance transfer. You may opt out of this overdraft transfer service at any time by notifying us verbally or in writing. Your Loan Agreement will govern transfers from an overdraft line of credit account.

d. Terms & Conditions of Courtesy Pay Service. The Credit Union offers a discretionary overdraft payment service, "Courtesy Pay" under the following terms and conditions.

i. Discretionary Service. The Credit Union offers the Courtesy Pay service to all eligible consumer checking account owners. However, if you would like the Credit Union to provide Courtesy Pay service for ATM and debit card purchase transactions you must specifically notify us to do so ("opt-in"). For all other overdraft transactions, the Courtesy Pay service will be provided automatically once checking account has been open and qualified for the service and will continue as long as the account is maintained in good standing with the Credit Union. Business accounts and the accounts of minors are not eligible for the Courtesy Pay service. Under the Courtesy Pay service, we are not obligated to pay any check or item presented for payment if your account does not contain sufficient funds. The Credit Union may, as a discretionary service and not as a right of yours or our obligation to you, pay overdrafts up to an approved overdraft limit under the terms of this service and subject to your Membership and Account Agreement. This overdraft service is not a line of credit, is not guaranteed, and is independent of any other payment arrangement we may offer. Generally, we will not pay an overdraft for you in excess of any limit we have established for your account type. Also, we may refuse to pay an overdraft for you at any time, even if we have previously paid overdrafts for you. We will notify you by mail (or email, if you have requested) of any insufficient funds, checks, or items paid or unpaid and returned that you may have. However, we have no obligation to notify you before we pay or return any item.

ii. Overdraft Transactions Covered. If on any day you do not have available funds in your account, the following transactions, which may result in an insufficient or negative balance ("overdrafts"), may be covered under our service: checks, online or other electronic funds transfers, ACH debits and other payments or withdrawals authorized by you, account service charges, pre-authorized drafts, ATM card withdrawals and debit card purchases if you have provided the required opt-in and any other items that may be posted to your account. We reserve the right to pay any checks or items in the order they are presented or received and in accordance with our normal operating procedures for such check items or transactions.

iii. Overdraft Limit/Available Balance. Under our service, we may pay overdrafts up to an outstanding dollar amount limit based upon the account holders' individual financial behavior. The Credit Union's fees and charges and each paid check or item will be included in this limit. This overdraft balance will not be included or reflected in your actual or "available balance" of your account provided by a teller, at ATM or POS facilities, through online services or on your periodic statements.

iv. Overdraft Fees The fee for each paid overdraft and each NSF/Returned Item fee is set forth in our Rate and Fee Schedule. There is no limit on the number of overdrafts paid or overdraft fees incurred on any one day.

v. Member Repayment Responsibility. You agree your overdraft balance, including applicable overdraft fees, is due and payable upon demand. If there is more than one owner on an account, all owners are jointly and severally liable for repayment of the overdraft balance. If you fail to repay your overdraft balance after a period of time, we may immediately suspend the overdraft service. Accounts may be closed for failure to repay overdraft balances and we will report account closures to consumer reporting agencies.

vi. Member Opt-Out Right. The Credit Union offers the Courtesy Pay service as a convenience to members for incidental overdrafts. We do not encourage you to repeatedly overdraw your account. We encourage you to manage your finances responsibly. You may opt out of the Courtesy Pay service at any time by notifying the Credit Union in writing. The Credit Union may require that any verbal opt-out be confirmed in writing. You understand that by opting out of this service, the Credit Union may refuse to pay any check or item that is presented against an insufficient balance on your account and you will be responsible for any NSF/Returned Item fees. You are still responsible to pay any overdraft, even if you have opted out of the service.

vii. Credit Union Contact. For any questions or to exercise your opt-out right from the Courtesy Pay service, you may call the Credit Union at (541) 382-1795 or (800) 452-3313 or write Mid Oregon Federal Credit Union, P.O. Box 6749, Bend, OR 97708.

15. Day Fee.

Whether or not we pay or return a check, ACH, or other electronic transaction or withdrawal of any type overdrawing your account, except ATM and debit purchases, we may, after a period of time, impose a day fee on the account for every day from the day the fee is imposed up to and including 30 days after overdrawing your account. The fee charge per the account is set forth in our fee schedule.

16. Postdated and Stale-Dated Items.

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

17. Stop Payment Orders.

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

b. Duration of Order. If you make an oral stop payment order, we reserve the right to require your written confirmation within fourteen (14) days. A check stop payment order will be effective for six (6) months and may be renewed in writing. An ACH stop payment order will be effective indefinitely, unless you request it to be removed in writing. The Credit Union is not obligated to notify you when a stop payment order expires.

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

18. Lost Items.

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

19. Credit Union's Liability for Errors.

If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (b) circumstances beyond the Credit Union's control prevents the transaction; (c) your loss is caused by your negligence or the negligence of another financial institution; or (d) the money in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or

non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

20. Credit Union Lien and Security Interest.

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

21. Legal Process.

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

22. Notices.

a. Name or Address Changes. It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is only required to attempt to communicate with you only at the most recent address you have provided to the Credit Union. The Credit Union may accept oral notices of a change in address and may require any other notice from you to the Credit Union be provided in writing to an officer of the Credit Union. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth on the Rate and Fee Schedule.

b. Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Changes in account ownership such as adding or removing a joint account owner, must be evidenced by a signed Account Card which, upon execution, will be incorporated herein by this reference. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

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

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

e. Consent to Communications. By providing an email address, telephone number for cellular phone, or other wireless device, you are expressly consenting to receiving communications at that address or number, including, but not limited to, prerecorded or voice mail message calls, text messages, and calls made by an automatic telephone dialing system from us and our affiliates and agents. This express consent applies to each address or telephone number that you provide to us now or in the future and permits such communication regardless of their purpose. In the regular course of our service to you, we may monitor and record phone conversations made or received by our employees. You agree that we will have this right with respect to all phone conversations between you and our employees, whether initiated by you or any of our employees. For payment authorizations you provide by telephone, we may require you to confirm such instructions in writing.

f. Electronic Signatures. You understand and agree that your electronic consent is your electronic signature which specifically records your signature and assent to the Membership and Account Agreement and constitutes your agreement to the terms and conditions of the Membership and Account Agreement. You agree your electronic signature captured and stored as an image by this electronic means shall be sufficient to evidence of your assent to be contractually bound by the Agreement and shall constitute a valid signature for purposes of any provision of this Agreement.

23. Taxpayer Identification Numbers (TIN) and Backup Withholding.

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

24. Statements.

a. Contents. If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided you agree that only one statement is necessary for a multiple party account. For checking accounts, you understand that when paid your original check becomes property of the Credit Union and may not be returned to you, but copies will be retained by Credit Union or a payable through financial institution and made available upon your request. You understand statements and checks are made available to you on the date the statement is mailed to you.

b. Examination. You are responsible for examining each statement reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized item drawn on your account if (1) you fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item; or (2) any items that are forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine. If you have agreed to receive your statement electronically, the mailing date is the date the Credit Union notifies you of the statement availability, and you agree that no paper statement will be issued to you.

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

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

25. Dormant and Abandoned Accounts.

If you have an account that you have not made a withdrawal from, deposit to, or transfer involving your account for more than one (1) year, the Credit Union may classify your account as a dormant account and may charge an inactive account fee as set forth on the Rate and Fee Schedule. The Credit Union will notify you at your last known address prior to imposing any fee as required by law. Checking accounts will continue to incur applicable fees until closed by the member. You authorize us to transfer funds from an available account of yours to cover applicable fees, if necessary. If a deposit or withdrawal has not been made on the account or the Credit Union has had no other contact with you for three (3) years as required by the Uniform Unclaimed Property Act, the account will be presumed to be abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

26. Death of Account Owner.

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

27. Termination of Account.

The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in the account; (4) any account checks are lost or stolen; or (5) if there has been any misrepresentation or any other abuse of any of your accounts. You may terminate your account at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment.

28. Termination of Membership.

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

29. Special Account Instructions.

You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. You and any surviving owner or beneficiary agree(s) to indemnify and hold the Credit Union

harmless from any claim or liability asserted against the Credit Union as a result of the disposition of funds in reliance on this Agreement and any account designations of yours. If you ask the Credit Union to follow instructions that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond to indemnify the Credit Union. Any item presented with a full payment legend must be presented in person to a Credit Union officer; otherwise, payment is accepted with full reservation of rights. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Card and accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and a copy of the Power of Attorney on record at the Credit Union.

30. Severability.

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

31. Enforcement.

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

32. Governing Law.

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

II. FUNDS AVAILABILITY POLICY

1. Application of Policy.

This policy applies to your checking accounts with Mid Oregon Federal Credit Union. The Credit Union may, in its discretion, apply longer holds or different policies for funds deposited to other types of accounts.

2. General Policy.

Our general policy is to make funds from your checking account deposits (except ATM deposits) available to you on the same business day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 5:00 p.m. Monday through Thursday or before 6:00 p.m. on Friday, we will consider that day to be the day of your deposit. However, if you make a deposit after the posted closing time, or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Deposits made through the Credit Union night depository will be deemed made on the next business day of the day of deposit if made after 9:00 a.m.

3. Reservation of Right to Hold.

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$200 of your deposit will be available on the first business day. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

4. Holds on Other Funds.

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

5. Longer Delays May Apply.

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

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.

- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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

6. Deposits at ATMs.

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) will generally be available on the second business day after the day of your deposit, and the first \$200 will be available for withdrawal immediately. Exception holds may apply; refer to the *Longer Delays May Apply* section in this agreement.

7. 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 will be available on the day we receive the deposit.
- Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state, and local government checks will be available on the first business day of the deposit if the deposit meets certain conditions (for example, the check must be payable to you). The excess over \$5,000 may not be available until the sixth business day after the day of your deposit. If your deposit of these checks (other than a US Treasury Check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.
- Funds from all other check deposits will be available on the sixth business day after the day of your deposit.

8. Foreign Checks.

Checks drawn on financial institutions located outside the United States (foreign checks) cannot be processed the same as checks drawn on United States financial institutions. Foreign checks are exempt from this policy. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.

III. ELECTRONIC FUNDS TRANSFERS

The following disclosures set forth your and our rights and responsibilities concerning electronic funds transfers. Electronic funds transfers ("EFTs") are electronically initiated transfers of money involving a deposit account at the Credit Union and multiple access options including Online Banking, direct deposits, automated teller machines (ATMs), VISA Check Card, and audio response (Telephone Teller) services.

1. EFT Services.

a. Automated Teller Machines ("ATMs"). You may use your Card and personal identification number (PIN) in ATMs of the Credit Union, PLUS Network, Co-Op, VISA, and such other machines or facilities as the Credit Union may designate. At the present time, you may use your Card to:

- Make deposits to your Regular Share Account or your primary Checking Account.
- Withdraw cash from your primary Checking Account or Regular Share Account.
- Transfer funds between your Regular Share Account and your primary Checking Account.
- Obtain balance information for your Regular Share Account and your primary Checking Account.

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

c. Pre-authorized Debits. You may make direct withdrawals from your account to a particular person or company at least periodically which you have arranged with that person or company, provided you have enough funds in your account to cover the payment.

d. Telephone Teller. If we approve your application for telephone access to your accounts under the Telephone Teller service, you may use a telephone to access your account. You may select a personal identification code (PIC). You must use your PIC along with your account number to access your accounts. At the present time you may use the Telephone Teller service to:

- Obtain balance information from all your savings and checking accounts.
- Transfer funds between these same accounts (except certificates) including loan payments to any of your line of credit accounts.
- Withdraw funds from savings accounts by check, made payable to you and mailed to you at your mailing address.
- Access a Line of Credit Account. (Loan advance withdrawals will be subject to the loan agreements governing those accounts).
- Verify if a particular check has cleared your Checking Account(s).
- Verify the last date and amount of your payroll deposit.

- Give you tax information on dividends earned or interest paid on your accounts.

e. Home Banking Electronic/PC. If we approve your application for the Home Banking Electronic/PC (“Home Banking”) service, you may use a personal computer to access your accounts. For the Home Banking service, you will need a personal computer with access to the Internet (World Wide Web). The online address for Home Banking services is www.midoregon.com. You may select a personal identification number. You must use your PIN along with your account number to access your accounts. You are responsible for the installation, maintenance and operation of your computer and software. The Credit Union will not be responsible for any errors or failures involving any telephone service, Internet service provider, your software installation or your computer. At the present time, you may use the Home Banking service to:

- Transfer funds between your Checking, Savings Account, Money Market and Loan accounts.
- Transfer funds to accounts of other members you authorize for any of your accounts.
- Obtain account information related to any savings or loan account regarding current balance, checking history, dividends and rates, loan interest, payroll and automatic deductions
- Make loan payments from any savings or checking account to a loan account of yours.
- Access your line of credit/VISA credit accounts.
- Communicate with the Credit Union using the electronic mail (e-mail) feature.

Transactions involving your deposit accounts will be subject to your Membership and Account Agreement and transactions involving a loan account will be subject to your Consumer Loan Agreement and Disclosures.

f. VISA Check Card. You may use your Card to purchase goods and services from participating merchants. For internet purchases you may be required to use a password associated with your Card before you will be permitted to complete the transaction. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state or local law. Funds to cover your Card purchases will be deducted from your checking account. We may honor overdrafts of electronic funds transfers including debit card, ACH, POS, and Online Banking transactions. Those items will be handled in accordance with our overdraft procedures including any approved overdraft protection plan for your account. You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union, VISA Networks, and any such other machines or facilities as the Credit Union may designate. At the present time, you may also use your Card to:

- Withdraw funds from your checking account.
- Make POS (Point-of-Sale) transactions with your Card and PIN to purchase goods or services at merchants that accept VISA.

g. Non-VISA Debit Transactions. Some merchants may permit you to initiate debit and bill payment transactions with your card using either the VISA network or another network shown on your card, such as the CO-OP, PLUS, or STAR networks. The Credit Union will honor your debit transactions processed by any of these networks.

Transactions processed over the VISA network do not require you to use your PIN to validate the transaction. Generally, you will sign a receipt, provide your card number (e.g. internet, mail, or telephone transactions), or swipe your card at a terminal. Also, there are certain protections and rights such as the zero liability protections in the section titled “Member Liability,” applicable only to VISA processed transactions.

Transactions processed over other networks may not require you to use your PIN in order to validate a transaction. Generally, you enter your card number or swipe your card and provide or enter a PIN. However, some merchants may not require you to provide a PIN, and allow you to choose whether the transaction is processed by VISA or another network. Provisions applicable only to VISA transactions (such as VISA’s zero liability protections) will not apply to non-VISA debit transactions and the liability rules for other EFTs in the section titled “Member Liability” will apply.

h. Electronic Check Transactions. You authorize us to honor any electronic check transaction and any re-presented check fee debit transaction you authorize (“electronic check transaction”). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant’s right to process the transaction, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions, except the \$50 and \$500 limits of liability for unauthorized transactions in Section 6. Member Liability. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

2. Service Limitations.

a. Automated Teller Machines.

i. Withdrawals. Cash withdrawals from ATMs can be made as often as you like. You may withdraw up to \$1,000 (if there are sufficient funds in your account) per day. For purposes of determining whether you have reached the daily limit, a day ends at midnight.

ii. Deposits. Because of the servicing schedule and processing time required in ATM operations, there may be a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. You should review the Credit Union's Funds Availability Policy to determine the availability of funds deposited at ATMs. Deposits in excess of \$10,000 may not be accepted at ATMs not owned or operated by the Credit Union.

iii. Transfers. You may transfer up to the available balance in your accounts at the time of the transfer.

b. Telephone Teller. Your accounts can be accessed under Telephone Teller via a TouchTone telephone only. Not all push button phones are TouchTone. Converters may be purchased for pulse and rotary dial phones. Telephone Teller will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. If you call during this time you will hear, "For assistance, contact credit union office during business hours." While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, there are certain limitations on transfers from Savings and Money Market savings accounts. Transfers from Savings and Money Market savings accounts will be limited to six (6) in any one month. No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

c. Online Banking Service. The Online Banking service is accessible seven (7) days a week, 24 hours a day.

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

ii. Account Information. The account balance and transaction history information may be limited to recent account information. The availability of funds for transfer or withdrawal may be limited due to the processing time for ATM transactions and our Funds Availability Policy.

iii. E-Mail and Stop Payment Requests. The Credit Union may not immediately receive e-mail communications that you send and the Credit Union will not take action based on e-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. Any stop payment request you transmit electronically is deemed to be an oral request and will expire in 14 days unless confirmed in writing in accordance with your Membership and Account Agreement. Contact the Credit Union immediately regarding an unauthorized transaction or stop payment request.

d. VISA Check Card. VISA purchases are limited to the balance available in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds or require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. You are solely responsible for any disputes you may have with merchandise or services received using the VISA Check Card. We are not responsible for any damages, liability, or settlement resolution as a result of the misrepresentation of quality, price, or warranty of goods or services by a merchant. The following limitations on the frequency and amount of VISA Check Card transactions may apply.

- There is a limit of fifteen (15) VISA Check Card purchases you make per day.
- Purchase amounts are limited to the lesser of \$2,500 or your available account balance.
- You may request a higher daily limit by contacting us. Approval of a higher limit is determined at the sole discretion of the Credit Union.

3. Conditions of Account Use.

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

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

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

c. Foreign Transaction Fee. Purchases made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by VISA International, Inc. is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the

government-mandated rate in effect for the applicable central processing date. In addition, you will be charged a Foreign Transaction Fee of up to 1% of the transaction amount for any card transaction made in a foreign country.

d. Illegal Use of Internet Gambling. You agree that all transactions that you initiate by use of an electronic funds transfer including an ATM/Debit Card are legal in the jurisdiction where you live and/or where the transaction occurred. Internet gambling may be illegal in the jurisdiction in which you are located, including the United States. Your electronic funds transfers may only be conducted for legal transactions. Display of a payment card logo by an online merchant does not mean that internet gambling transactions are lawful in all jurisdictions in which you may be located. We have restricted all online gambling transactions by use of an electronic funds transfer or ATM/Debit Card.

4. Security of Personal Identification Number (PIN).

a. Personal Identification Number (PIN). The personal identification number ("PIN") or access code that is provided to you is for your security purposes. The PIN is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your PIN, that authority shall continue and you understand that person may use the Telephone Teller/Online Banking services to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your PIN and you agree that the use of your PIN will have the same effect as your signature authorizing transactions. If you authorize anyone to use your PIN in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your PIN immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your PIN is changed. If you fail to maintain or change the security of these PINs and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

5. Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together shall be responsible for all EFT transactions to or from any deposit or loan account as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner, to make any transaction permitted under this Agreement including, without limitation:

- To withdraw all or any part of the account funds.
- To deposit checks and other items payable to any joint account owners.
- To give stop payment orders on any EFT transfer, whether initiated by that account owner or not.
- To close any account with the disbursement of account proceeds as provided for in this Agreement.

Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions, regarding any EFT transaction or any account from any joint account owner. If the Credit Union believes there is to be a dispute between the account owners or receives inconsistent instructions from the account owners, the Credit Union may terminate all EFT services, suspend or close any account, require a court order to act, or require all account owners to agree in writing to any transaction concerning the account.

6. Member Liability.

You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or PIN, you are responsible for any transactions they authorize or conduct on any of your accounts. However, TELL US AT ONCE if you believe anyone has used your Account, Card, or PIN and accessed your accounts without your authority, or you believe an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. For VISA Debit Card purchase transactions, if you promptly notify us of your lost or stolen card you will not be liable for any losses provided that you were not grossly negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. For all other EFT transactions except electronic check transactions, if you tell us of the unauthorized use of your account within two (2) business days, you can lose no more than \$50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or EFT service, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows EFT transfers that you did not make, including those made by card, code or other means TELL US AT ONCE. If you do not tell us within sixty (60) days after the statement was mailed to you, you may be liable for the following amounts if we can prove that we could have stopped someone from making the transfers if you had told us in time: (i) for unauthorized Check Card purchase transactions – up to the limits set forth above and (ii) for all other unauthorized EFT transactions – up to the full amount of the loss. If a good reason (such as a hospital stay) kept you from telling us, we may extend the time periods.

Mid Oregon Credit Union
P.O. Box 6749
Bend OR 97708
(541) 382-1795 or (800) 452-3313

7. Business Days.

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

8. Fees and Charges.

There are certain charges for the EFT services as set forth on the Rate and Fee Schedule. The Credit Union reserves the right to impose service charges at a future date after we give you notice of such changes as required by law. If you request a transfer or check withdrawal from a Line of Credit account, such transactions may be subject to charges under the terms and conditions of your Consumer Loan Agreement. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction. You may not use the Card for any illegal or unlawful transactions and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

9. Right to Receive Documentation.

a. Periodic Statements. All EFT transactions will be recorded on your periodic statement. You will receive a statement at least once every quarter, unless your account is inactive. If you have an EFT transaction, you will receive a statement monthly. You may request that your statement be provided electronically.

b. Pre-authorized Credits. If you have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can use Telephone Teller or Home Banking or you can call us at (541) 382-1795 to find out whether or not the deposit has been made.

c. Terminal Receipt. You will receive a receipt at the time you make a transaction using an ATM, POS terminal or with a participating VISA merchant, except some electronic terminals will not provide receipts for transactions of \$15 or less.

10. Account Information Disclosure.

We will maintain the confidentiality and privacy of your account information in accordance with our Privacy Policy. We will disclose information to third parties about your account or the transfers you make in the following circumstances:

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

11. Credit Union Liability for Failure to Make Transactions.

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your actual transaction loss or damage. Our sole responsibility for an error in a transfer will be to correct the error. You agree that neither we nor the service providers shall be responsible for any loss, property damage or bodily injury, whether caused by the equipment, software, Credit Union, or by Internet browser providers such as Netscape (Netscape Navigator browser) and Microsoft (Microsoft Internet Explorer browser), or by Internet access providers or by online service providers or by an agent or subcontractor for any of the foregoing. Nor shall we or the service providers be responsible for any direct, indirect, special or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, Home Banking services or Internet browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via the Home Banking services and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. The Credit Union will not be liable for the following:

- If, through no fault of ours, you do not have adequate funds in your account to complete a transaction, your account is closed, or the transaction amount would exceed your credit limit on your line of credit.
- If you used the wrong identification code or you have not properly followed any applicable computer, Internet or Credit Union instructions for making transfer and account transactions.
- If your computer fails or malfunctions or if the Credit Union's Home Banking system was not properly working and such problem should have been apparent when you attempted such transaction.
- If the ATM where you are making the transfer does not operate properly, does not have enough cash or you use your Card improperly.
- If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment or power failure) prevent making the transaction.
- If your account is frozen because of a delinquent loan or is subject to legal process or other claim.
- If the error was caused by a system beyond the Credit Union's control such as your Internet Service Provider, any computer virus or problems related to software not provided by the Credit Union.
- If you have not given the Credit Union complete, correct and current instructions so the Credit Union can make a transfer.
- If the error was caused by a system of The Exchange, Co-Op, PLUS Network or any applicable ATM Network. The ATM machine may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.
- If the accounts to which you request a transfer to be made have been closed

- If there are other exceptions as established by the Credit Union.

12. Termination of EFT Services.

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

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

13. Preauthorized Electronic Funds Transfers.

a. Stop Payment Rights. If you have arranged in advance to allow a third party to make regular electronic fund transfers out of your account(s) for money you owe them, you may stop payment of these preauthorized transfers from your account. You must notify the Credit Union orally or in writing at any time up to three (3) business days before the scheduled date of a preauthorized transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.

b. Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay is required to tell us ten (10) days before each payment when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the account would fall outside certain limits that you set.

c. Liability for Failure to Stop Payment of Preauthorized Transfers. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

14. Notices.

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

15. Billing Errors for Consumer Accounts.

In case of errors or questions about electronic funds transfers from your consumer accounts, or if you need more information about a transfer on the statement or receipt, telephone us at (541) 382-1795 or send us a written notice to P.O. Box 6749, Bend, OR 97708 as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears. In your notice:

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

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. For errors related to transactions occurring within thirty (30) days after the first deposit to the account (new accounts), we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question, ninety (90) days for POS transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States. If we decide to do this, we will recredit your account within ten (10) business days (five (5) business days for VISA Check Card transactions) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not recredit your account.

If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) used in our conclusion that the error did not occur.

16. ATM Safety Notice.

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

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.

- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number or code on your ATM card.
- Report all crimes to law enforcement officials immediately.

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