

Membership & Account Agreement

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This agreement is the contract of deposit, which covers your and our rights and responsibilities concerning membership and accounts offered to you. In this agreement, the words “you” and “yours” mean those who sign the account application card (“account card”) or approve an electronic application. The words “we,” “us,” and “our” mean Cascade Federal Credit Union (Cascade FCU). The word “account” means any one or more deposit accounts you have with Cascade FCU.

By signing the account card or completing and transmitting an online account authorization or service request 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 Services Agreement, Privacy Policy, and the Truth-in-Savings Disclosures (Rates and Fee Schedule) accompanying this agreement, any account receipt, Cascade FCU'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 A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means to 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 ask to see your driver's license or other identifying documents.

1. Membership Eligibility

To be eligible for membership with Cascade FCU you must be an individual or entity qualifying within Cascade FCU's field of membership, have a valid Social Security number (SSN) or tax identification number (TIN) and must purchase and maintain minimum shares as required by Cascade FCU's bylaws. You authorize us to periodically check your account, credit and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.

2. Account Ownership & Designations

The classification and form of ownership of your accounts are designated on your account card. Unless you waive your rights, you understand that certain account designations, such as joint ownership with right of survivorship or payable on death (POD) beneficiary may be invalidated upon Cascade FCU's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

3. Individual Accounts

An individual account is an account owned by one depositor including any individual, trust, or other fiduciary relationship qualified for Cascade FCU 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 POD beneficiary, if applicable.

4. Joint Accounts

An account owned by two or more persons is a joint account. Any account in which you request joint ownership with another party will be an individual account until Cascade FCU receives an account card signed by you and the joint owner(s), at which time the account will be a jointly owned account and the following joint ownership rights will apply.

- a. *Joint Ownership.* Joint owners are not members unless they are eligible and qualified as members. Any joint owner on a share account is authorized as joint owner on all deposit sub-accounts under that account.
- b. *Rights of Survivorship.* If your account is a joint account, the account is owned as a joint account with rights of survivorship. Upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners.
- c. *Rights of Joint Account Owners.* Any joint account owner is authorized and deemed to act for the other owner(s). Cascade FCU may accept orders and instructions regarding the account and requests for future services from any account owner. Each account owner guarantees the signature of the other owners. The removal of any joint owner of any account will require a joint written order from all owners to Cascade FCU. Any account owner may withdraw all funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the shares of any account, without the consent of the other account owner(s) and Cascade FCU shall have no duty to notify any other joint account owner(s). If Cascade FCU receives written notice of a dispute between account owners or receives inconsistent instructions from them, Cascade FCU may suspend or terminate the account, require a court order to act, or require that all joint account owners agree in writing to any transaction concerning the account.
- d. *Joint Account Owner Liability.* If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to Cascade FCU for the amount of the returned item, overdraft, or unpaid amount and any fees, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to Cascade FCU, the credit union may enforce its rights against any or all funds in joint accounts regardless of who contributed the funds to the joint account.

5. Payable on Death (POD) Beneficiaries

A POD designation is an instruction to Cascade FCU 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 by you. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries with rights of survivorship. Any POD beneficiary designation shall not apply to IRA accounts which shall be governed by a separate beneficiary designation. Cascade FCU 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.

6. Accounts for Minors

For any account established by or for a minor, Cascade FCU reserves the right to require the minor account owner to have a parental joint account owner or custodian who is at least 18 years of age who shall be jointly and severally liable to Cascade FCU for any returned item, overdraft, or unpaid fees or amounts on such account. Cascade FCU may make payments of funds directly to the minor without regard to his or her minority. Cascade FCU 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 account card. Cascade FCU shall not change the account ownership when the minor reaches age 18, unless authorized in writing by all account owners. When the minor reaches age 18, he or she may change account ownership or status by written order.

Under the Uniform Transfer to Minors Act (UTMA), the funds in the UTMA account are owned by the child who has unconditional use when he/she reaches the age of majority. Before that time, the account may be accessed by the custodian (or successor custodian), and the funds must be used for the benefit of the child. We have no duty of agreement whatsoever to monitor or ensure the acts of the custodian are for the child's benefit.

7. 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 Cascade FCU 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 Cascade FCU, 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 Cascade FCU 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 Cascade FCU of any change in the account owner's status affecting the deposit relationship between the account owner and Cascade FCU. 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. Cascade FCU 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 Cascade FCU has actual notice of wrongdoing. The account owner agrees that Cascade FCU shall not be liable for any losses due to the account owner's failure to notify Cascade FCU 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 Cascade FCU harmless of any claim or liability as a result of unauthorized acts of the fiduciary upon which Cascade FCU relies prior to any actual notice of any account change or change of account owner.

8. Deposit Requirements

Funds may be deposited to any account in any manner approved by Cascade FCU in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are non-assignable and non-negotiable to third parties. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute warranties and indemnity. If you do so, you agree to indemnify Cascade FCU for all losses Cascade FCU incurs in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

- a. *Endorsements.* You authorize Cascade FCU, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize Cascade FCU to supply missing endorsements if Cascade FCU chooses to supply such endorsements. Cascade FCU 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 an insurance, government, and certain other checks or drafts require an endorsement as set forth on the back of the check, Cascade FCU may require endorsement as set forth on the check. Endorsements must be placed in the space between the top edge and 1½ inches from the top edge. Cascade FCU may accept drafts or 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 Cascade FCU due to the delay or error.
- b. *Collection of Items.* Cascade FCU shall not be responsible for deposits made by mail or at an unstaffed facility until Cascade FCU actually receives them. In handling items for deposit or collection, Cascade FCU only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. Cascade FCU 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. Cascade FCU reserves the right to send any item for collection. Cascade FCU, 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.

- c. *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, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return fee on your account. After we have received final payment, we refer to these deposits as collected items. If Cascade FCU incurs any fee to collect any item, Cascade FCU may charge such fee to your account. Cascade FCU reserves the right to refuse or to return all or any item or funds transfer. Cascade FCU shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to Cascade FCU unpaid, regardless of whether the amount of the item has been available for your use.
- d. *Direct Deposits.* Cascade FCU may offer direct deposit options allowing you to preauthorize deposits (i.e. payroll checks, Social Security or retirement checks, or other government checks) or transfers from other accounts at Cascade FCU. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify Cascade FCU 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 Cascade FCU to make and apply direct deposits in accordance with your authorization on file with Cascade FCU. If Cascade FCU is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree Cascade FCU may deduct the amount returned from any of your accounts, unless prohibited by law.
- e. *Crediting of Deposits.* Deposits made on Saturdays, Sundays, and Cascade FCU 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 Cascade FCU and are subject to adjustment based on our verification of the items deposited. 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 Cascade FCU for credit to your account or for collection.

9. Account Access

- a. *Authorized Signature.* Cascade FCU 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 open your account electronically and/or do not provide us with a physical signature, you agree that we may, without liability, accept as genuine any signature that appears to be yours. If you have authorized the use of a facsimile signature, Cascade FCU may honor any draft 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.
- b. *Access Options.* You may make withdrawals or transfers from your account in any manner which is permitted by Cascade FCU (i.e. check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, online or mobile banking, or telephone). If Cascade FCU accepts any check that is not drawn on a form provided by Cascade FCU, you will be responsible for any loss incurred by Cascade FCU for handling the check. Cascade FCU may return as unpaid any check that is not drawn in the form provided by Cascade FCU.
- c. *Electronic Check Transactions.*
 - i. *Electronic Checks.* If you authorize a merchant to electronically debit your checking account using the routing number, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed and signed, such authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer (EFT) subject to the terms of your Electronic Services Agreement. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.
 - ii. *Electronic Re-Presented Checks.* If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, 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. Any collection fee you authorize the merchant to debit from your account is an electronic service subject to the terms of your Electronic Services 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 re-credit your account with the amount of the charge. If you wish to stop payment of any electronic represented check, you must follow the procedures contained in this agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree that you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.
- d. *Automated Clearing House (ACH) & Domestic Wire Transfers.* If offered, you may initiate or receive credits or debits to your account via wire transfer or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, Cascade

FCU is not required to notify you at the time the funds are received. Instead, the transfer will be shown in your periodic statement. Cascade FCU may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if Cascade FCU does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to Cascade FCU. If the receiving financial institution does not receive payment for the entry, the receiving institution is entitled to a refund from the receiver in the amount of the credit to the receiver's account, and the originator will not be considered to have paid the amount of the credit entry to the receiver. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account number. Cascade FCU (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. Domestic 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. Under those rules, if you have revoked your authorization for previously authorized ACH transactions, Cascade FCU will not be responsible for the unauthorized ACH debits to your account if you fail to notify us in writing within 15 days after we send, or make available to you, the statement containing that entry. You agree that the authorized transfer to or from your account must comply with all applicable federal and state laws or regulations including Office of Foreign Asset Control (OFAC) regulations.

- e. *Cascade FCU Examination.* Cascade FCU 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 Cascade FCU does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

10. Account Rates & Fees

Cascade FCU's payment of dividends on any account is subject to the account rates, fees, earnings, payment and balance requirements as set forth on the Rate and Fee Schedule. You agree Cascade FCU may impose fees for the deposit account services provided by Cascade FCU. A current Rate and Fee Schedule has been provided to you separately. You agree Cascade FCU may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

11. Withdrawal Restrictions

Cascade FCU 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 fee, set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, Cascade FCU may allow those withdrawals for which there are sufficient available funds. Cascade FCU 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 Cascade FCU to allow the withdrawal), a legal garnishment or attachment is served, the account secures an obligation to Cascade FCU, any required documentation has not been presented, or you fail to repay a Cascade FCU loan on time. You will be advised of the reasons for refusal if such action is taken. Cascade FCU reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks) of not less than seven (7) days and up to sixty (60) days, as required by law, before such withdrawal.

12. Overdrafts

- a. *Your Overdraft Liability.* If on any day the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures and the terms of this agreement. Cascade FCU's determination of an insufficient account balance is made at the time the check or item is presented to us, which may be later than the time you conduct the transaction. Cascade FCU processes checks and items as follows: (i) checks are paid with the lowest items number paid first (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. Cascade FCU has no duty to notify you of a check or item that will overdraw your account. If we pay an item that overdraws your account, you are liable for and agree to pay the overdraft amount and any fees immediately. You will be subject to a charge for the item whether paid or returned as set forth in the Rate and Fee Schedule. Cascade FCU, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. 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. *Savings Overdraft Transfers.* If you qualify, you may enroll for overdraft transfers from your savings account. If you have enough funds in your savings account, you authorize us to automatically transfer funds to cover any overdraft on your checking account. You may choose the specific savings account you want overdraft transfers to come from. There is no overdraft transfer fee from a savings account. You may opt out of the savings overdraft transfer service at any time by notifying us verbally or in writing.
- c. *Visa/Line of Credit Overdraft Transfers.* If you have a Visa account with us and you qualify, you may enroll for overdraft transfers from your Visa account. If you have available credit, you authorize us to automatically transfer funds to cover any overdraft on your checking account. This transfer is considered a cash advance and subject to cash advance fees as set forth on the Rate and Fee Schedule. If you do not have a Visa account and you have a line of credit account with us, we will automatically enroll you for overdraft transfers from your line of credit account. If you have available credit, you authorize us to automatically transfer funds to cover any overdraft on your checking account. There is no cash advance or overdraft transfer fee for this transfer service, but interest will begin to accrue from the date of any advance. You may opt out of the Visa/line of credit overdraft transfer service at any time by notifying us verbally or in writing.

- d. **Overdraft Service.** We offer a discretionary overdraft service (also known as Courtesy Pay) to cover overdrafts on your checking accounts. The overdraft service is offered to all eligible consumer checking account owners, who qualify and remain in good standing with Cascade FCU.
- i. **Discretionary Service.** Cascade FCU offers the overdraft service to eligible consumer checking account owners who qualify. The overdraft service is provided to qualified accounts automatically for checks, ACH and online transactions and you have the option to opt-out of the service at any time. Overdraft service will be provided for debit card transactions only if you request overdraft services by expressly requesting these transactions (“opt-in”). Under the overdraft service, we are not obligated to pay any check or item presented for payment if your account does not contain sufficient funds. We 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 this agreement. This overdraft service is not a line of credit, is not guaranteed, and is independent of any loan arrangement you may have with us. 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 have no obligation to notify you before we pay or return any item.
 - ii. **Overdraft Transactions Covered.** Subject to the opt-in requirement set forth above, 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, debit card transactions, online or other electronic services, ACH debits and other payments or withdrawals authorized by you, account service charges, preauthorized drafts, and any other items that may be posted to your account. If we pay an item, we will pay the item in the order it is presented or received by us, regardless of amount and in accordance with our normal operating procedures for such checks, items or transactions.
 - iii. **Overdraft Limit/Available Balance.** If you qualify, Cascade FCU may pay overdrafts up to a limit determined by your individual account activity. This limit may change daily. We may pay overdrafts up to this overdraft limit provided you continue to qualify for the service. Cascade FCU’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 Point-of-Sale (POS) facilities, through online services or on your periodic statements.
 - iv. **Overdraft Fees.** There is an overdrawn or returned item fee for each overdraft check or item we pay or return, as disclosed on the Rate and Fee Schedule. These fees may be amended as set forth in our Rate and Fee Schedule. While there is no limit to the number of transactions that will be covered, you are limited by the dollar amount of your overdraft limit.
 - 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 within 30 days, 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.** We offer the overdraft service as a service and 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 overdraft service at any time by notifying us verbally or in writing. We may require that any verbal opt-out be confirmed in writing. You understand that by opting out of this service, we 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 returned item fees. You are still responsible to pay any overdraft, even if you have opted out of the service.
 - vii. **Cascade FCU Contact.** For any questions or to exercise your opt-out right from the overdraft service, contact Cascade FCU at 800.562.2853 or write to Cascade Federal Credit Union, 18020 80th Ave S, Kent, WA 98032.

13. Postdated & Stale-Dated Checks

You authorize us to accept and pay any check, even if the check is presented for payment before its date, unless you notify Cascade FCU of the postdating. Your notice will be effective only if Cascade FCU receives the notice in time for Cascade FCU 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 Cascade FCU’s computer to identify the check. If you give Cascade FCU an incorrect, incomplete, or untimely notice, Cascade FCU will not be responsible for paying the item before the date stated and Cascade FCU may charge your account as of the date Cascade FCU pays the item. You may make an oral notice which will lapse within fourteen (14) days unless continued in writing, within that time. You also agree not to deposit checks, drafts, or other items before they are properly payable. Cascade FCU is under no obligation to you to pay a check drawn on your account which is presented more than six (6) months after its date.

14. Stop Payment Orders

- a. **Stop Payment Request.** You may ask Cascade FCU to stop payment on any check drawn upon or ACH debit scheduled from your checking account. You may request a stop payment by telephone, mail, online or mobile banking or in person. For checks, the stop payment will be effective if Cascade FCU receives the order in time for Cascade FCU to act upon the order. For ACH debits, the stop payment order must be received at least three banking days before the scheduled date of the transfer. You must state the number of the account, date and the exact amount of the check or ACH and the number of the check or originator of the ACH debit. The stop payment will be effective if Cascade FCU receives the order in time for

Cascade FCU to act upon the order and you state the number of the account, date and number of the item, its exact amount, and to whom it was issued. If you give Cascade FCU incorrect or incomplete information, Cascade FCU will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for Cascade FCU to act upon the order, Cascade FCU 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 Cascade FCU, and to assist Cascade FCU in legal action taken against the person.

- b. *Duration of Order.* You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order on a check or an ACH transaction will continue until the entry is returned or until you cancel the stop payment order.
- c. *Liability.* Cascade FCU may charge a fee for each stop payment order requested, as set forth in 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 Cascade FCU. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including Cascade FCU, who is a holder of the item despite the stop payment order. You agree to indemnify and hold Cascade FCU harmless from all costs, including attorney fees, damages or claims related to Cascade FCU'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.

15. Cascade FCU's Liability for Errors

If Cascade FCU does not properly complete a transaction according to this agreement, Cascade FCU may be liable for your losses or damages but not to exceed the amount of the transaction, except as otherwise provided by law. Cascade FCU will not be liable if: (a) through no fault of Cascade FCU, your account does not contain enough money to make the transaction, (b) circumstances beyond Cascade FCU's control prevents the transaction, (c) your loss is caused by your negligence including your failure to examine your statements, (d) the negligence of another financial institution, or (e) the funds in your account is subject to legal process or other claim. Cascade FCU will not be liable for consequential damages except liability for wrongful dishonor. Cascade FCU's actions will constitute the exercise of ordinary care if such actions or nonactions 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 Cascade FCU. You grant Cascade FCU 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 Cascade FCU employees and any written form will be resolved by reference to this agreement and applicable written form.

16. Cascade FCU Lien & Security Interest

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

17. Legal Process

If any legal action, such as a levy, garnishment, or attachment, is brought against your account, Cascade FCU may refuse to pay out any money from your account until the dispute is resolved. If Cascade FCU 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 Cascade FCU's lien and security interest.

18. Account Information

Upon your request, Cascade FCU will inform you of the name and address of each credit reporting agency from which Cascade FCU obtains a credit report in connection with your account. Cascade FCU agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (a) it is necessary to complete the transaction; (b) the third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (c) such disclosure is in compliance with the law, government agencies or court orders; or (d) you give us your express permission.

19. Notices

- a. *Name or Address Changes.* It is your responsibility to notify Cascade FCU upon a change of address or change of name. Cascade FCU is only required to attempt to communicate with you at the most recent address you have provided to Cascade FCU. Cascade FCU will accept notices of a change in address and any other notice from you to Cascade FCU only if provided in writing, in person, through online or mobile banking, or secure messaging. If Cascade FCU attempts to locate you, Cascade FCU may impose a service fee as set forth in 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. Cascade FCU will notify you of any changes in account terms, rates, or fees as required by law. Cascade FCU reserves the right to require written consent of all account owners for a change of ownership, such as adding or deleting a joint owner. Only a member may remove another joint owner from the account. Cascade FCU reserves the right to waive any term in this agreement. Any such waiver shall not affect Cascade FCU's right to enforce any right in the future.

- c. *Effect of Notice.* Any written notice you give to Cascade FCU is effective when it is actually received by Cascade FCU. Cascade FCU reserves the right to accept oral instructions, and you agree to hold Cascade FCU harmless from any liability as a result of such instructions. Any written notice Cascade FCU 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. *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.
- f. *Balance Information.* We will not notify you by mail if you have any overdraft transactions. However, we have online tools that can help by notifying you when your account is reaching low balances. You can set them up in your online banking account.

20. Taxpayer Identification Numbers (TIN) & Backup Withholding

If your account is or becomes subject to backup withholding, Cascade FCU 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 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, Cascade FCU may delay the opening of your account.

21. Statements

- a. *Contents.* If Cascade FCU 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 (or any substitute check) becomes property of Cascade FCU and may not be returned to you. You agree to keep a copy or carbon copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically. You understand your 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 and reporting any irregularities to Cascade FCU. Cascade FCU will not be responsible for any forged, altered, or unauthorized check or item drawn on your account if (i) you fail to notify Cascade FCU within 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 (ii) any items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine. For electronic services, you have separate requirements for examining your statements and notifying us of statement errors or unauthorized electronic funds transactions as set forth in the Electronic Services Agreement.
- c. *Notice to Cascade FCU.* You agree that Cascade FCU's retention of checks does not alter or waive your responsibility to examine your statements and check copies, or the time limit for notifying Cascade FCU of any errors. The statement will be considered correct for all purposes and Cascade FCU will not be liable for any payment made or charged to your account unless you notify Cascade FCU in writing within the above time limit after the statement and checks are made available to you.
- d. *Electronic Statements (eStatements).* If you have elected to receive your statement electronically, your statement will be available through online and mobile banking to access, review, print, and otherwise copy or download on the fifth of each month for the previous month's statement as disclosed in your online statement agreement.

22. Inactive & Abandoned Accounts

If you have an account that you have not made a withdrawal from, deposit to, renewal of, or transfer involving your account for more than twelve (12) months, Cascade FCU may classify your account as inactive and may charge an inactive account service fee as allowed by applicable law and set forth on the Rate and Fee Schedule. If your account is classified as inactive and Cascade FCU has been unable to contact you by regular mail during this period, Cascade FCU may classify your account as dormant and may charge a dormant account service fee as allowed by law and set forth on the Rate and Fee Schedule. Thereafter, dividends or interest will not be paid on the account if the balance falls below any minimum balance requirement. You authorize us to transfer funds from any available account of yours to cover the monthly maintenance fee, if necessary. If a deposit or withdrawal has not been made on the account, you have not otherwise indicated an interest in the account, or Cascade FCU has had no other contact with you within three (3) years as required by the Uniform Unclaimed Property Act, the account will 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, Cascade FCU has no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

23. Death of Account Owner

For members who are Washington residents, you irrevocably waive the right to make a testamentary disposition of any account with Cascade FCU, now and in the future. You agree that upon your death, your account will be payable in accordance with any existing account designations and the terms of this agreement. Cascade FCU may require the survivor or other claimant to the account to produce certain documents before releasing the funds in the account. Cascade FCU may continue to honor all transfers, withdrawals,

deposits and other transactions on the account until Cascade FCU learns of an account owner's death. Once Cascade FCU learns of a member's death, Cascade FCU may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of 10 days unless Cascade FCU receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree that Cascade FCU can require that anyone who claims funds in your account after your death to indemnify Cascade FCU for any losses resulting from honoring that claim.

24. Termination of Account

Cascade FCU 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: (a) there is a change in owners or authorized signers, (b) there has been a forgery or fraud reported or committed involving your account, (c) there is a dispute as to the ownership of the funds in the account, (d) any account checks are lost or stolen, (e) if there are excessive returned unpaid items not covered by an overdraft plan, or (f) if there has been any misrepresentation or any other abuse of any of your accounts, (g) we reasonably deem it necessary to prevent a loss to us, or (h) if you engage in any activity of betting or wagering or are otherwise engaged in any internet gambling business, or any owner or authorized user causes Cascade FCU to suffer a loss. You may terminate your account at any time by notifying Cascade FCU by oral direction or in writing. Cascade FCU is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if Cascade FCU pays a check after termination, you agree to reimburse Cascade FCU for payment.

25. Termination of Membership

You may terminate your membership at Cascade FCU after giving written notice of your intent to withdraw. You may be expelled if there has been any misrepresentation or any other abuse on any of your other accounts or if you fail to comply with Cascade FCU policies, procedures, or bylaws, conduct yourself in a threatening or abusive manner to Cascade FCU personnel, or willfully damage Cascade FCU property. You may be denied service or expelled from membership for any reason allowed by applicable law, including causing a loss to Cascade FCU or violating any terms of membership. If you are expelled, you may not be a joint account owner on another account.

26. Special Account Instructions

You may request Cascade FCU to facilitate certain trust, will, or court-ordered account arrangements. However, because Cascade FCU 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 Cascade FCU harmless from any claim or liability asserted against Cascade FCU as a result of the disposition of funds in reliance on this agreement and any account designation of yours. If you ask Cascade FCU to follow instructions that Cascade FCU believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, Cascade FCU may refuse to follow your instructions or may require you to post a bond or otherwise indemnify Cascade FCU. Any item presented with a full payment legend must be presented in person to a Cascade FCU officer; otherwise, payment is accepted with full reservation of rights. Account changes requested by you must be evidenced by a signed account card and be accepted by Cascade FCU. Cascade FCU will not recognize the authority of someone to whom you have given power of attorney without an acceptable, written power of attorney on record at Cascade FCU. You understand and agree that Cascade FCU may choose to retain electronic or imaged copies of any original documents and you agree that an electronic or image copy is as valid as an original document.

27. Enforcement

You agree to be liable to Cascade FCU for any liability, loss, or expense as provided in this agreement that Cascade FCU incurs as a result of any dispute involving your accounts or services. You authorize Cascade FCU 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, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

28. Governing Law

This agreement is governed by the bylaws of Cascade FCU, federal laws and regulations, the laws and regulations of the State of Washington and the state in which you reside, as applicable, and local clearinghouse rules, as amended from time to time. Any disputes regarding this agreement shall be subject to the jurisdiction of the courts in the county where Cascade FCU is located or the county in which the member resides if required by law. 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.