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***TRUTH IN SAVINGS
DISCLOSURE AND
AGREEMENT***

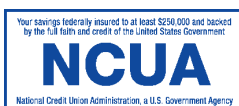
*PLEASE KEEP
FOR YOUR RECORD*

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

EFFECTIVE FEBRUARY 27, 2010

**TRUTH-IN-SAVINGS
DISCLOSURE AND AGREEMENT**

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TRUTH-IN-SAVINGS DISCLOSURE GENERAL INFORMATION

In the following agreement the words "YOU", "YOUR", "YOURS" and "MEMBER" mean each and all of those (whether one or more persons) who are subject to the agreement(s) as a result of signing a Membership Application / Signature Card for each respective account. The words "WE", "US", "OUR", "Credit Union" and "SBSEFCU" mean the SAN BERNARDINO SCHOOL EMPLOYEES FEDERAL CREDIT UNION. We may change terms, conditions, requirements or amend the disclosure from time to time without notice, except as required by the Truth-In-Savings Act. However, before any charge or fee is increased or added, you will receive advance notice. You may always obtain more information by calling us at (909) 882-2911.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also make a copy of your driver's license or other identifying documents.

ACCRUAL OF DIVIDENDS: Dividends begin to accrue on the business day you deposit non-cash items (e.g., checks) or cash items to your Account if deposited before the close of business.

NATURE OF DIVIDENDS: Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period. If you close your account, excluding Term Share Accounts, before dividends are credited, you will not receive the accrued dividends.

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

A member who fails to complete payment of one share within 6 months of his admission to membership, or within 6 months from the increase in the par value in shares, or a member who reduces his share balance below the par value of one share and does not increase the balance to at least the par value of one share within 6 months of the reduction may be terminated from membership at the end of a dividend period.

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

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

PAR VALUE OF SHARES: The par value of a Share in this Credit Union is \$25.00.

MINIMUM BALANCE REQUIREMENTS: A minimum deposit as disclosed on the Savings Rate Sheet is required to open any Account. You must maintain a minimum daily balance, as disclosed on the Savings Rate Sheet, in your Account to obtain the annual percentage yield, stated on the Savings Rate Sheet.

REQUIREMENT TO MAINTAIN A REGULAR SHARE ACCOUNT: You must open a Regular Share Account to open any subsequent accounts. You must maintain the Regular Share Account to avoid closure of that account and any subsequent accounts.

OWNER(S): The word "owner(s)" on an Account Signature Card or Membership Application and Agreement means the owner in the case of an individual account and it means the joint owners (both as individual and as a group) in the case of a joint account.

SHARE ACCOUNT DISCLOSURE

Our Share Accounts are called Regular Share Account, Youth Shares, Summer Savings Account, IRA Deposit Account, Roth IRA Deposit Account and Christmas Club Accounts.

RATE INFORMATION: Our Share Accounts are designated variable rate accounts on the Savings Rate Sheet. This rate and yield may change at any time at the Credit Union's discretion. The Dividend Rate and Annual Percentage Yield (APY) on Share Accounts, excluding Christmas Club Accounts, are tiered. A tier is a range of Account balances; different Rates and APYs may apply to different tiers. When the balance increases or decreases to a different tier, the Account balance will be subject to the Rate applicable to that tier for the time the balance is at the higher or lower level. This means if an Account balance goes below or above a certain tier level even for one day, the Account will be subject to that tier for one day. These rates are subject to change without notice. The Savings Rates Sheet will show current Rates, APYs and tiers.

COMPOUNDING AND CREDITING: Dividends will be compounded quarterly and credited quarterly on the first day of the following quarter. For these Account types, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period and for this example is March 31.

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

TRANSACTION LIMITATIONS (YOUTH SHARE ACCOUNT): We offer a Youth Share Account to members between the ages of 0-17 years old. A parent must be a joint owner for any person under the age of 18 years old. Upon reaching the age of 18 years old, the Youth Share Account will convert to a Regular Share Account.

TRANSACTION LIMITATIONS (CHRISTMAS CLUB ACCOUNT): This Account is a 12-month Share Account designed to provide for holiday season expenses. This Account may be opened at any time and matures on October 31 each year. Upon maturity, the balance of the Account will be transferred to the Regular Share Account. The Account will be automatically reopened each November 1 for your convenience. If a withdrawal is made or if the Account is closed prior to November 1, your Account will be subject to a fee as stated on the Fee Schedule. The Account can be reopened at any time.

TRANSACTION LIMITATIONS (IRA AND ROTH IRA DEPOSIT SHARE ACCOUNTS): Individual Retirement Accounts are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see your IRA Agreement or tax advisor for additional information.

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

HONORS MONEY MARKET ACCOUNT DISCLOSURE

RATE INFORMATION: Our Money Market Accounts are designated variable rate accounts on the Savings Rate Sheet. This rate and yield may change at any time at the Credit Union's discretion. The Dividend Rate and Annual Percentage Yield (APY) on Money Market Accounts are tiered. A tier is a range of Account balances; different Rates and APYs may apply to different tiers. When the balance increases or decreases to a different tier, the Account balance will be subject to the Rate applicable to that tier for the time the balance is at the higher or lower level. This means if an Account balance goes below or above a certain tier level even for one day, the Account will be subject to that tier for one day. These rates are subject to change without notice. The Savings Rate Sheet will show current Rates, APYs and tiers.

COMPOUNDING AND CREDITING: Dividends will be compounded monthly and credited monthly. For these Account types, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31; dividends will be credited on February 1. All other dividend periods follow the same pattern of dates. The dividend declaration date follows the ending date of a dividend period and in this example the date is January 31

MINIMUM BALANCE REQUIREMENTS: A minimum deposit as disclosed on the Savings Rate Sheet may be required to open the Account(s). You must maintain a minimum daily balance, as disclosed on the Savings Rate Sheet, in your Account(s) to obtain the annual percentage yield, stated on the Savings Rate Sheet. If you fall below the minimum balance as disclosed on the Savings Rate Sheet due to an item being presented for payment, an NSF fee stated in the Fee Schedule may be assessed.

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

TRANSACTION LIMITATIONS: During any month, you may not make more than six withdrawals or transfers from your Honors Money Market account to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction (such as Online Banking, Bill Payment or Member Telephone Services) or by check, draft, debit card, or similar order. If you exceed the withdrawal or transfer limitations set forth above in any calendar month, all additional drafts or similar order to a third party may be refused, reversed or returned unpaid, and the excessive withdrawal fee stated in the fee schedule will be assessed.

TERMS AND CONDITIONS APPLICABLE TO SHARE DRAFT ACCOUNTS

1. We may recognize the signature of any one (1) who signed the signature card to transact any business on this Account, including, but not limited to, the causing or making of overdrafts (for which all of you shall be liable) and endorsement of drafts payable to any signer of this Account.
2. If the signature card is signed by more than one person, all of you further agree as between yourself and us:
 - a. All amounts now and hereafter in the Account, regardless of source, are owned by you jointly and equally regardless of your net contributions, with right of survivorship, and subject to withdrawal(s) and/or receipt of or by any of you, and payment to any of you or any of your survivors shall be valid and discharge us from any liability for such payment.
 - b. You hereby appoint each other as agents and attorneys in fact to overdraft any of your Share or Loan accounts.
3. We are authorized to pay drafts signed by you and the payments will be charged to your Account.
4. You authorize us to transfer funds from your Regular Share Account on your written or oral request to your Share Draft Account. You understand and agree that no transfer will be made unless there are sufficient shares on deposit at the time of transfer.
5. We may, at our discretion, but are not obligated to (nor shall we be liable for refusal to), pay funds from this Account:
 - a. When such payment would draw the Account below the minimum balance as established from time to time by us ("overdraft").
 - b. If drawn by means not authorized in advance by us.
 - c. Against drafts presented over 6 months past their issue dates.
 - d. Against uncollected non-cash items.
6. We may, without liability, accept, pay, guarantee or charge drafts to the Account in any order convenient to us.
7. We may pay a draft on whatever day it is presented for payment notwithstanding the date (or any limitation on the time of payment) appearing on the check unless you give us notice as required under the California Uniform Commercial Code (UCC).

8. We may pay and charge to your Share Draft Account funds drawn by us and payable to any persons, organization, association or corporation whom you have authorized by providing sample MICR encoded information for your Account provided there are sufficient funds in your Account to pay such drafts. You agree that your rights in respect to such preauthorized drafts shall be the same as if it were a draft drawn and signed by you personally. This authority shall remain in effect until revoked by you in writing to us (and to the agency to whom the sample MICR writing was provided) and we have had reasonable opportunity to act on it. You agree that we shall be fully protected in honoring such drafts. You further agree that if any such draft is dishonored, whether with or without cause, and whether intentionally or inadvertently, we shall be under no liability whatsoever even though such dishonor results in the forfeiture of insurance, loss, or damage to you of any kind.
9. Provided such request is timely, so that we shall have reasonable opportunity to act upon it under our rules, you may order a stop payment of any draft payable against your Account. If the order is verbal it shall be valid only fourteen (14) days thereafter unless confirmed in writing. Written orders shall be valid for six (6) months and may be renewed for additional six month periods. You have the burden of establishing the fact and amount of loss resulting from payment contrary to a binding stop payment.
10. Your death, dissolution or incompetence shall not revoke our authority to accept, pay or collect a draft(s) or to account for proceeds of its collection until we know of the fact of your death or adjudication of incompetence and have reasonable opportunity to act on it. Even with knowledge, we may for ten (10) days after the date of death, dissolution or incapacity, pay or guarantee a draft(s) drawn on or prior to the date unless ordered in writing to stop payment by a person claiming an interest in the Account under rules established by us. We must be notified if any of you die, become incapacitated or your organization is dissolved.
11. If we have paid a draft under circumstances giving a basis for objection by you, we shall be subrogated to the rights of:
 - a. Any holder in due course on the draft against the drawer or maker; and
 - b. The payee or any other holder of the draft against the drawer or maker either on the item or under the transaction out of which the item arose; and
 - c. The drawer or maker against the payee or any other holder of the draft with respect to the transaction out of which the draft arose.
12. Our measure of damages for failure to exercise ordinary care in handling a draft shall not exceed the amount of the item.
13. We are neither given notice or otherwise affected by a restrictive endorsement of any person or entity except your immediate transferor.
14. Our authority under this agreement may not be changed or terminated by you, except by written notice to us which will not affect any prior transactions.
15. Notify us at once if you suspect that a draft or endorsement is forged or altered or that someone unauthorized is using your Account or if you have an objection respecting any item shown on a monthly statement of the Account. You must notify us within a reasonable period of time not exceeding 30 days after the closing date of the statement. If you fail to notify us within this time period, we may not be responsible for forgeries, alterations or unauthorized use committed later by the same person(s).
16. Overdraft protection is available for your Share Draft Account in the following manner:
 - a. If you have a Line of Credit Account, available funds will automatically be transferred in increments sufficient to cover the overdraft, providing the account is not over limit or delinquent.
 - b. If there are insufficient funds available or if you do not have a Line of Credit Account, you may designate that funds will be transferred from your Regular Share Account to cover the overdraft and a fee will be charged in accordance with the Fees Schedule. Such transfers will generally be made only if there are sufficient funds on deposit at the time of the transfer.
 - c. We may, but are not required to, pay overdrafts to the Share Draft Account. We may do so (but are not required to) by transferring funds to cover such overdrafts from your Regular Share Account in increments sufficient to cover the overdraft. Overdrafts, if paid, in excess of funds available in any Regular Share Account are payable on demand.
17. Only SAN BERNARDINO SCHOOL EMPLOYEES FEDERAL CREDIT UNION drafts, or other methods approved by us, may be used to withdraw funds from the Account.
18. You understand that we are not selling drafts. As a convenience to you, we will submit your initial order and reorders for personalized drafts to the printer named on the face of the order. If the printer accepts the initial order and reorders, the printer will mail the drafts directly to you. You authorize us to charge your Share Draft Account for the cost of delivered drafts ordered, plus California sales tax.
19. You will notify us at (909) 882-2911 immediately if your drafts are lost or stolen.
20. Paid drafts remain the property of the Credit Union upon payment and are not returned to the account owner(s). A photocopy of a paid draft is available for seven (7) years from the date the draft was paid by us. A fee may be charged in accordance with the Fee Schedule.
21. You shall pay us all costs and charges incident to the Share Draft Account according to the schedule established by us from time to time. We shall debit such charges against the Share Draft Account, except where there are insufficient funds available, and then such charges shall be treated as overdrafts.
22. The use of the Share Draft Account is subject to such other terms, fees, conditions and requirements as the Credit Union may establish from time to time.
23. If this is an organization account, the persons authorized to sign on this Account certify that they are the duly elected or appointed officers of said corporation, partnership, organization or unincorporated association and have the authority to transact business of any character whatsoever in connection with this Account.

24. The Credit Union shall have the right to terminate this Agreement or close any Share Draft Account of a member without notice and without consent at any time at will, subject only to the restrictions of the Credit Union's Bylaws, if any.
25. Share Draft Accounts with no activity for ninety (90) days or more will be considered inactive and may be closed by the Credit Union.
26. **RATE INFORMATION:** Our Share Draft Accounts are non-dividend earning accounts.
27. **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS:** There is no minimum and deposit required for you to open a Share Draft Account.
28. **TRANSACTION LIMITATIONS:** No transaction limitations apply to this Account.
29. **TRANSACTION LIMITATIONS (YOUTH SHARE DRAFT ACCOUNT):** We offer a Youth Share Draft Account to members between the ages of 16-17 years old. A parent must be a joint owner for any person under the age of 18 years old. Upon reaching the age of 18 years old, the Youth Share Draft Account will convert to a Regular Share Draft Account. The Youth Share Draft Account is a non-dividend earning account. There is no minimum deposit required for you to open your Youth Share Draft Account. There is no minimum balance required for you to maintain in your Youth Share Draft Account.

TERM SHARE ACCOUNT DISCLOSURE

San Bernardino School Employees Federal Credit Union's Term Share Accounts let you deposit your money for a specified period of time. Our Term Share Accounts have terms ranging from 3-month to 60-months.

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

MATURITY: Your Account will mature as reflected on the Savings Rate Sheet. The maturity date will be stated on the Term Share Account or receipt provided to you at the time of opening your Account.

EXCEPTIONS TO PENALTIES: The penalties stated below will not apply if:

- The withdrawal is made subsequent to the death of any owner of the Share Account or the Term Share Account, or is made pursuant to the Credit Union's bylaws.
- The Term Share Account is part of a pension plan which qualifies or is qualified to specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 70 ½ years of age, or
- Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

RATE INFORMATION: Our Term Share Accounts are designated fixed rate accounts on the Savings Rate Sheet. You will be paid these rates and yields until maturity.

RENEWAL OF ACCOUNT/GRACE PERIOD: Your Term Share Account will automatically renew at maturity for same time period as original term at the prevailing rate unless you withdraw all of the funds in your Term Share Account at maturity or within a grace period of 10 days after maturity.

ACCOUNT LIMITATIONS: The minimum deposit required to open these Accounts is stated on the Savings Rate Sheet. You may not make deposits into or withdrawals from these Accounts until the maturity date. See Early Withdrawal Penalties.

EARLY WITHDRAWAL PENALTY: We may impose a penalty if you withdraw any of the funds from your Term Share Account before the maturity date. The penalty imposed shall be as follows:

- all dividends for 90 days on the amount withdrawn, or
- all dividends on the amount withdrawn since the date of issuance or renewal, whichever is less.
- Penalty imposed may result in a reduction of principal.

IRA AND ROTH IRA 12-MONTH TERM SHARE ACCOUNT

San Bernardino School Employees Federal Credit Union offers a 12-month term for Traditional and Roth IRA's.

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

MATURITY: Your Account will mature as reflected on the Savings Rate Sheet. The maturity date will be stated on the Traditional or Roth IRA Term Share Account or receipt provided to you at the time of opening your Account.

EXCEPTIONS TO PENALTIES: The penalties stated below will not apply if:

- The withdrawal is made subsequent to the death of the Traditional or Roth IRA Term Share Account owner, or is made pursuant to the Credit Union's bylaws.
- The Term Share Account is part of a pension plan which qualifies or is qualified to specific tax treatment under Section 401(d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 70 ½ years of age, or
- Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

RATE INFORMATION: Our Traditional or Roth IRA Term Share Accounts are designated fixed rate accounts on the Savings Rate Sheet. You will be paid these rates and yields until maturity.

RENEWAL OF ACCOUNT/GRACE PERIOD: Your Traditional or Roth IRA Term Share Account will automatically renew at maturity for same time period as original term at the prevailing rate unless you withdraw all of the funds in your Traditional or Roth IRA Term Share Account at maturity or within a grace period of 10 days after maturity.

ACCOUNT LIMITATIONS: The minimum deposit required to open these Accounts is stated on the Savings Rate Sheet. The minimum additional amount you may

deposit is \$100. The maximum annual contributions are determined by IRS regulations. If the Traditional or Roth IRA Term Share falls below the minimum balance requirement as stated on the Savings Rate Sheet the funds will be transferred to an IRA or Roth IRA Share Savings Account. See Early Withdrawal Penalties. Individual Retirement Accounts are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see your IRA Agreement and Disclosure or tax advisor for additional information.

EARLY WITHDRAWAL PENALTY: We may impose a penalty if you withdraw any of the funds from your Term Share Account before the maturity date. The penalty imposed shall be as follows:

- all dividends for 90 days on the amount withdrawn, or
- all dividends on the amount withdrawn since the date of issuance or renewal, whichever is less.
- Certain federal and state penalties apply to amounts withdrawn from IRA accounts. These are set forth in applicable federal and state law and regulations which are incorporated by this reference.
- Penalty imposed may result in a reduction of principal.

ADDITIONAL INFORMATION PERTAINING TO OUR 3-MONTH TO 60-MONTHS TERM SHARE ACCOUNTS

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum deposit required for you to open a 3-Month to 60-Month Term Share Account is as disclosed on the Savings Rate Sheet. You must maintain a minimum balance as disclosed on the Savings Rate Sheet in this account to obtain the Annual Percentage Yield stated on the Savings Rate Sheet and to avoid closure.

ADDITIONAL INFORMATION PERTAINING TO OUR YOUTH 12-MONTH TERM SHARE ACCOUNT

We offer a Youth Term Share Account for members between the ages of 0-17 years old. The Youth Term Share is offered with a 12-month term.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum deposit required for you to open your Youth Term Share Account is \$100. You must maintain the minimum balance of \$100 to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

RENEWAL OF ACCOUNT/GRACE PERIOD: Your account will automatically renew at maturity for the same time period as the original term at the prevailing rate. There is no grace period following maturity of this account. Upon reaching the age of 18 years old, the balance in the account will be transferred to the Regular Share Account.

ACCOUNT LIMITATIONS: You may make additional deposits of \$25 or more. You may not make withdrawals from this account until the maturity date. You may make withdrawals of earned dividends from your account at any time. See Early Withdrawal Penalties.

EARLY WITHDRAWAL PENALTY: We may impose a penalty if you withdraw the principal from your account before the maturity date. The penalty imposed shall be forfeiture of 90 days earned dividends. Penalty imposed may result in a reduction of principal.

EXCEPTIONS TO PENALTIES:

The penalties stated above will not apply if:

1. The withdrawal is made subsequent to the death of any owner of the Term Share Account, or is made pursuant to the Credit Union's bylaws, or
2. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

OTHER TERMS AND CONDITIONS TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS

1. To open any Account you must have at least one (1) full share (\$25.00) in your Regular Share Account. Rates are subject to change without notice.
2. All accounts (except Share Draft Accounts) are not transferable except as defined in 12 CFR, Part 204.
3. Our delay in enforcing any of the terms and conditions of this Agreement and Disclosure shall not prohibit us from enforcing such terms and conditions at a later date.
4. We reserve the right upon thirty (30) days written notice to change any provision of or establish new provisions to this Agreement and Disclosure.
5. We may endorse checks or drafts for you which we receive for deposit.
6. We are not responsible for items lost while not in our possession.
7. We will deliver all statements and other notices only to the person whose signature appears first on the Membership Application and Agreement. You shall exercise reasonable care and promptness examining your statements and must promptly notify us of any unauthorized payment due to an altered item or an unauthorized signature. If you fail to uphold these duties, you understand and agree that you are precluded from asserting the unauthorized payment against us if we can prove: 1) we suffered a loss on the item because of your failure; or 2) we, in good faith, paid on another item presented by the same wrongdoer if the payment was made before you properly notified us and you have had thirty (30) days from the date of the statement to notify us. If you fail to uphold your duties but you can prove that we failed to exercise ordinary care in the payment of the relevant items, then the above preclusion will not apply and the loss on the items will be allocated between us and you to the extent our respective actions contributed to the loss. If you have failed to examine your statement and report any unauthorized item within one (1) year after your statement or the item has been made available to you, you cannot recover from us even if we failed to exercise ordinary care in paying the item.
8. We or you may terminate an Account(s) at any time. You understand and agree, however, that our authority may not be changed or terminated except by written notice to us which will not affect prior transactions. In addition, if we receive written notice from any owner that withdrawals, in accordance with the terms of the Account, should not be permitted, we may refuse, without liability,

to pay any sums on deposit pending determination of the rights of the owners. Further, if there is more than one (1) owner and there is a conflict among you, we may require the signatures of all owners. Such written notice(s) shall become effective only upon receipt and after we have had a reasonable opportunity to act thereon.

9. We reserve the right to close any Account(s) discovered to be deliberately manipulated to our detriment and/or our membership. "Manipulation" includes, but is not limited to, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to our detriment. At our option, we may suspend your rights to member services if you violate the terms of this Agreement.
10. We may recognize the signature of anyone who signed a Membership Application and Agreement as authorized to transact business on that Account. Any payment made on your Account by us in good faith and in reliance on the terms and conditions of this Agreement and Disclosure and the Membership Application and Agreement shall be valid and discharge us from liability.
11. We reserve the right to require you to give not less than seven (7) and up to sixty (60) days written notice of your intention to withdraw funds from any account except Share Draft Accounts.
12. You understand and agree that Individual, Joint, Trust and Pay-on-Death accounts may be subject to Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
13. Ownership for the Regular Share Account and all sub-accounts shall be established and determined by the most recent Membership Application and Agreement Card or other document(s) evidencing such Account(s). A different form of ownership may be established by executing a new Membership Application and Agreement and a new Account number will be assigned. The word "owner(s)" means the owner of the funds in the case of an individual Account and it means the joint owners (both as an individual and as a group) in the case of a joint or other account with multiple parties.

Owner(s) agree that any and all sums heretofore or hereafter on deposit shall be subject to withdrawal or receipt by any owner and any such payment shall be valid and discharge us from any liability.
14. You are required to keep us informed of your current address. You may notify us in person at our office or by sending a written and signed notice to SAN BERNARDINO SCHOOL EMPLOYEES FEDERAL CREDIT UNION, P. O. Box 2007, San Bernardino, CA 92406. In the event that you fail to do this, a charge may be made to your Account for the actual cost of a necessary locator service paid to a person or concern normally engaged in providing such service and incurred in determining your address. This charge will be imposed in accordance with our Bylaws.
15. All non-cash payments shall be credited subject to final payment on the day of deposit. Your right to withdraw the funds represented by certain checks, savings or other items you deposit may be delayed for several days. You will be notified if your right to withdraw will be delayed. You will refer to the Credit Union's Disclosure of Funds Availability Policy for further details. We are not required to honor any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."
16. All Accounts are subject to our fees and charges as disclosed on our Fees Schedule, which accompanies this Agreement and Disclosure and is incorporated by this reference. We shall debit such charges, including check printing costs, against any Regular Share Account or Share Draft Account or Line of Credit Account you own (including accounts on which you are a joint owner) except your IRA Accounts without prior notice to you. If there are insufficient funds available in your Share Draft Account or Regular Share Account, the funds available under the Line of Credit loan account may be used to pay service charges or fees. The charges are payable on demand and, for Share Draft Accounts, will be treated as an overdraft.
17. You agree that we will not be responsible for any damages you incur in the event you deposit an item with us which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the back of the check caused by you or a prior endorser.
18. California law states that inactive account balances must be turned over to the state after a period of three (3) years if you have not:
 - a. Increased or decreased the amount of any of your Account(s) with us or presented an appropriate record of crediting dividends or cashed a dividend check from any of your Accounts with us; or
 - b. Corresponded in writing or electronically with us concerning any of your Accounts with us; or
 - c. Otherwise indicated an interest in any of your Accounts with us as evidenced by a memorandum on file with us.We may charge a monthly fee for inactive accounts. To recover funds turned over to the state, you must file a claim with the state.
19. We reserve the right to require that withdrawals made from your Accounts be made in minimum amounts as established from time to time by Board policy.
20. We may, but are not obligated to, transfer funds from your Share Account(s) or loan account(s) on your written or oral request. You understand and agree that no transfer will be made unless there are sufficient available funds on deposit or sufficient credit available at the time of transfer. You agree that any such transfer(s) shall be in the exact amount authorized and will be processed only on our "business days." If a transfer is to occur on a day other than a business day, such transfer will occur on the next business day. Moreover, if funds are not available for the transfer on the day authorized, the transfer may occur when sufficient funds become available.
21. Federal law requires us to report certain domestic currency transactions and foreign transactions. This reporting applies to all member accounts at the Credit Union.
22. We agree to retain and furnish to you, if requested, copies of certain records pertaining to your Account and that these records will be available to you for

the time frame required by law. You agree to pay applicable fees as listed on our Fee Schedule for those copies.

23. You authorize us to gather whatever credit, checking account and employment information we consider appropriate from time to time. You understand that this will assist us in determining your initial and ongoing eligibility for an account. You authorize us to give information concerning our experience with you to others.
24. If you are a U.S. citizen, federal law requires that we obtain and have certified by you a Taxpayer Identification Number (TIN) on all Accounts. We will not open an Account without this identification number. For additional information on this requirement, you will read "INSTRUCTIONS FOR REPORTING TAXPAYER IDENTIFICATION NUMBER (IRS FORM W-9)". These instructions are found in a separate brochure which will be furnished upon request.
25. In the event that a negative balance is created in any of your Share Accounts or Share Draft Accounts (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) you understand and agree that we may transfer funds to such Account from any other Share Account, Share Draft Account or Line of Credit Account (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the negative account balance.
26. You must be a member in good standing to maintain any Account.
27. **STATUTORY LIEN:** If you are in default on a financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in your Account(s) or Accounts on which you are a joint owner (except IRA) at the time of default to satisfy that obligation. Once you are in default, we may exercise this right without further notice to you.
28. **REGULATION "D" RESTRICTIONS:** During any month, you may not make more than six withdrawals or transfers from your Savings Account(s) to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction (such as Online Banking, Bill Payment or Member Telephone Services) or by check, draft, debit card, or similar order. If you exceed the transfer limitations set forth above in any calendar month, the excess transfer requests will be refused or reversed, and your account will be subject to closure.

However, you may make an unlimited number of withdrawals from or transfers among your own Savings Account(s) by mail, messenger, or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your Savings Account(s) through the Credit Union's Online Banking, Bill Payment or Member Telephone Services, or by telephoning a Credit Union Representative if you request a check payable to you.

ADDITIONAL TERMS AND CONDITIONS APPLICABLE TO INDIVIDUAL AND JOINT ACCOUNTS

1. If there is more than one owner, all agree with each other and with us that all sums now paid in on shares by any one or all Account owner(s) including all dividends thereon, if any, are and shall be owned by all Account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and shall be subject to withdrawal or receipt by any of the Account owner(s) or the survivor(s) of any of the Account owner(s). Any such payment shall be valid and shall discharge the Credit Union from any liability.
2. We are not obligated to inquire as to the source of funds received for deposit to a joint Account or to inquire as to the proposed use of any sums withdrawn from the Account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of shares.
4. You may pledge any or all of the shares on deposit in a Regular Share Account as collateral security to any loan(s) subject to then current loan policies. Further, a pledge of shares by any one of you will be binding on all of you.
5. Joint ownership of an Account does not constitute Credit Union membership. Joint owners may be nonmembers.
6. A right of survivorship arising from the express terms of a joint account cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO PAY-ON-DEATH (P.O.D.) DESIGNATION

1. If you have made a Pay-On-Death (P.O.D.) Designation, all sums are payable on request by you during your lifetime and upon your death to your designated P.O.D. payee(s) in equal and individual shares or, if the Account is jointly owned to one or more Account owner(s) during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. As between P.O.D. payees, there is no right of survivorship.
2. You may pledge any or all funds on deposit in the account as collateral security to any loan(s) subject to then current loan policies. Further, a pledge of shares by any one of you shall be binding on all of you.
3. A Pay-On-Death Designation cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO ALL TRUST ACCOUNTS (Totten Trust)

1. The trustee(s) declare(s) that the Account is, and any and all sums credited to such Regular Share Account are and shall be, held by you (as joint tenants and equally regardless of your net contributions with right of survivorship if there is more than one trustee) in trust for the Beneficiary(ies) named on the signature card, reserving to you the right (1) to have dividends declared on said Regular Share Account paid to you, and (2) to revoke such trust in whole or in part, at any time or times by executing and delivering to us a request for withdrawal or pledge of shares of the whole or part of such Regular Share Account and such trust shall be revoked as to the whole or part to which such request relates.
2. In the event of your death or, if the Account is held by more than one person, the death of the survivor(s), then and only then, we shall pay such Regular

Share Account amount to the Beneficiary if living (if more than one Beneficiary is designated then equally to those Beneficiaries living at the date of your death or the death of your survivor(s)), but if no Beneficiary is living at your death or the death of your survivor(s), we shall pay such Regular Share Account amount to your estate or the estate(s) of your last survivor. There is no right of survivorship between Beneficiaries.

3. You may pledge any or all funds on deposit in the Account as collateral security to any loan(s) subject to then current loan policies. Further, a pledge of shares by any one of you shall be binding on all of you.
4. A right of survivorship or a beneficiary designation in a Trust Account cannot be changed by will.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS

1. You are duly appointed and acting in the capacity of Executor/ Executrix, Administrator/Administratrix, Guardian or Conservator. By the authority vested in you, you are acting individually or jointly, authorized and empowered to transact business of any character in connection with this Account. Your authority shall continue in force until written notice to the contrary is received by us.
2. If a Share Draft Account is opened with us, you agree that the Account shall be governed by the terms of this Disclosure and Agreement as well as the terms of the Share Draft Account Signature Card and Agreement.
3. If the account is blocked, you understand that you shall file with the court a written document including the agreement with the Credit Union that the money in the Account, including any earnings thereon, shall not be withdrawn except upon court order.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS

1. You affirm that you are the sole proprietor of the sole proprietorship named on the signature card. We may pay out funds with your signature. We may accept and/or endorse checks made payable to you or the sole proprietorship named on the signature card which we receive for deposit.
2. If a Share Draft Account is opened with us, you agree that the Account shall be governed by the terms of this Disclosure and Agreement as well as the terms of the Share Draft Account Signature Card and Agreement.

TERMS AND CONDITIONS APPLICABLE TO CORPORATE, PARTNERSHIP AND UNINCORPORATED ASSOCIATION (CLUB) ACCOUNTS

1. The person(s) named on the signature card are duly authorized to make the certification to certify, that at a regularly held meeting, the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in you by the constitution, bylaws or otherwise, signatories, as named on the signature card, is/are authorized and empowered to transact business of any character whatsoever in connection with the Account. You certify that signature(s) appearing on the signature card are the genuine signature(s) of said authorized person(s); and that your authority shall continue in force until written notice to the contrary is received by us.
2. If a Share Draft Account is opened with us, you agree that the account shall be governed by the terms of this Agreement as well as the terms of the Share Draft Account Signature Card and Agreement.
3. All individuals associated with the Corporation, Partnership, or Unincorporated Association must be eligible to join the Credit Union within their own right.

DISCLOSURE OF FUNDS AVAILABILITY POLICY

Our policy is to make funds from your cash and check deposits available to you not later than the first business day after we receive your deposit. Electronic direct deposits will be available on the effective date of 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, everyday is a business day, except Saturdays, Sundays, and Federal Holidays. If you make a deposit on a business day we are open, we will consider that day to be your first day of deposit. However, if you make a deposit on a day we are not open, we will consider that the deposit was made on the next business day we are open.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after 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. The first \$100 of your deposit, however, may be available on the first business day.

If we are not going to make all the funds from your deposit available on the first business day after your deposit, 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 (for example, at an ATM, or Night Drop), 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.

Deposits at Nonproprietary Automated Teller Machine (ATMs): Funds from any deposits (cash or checks) made at nonproprietary ATMs we do not own or operate may not be available until the fifth business day after the day of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe the collectibility of a check you deposited is doubtful.

- You deposit checks totaling more than \$5,000 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your account three or more times in a six month period.
- 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.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the effective date of 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 your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available no later than the 9th business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available no later than the 11th business day after the day of your deposit.

OTHER METHODS OF HOLDS ON FUNDS

Holds on Other Funds (Check Cashing): If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

Holds on Other Funds (Other Account): If we accept for deposit a check that is drawn on another bank, 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.