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Contract Terms and Disclosures

1. This is a Contract between You and Your Credit Union

a. Contract for Accounts and Services.

You understand that Parts 1 and 2 create a legally binding Business Deposit Account Contract ("Contract") that governs your business or organization accounts and services with our Credit Union. This Part 2 explains the specific Contract terms, disclosures, responsibilities and liabilities of membership, account ownership and related services for your accounts with us. By applying for membership, opening an account, initiating a service and signing or otherwise validating Part 1 of this Contract (the account form) and/or through the receipt and/or electronic availability of your periodic statement, you and all authorized persons (which includes representatives, signers and information users) signing on your behalf are agreeing to the terms, responsibilities and accompanying liabilities of this Contract which includes our Funds Availability disclosures, Electronic Fund Transfer disclosures, Privacy Policy and Rate and Fee disclosures. You promise that all the information provided by you to us in Part 1 of this Contract is complete and true, and that your Part 1 has been completed according to your instructions, as confirmed by your signature on or validation of Part 1 of this Contract through your use of an account or a service, and/or your receipt and/or electronic availability of your periodic statement. You understand that we may rely exclusively on the terms of Parts 1 and 2 of your and our Contract, and further agree that we have no obligation to rely on any other documents, unless otherwise required. In addition to providing you with excellent service, accounts and services it is the essential purpose of this Contract to fairly apportion the advantages, responsibilities and liabilities of membership, account ownership and services used by each member between that member and the Credit Union. This enables us to provide the best products and services possible, in the most cost effective manner, for the benefit of all members of our Credit Union.

b. Questions? Please Ask Us.

Please read and keep this Contract so that you can refer to it anytime you have a question about your membership, an account or a service. You understand and acknowledge that you may contact us anytime we are open for business to obtain additional copies of this Contract (and Part 1 (the account form) specifically), and that you can also access Part 2 of this Contract and all our disclosures anytime on our website at www.hccu.info. As an owner of this Credit Union it is particularly important that you read and follow the terms of this Contract so that we can meet your account and account related service needs, and in order for you to carry out your responsibilities and avoid any losses or liability. You further understand that this Contract is written in English, and that it is your responsibility to get help from us and persons of your own choosing (such as family, friends, employers, professional advisors, etc.) should you have any language difficulties in reading and understanding this Contract. Should you have questions or need an explanation about any matter addressed in this Contract (Parts 1 and 2), please contact us at 808-536-3677 during business hours and we will be happy to answer your questions.

c. Important Definitions for Your and Our Contract.

In this Contract the words "we," "our," and "us" mean the Credit Union, and the words "you" and "your" mean you the business or organization account owner(s) ("member" or "owner"). "You" and "your" also apply to any authorized person, which includes representatives, signers and information users appointed by you or acting on your behalf according to this Contract.

The word "account" means one of three types of accounts that you can own and/or can access at our Credit Union: a savings (share) account, checking (share draft) account or certificate (share certificate) account. Though there are a number of titles (names) for your accounts with us, all your accounts will be one of these three account types. A savings (or share) account pays dividends, and is subject to limits on certain types of transactions on the account (as further explained in the Rate and Fee disclosures). A checking (or share draft) account may or may not pay dividends, and most transactions are conducted by check, debit card, ATM card or by phone or online. A certificate (or share certificate) account pays the highest dividends for keeping the funds in the account for a set period of time (a certain number of months), subject to a penalty if withdrawn before that set time period. All accounts that you have with us will be one of these three account types (i.e., will be a savings (share), checking (share draft) or certificate (share certificate) account).

The words "add", "adding", "additions" or "additional" mean that the account owner or a representative has added a new account and/or service with us under an existing account number by any means we allow (e.g., in person, by mail, phone or online) according to this Contract. When you request us to add an account and/or service, you understand that we may use and require you to sign a Part 1 account form (or other form we use) to add the account and/or service, and that we may note the added account and/or service on the Part 1 account form by the word "Added" on the form.

The words "affiliated person" or "affiliated organization" means any person or organization employed by or associated with us who we request to assist us in any way with the business and affairs of the Credit Union.

The word "authorized person" is a person designated by the owner as a representative, signer and/or an information user appointed by you or acting on your behalf according to this Contract, who has signed the Business Deposit Account Contract Part 1 (or other form we use).

The word "Business" means a corporation, limited liability company, partnership, unincorporated association, sole proprietorship or similar organization, group or entity, whether profit or nonprofit that is eligible for membership at the Credit Union. The word business includes organizations as defined in this Contract.

The word "change" means to revise any information concerning an account or service, any change to a representative, signer or information user concerning an account or service, or termination of a service with us according to this Contract. Any representative acting alone may make any change to an account or service which includes adding or removing a representative to or from an account or service. When you request us, or we require you, to make a change to an account or a service, or terminate a service, you understand that we may use and require you to sign an updated (revised) Part 1 account form (or other form we use), on which we may note the change and include the word "Revised" on the updated Part 1 account form.

The word "close" used in connection with an account means to terminate an account (and likely terminate the related service(s)) with us according to this Contract. Any representative acting alone may close an account (and likely terminate any related service). When you request us, or we require you, to close an account (and likely terminate the related service(s)) you understand that we may use and require you to sign a Part 1 account form (or other form we use), on which we may note the closed account or terminated service and include the word "Closed" on the Part 1 account form.

The word "fiduciary" generally means any relationship where one person has a responsibility to act for the benefit of another person, business or organization.

The word "information user" means a person who only has the right to access information about an account and the services related to that account, but has no ownership rights in the account or to the funds held in the account, and cannot conduct transactions on or initiate, change, add, close or terminate an account or service.

The words "online", "through the internet", "available to you electronically", "electronic availability" and "electronic notice" mean your ability to access account and service information either at our website or through an internet-based product or service we provide and to which you have agreed (e.g., secure online account and service access solutions).

The word "organization" means a group, association or other private or government entity that is represented by people whether recognized under the law or not.

The word "original" on your Part 1 account form means that you have opened an account and/or initiated a service with us according to this Contract. When you request us to open an account or initiate a service you understand that we may use and require you to sign a Part 1 account form (or other form we use), on which we may note the new account or service and include the word "Original" on the new Part 1 account form.

The word "Part 1" means our Business Deposit Account Contract Part 1 (BDAC Part 1) account form, which creates the complete deposit account contract with our Business Deposit Account Contract Part 2 (BDAC Part 2). The word "Part 1" also refers to any other signature card, account card or other form that we use or provide and that you signed or otherwise authenticated in order to specify the authorized persons on your account(s).

The word "Part 2" means our Business Deposit Account Contract Part 2 (BDAC Part 2 (this document)) that creates the complete deposit account contract with our Business Deposit Account Contract Part 1 (BDAC Part 1) account form (or other form we use). The BDAC Part 2 includes our Funds Availability disclosures, Electronic Fund Transfer disclosures, Rate and Fee disclosures, Privacy Policy, our Bylaws and policies, and any changes that we make to them from time to time, and along with the BDAC Part 1 account form (or other form we use) creates the complete deposit account contract.

The terms "people" or "person" mean human beings.

The word "Provision" refers to the thirty (30) provisions of our Business Deposit Account Contract Part 2 (BDAC Part 2 (this document)), which can be located by page number in the table of contents at the beginning of the BDAC Part 2.

The word "representative" means a person who can conduct transactions on an account, and can initiate, change, add, close or terminate an account or service according to this Contract.

The word "Section" refers to the nine (9) sections of the Business Deposit Account Contract Part 1 (BDAC Part 1) account form. The identifying number for each section on the BDAC Part 1 can be located at the far right side of each section of the Part 1 account form.

The word "signer" means a person who only has the right to conduct transactions on an account, but cannot initiate, change, add, close or terminate an account or service.

The word "transaction" means 1) any action, instruction, order or request that would increase or decrease the balance in an account, or would impose a lien or security interest on funds in the account, and 2) any other request for use of any service or information in connection with the account. The word "transaction" does not include adding an account or service, changing any information or an owner, agent, information user, beneficiary/POD payee, trustee or successor trustee on an account or service, or closing or terminating an account or service. You may conduct a transaction by any means that we allow, such as in person, by phone, at an Automated Teller Machine (ATM), our services that can be accessed online, or by debit card, ATM card, credit card or mail.

d. Right to Rely on this Contract.

You acknowledge the receipt of and agree to the terms, responsibilities and liabilities of this Contract given to you in person, downloaded from our website, and/or mailed or e-mailed to you at the address in Part 1, if provided. As explained to you in Provi-

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sion 1. a., this Contract includes the Funds Availability disclosures, Electronic Fund Transfer disclosures, Rate and Fee disclosures, Privacy Policy, our Bylaws and policies, and any changes that we make to them from time to time. To reduce costs for all members, you agree that we may optically scan, image, film or electronically capture (as technology allows) the image of your original Part 1 and revised Part 1s as applicable (and all related forms and documents that pertain to your account(s) and services), and agree that the electronic copy of Part 1 is (and all related forms and documents are) binding on you and us. You may request a copy of your Part 1(s) (or other form we use) and any related form(s) and document(s) anytime we are open for business. You further understand that you may initiate, change, add, close or terminate your accounts, services or membership with us at any time according to terms of this Contract.

For all transactions on an account or use of a service, and for any initiation, change, addition, closure or termination of an account and/or service, you agree that we may rely exclusively on the terms of Parts 1 and 2 of this Contract, our Bylaws, and any changes we make to these documents from time to time. Further, you understand that any changes you make to your existing account(s) and services and any additional accounts or services that you request will also be governed by Parts 1 and 2 of this Contract, our Bylaws and policies, and any changes we make to them from time to time.

When you open a share account under an account number assigned to you by us, the representatives (signers and/or information users, if any) on your share account apply to all your other accounts opened (added) under that account number (see Provisions 4 and 5 regarding authorized persons on your account(s)). If you would like to open and own one or more accounts with different representatives (signers and/or information users if any) than your share account, please tell us and we will assist you in obtaining an additional account number for the account(s), which may be opened on a new Part 1 account form (or other form we use).

Upon your request, when we allow you to open an account without completing a Part 1 account form (or other form that we use), you agree that the ownership and/or survivorship features of the account are governed by the ownership and/or survivorship features of your share account (see Provision 4,. regarding account ownership and survivorship features). You understand that you may reconfirm, and/or obtain a Part 1 account form that substantiates, the ownership and/or survivorship features of the account by contacting us anytime we are open for business.

e. Part 1 Controls Who Can Access, Change, Add & Close Accounts.

Depending on the accounts and related services that you have selected, we may provide you with periodic statements and maturity notices that contain account information. Further, you may call us with questions about your account(s) and services, or be able to access information about your account(s) and services online. You understand that statements, notices, online access and questions based on our data-processing system may not include all the information about your account(s), and do not control the authorized persons who can access, change, add and/or close your account(s). You understand and acknowledge that only your most recently signed and dated Part 1 account form (or other form we use) in addition to previously signed and dated Part 1 account form(s) as applicable, controls the number of representatives (signers and/or information users if any) on your account(s). Further, you agree that we may rely exclusively on your most recently signed and dated Part 1 account form (or other form we use) in addition to previously signed and dated Part 1 account form(s) as applicable, to determine the authorized persons who may access, change, add and/or close your account(s). To confirm the authorized persons who specifically can access, change, add and close any account with us, please request us to refer to and provide you with a copy of your most recently signed and dated Part 1 account form (or other form we use) (in addition to previously signed and dated Part 1 account form(s) as applicable) for that account.

In order to reduce costs and expenses for all members of our Credit Union, you agree that if you have updated a fully completed and signed Part 1 that does not require us to refer to prior copies of our Part 1 (or other form that we use) for contract or compliance purposes, we may permanently destroy [i.e. shred and recycle] any prior Part 1s and/or related documents.

f. How Accounts are Titled.

Accounts are generally titled so that the name used on the account matches the Social Security Number or Employer Identification Number you have provided for the account in order to satisfy legal and data processing requirements. Upon your request, we can include a full description, explanation or any legal title you need in Part 1 of the Contract to explain the purpose of the account and/or the ownership of the funds held in the account.

2. Organization of Your & Our Agreement

In Part 1 of your and our Contract (the account form), you have provided us with your information to apply for membership, selected the representative(s) (signer(s) and/or information user(s) if any) for your account(s) and selected services. On Part 1 you have also certified that the name, Social Security Number (SSN) or Employer Identification Number (EIN) and address that you have provided are correct (or that you are exempt or the number is unnecessary), that you are a U.S. citizen or U.S. person, and whether or not you are subject to backup withholding. To fulfill your account and service requests, we use the Part 1 account form (or other form we use) to open, initiate, change (revise), add, close or terminate accounts and/or services, and may require you to sign a Part 1 account form for any of your account and/or service requests.

This Part 2 of this Contract sets forth the specific terms, responsibilities and liabilities of membership, account ownership and related services with us. It is organized chronologically, starting with important terms and definitions that you should know about this Contract, followed by membership, creation or initiation of accounts and related services, account and service maintenance and change issues, and finally addresses a number of account and service closure and termination issues. Part 2 concludes with four (4) important disclosures that also affect your account and services: the Funds Availability disclosures, Electronic Fund Transfer disclosures, Privacy Policy and Rate and Fee disclosures. Again, should you have questions or need an explanation about any matter addressed in this Contract (Parts 1 and 2) please contact us at 808-536-3677 during business hours and we will be happy to answer your questions.

3. Membership in the Credit Union

a. Requirements of Membership.

To become a member of our Credit Union, you (as a person or business or organization) must be in our field of membership as described in our Bylaws or Charter and open and maintain at least one share account with the minimum required membership or savings amount, as described in the Bylaws (or otherwise required). If you are an owner, partner, principal, shareholder, or member of a business or organization, that business or organization may join as a member of the Credit Union and have its own accounts if it is principally comprised of people who are eligible for membership with us. Before opening the account, we may require any authorized person to provide proof that 1) the business or organization is lawfully formed (e.g., by production of Articles of Incorporation, Operating or Partnership Agreement, registration with the Secretary of State, business license, tax returns and client references from the last three years, etc.), 2) the business or organization wants to join the Credit Union, open accounts and initiate services, and 3) to establish both his or her authority to act as an authorized person for the account or service for the business or organization (e.g., notarized board resolution, partnership letter, business license and driver's license, etc.) and his or her identity as an authorized person.

b. Identification, Tax Identification Number & Backup Withholding.

To join our Credit Union, open, own, be on an account and apply for or use a service, in addition to providing us with your current name, street (or physical) address (and if different, your mailing address) and phone number, we will require you to provide us with current government issued picture identification and a Social Security Number (SSN) or Employer Identification Number (EIN) (generically referred to as Taxpayer Identification Numbers or TINs). We will further require you to certify (confirm) for Internal Revenue Service (IRS) reporting purposes that the SSN or EIN matches the name and address and indicate whether you are currently subject to backup withholding, and whether you are a U.S. citizen or U.S. person. To provide you with excellent service and for your and our protection, you agree that we may retain a copy or electronic image of your current government issued picture identification for identity verification for any and all transactions or matters related to your account or services. If the IRS indicates that there is a problem with the name and number provided by you for the account on Part 1 of this Contract or otherwise notifies us, your account may become subject to backup withholding, which will require us to withhold and pay a portion of the dividends, interest or other payments to the IRS.

c. Authorization to Obtain Information.

You agree that we may check financial information about you and any authorized person to evaluate account, employment and credit history, which includes obtaining reports from third parties and credit reporting agencies, to confirm your and any authorized person's eligibility for membership, accounts and services we may offer.

d. Denial of Membership.

You understand that we may deny membership to anyone based on any non-prohibited discriminatory reason or basis, such as but not limited to: 1) having caused us a loss, 2) abuse of our employees, volunteers, members or any affiliated person or organization, 3) having not repaid a loss, 4) lack of acceptable identification, 5) previous expulsion, 6) information we obtain about you from your account, employment and credit history, or 7) for your failure to comply with any of your responsibilities under this Contract.

4. Accounts of Businesses & Organizations

By signing Part 1 of this Contract and/or through the use of an account or service or receipt or electronic availability of a periodic statement, you have acknowledged and informed us of the authorized persons who can act on behalf of the business or organization on its accounts and related services (again referred to as representatives, signers and/or information users). You agree to notify us in writing of any change in authority of any authorized person. We may rely on the written authorization in Part 1 until you tell us in writing of any changes and we have had a reasonable time to act on the written notice. By signing Part 1 of this Contract, you certify that the business or organization does not engage in internet gambling business, and will notify the Credit Union before engaging in any internet gambling business in the future.

5. Certificate of Authority

The business or organization and each corporate, business or organizational officer, partner, director, member, employee, manager, volunteer or fiduciary, as applicable, who signs Part 1 of this Contract warrants that the business or organization has been duly formed and currently exists and certifies the following:

a. Authorized Persons.

The authorized person(s) named on Part 1 of this Contract is/are authorized to act on your behalf on your account and services based upon the designated authority and Certificate of Authority as stated below.

i. Representatives. Representatives are vested with full authority to conduct transactions and open, initiate, use, add, close and terminate accounts and services on behalf of the business or organization. The owner and representative(s) understands

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that any representative acting alone may conduct transactions, add and remove representatives, signers and information users, and open, initiate, use, add, close and terminate accounts and services for the business or organization, and that his or her signature on Part 1 of this Contract confirms his or her agreement to any later initiation, change, addition, closure or termination of an account or service by any other representative on the account. The owner and all representatives agree that we have no duty to notify the owner or representatives of the account of any transaction, initiation, change, addition, closure or termination of an account or service by any representative acting alone. If you request us to place a representative on an account who has not signed the Part 1 account form (or other form we use), you agree that person is a representative of the account who may conduct transactions, initiate, change, add, close or terminate accounts and services according to this Contract. The representative's authority to conduct transactions and open, initiate, use, add, close and terminate accounts and services will continue until we receive written notice that you have terminated the representative's authority and have a reasonable opportunity to act on that notice. If you wish to terminate a representative's authority on the account, you must notify us and change Part 1 of this Contract, or close the account. We have no duty to prevent a representative from conducting transactions, opening, initiating, adding, closing and terminating accounts and services until you have made this change or closed the account.

ii. Designation of Signers. The owner and/or a representative may designate a person or persons to be a signer on the account who will be authorized to conduct transactions on the account. We will require you and your signer(s) to provide information about the signer(s) and will also require each signer to sign Part 1 of this Contract (the account form). A signer only has the right to conduct transactions on the account, and cannot initiate, change, add, close or terminate an account or service. If you want to add a person to your account who can initiate, change, add, close and/or terminate an account or service, you may add the person as a representative on the account. If you request us to place a signer on an account who has not signed the Part 1 account form (or other form we use), you agree that person is a signer on the account who may conduct transactions according to this Contract. Once you have designated a signer on your account, it is your sole responsibility and not our responsibility to monitor a signer's transactions on the account, and you agree that we have no duty or responsibility to monitor, inquire about or notify you of the use and purpose of any transaction conducted by your signer on the account, or assure that any transaction is for your benefit. The signer's authority to conduct transactions will continue until we receive written notice that you have terminated the signer's authority and have a reasonable opportunity to act on that notice. The owner and any representative may remove a signer from an account, though if you wish to terminate a signer's authority to conduct transactions on the account, you must notify us in writing and change Part 1 of this Contract, or close the account. We have no duty to prevent a signer from conducting transactions on the account until you have made this change or closed the account.

iii. Designation of Information Users. The owner and/or a representative may designate a person or persons to be an information user on the account who will be authorized to request, receive and examine all information about the account and the services related to that account. We will require you and your information user(s) to provide information about the information user(s) and will also require each information user to sign Part 1 of this Contract (the account form). An information user only has the right to request, receive and examine information about the account and the services related to that account, and cannot conduct transactions (other than accessing information), initiate, change, add, close or terminate the account or services. If you request us to place an information user on an account who has not signed the Part 1 account form (or other form we use), you agree that person is an information user on the account who may access information about the account and the services related to that account according to this Contract. Once you have designated an information user on your account, it is your sole responsibility and not our responsibility to monitor an information user's access to and use of account and service information, and you agree that we have no duty or responsibility to monitor, inquire about or notify you of the access to or use of account and service information by your information user on the account, or assure that the access or use of that information is for your benefit. The information user's authority to access and use account and service information will continue until we receive written notice that you have terminated the information user's authority. The owner and any representative may remove an information user from an account, though if you wish to terminate an information user's authority to access and use account and service information, you must notify us in writing and change Part 1 of this Contract or close the account. We have no duty to prevent an information user from accessing or using the account and service information until you have made this change or closed the account.

b. Certificate of Authority.

Each authorized person named on Part 1 of this Contract certifies and agrees that the business's or organization's accounts and services will be governed by the terms stated in this Contract (Part 1 & 2), as amended from time to time. You direct us to accept and pay without further inquiry any check, draft or item, bearing the signature of a representative or a signer, drawn against any of your accounts. Any one representative or signer is expressly authorized to endorse all checks, drafts or items payable to or owned by the business or organization for deposit with or collection by us and to perform any other transaction permitted under this Contract. The authority given to the authorized persons named on Part 1 of this Contract will remain in full force until written notice of revocation is delivered to and received by us. Any such notice will not affect any checks, drafts or items in process at the time notice is given. A representative will notify us of any change in the business's or organization's composition, assumed business names, or any aspect of the business or organization affecting the Business Deposit Account Contract relationship between you and us before any such change occurs. We have no duty to inquire about the powers and duties of any authorized person and have no notice of any breach of fiduciary duties by any authorized person unless we have actual notice of wrongdoing.

c. Liability.

You agree that we will not be liable for any losses due to your or your representative's failure to notify us of such changes in the business's or organization's composition, assumed business names, or any aspect of the business or organization that affects this Contract. You and each authorized person signing Part 1 of this Contract agree to indemnify and defend us against and hold us harmless from any loss, damage, claim or liability as a result of unauthorized acts of any authorized person or former authorized person or acts of any authorized person upon which we rely before notice of any account change or change of the business or organization

6. Account Access & Transactions

a. Authorized Signatures.

You understand that the signature that you provide to us on Part 1 of this Contract is essential to us in identifying you and allowing you to access and/or conduct authorized transactions on the account and/or use an account related service. You agree we may require you to provide us with your current government issued picture identification and signature prior to being able to access and/or conduct authorized transactions on the account and/or use an account related service. Any person who signs Part 1 of this Contract as a representative or a signer may conduct transactions on the account or use the services provided with the account.

If you authorize the use of any stamp, thumbprint, code or facsimile signature device, you agree that we may pay or honor any check, draft, order or item, or conduct any transaction, that contains what appears to be your authorized stamp, thumbprint, code or facsimile signature, even if the stamp, thumbprint, code or signature is not authorized. If more than one signature or endorsement is required on a check, draft, order or item drawn on or deposited to your account, you agree that we may pay or accept that check, draft, order or item regardless of the number of signatures on it if the check, draft, order or item is issued or deposited by a representative or a signer under this Contract, or otherwise authorized to issue or deposit checks, drafts, orders or items drawn on or deposited to your account. If we allow you to use or place a two or more signature requirement on your checks (or any other matter pertaining to your account(s), service(s) or transaction(s)) for your own internal control purposes with representatives, signers, employees, family members, friends or other persons you authorize to access your account or services (under this Contract or otherwise), you agree that it is your responsibility to manage your internal control affairs with all persons you authorize and that we may pay a check (or honor any request pertaining to your account(s), service(s) or transaction(s)) with only one authorized signature or by any person authorized by you under this Contract. You understand that we have only allowed you to use or place a two or more signature requirement with respect to your checks (or any other matter pertaining to your account(s), service(s) or transaction(s)) because you are in the best position to address your own internal control affairs with the persons you have authorized, and because you have agreed to take responsibility for and address the matter to recover any loss that occurs from a breach of this requirement. If you provide your account information, password, code or Personal Identification Number (PIN) to any person or organization to conduct transactions, you agree that you authorize those transactions and further understand that until you provide us with notice revoking your authorization, all transactions conducted by that person or organization are authorized and genuine, even if they are not conducted for your benefit or according to your instructions. You understand that when you remove a representative or signer it is your responsibility to change (or request our help in changing) any password, code, PIN or other security identifying number for all your accounts and services to prevent a removed representative or signer from accessing an account or service or conducting a transaction. You agree that until you make such change (or request our help in making such a change) all access to an account or service or transactions conducted by that person with the password, code, PIN or other security identifying number is/ are authorized. You agree that we may disregard all information on a check including notes and legends except for your signature, the amount of the check and the information contained in the Magnetic Ink Character Recognition (MICR) line at the bottom of the check, which contains your account number, amount of check and check number.

b. Transaction Options & Required Forms.

You may conduct transactions on your account by any means we permit, including in person, by check or debit card, telephone, automated teller machines (ATMs), the mail, automatic transfer or our services that can be accessed online. If we require you to use a specific form to conduct and/or complete a transaction and you do not use that form, for both your and our protection you understand that we may refuse to honor, perform or complete the transaction. Whether a transaction is honored, performed or completed or not, you are responsible for any loss or liability incurred by us as a result of your failure to use a required form or adhering to the terms and responsibilities of this Contract.

c. Account Transfers by Wire or ACH.

We offer wire transfers or Automated Clearing House (ACH) transfers that allow you to send or receive debits or credits to your account. Should you use these services and receive funds by wire or ACH transfer you agree to confirm the transfers by reviewing your periodic statement, and understand that we have no duty to notify you when the funds are received. While we may conditionally and provisionally credit your account for an ACH transfer, if we are not finally and ultimately paid (do not receive final settlement) for the transfer we may reverse the credit to your account or

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alternatively you agree to reimburse us for the amount of the reversed transfer. We may require that wire transfers be authorized in writing. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. We 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 person or institution. You understand that we may confirm the information on all ACH and wire requests before sending the ACH or wire, and that processing of requests may be delayed in order to complete Office of Foreign Asset Controls (OFAC) screening if initial screening indicates a possible match. Once we have sent an outgoing wire, the transfer is final and cannot be stopped. If you provide incomplete or inaccurate written or oral transfer instructions, we will not be responsible for any resulting wire transfer losses, delays or failed transactions. You understand international wire transfers may not be completed for up to four weeks or longer. Wire transfers are governed by Federal Reserve Regulation J if the transfer is cleared through the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association (NACHA).

You acknowledge that processing of international transactions may be delayed if necessary to complete OFAC screening. You must ensure that all international entries you initiate are designated with the appropriate code as required by the Rules. All entries will be credited to or debited from your Account in U.S. Dollars. Currency conversion will be at rates determined by, or available to, us or the ACH. You will bear all currency conversion risk associated with international entries; you will bear all gains or losses associated with currency conversion for international entries.

d. Limitations on Account Transactions.

i. Account Withdrawal Limitations. You must have sufficient funds available in your account (or have or be eligible for one of our overdraft programs) to withdraw funds from your account. If a check, draft, item or other transfer or payment order is presented against insufficient funds in your account, you will be charged a fee as stated in the Rate and Fee disclosures. If there are sufficient funds to pay some but not all checks, drafts, items or other transfer or payment orders drawn or presented against the account, because you have ordered payment we may pay or allow withdrawals for those checks, drafts, items or other transfer or payment orders for which there are sufficient funds in any order we choose.

There are a number of circumstances where you may not be able to withdraw funds from your account, including but not limited to the following: 1) you try to withdraw or make a transfer request by any method we do not permit; 2) you, a representative, signer or any person fails to present authoritative documentation and/or identification that we require to access the account or make a withdrawal; 3) disputes or uncertainty occur over who owns the account or the funds held in the account (see Provision 21); 4) funds from deposited checks are not yet available for withdrawal or deposited checks have been returned unpaid and we have charged them back against the account; 5) the funds held in the account are held as security (collateral) for an obligation to us; 6) the funds are held or offset under our contractual security interest or statutory lien rights because you owe money to us (see Provision 19); 7) we have been served with a garnishment, levy or other similar legal process or notice by a third party (creditor, IRS, etc.) affecting the account; or 8) for your own protection, should you appear to lack the capacity to conduct a transaction.

For the protection of all members and the Credit Union, you understand that we may require you to provide us with written notice of your intent to make a withdrawal from your account at least seven (7) calendar days and up to sixty (60) calendar days before the time that you would like to make the withdrawal.

ii. Account Transfer Limitations. On all share or money market accounts (all non-transaction accounts), we will allow you to make up to six (6) preauthorized, automatic, telephonic, audio response or internet transfers to another of your accounts or to the account of any other person or organization during each calendar month. Your limit of six (6) preauthorized transfers includes those transactions where you order us to pay a person or organization from your account including Automated Clearing House (ACH) transactions. The date we use to determine the number of transactions is the date a transaction is posted to your account rather than the date you initiate the transaction. If you exceed these limitations in any calendar month, we can refuse or reverse the transfer, close your account, and charge a fee as stated in the Rate and Fee disclosures. Transactions that are not covered by these limitations include 1) transfers from your account to pay a loan with us, and 2) transfers to your other accounts with us or withdrawals by check mailed directly to you, if the transfer or withdrawal is conducted in person, by mail or at an ATM.

iii. Account Transaction Volume Limitations. We may limit the number of items deposited and the frequency of deposits and other transactions that you can make each day to your account. The date we use to determine the number of transactions is the date a transaction is completed by us rather than the date you initiate the transaction. Should the transactions on your account exceed the limitations we establish, we may limit your account transaction activity, charge a fee as stated in the Rate and Fee disclosures or close your account. You understand that if we allow or honor a transaction that exceeds these restrictions (a nonconforming transaction), we are not required to allow or honor any future transaction that exceeds these restrictions.

iv. Limits on ATM Transactions. For your and our protection, we may limit the amount of cash withdrawals at ATMs. Our current limitations on ATM cash withdrawals are stated in the Electronic Funds Transfers portion of this Contract.

7. Your Checking Account

a. Checks You Write on Your Account, Completion of Checks & Your Check Register.

When you write a check drawn on your account, in addition to writing in your payee's name and completing the numerical and written amount sections of the check and signing your name, it is also important that you draw a line after both the payee's name and after the written amount sections of the check to protect yourself against alterations or forged endorsements. Also, when completing date, payee and amount lines on your check, always begin by writing the information in at the start of the far left side of these lines to avoid leaving any spaces: this will protect you from your check being altered. Once you have completed a check you should write the check number, amount, date, payee's name and purpose for writing the check in your check register or records. This helps you to keep track of the balance that you have in your account to avoid insufficient funds problems (or overdraft fees), and allows you to detect and report checks with alterations and forged drawer's signatures. Please use dark permanent ink (preferably black ink) to complete and sign your checks. You agree that you are responsible for any losses incurred for your checks because you do not use a dark permanent ink when completing and signing your checks. You should also keep your checks in a secure location and separate from your picture identification where they can easily be accessed by people you live, associate or work with (or stolen by persons unknown). If the account has multiple representatives and/or signers each may sign, issue and endorse checks in the other's or the account owner's name. You understand that if you write a check that you are ordering us to pay that check and that such payment is proper, regardless of whether you completed or signed the check.

To limit your responsibility for losses, you agree that it is your obligation to review your periodic statement and report any unauthorized amounts or unauthorized checks or other transactions on your account. You can determine an unauthorized amount, because the amount of the check on your statement (or if accessing your account online, the amount of the check online) does not match the amount of the check you recorded in your check register or records. Similarly, you can detect forged drawer's signatures on checks, counterfeit checks and unauthorized remotely created checks or drafts, because there is a check number on your statement (or if accessing your account online, a check number for or image of a check on your account online) for a check that you did not write. You understand and agree that you only have thirty (30) calendar days from the mailing date of your statement (or posting of your statement online) to notify us of alterations to the amount of a check, checks with forged drawer's signatures, counterfeit checks or unauthorized remotely created checks, or we will not be able to credit your account for the unauthorized amount of the check.

If we allow you to use or place a two or more signature requirement on your checks for your own internal control purposes with representatives, signers, employees, family members, friends or other persons you authorize to access your account or services (under this Contract or otherwise), you agree that it is your responsibility to manage your internal control affairs with all persons you authorize and that we may pay a check with only one authorized signature or by any person authorized by you under this Contract. You understand that we have only allowed you to use or place a two or more signature requirement with respect to your checks because you are in the best position to address your own internal control affairs with the persons you have authorized, and because you have agreed to take responsibility for and address the matter to recover any loss that occurs from a breach of this requirement.

b. Use of Our Forms.

For your and our protection, you agree to use our check forms provided by our authorized vendor. You understand that your use of our vendor provided check forms is very important because 1) the security features of the checks help prevent against fraud losses, and 2) the forms assist us in determining that it is your check written by you on presentment of the check for payment. If you use check forms not provided by our authorized vendor, you understand that we may not pay the check and agree that such nonpayment is not wrongful. Alternatively, if you use check forms not provided by our authorized vendor, and we pay a check or draft drawn on your account that is not our check form, you agree to be responsible for any loss and fees incurred as a result of using that check form.

c. Lost or Stolen Checks?

Notify Us Immediately! If your checkbook, a box of checks or any individual check is lost or stolen, contact us immediately at 808-536-3677. The sooner you contact us, the less liability you will have for unauthorized checks, drafts, orders or other items on your account, and the sooner we can provide you with a new account and new checks for that account. In fairness to all members**,** you understand and agree that we may charge you a fee for closing your account and opening a new account when you lose your checks and/or checkbook as stated in the Rate and Fee disclosures, though we will not charge you a fee when your checks and/or checkbook are stolen.

d. Our Use of Automated Collection & Payment Processes.

You understand that we use automated collection and payment processes and procedures, so that we can process the greatest volume of checks, drafts, and items in the most cost effective manner for the benefit of all members. These automated processes and procedures rely on and can only recognize information that is written (encoded) in the Magnetic Ink Character Recognition (MICR) line at the bottom of the check, draft or item which contains your account number, amount of check, and check number. So that we may achieve these cost efficiencies for all members, you agree that when we pay or take a check, draft or item for deposit and collection that we may disregard all information on the check, draft or item other than the drawer's signature, the identity of the financial institution that holds the account the check,

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draft or item is drawn on, the amount of the check, draft or item and the information encoded in the MICR line, whether or not that information is consistent with other information on the check, draft or item. You also agree that we do not fail to use ordinary care in paying any check, draft or item without physically or visually examining checks, drafts or items.

e. Signatures by Family Members, Friends & Employees.

If a family member, friend or employee writes a check drawn on your account payable to any person or organization, you authorize the signature, completion and payment of that check, and agree that you will take responsibility for and address the matter to recover any loss for payment of the check with the family member, friend or employee. You understand and agree that you, like each member of our Credit Union, are in the best position to address the signed check with your family member, friend or employee, rather than imposing the expense of resolving the matter on all members of the Credit Union.

f. Conversion of Checks to Electronic Fund Transfers.

In some circumstances, a person, merchant or other organization can convert your check and check information (your share draft account, check routing and serial number) to an electronic fund transfer (EFT) and debit your account. The conversion of your check to an EFT is covered by this Contract and our Electronic Fund Transfer disclosures, which are part of this Contract and are provided in this Part 2. You agree that we may honor the EFT and debit your account just as if the original check were presented for payment. Should a person, merchant or other organization convert your check to an EFT, you will have to contact that person, merchant or organization about obtaining a copy of your check. You understand that if we dishonor and return your check to a merchant for insufficient funds, a merchant may try to re-present the check electronically as an EFT. The EFT that represents the dishonored check, will be treated as a re-presented check under this Contract.

g. Dates on Checks.

When you write a check, you agree that we may pay the check regardless of the date or language restricting payment to certain periods of time ("stale dated" or "void" check). However, you agree that we are under no obligation to pay a check presented for payment before its date or more than six (6) months after its date. You understand that the reason dates and/or language restricting payment are ineffective is because 1) if your check is presented electronically it will either not contain the date and/or our processing equipment or systems may not allow us to examine your check for the date, and 2) if we do not pay your check generally any person in possession of the check has up to three (3) years or more to sue you for the full amount of the check (which may include interest and expenses). If you do not want us to pay your outstanding check you may notify us and place a stop payment order on that check as explained in Provision 7.h. Similarly, if you notify us not to pay a check before its date (often referred to as a "postdated check") by phone, mail or in person and in a manner we require (which will generally require confirmation in writing), that notice will only be effective if it allows us a reasonable amount of time to act on the notice to not pay and return the check, and you provide us with your name and account number, the check number, the date of the check, the name of the payee and the amount of the check. You understand that failure to provide us with either timely notice or confirmation in the manner required (that allows us a reasonable amount of time to not pay the check) or the complete and accurate information about the check and the account as required, may result in payment of the check. If you provide us with timely notice and complete and accurate information about the check and the account as required, we will return the check as postdated and charge you a fee as stated in the Rate and Fee disclosures. If we agree, you may provide us with oral notice of the postdated check that will expire after fourteen (14) calendar days unless you confirm that notice in writing. Once confirmed in writing the notice will be effective for six (6) months, and can be renewed for an additional six (6) months for the fee as stated in the Rate and Fee disclosures. You understand that we have no duty to notify you when your notice will or has expired.

h. Stop Payment Orders on Your Checks.

You may request us to stop payment on any check drawn on or ACH debit scheduled from your share draft account in a manner we require (which will generally require confirmation in writing). If you notify us to stop payment on a check, that order will be effective only if it allows us a reasonable amount of time to act on the order to not pay and return the check or ACH entry, and you provide us with your name and account number, the check or ACH entry number, the date of the check or ACH entry, the name of the payee and the amount of the check or ACH entry. You understand that failure to provide us with either a timely stop payment order or confirmation in the manner required (that allows us a reasonable amount of time to not pay the check or ACH entry) or the complete and accurate information about the check or ACH entry and the account as required, may result in payment of the check or ACH entry. If you provide us with a timely stop payment order and complete and accurate information about the check or ACH entry and the account, we will stop payment on and return the check or ACH entry, and charge you a fee as stated in the Rate and Fee disclosures. If we agree, you may provide us with an oral stop payment order that will expire after fourteen (14) calendar days unless you confirm that order in writing. A stop payment order on a check that is placed or confirmed in writing will be effective for six (6) months, and can be renewed for an additional six (6) months for a fee as stated in the Rate and Fee disclosures. A stop payment order on an ACH entry will continue until the entry is returned or until you cancel the stop payment order. You understand that we have no duty to notify you when your stop payment order will or has expired. You further understand that although payment of your check or ACH entry may be stopped, generally any person in possession of the check (or who holds the ACH generated obligation) has up to three (3) years or more to sue you for the full amount of the check or obligation (which may include interest and expenses). In the unlikely event we pay a check or ACH entry over a timely, accurate and complete stop payment order and are required to credit your account, you agree to sign a statement explaining the dispute with your payee, and assist us in taking legal action against any and all persons or organizations to recover our loss. You understand that if you repeatedly place stop payment orders on your checks that would otherwise be returned for insufficient funds, we may consider that account abuse and may close your account under this Contract.

i. Stopping Payment On Unused & Lost or Stolen Credit Union Checks.

If we give you one of our checks that is either payable to you as the payee or to another person or organization (that you have requested us to make the check payable to as the payee), you understand it is your sole responsibility to ensure that you want the person or organization to receive payment for the check before you sign (endorse) the check over to that person or organization or give the check to the payee. You further understand that once you endorse the check over to a person or organization or give the check to the payee, and afterwards do not want that person or organization to receive payment for the check (because you are displeased with the person, organization or the transaction that you used our check for), we will not be able to stop payment on the check. If you have any doubt about the person, organization, payee or the transaction, do not sign (endorse) the check over to that person or organization or give the check to the payee, since we will not be able to refuse to pay the check. Should you ever change your mind and decide to not use or negotiate one of our checks, you may return our check to us and ask us for a refund for the amount of the check.

If one of our checks in your possession is purportedly lost, stolen or destroyed, you agree to sign a statement or notice and either post a bond, provide us with collateral or a security interest in collateral, or wait ninety-one (91) calendar days from the date of the check, to receive a replacement check for our check that was lost, stolen or destroyed. If you purportedly do not receive one of our checks that was sent or mailed to you, you agree to sign a statement or notice and, at our discretion, either post a bond or provide us with collateral or a security interest in collateral to obtain a replacement check for our check that you claim you did not receive.

j. Payment of Checks that Overdraw Your Account.

To assist you when you want or need your checks and electronic fund transfers (EFTs) paid we may provide you with check overdraft payment protection programs. If you qualify for one or more of these programs and we agree to provide the service to you, we will pay your checks or EFTs drawn on your account with insufficient funds by transferring funds from another account or pursuant to a loan agreement to your share draft account, and charge you a fee as stated in the Rate and Fee disclosures. Transfers from your account(s) to your share draft account are covered by this Contract and our Electronic Fund Transfer disclosures (which are part of this Contract and are provided in this Part 2), whereas transfers from a loan to your share draft account are governed by a separate loan agreement. You agree that we may apply funds deposited to your account(s) to your outstanding overdrafts and fees regardless of the source, which specifically includes directly deposited government entitlements or benefits such as social security deposits.

k. Checks are Paid in Any Order.

You understand that when you write or order checks, drafts or items drawn on your account that we may pay those checks, drafts or items in any order. If you write or otherwise order multiple checks, drafts or items drawn on your account, you should be certain there are enough funds in your account to pay those checks, drafts or items or those checks, drafts or items will be handled according to the overdraft and insufficient funds terms of this Contract, or paid under one of our check overdraft programs if applicable.

l. Insufficient Funds to Pay a Check.

If the funds in your share draft account are not sufficient to pay checks, drafts or other items presented and drawn on your account, those checks, drafts and items will be handled according to our overdraft procedures and any overdraft service or Contract you have with us. You understand that we have no duty to notify you if there are insufficient funds to pay your check, draft or item. If we pay a check, draft, item or transfer that would overdraw your account beyond an agreement or service we have agreed to provide you, it does not mean that we will pay a check, draft, item or transfer that will overdraw your account in the future. If we pay a check, draft, item or transfer that would overdraw your account you agree to repay us the amount of that paid check, draft, item or transfer and any fee for that service immediately (or at the latest pursuant to any agreement or service we have agreed to provide you). Should we dishonor and return a check, draft or item drawn on an account with insufficient funds, your account will be charged a fee for the dishonored and returned check, draft or item as stated in the Rate and Fee disclosures. You also understand and agree that we are not liable if we refuse to pay a check, draft or item drawn on your account and return it when nonpayment occurs as a result of our charging your account for any obligation you owe us. Finally, if we are repeatedly presented with checks, drafts, items or transfers drawn on your account for insufficient funds, we may consider that account abuse and may close your account under this Contract.

m. Non-Member Presenters of Checks.

For both your and our protection and to cover costs incurred by all members for the presentment of checks over the counter by non-members, you understand that we may require any non-member presenting a check drawn on your account to provide his or her current government issued picture identification and, at our option, sign a statement of receipt and/or place his or her thumbprint on your check, and to pay any fee we may require as disclosed in the Rate and Fee Disclosures. You agree that if a non-member presenting your check declines to carry out any of these requirements upon presenting the check for payment, we are not liable for refusing to pay the check and that such nonpayment is not wrongful. For both your and our pro-

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tection, checks presented after our 2:00 p.m. cut off hour may be treated as if presented on the next business day that we are open.

n. Right to Refuse Payment for Fraud or Illegibility.

For your and our protection, you agree that we may refuse to honor any check, draft, order, item or instruction if we believe any signature, instruction, provision, term or the form itself is not genuine or is altered or that is illegible or written in a language other than English. You acknowledge that our nonpayment or non-action under any of these circumstances is not only beneficial to you because it protects your funds and reduces your liability, but also is not wrongful. Alternatively, if we believe that your check is subject to fraud and that the presenter is the perpetrator of the fraud, you agree that for your and our protection we may retain the check to determine if the check is fraudulent, and if so the identity of the perpetrator of the fraud. Further, you agree that such retention protects you and us from incurring a loss on your account and that such retention is not wrongful. Finally, if we believe that your check is subject to fraud and that the presenter is not the perpetrator of the fraud, you agree that for your and our protection we may note on the check the type of fraud before returning the check to the presenter.

8. Deposits to Your Account

a. Summary of Our Service.

You understand that when we take checks, drafts or items that you wish to deposit that are not drawn on us, we are providing you a service in that we are saving you the time and expense of having to take the checks, drafts or items to the institution they are drawn on and present them in person for payment. In return for this service, you understand and agree that we may hold the funds represented by your deposit for a period of time, as explained in our Funds Availability disclosures in this Contract and that are provided in this Part 2. Additionally, if the hold on your deposited funds is for an extensive period of time, we will provide you with notice of the status of your deposit and when the funds' availability will be determined. Alternatively, we may require that a check, draft or item be deposited into your share account subject to a hold for an indefinite period of time until we can determine if the check, draft or item will be finally paid and not returned or is subject to a claim. We may (though are not required to) provide you with notice of the status of your deposit and when the funds will be available. While we want to provide you with the service of taking deposits, you understand that we place holds on funds represented by your deposit so that you do not become indebted to us for the amount of the deposit if a check, draft or item is dishonored, returned or a claim is made on the deposited funds. If you do not want us to provide this service and place a hold on the funds represented by your deposit, please tell us before we have processed the check, draft or item and we will return it to you so that you can obtain payment elsewhere. You also agree that before you deposit a check, draft or item you will inform us of any facts, circumstances and information that you are aware of that may indicate that the check, draft or item may not be paid, may be fraudulent and/or may be issued in connection with an illegitimate, an unlawful and/or a fictitious transaction or enterprise. You understand and agree that your failure to disclose any and all facts, circumstances or information about the check, draft or item to our employee (or affiliated person or organization) prior to the deposit makes you completely financially responsible for the check, draft or item if it is dishonored, returned or a claim is made. Further, you understand for your and our protection that, following your deposit and before processing the check, draft or item, we may return the deposited check, draft or item to you so that you can obtain or recover payment elsewhere. Finally, you agree that whenever you make a deposit with us and the deposit is dishonored, returned or a claim is made on the deposited funds, you are obligated to reimburse us for the amount of the deposit and any costs and fees as stated in this Contract in general and the Rate and Fee Disclosures specifically.

b. How You Can Deposit Funds.

You may deposit funds to your account by any means we permit, including in person, by check, telephone, automated teller machines (ATMs), the mail, automatic transfer, or our services that can be accessed online.

c. Our Rights Upon Your Deposit.

You understand that by offering to accept your deposits, we are providing a service to you and that we may accept, provide credit for, hold funds related to the amount of the deposit, refuse, reject or return the deposit as we believe necessary for your and our protection. The availability of funds from your deposit may be held for a period of time depending on the type of deposit (cash, check, wire, etc.) and circumstances surrounding the deposit (the amount of the deposit, the source of the funds, etc.) (please see our Funds Availability disclosures in this Contract for information about our hold policy for share draft accounts that are provided in this Part 2). Alternatively, we may require that a check, draft or item be deposited into your share account where a hold will be placed on the funds in the share account for an indefinite period of time until we can determine if the check, draft or item will be finally paid and not returned or subject to a claim. If we elect to have a check, draft or item deposited into your share account you understand that we may (though are not required to) provide you with notice of the status of your deposit and when the funds will be available. You also agree that before you deposit a check, draft or item you will inform us of any facts, circumstances and information that you are aware of that may indicate that the check, draft or item may not be paid, may be fraudulent and/or may be issued in connection with illegitimate, unlawful and/or fictitious transaction or enterprise. You understand and agree that your failure to disclose any and all facts, circumstances or information about the check, draft or item to our employee (or affiliated person or organization) prior to the deposit makes you completely financially responsible for the check, draft or item if it is dishonored, returned or a claim is made. Following your deposit and before processing the check, draft or item for collection and payment, should we believe that the deposited check, draft or item may be dishonored, returned or subject to a claim, you understand that we may return the deposited check, draft or item to you so that you can obtain or recover payment elsewhere. Alternatively, if you request us to take a check, draft or item for deposit and we believe that the check, draft or item is subject to fraud, for your and our protection you agree that we may retain the check, draft or item to determine if the check, draft or item is fraudulent, and if so the identity of the perpetrator of the fraud. Further, you agree that such retention protects you and us from incurring a loss on the check, draft or item and that such retention does not convert the check, draft or item. Finally, if we believe that a check offered for deposit is subject to fraud and we elect to return the check to you, you agree that for your and our protection we may note on the check the type of fraud before returning the check to you.

d. Authority to Negotiate Checks & Endorsements.

We may accept checks, drafts and other items for deposit into any of your accounts. Checks deposited should be endorsed by you for your protection, though we may allow you to deposit them without your endorsement. If there are multiple representatives or signers on an account each representative and signer may endorse checks for one another. For your and our protection, you agree that we may confirm the endorsement on any check that we take for deposit, and may require you to carry out specific endorsement requirements for business, insurance or government checks before taking those checks for deposit. For checks that are not made payable to you, we may require proof of your authority to endorse any check on behalf of another person or organization before taking the check for deposit, or require proof that any endorsement on a check prior to your endorsement is authentic and authorized. For your protection and to assure that you are ultimately not held financially responsible for a check, you understand that we may require any check payable to two or more persons that you wish to deposit to be endorsed in person by everyone required to endorse the check at our branch or we may not be able to accept the check for deposit.

e. How to Endorse Your Check.

When you receive a check made payable to you and wish to deposit that check in your account with us, we recommend that you endorse (sign) the back of check with the words "For Deposit" and then sign your name beneath that language, and beneath your signature write your account number. Endorsing the check in any other manner may risk your account not being credited for the check. You understand that you may not deposit any substitute check or similar item that you have created or for which no financial institution has provided any substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses that we incur in connection with the substitute check or item. You further agree not to deposit any substitute check without our consent.

When you endorse a check please make sure that your signature goes on the back of the check at the top edge (and must be no more than one and one-half (1½) inches from the back top edge of the check). Typically you will see a pre-printed space at the top of the back of the check with lines where you should sign your name (endorsement). You agree that we may ignore any other language or markings within or outside of your endorsement space on the check or draft, and that you will be responsible for any loss that results due to a delay or error in processing the check or draft for payment caused by endorsements, language or markings inside or outside of the designated endorsement space. Please use dark permanent ink (preferably blue or black ink) to endorse your checks. You should also write your account number below the endorsement, and if available use our deposit slips and envelopes when making your deposit. You agree that you are responsible for any losses for a check deposited by you in event you do not use a dark permanent ink when endorsing the check.

f. Acceptance of Checks for Deposit is a Service to You.

In handling checks, drafts, items or money for deposit or collection, you understand that we are providing you a service in that we are saving you the time and expense of having to take the checks, drafts or items to the institution they are drawn on and present them in person for payment. While we are pleased to provide you with the service of assisting you in collecting payment for the deposited check, draft or item, you understand and agree that we act only as your agent, and assume no responsibility for the check, draft or item beyond that of the use of ordinary care. We are not responsible for any deposit sent by mail or made at an unstaffed facility (for example, an automated teller machine that is not at a branch) until we actually receive the deposited item or money. We are not responsible for the negligence or default of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. You agree that we have the right to send any deposited check, draft or item for collection, which means we will hold the funds represented by the check, draft or item until the check, draft or item is finally paid and we are certain that a claim will not be made on the check, draft or item. You further understand and agree that we have the right to charge your account for any check, draft or item taken for deposit should it become lost in the collection process.

g. Your Options for Direct Deposit.

We offer direct deposit options that allow you to preauthorize deposits to your accounts (such as payroll, Social Security, retirement or other government deposits) or preauthorize transfers from your accounts with us. You must initiate direct deposits on a direct deposit authorization form acceptable to the initiator of the deposit. You agree that we may refuse and return any or all funds transfers for any lawful reason. Should we be required to reimburse the federal or state government for any benefit payment directly deposited into your account, unless otherwise prohibited, you agree that we may deduct the reimbursed amount from your account, and may recover any amount owed according to the terms of this Contract. If you file for bankruptcy and

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do not cancel any direct deposit authorization to your accounts, you agree that your employer should continue to make and that we should continue to apply your direct deposits according to the instructions you have given to us.

h. When Your Deposits will be Credited to Your Account.

Deposits to your account will generally be credited on the business day of the deposit, unless the deposit is made after our end of business day or on a Saturday, Sunday or holiday, whereupon your deposit will be credited to your account on the next business day we are open. Deposits made by you at unstaffed facilities (for example, an automated teller machine that is not at a branch) will be credited to your account on the day funds are removed and processed by us. Deposits of coin or currency will not be finally credited until we have counted the deposit and confirmed the amount. If there is a discrepancy between the amount shown on the deposit slip and the amount we count, we will send a notice of the discrepancy to you in the mail or, if you have so requested, make the notice available to you electronically. Credit to your account for funds deposited is conditional (provisional) until we are finally and ultimately paid (i.e., when we receive final payment). Checks, drafts or items drawn on an institution or organization located outside the United States are handled on a collection basis only and, if accepted for deposit, the deposited funds will likely be held for an extended period of time.

You understand that we have an end of business day cut off hour to accept deposits. This means that all deposits received after our end of business day cut off hour on a day that we are open for business, will be treated as if received on the next business day that we are open. Additionally you should be aware that all deposits received on a Saturday, Sunday, holiday or any day that we are not open for business will be treated as if received on the next business day that we are open.

i. Deposits Made at a Night Depository.

If you make deposits at a night depository, you agree to use any special bag or container that we provide. You will be liable for any damage to the night depository or delay in crediting deposits due to the use of containers other than those that we supply. You understand that night depositories are only accessed once on each business day that we are open for business. Bags or envelopes placed into the night depository before we access it are processed on that business day. Bags or envelopes placed into the night depository after we access it are processed on the next business day. Night depositories are opened and items placed in the depository are removed and logged in the presence of two of our employees or affiliated persons. The contents of each envelope or bag are counted, and we will issue a credit to the account specified on the deposit ticket accompanying the deposit for the amount of the deposit as indicated by our count. You agree that we are a bailee of items placed in the night depository (simply in possession of the container) until we have opened the containers, verified the contents and credited the contents to your account or returned the bag and contents to you. You acknowledge that our count of any deposit placed into the night depository is the final determination of the contents of a bag or envelope placed in the depository. We will use reasonable efforts to notify you of any difference in the amount of the deposit as we counted it and the amount shown on the deposit ticket. However, we will not be liable for any delay or failure to notify you of any difference in the amount counted and that shown on the deposit ticket. No deposit is considered to have been made until we have removed it and processed it as explained in this Contract, and a credit has been issued to your account. You understand and agree that the procedures explained in this Contract are commercially reasonable, and that if we follow these procedures, we are not negligent in handling items placed into the night depository.

j. Erroneous Deposits to Your Account.

If a deposit or other credit is made in error to your account that you are not entitled to (whether by check, cash, automated clearing house transfer, wire transfer or otherwise), you understand that we may debit your account for the amount of the erroneous deposit, and may do so without notice to you, regardless of when the original deposit took place. If you withdraw any or all of the funds erroneously deposited to your account, you agree that you are obligated to reimburse us for the amount of the erroneous deposit or credit, and any costs and fees as stated in this Contract and its Rate and Fee disclosures.

k. Deposits Not Paid and Returned & Claims on Deposits.

All deposits or other credits (including checks, drafts items, Automated Clearing House ("ACH") transfers, wire transfers, etc.) credited to your account are conditioned upon being paid (that is to say, are "provisional"). This means that if we do not receive final payment on any deposit, we will charge your account for the amount of the item and a return fee as stated in the Rate and Fee disclosures. Further, if we incur a fee or any expense to collect any item, we may charge that fee or expense to your account (and you understand that you would be responsible for any additional amount thereafter according to the terms of this Contract). After we have received final payment, we refer to these deposits as collected items. If any check, draft or item deposited to your account is returned to us unpaid, we have the right to charge back against your account the amount of the unpaid check, draft or item in addition to any fee incurred as stated in the Rate and Fee disclosures, whether the amount of the check, draft or item was available for your use or not (and you understand that you would be responsible for any additional amount thereafter according to the terms of this Contract). If any check, draft or item you deposit in your account is returned to us for any reason, you waive your right to any notice of nonpayment or dishonor for the check, draft or item. For both your benefit and ours, you understand that we may pursue payment of a previously dishonored or not paid check, draft or item at any time, including giving the financial institution the check, draft or item is drawn on extra time beyond any midnight deadline limits.

Additionally, if anyone else makes a claim against us based on a check, draft or item you have deposited (including but not limited to, claims for breach of warranty based on forged or missing endorsements, for alteration or for conversion), we may charge your account for the amount of the check, draft or item and any fees, expenses and costs even if you have already received final credit and have already withdrawn the funds. You further understand and agree that you would be responsible for any additional amount owed thereafter according to the terms of this Contract.

l. Endorsements by Family Members, Friends & Employees.

If a family member, friend or employee endorses a check made payable to you, any person or organization, you authorize the endorsement of the check as your endorsement and agree that you will take responsibility for and address the matter to recover any loss for the endorsement of the check with the family member, friend or employee. You understand and agree that you, like each member of our Credit Union, are in the best position to address the endorsement with your family member, friend or employee, rather than imposing the expense of resolving the matter on all members of the Credit Union.

9. Your Dividends/Interest & Rates

The dividends/interest earned on your account(s), the dividend/interest rates, balance requirements, annual percentage yields, compounding, crediting and terms are provided to you in this Contract in the Rate and Fee disclosures and your periodic statement. For the benefit and in the interests of you and all members of our Credit Union, you understand and agree that we may change the account dividend/interest rates and annual percentage yields from time to time as explained in the Rate and Fee disclosures.

10. Our Services & Fees

All fees charged against you or your account are for services we provide to you, or as a result of actions you take or transactions you conduct under this Contract, or third person's or private or government organization's actions against you or your account(s) with us. The purpose and amount of each fee is provided to you in the Rate and Fee disclosures and noted in your periodic statement. We charge fees so that each member is responsible for the expense of each service or transaction used or incurred by that member, rather than imposing that cost on all members of the Credit Union. In the interests of you and all members of our Credit Union, you understand and agree that we may change account fees from time to time and that we will notify you of such changes as required.

11. Account Insurance Coverage

We are committed to providing a safe and sound capital structure through the retention of earnings to assure the protection of our members' savings and deposits. In addition to the strength of our capital, members' funds are insured at a minimum of $250,000 per member-depositor by the National Credit Union Share Insurance Fund (NCUSIF). Our employees are available to discuss your federal account insurance needs, and quite often we can assist you in establishing your accounts to obtain hundreds of thousands (if not millions) of dollars in National Credit Union Share Insurance Fund account insurance coverage depending on the number of different businesses or organizations you open accounts for (or the type of personal accounts you open along with your business and organization accounts).

12. Lost Checks, Drafts & Cards-Notice & Participation

If a check, one of our checks, your checkbook, a box of checks, credit card, debit card, ATM card or your personal identification number (PIN) is lost or stolen call us immediately at 808-536-3677. The sooner you contact us, the less liability you will have for unauthorized transactions on your account, and the sooner we can provide you with new checks, accounts, cards and PINs. In the event we incur a loss on and/or a crime or potential crime is committed concerning your account(s), service(s) or transaction(s), you agree to cooperate with any person and/or organization with a business or law enforcement interest in the loss and/or crime or potential crime in the enforcement of rights or the prosecution associated with the loss and/or crime or potential crime. You further understand and agree that your rights to continue to use your account(s), service(s) and retain your membership are conditioned upon your cooperation with any person and/or organization with a business or law enforcement interest in the loss and/or crime or potential crime, unless otherwise required. For the beneficial interests of you and all members of the Credit Union, if a crime or potential crime is committed against you and/or us pertaining to your accounts, loans or any related account or loan service you have with us, upon our request you specifically agree to file a police report and assist with the arrest and prosecution of anyone associated with the crime or potential crime. You acknowledge that your rights to use your account(s) and service(s) and retain your membership with us are conditioned upon your fulfilling these requirements.

13. Membership, Account, Service & Transaction Information

Only an owner, representative, signer or information user specifically named on an account is entitled and can have access to information concerning membership, the account, a service or a transaction related to the account. If there are multiple representatives, signers or information users on an account, any representative, signer or information user may obtain or consent to the release of all information about membership, the account, a service or a transaction pertaining to that account. You understand and agree that you will be charged a research fee for any time spent by us addressing your information request concerning your account or related services, as stated in the Rate and Fee disclosures.

We will not release your information to anyone without your consent unless they present us with a valid subpoena, summons, search warrant or court order (and potentially for the Federal Government a certificate of compliance), or can satisfactorily

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prove to us that the disclosure of your information is permissible under Federal and state law. You understand and agree that you may be charged a research fee for any time spent by us addressing a third party's or government's authorized demand or request for your information, as stated in the Rate and Fee disclosures, rather than imposing that cost on all members of the Credit Union. To protect your and our interests, if we need to seek legal or other professional advice to review any documentation presented to us in connection with a third party's or government's authorized demand or request for your information, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of that documentation. You further agree that all costs and expenses of such review may be deducted from your account, and that you will be responsible for any additional amount owed according to the terms of this Contract.

In the event we incur a loss on and/or a crime or potential crime is committed concerning your account(s), service(s) or transaction(s), you agree to cooperate with any person and/or organization with a business or law enforcement interest in the loss and/or crime or potential crime in the enforcement of rights or the prosecution associated with the loss and/or crime or potential crime. You further understand and agree that your rights to continue to use your account(s), service(s) and retain your membership are conditioned upon your cooperation with any person and/or organization with a business or law enforcement interest in the loss and/or crime or potential crime, unless otherwise required. For the beneficial interests of you and all members of the Credit Union, if a crime or potential crime is committed against you and/or us pertaining to your accounts, loans or any related account or loan service you have with us, upon our request you specifically agree to file a police report and assist with the arrest and prosecution of anyone associated with the crime or potential crime. You acknowledge that your rights to use your account(s) and service(s) and retain your membership with us are conditioned upon your fulfilling these requirements.

Finally, you understand and agree that if you are ever obligated to repay us for any loss, expenses, fees, charges and/or liability in connection with your accounts, loans or any related account or loan service you have or had with us, that we may share your information with any affiliated person or organization (including collection agencies or attorneys) assisting us with the collection of your obligation, whether or not you are still a member of the Credit Union.

a. Part 1 Controls Who Can Access, Change, & Close Accounts.

Depending on the accounts and related services that you have selected, we may provide you with periodic statements and maturity notices that contain account information. Further, you may call us with questions about your account(s) and services, or be able to access information about your account(s) and services online. You understand that statements, notices, online access and questions based on our data-processing system may not include all the information about your account(s), and do not control the authorized persons who can access, change, add and/or close your account(s). You understand and acknowledge that only your most recently signed and dated Part 1 account form (or other form we use) in addition to previously signed and dated Part 1 account form(s) as applicable, controls the number of representatives (signers and/or information users if any) on your account(s). Further, you agree that we may rely exclusively on your most recently signed and dated Part 1 account form (or other form we use) in addition to previously signed and dated Part 1 account form(s) as applicable, to determine the authorized persons who may access, change, add and/or close your account(s). To confirm the authorized persons who specifically can access, change, add and close any account with us, please request us to refer to and provide you with a copy of your most recently signed and dated Part 1 account form (or other form we use) (in addition to previously signed and dated Part 1 account form(s) as applicable) for that account.

14. All Accounts are Non-Negotiable, Non-Assignable & Non-Transferable

Your accounts with us are non-negotiable, non-assignable and non-transferable to another person or organization, which means that you may not endorse, negotiate, transfer, secure or pledge any of your accounts to a person or organization other than us for any reason. Unless a person's name appears on Part 1 of this Contract (the account form), he or she will be denied access to the account unless otherwise required.

15. Notice by Us to You & Notice by You to Us

For the benefit of all our members and the Credit Union in general, you understand and agree that the terms of this Contract may be changed from time to time. We will notify you of any changes to terms, rates and fees that affect your accounts and services as required, though you understand and acknowledge that you can obtain the most recent version of Part 2 of this Contract and all our disclosures by contacting us during business hours or at anytime from our website at www.hccu.info. Written notice that we provide to you is effective when sent to you at the address provided by you in Part 1 (or any updated address reflected in our records) or any electronic notice to which you have consented. We rely on the information that you provide to us in Part 1 of this Contract for all your transactions and actions taken on your account, and you agree that we may communicate with and contact you at all addresses, phone numbers and e-mail addresses provided by you in Part 1 of this Contract or as updated in our records. It is your responsibility to notify us of any changes to this information, and if accepted those changes are incorporated into this Contract by reference. If we try to locate or contact you we may charge you a fee as stated in the Rate and Fee disclosures. For your account you agree that notice to you, a representative, signer or an information user is notice to the account owner, the business or organization and all representatives, signers and information users. Any notice that you provide to us is effective only when actually received and confirmed in writing at 681 South King Street, Honolulu, HI 96813. You understand and acknowledge that you may contact us anytime we are open for business to obtain additional copies of this Contract (and Part 1 (the account form) specifically), and again that you can also access Part 2 of this Contract and all our disclosures anytime on our website at www.hccu.info. Should you have questions or need an explanation about any matter addressed in this Contract (Parts 1 and 2), please contact us at 808-536-3677 during business hours and we will be happy to answer your questions. Though all changes we make to this Contract are beneficial to and/or are in the best interests of all members of the Credit Union, in the event you do not want to be obligated to any change we make to the Contract, you understand that you may always close your accounts and/or terminate your membership with us at anytime we are open for business.

16. Your Statement About Your Account(s), Services & Obligations

a. Purpose and Receipt of Statement & Copies of Checks.

We will provide you with a periodic statement that shows all transactions and activity that occurred on your account(s) during the statement period. For your account with multiple representatives, signers and/or information users you agree that the provision of one statement mailed or e-mailed to an address provided in the Part 1 account form (or other form we use), or downloaded, accessed and/or available to you online as requested, is sufficient for you and all representatives of the account. For convenience, security, loss prevention and expense reduction purposes for you and all members of our Credit Union, we encourage you to use electronic periodic statements which can be accessed and reviewed online, and which you can sign up for by contacting us during business hours at 808-536-3677 or going to our website at www.hccu.info. If you do not receive or cannot access your periodic statement you agree to notify us within fourteen (14) calendar days of the time you regularly receive or access your statement to allow both you and us to avoid and reduce losses on your account(s). You further agree that your statement is correct for all purposes and that we have no liability to you for any transaction on your account(s) unless you notify us within the time periods for unauthorized transactions, errors or irregularities as explained in this Contract.

When you write a check drawn on your account and the check is paid, we own and retain the original of the check, though we will make a copy of the check available to you upon request for a fee as stated in the Rate and Fee disclosures. You acknowledge that both your statements and copies of your checks are made available to you on the date the statement is mailed to you at the address provided by you or, if you have so requested, when we make the statement available to you electronically online. You agree to keep a copy of your original check in order to verify its validity when it is paid. 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, sufficient copy or substitute check.

b. Your Responsibility to Look at Your Statement for Errors & Fraud.

It is your responsibility to look at every statement and notify us of any and all unauthorized transactions, errors or irregularities as soon as possible. We may require you to confirm your notification in writing and assist us in addressing the transaction, error or problem. You are liable for any altered, forged, unauthorized or unsigned check, draft or item drawn on your account if: 1) you do not notify us within thirty (30) calendar days of the mailing or electronically sending or posting of the statement containing the notice of any altered, forged, unauthorized or unsigned check, draft or item; or 2) someone could not reasonably detect the alteration or forgery, such as the unauthorized use of facsimile signatures. You assume this liability because you, as the owner of the account and drawer (or as a representative or signer) of the check, draft or item are in the best position to detect any altered, forged, unauthorized signature or unsigned check, draft or item drawn on your account. As explained in Provision 7.a., you can determine an unauthorized amount, because the amount of the check on your statement (or if accessing your account online, the amount of the check online) does not match the amount of the check you recorded in your check register or records. Similarly, you can identify forged drawer's signature on checks, counterfeit checks or unauthorized remotely created checks, because there is a check number on your statement (or if accessing your account online, a check number or an image of the check drawn on your account online) for a check that you did not write. Only you will know the checks, drafts or items that you have authorized as well as the amount you authorized and can compare the information provided on your statement with your register or records. You agree that our retention of your checks, drafts or items does not affect your responsibility to look at your statements and notify us of any and all unauthorized transactions, errors or irregularities within the time limits explained in this Contract or as otherwise required.

17. Changes to this Contract

You as the owner or any representative may change and/or add to your account and related services at any time by contacting us and upon our request completing a new Part 1 of this Contract. For accounts with multiple representatives, the owner and each representative understands that any representative acting alone may initiate, change, add, close or terminate an account or service, and add or remove any representative (or signer or information user) to or from an account or service, and that his or her signature on Part 1 of this Contract or continued use of an account or service, confirms his or her agreement to any later initiation, change, addition, closure or termination of an account or service by the owner or any representative on the account. For your account(s) you agree that we may require any representative requesting a change to show us authority for the change from the business's or organization's governing body (e.g., a resolution by the board of directors, certified partnership letter, etc.), and each representative's authority as a representative to make the requested change to the account. You understand that when you remove a representative or signer it is your responsibility to change (or request our help in changing) any password, code, PIN or other security identifying number for all your accounts and services to prevent a removed representative or signer from accessing an account or service or conducting a transaction. You agree that until you make

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such change (or request our help in making such a change) all access to an account or service or transactions conducted by that person with the password, code, PIN or other security identifying number is or are authorized. When you request us, or we require you, to make a change to an account or a service, or terminate a service, you understand that we may use and require you to sign an updated (revised) Part 1 account form (or other form we use), on which we may note the change and include the word "Revised" on the updated Part 1 account form. We may charge you a fee per change for multiple changes to accounts and/or services in a calendar year as stated in the Rate and Fee disclosures.

For the benefit of all our members and the Credit Union in general, you understand and agree that we may change the terms of this Contract from time to time, and that we will notify you of any changes we make to terms, disclosures, rates and fees that affect your accounts and services with us, as required. You agree that such changes are binding on you, your accounts and services, and understand that you may obtain additional copies of this Contract by contacting us during business hours, and that you can access Part 2 of this Contract (including all disclosures) anytime on our website at www.hccu.info. Should you have questions or need an explanation about any matter addressed in this Contract (Parts 1 and 2), please contact us at 808-536-3677 during business hours and we will be happy to answer your questions. Though all changes we make to this Contract are beneficial to and/or are in the best interests of all members of the Credit Union, in the event you do not want to be obligated to any change we make to the Contract, you understand that you may always close your accounts and/or terminate your membership with us at anytime we are open for business.

a. Adding Accounts and Services.

An owner and/or a representative on an account can add a new account and/or service with us under an existing account number by any means we allow (e.g., in person, by mail, phone or online) according to this Contract. When you request us to add an account and/or service, you understand that we may use and require you to sign a Part 1 account form (or other form we use) to add the account and/or service, and that we may note the added account and/or service on the Part 1 account form by the word "Added" on the form.

18. Exceptions to this Contract

To provide you with the best service possible, and when it serves the best interests of all members of our Credit Union, you agree that we may make exceptions to (waive) any term of this Contract. You further understand and agree that if we make an exception to this Contract it does not affect our right to rely on and/or use (apply) any term of this Contract in the future.

19. Lien & Security Interest in Account Funds

You understand and agree that if you owe us money as a member, owner, representative, signer, information user, fiduciary, drawer, endorser, borrower, guarantor or any other capacity, we may have a lien on your account as permitted by applicable law and you grant us a contractual security interest in any and all funds in all accounts that you are an owner, representative or fiduciary of or have an ownership or fiduciary interest in no matter what the source of funds in the account, including directly deposited government entitlements or benefits such as social security deposits. However, our security interest, any right of set off and any lien rights do not apply to retirement accounts. At our discretion, we may apply the funds from any account you are an owner, representative or fiduciary of or have any ownership or fiduciary interest in to pay off your obligations to us without notice to you at any time. If we choose not to enforce our lien or contractual security interest our non-action is not a waiver of our rights to enforce our rights at a later time. You agree that a security interest granted by one owner, representative or fiduciary of an account will continue to secure that owner's, representative's or fiduciary's obligation to us even after that owner dies.

20. Full Payment Checks

If you are repaying or making a payment on a loan or other obligation that you owe to us, please direct that payment according to our loan agreement or to the person at the Credit Union who contacted you about the obligation. You agree that any check that you try to write or negotiate to us that has a "full payment" legend (such as "Paid in Full") or other language intended to repay in full any of your outstanding obligations to us must be presented by you in person to an officer of our Credit Union and must be for the full balance you are obligated to repay us including principal, interest, fees, costs and expenses. Otherwise, any payment is accepted with full reservation of rights against you to recover any and all outstanding obligations or indebtedness owed to us.

21. Legal Action Against Your Account for Funds or Information

If your account is subject to legal action, such as levy, garnishment, attachment or other court order, we may pay out funds from your account according to that legal action or alternatively place a hold on the funds in the account until the matter is resolved. Unless otherwise prohibited, all legal actions are secondary to our contractual security interest and statutory lien rights in your account. You understand and agree that you will be charged a research fee for any time spent by our employees (or any affiliated person or organization) addressing: 1) any legal, regulatory or governmental action initiated by any person and/or private or government organization against you or your account(s) or for information concerning you or the account(s); or 2) any claim made by you for any transaction that is determined to be authorized, as stated in the Rate and Fee disclosures. To protect your and our interests, if we need to seek legal or other professional advice to review a levy, garnishment, attachment or other court order that affects your account, a service or a transaction, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of that levy, garnishment, attachment or court order. You further agree that all costs and expenses of such review may be deducted from your account, and that you will be responsible for any additional amount owed according to the terms of this Contract.

a. Disputes Over or Uncertainty About an Account or Funds in an Account.

If there is a dispute between any person and/or private or government organization over an account or the funds in an account, or we are uncertain who is entitled to access an account or the funds in an account, you agree that we may hold the funds in the account and may not release the funds in the account until all persons or organizations affected by the dispute or uncertainty agree in writing what should be done with the account and/or the funds in the account or until we receive a court order instructing us what to do. You understand and agree that such a hold is beneficial to both you and us to assure that only a person who or organization that is entitled to access the account and/or the funds in the account actually obtains access to the account and/or the funds held in an account. To protect your and our interests, if we need to seek legal or other professional advice to review a written agreement or court order that affects your account, service or a transaction, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of that agreement or court order. You further agree that all costs and expenses of such review may be deducted from your account, and that you will be responsible for any additional amount owed according to the terms of this Contract. Alternatively, in the event of a dispute or uncertainty over who is entitled to access an account or the funds in an account, at our discretion we may deposit the funds in an account with a court and ask the court to resolve the dispute or uncertainty over who is entitled to the funds. In such instances, we may deduct our attorney fees and court costs from the funds in the account to be deposited with the court.

22. Your Obligations to Us

If we incur any loss, related expenses, fees, charges, interest and/or liability (including reasonable attorney fees) on an account or service we have provided to you, or as a result of any transaction, dispute, uncertainty or membership matter concerning you, the owner, a representative, signer, information user or fiduciary, you agree that you are jointly and individually liable to us for the full repayment of that loss and related expenses, fees, charges, interest and liability (including reasonable attorney fees), whether you are still a member or not. You agree that we may contact you about that loss, expenses, fees, charges, interest, liability and/or any obligation (including reasonable attorney fees) that you owe to us at all addresses, phone numbers and e-mail addresses provided in Part 1 of this Contract or any updated address reflected in our records. You understand and agree that if you are ever obligated to repay us for any loss, expenses, fees, charges and/or liability in connection with your accounts, loans or any related account or loan service you have or had with us, that we may share your information with any affiliated person or organization (including collection agencies or attorneys) assisting us with the collection of your obligation, whether or not you are still a member of the Credit Union. You agree that we may deduct any loss, expenses, fees, charges, interest and/or liability (including reasonable attorney fees) from your account(s) without notice to you regardless of the source of those funds, including directly deposited government entitlements or benefits such as social security deposits. However, our security interest, any right of set off and any lien rights do not apply to retirement accounts. Additionally, you also agree to pay any other reasonable charges, fees, interest and/or expenses (including reasonable attorney fees) we may incur in providing you membership, an account or any transaction or related service that are not covered by this Contract. If either you or the Credit Union is required to initiate legal action to enforce or interpret any of the terms, responsibilities or liabilities of this Contract, you and the Credit Union agree that the successful party is entitled to payment by the losing party for any collection costs incurred by either party or collection agency, and to reasonable attorney fees and costs, including those incurred on any appeal, bankruptcy proceeding and post-judgment action, unless otherwise limited or prohibited. You and your estate agree to indemnify and defend us against and hold us harmless from any loss, damage, claim, liability or legal action arising from our right to recover for any loss, expense, fees, charges, interest and liability (including reasonable attorney fees) we incur as a result of your account and any transaction on your account. If you cause us a loss, you understand and acknowledge that we may deny you accounts and services, close or terminate your accounts and services, and even expel you from membership, as addressed in this Contract, our policies or as otherwise allowed.

23. Our Responsibility for Errors

If we do not properly perform a transaction according to the terms of this Contract, we may be liable to you for losses up to the amount of the transaction (unless otherwise required). We will not be liable for: 1) your account having insufficient funds to complete a transaction; 2) losses that result from your negligence or the negligence of others; 3) your failure to follow any time limits as explained in this Contract; 4) circumstances beyond our control that prevent us from performing the transaction (such as power failures, closures due to storms or other emergencies); or 5) any losses caused by your failure to follow any term of this Contract. Our actions will constitute the use of ordinary care if such actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules and general banking practices followed in the area serviced by us. As a result of a request or an order by you, should we ever disburse a greater amount of funds based on your request or order to any person or organization that you know (e.g., relative, friend, employee, business associate, creditor, authorized person, etc.), you agree to assist us in recovering our funds, including participation in litigation and prosecution.

Finally, based on your relationship with your family members, friends and/or employees you agree that if a family member, friend or employee conducts a transaction on your account or through a related service we have provided you, you author-

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ize the transaction, and agree that you will take responsibility for and address the matter to recover any loss for the transaction with the family member, friend or employee. You understand and agree that you, like each member of our Credit Union, are in the best position to control, prevent and subsequently address the transaction with your family member, friend or employee, rather than imposing the expense of resolving the matter on all members of the Credit Union.

24. Accounts Determined Inactive

Should any of your accounts have a balance less than the minimum balance required by this Contract and specifically explained in the Rate and Fee disclosures, and you have not used our products or services that would exempt your account from our inactive account policy, we may consider your account to be inactive. Should we consider your account inactive, we may charge an account inactivity fee as stated in the Rate and Fee disclosures. We charge fees on a member's inactive account because of the expense incurred by all members in maintaining accounts that are not being used by a particular member who additionally is not using our products or services that would otherwise justify us incurring the expense of maintaining the account. We will notify you at the address you have provided us or by other means as you have requested of your account's inactive status before imposing a fee, and will discontinue the fee once you have met our minimum balance and/or activity requirements.

25. Funds Presumed Unclaimed Property

If there has been no activity on your account(s) such as deposits and withdrawals and we have not been able to contact you for a number of years, the state requires that the funds in your account(s) be presumed abandoned and sent to the state as unclaimed property. Upon remittance of the funds in your account(s) to the state, your accounts will be closed and you will need to reclaim the funds by contacting the appropriate state agency.

26. Closing Your Account

You may close your business or organization account, and any representative alone may close a business or organization account, at any time by notifying us in writing, according to the terms of this Contract. In the interests of all members, you agree that we may require you to sign a Part 1 account form (or other form we use) acknowledging that you requested that the account be closed and services be terminated, on which we may note the closed account and terminated services and include the word "Closed" on the Part 1 account form. We are not responsible for any transactions that were initiated by you, representative(s) or signer(s) or that occur on your account, until the account is closed and the service is terminated by you with us. You agree that if we pay any check, draft, item or transfer on your account after the account is closed and the service is terminated, you will reimburse us for the amount of the check, draft, item or transfer including any fee as stated in the Rate and Fee disclosures. If you ask us to add to and/or change an existing account or service, you agree that we may require you to close your account and open a new account, and may require you to sign a new Part 1 account form (or other form we use).

We may close your account at any time and without notice if: 1) we are dishonoring a number of checks, drafts or items for insufficient funds, if a number of checks, drafts or items taken for deposit are returned unpaid or you stop payment on a check, draft or item that would otherwise be returned for insufficient funds; 2) a number of checks have been lost or stolen; 3) any alteration, forgery or other fraud has occurred involving you or your account; 4) there has been any falsification, misrepresentation or any other abuse by you or involving any of your accounts; 5) the balance of the account does not meet our minimum balance requirements for thirty (30) calendar days; 6) we determine it is necessary either to stop or prevent a loss to us; 7) you have or are making multiple additions or changes to an account and/or services; or 8) if you ever become abusive with or threaten the safety of an employee, volunteer, member or affiliated person or organization with us. Further, you acknowledge that for your and our protection we may close your account anytime to avoid a loss or potential loss to you or us (such as when your checks become lost or stolen).

You understand that whether your account and service is closed and terminated by you or us that all transactions on the account will be dishonored, not paid or rejected and returned because the account is closed. You agree that whether your account and service is closed and terminated by you or us, that closure and termination does not release you as the owner, or any current or past representative, signer, information user or fiduciary from any fees, obligations or other liabilities incurred on the account or service before, in the process of, or after the account is closed and the service is terminated.

27. Termination of Your Membership at the Credit Union

Membership at our Credit Union is a privilege granted to you by our members under State/Federal law. However, you may end your membership with the Credit Union at any time by providing us with written notice of your desire to end your membership, according to the terms of this Contract. You understand that ending your membership does not release you of your responsibilities, obligations and liabilities to us under this Contract.

In the interest of all members and to protect the Credit Union, to the extent permitted by law, you agree that we may expel any member for cause, which includes but is not limited to: 1) abuse of our employees, volunteers, members or any affiliated persons and organizations, services or privileges; 2) failure to use our products or services to justify your continued participation in Credit Union membership; or 3) causing us a loss. You understand and acknowledge that for the protection and safety of our employees, volunteers, members or any affiliated persons and organizations, if you ever become abusive with or threaten the safety of, any of our employees, volunteers, members or any affiliated persons and organizations, we may close your accounts and terminate your services and membership immediately and without notice.

28. Deceased Account Owners, Claims & Transactions

For a sole proprietor, doing business as or single owner account, you agree that any representative or claimant (generally a creditor) of your estate is bound by the terms of this Contract. Upon an owner's death, we may require any estate representative or other claimant of the funds held in a deceased owner's account(s) to prove his or her authority as the representative of the estate or claimant of the funds and identification as the estate representative or claimant before we will release any funds held in any account. You understand that it is your responsibility (and not ours) to inform your legal representative(s) about your account(s) at our Credit Union. We may require an estate representative or claimant or anyone who claims an interest in funds held in a deceased owner's account to indemnify us for any losses resulting from the claim before we will release the funds to the estate representative or claimant or other person. We may continue to honor all deposits, withdrawals, transfers and transactions on the account until we receive a certified copy of an owner's death certificate, along with proof of the representative's, claimant's or third person's authority as the representative, claimant or creditor of the estate and identification as the estate representative, claimant or creditor. To assure that we carry out your wishes, if we need to seek legal or other professional advice to review any documentation provided by a representative or claimant that affects your account, a service or a transaction, you agree that we may deduct all costs and expenses, including reasonable attorney fees, incurred for the review of that documentation from your account. Alternatively, if there is a dispute between purported representatives and/or claimants, and/or there is uncertainty about who is entitled to the funds in the account that we cannot resolve by referring to this Contract, you agree that we may either remit the funds to the state as unclaimed property (as allowed by state law) or deposit the funds in an account with a court and ask the court to resolve the dispute or uncertainty over who is entitled to the funds. If we elect to deposit the funds with a court we may deduct our attorney fees and court costs from the funds in the account to be deposited with the court. Whether the funds are remitted to the state or deposited with a court, you agree that the account will be closed and that all purported representatives and/or claimants will need to claim the funds by contacting either the appropriate state agency or court.

29. Your Irrevocable Waiver of Your Rights to Make Testamentary Dispositions from Any of Your Accounts

For a sole proprietor, doing business as or single owner account, you understand that it is your sole responsibility and not our responsibility to assure that the ownership and survivorship features of your accounts and services, as designated by you in Part 1 of this Contract (the account form), accurately reflect and take into consideration your personal, domestic, business and estate planning needs (such as, but not limited to, those created, changed or terminated by marriage, children, adoption, separation, divorce, remarriage, death or as a result of any agency, guardianship, conservatorship, trusts, wills, incorporations, partnership agreements, contracts, indebtedness, etc.). If permitted by applicable state law, you irrevocably waive your rights to make testamentary dispositions from any account, and do so with the understanding that authorized person designations and if applicable the ownership and survivorship features of an account (such as "multiple/joint account ownership with right of survivorship" and "beneficiary/POD payee" designations) control and supersede any inconsistent testamentary disposition. Because it is your responsibility to assure that authorized person designations and if applicable the ownership and survivorship features of your account(s) and services accurately reflect and take into consideration your personal, domestic, business and estate planning needs, and because you can change, add or close or terminate an account or service at any time, you irrevocably waive your right to make a testamentary disposition from any account at the Credit Union, both now and in the future. Also, because you are in complete control of authorized person designations and if applicable the ownership and survivorship features of your account(s) and services, and can change, add, close or terminate the account(s) and services at any time, and have agreed that we may rely exclusively on the terms of Parts 1 and 2 of this Contract, upon your death we may rely exclusively on the terms of Parts 1 and 2 of this Contract concerning all matters that affect your account(s) and services.

30. This Contract and State & Federal Law

While your membership, accounts and services are primarily governed by Parts 1 and 2 of this Contract, they are also governed by applicable law of the state in which the branch or service center where you opened your account is located, or if you opened your account by mail, telephone, or our services that can be accessed online, the law of the State of Hawaii, federal law, federal reserve regulations and operating letters, clearing house rules, and the recognized Credit Union practices used in the areas our Credit Union serves, as amended from time to time. If any term of this Contract is in conflict with the applicable law, that term will be nullified to the extent that it is inconsistent with the law and the law will govern. Should any term of this Contract be declared invalid, unenforceable or unlawful by a court, that term will not affect the validity of any other terms of this Contract, which will continue in full force and effect.

Funds Availability Disclosures

This policy applies to share draft accounts. Deposits to other accounts may be subject to longer holds in our sole discretion.

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1. General Policy

Our policy is to make funds from your deposits available to you on the first business day after we receive your deposit. Funds from cash or electronic deposits may be available immediately. Funds from deposits made at automated teller machines ("ATMs") we do not own or operate will not be available until the second (2nd) business day after the day of your deposit. ATMs that we own or operate are identifiable by our name displayed on the ATM. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Federal Holidays. If you make a deposit before 2:00 p.m. Standard Time at any Credit Union branch, on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 2:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

2. Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the business day after we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second (2nd) business day after the day of your deposit. However, the first $200 of your deposit will be available on the first (1st) business day. If we are not going to make all of the funds from your deposit available on the first (1st) business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

3. Holds on Other Funds

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

4. Longer Delays May Apply

We may delay your ability to withdraw funds deposited by check into your account an additional number of days under certain circumstances. Federal law provides for exception to the federal funds availability schedules when:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than $5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

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

5. Special Rules for New Accounts

The following rules may apply during the first thirty (30) days your account is open:

a. Funds from electronic direct deposits will be available on the day we receive the deposit.

b. Funds from deposits of 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 (1st) business day of the deposit if the deposit meets certain criteria (for example, the check must be payable to you). The excess over $5,000 may not be available until the ninth (9th) business day after the day of your deposit.

c. Funds from all other check deposits may not be available until the eleventh (11th) business day after the day of your deposit.

6. Foreign Checks

Checks drawn on financial institutions located outside the United States are not subject to these policies. Such checks must be specifically identified and processed. Generally, availability of funds from foreign check deposits will be delayed until we have collected the funds from the institutions on which they are drawn.

Electronic Fund Transfer Disclosures

The following disclosures set forth your and our rights and responsibilities concerning electronic fund transfers. Electronic fund transfers ("EFTs") are electronically initiated transfers of money involving a deposit account at the Credit Union and multiple access options, including online account access, direct deposits, automated teller machines (ATMs), Debit Card ("Card"), and audio response system (TOP System Telephone Transfers) services.

1. EFT Services

a. Automated Teller Machines ("ATMs").

You may use your Card and personal identification number (PIN) in ATMs of the Credit Union, ACCEL/Exchange Network, and such other machines or facilities as the Credit Union may designate. At the present time, you may use your Card to:

- Make deposits to your share draft and share savings accounts.
- Make cash withdrawals from share draft and share savings accounts.
- Obtain the balance of share draft and share savings accounts.

b. Direct Deposit.

Upon instruction of (i) your employer, (ii) the Treasury Department, or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your share or share draft account. You may also receive preauthorized transfers from another member's account with the Credit Union.

c. Pre-authorized Debits.

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

d. TOP System Telephone Transfers.

If we approve your application for telephone access to your accounts under the TOP System Telephone Transfers service, you may use a telephone to access your account by calling 800-806-7904. You must use your PIN along with your account number to access your accounts. At the present time you may use the TOP System Telephone Transfers service to:

- Transfer funds between your share draft and share savings accounts.
- Transfer funds from your line of credit account to your share draft and share savings accounts.
- Make loan payments from your share draft or share savings accounts.
- Obtain balance information on your share draft and share savings accounts.
- Obtain deposit and withdrawal information about the last ninety (90) days to/from your share draft and share savings accounts.

e. Virtual Bank Computer Transfers.

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

- Transfer funds between your share draft and share savings accounts.
- Transfer funds from your line of credit account to your share draft and/or share savings accounts.
- Make loan payments from your share draft or share savings accounts to a loan account of yours.
- Make payments from your share draft account to third parties (Bill Pay).
- Obtain balance information related to your share draft and share savings accounts.
- Obtain deposit and withdrawal information about the last ninety (90) days to/from your share draft and share savings accounts.

Transactions involving your share accounts will be subject to your Deposit Account Contract and transactions involving a loan account will be subject to the loan agreement(s) for the applicable loan.

f. Debit Card.

You may use your Debit Card to purchase goods and services any place Visa is honored by participating merchants and merchants accepting the Card and PIN at point of sale (POS) terminals. Funds to cover your Card purchases will be deducted from your share draft account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to any overdraft protection plan, or may terminate all services under this Agreement.

Some merchants may permit you to initiate debit and bill payment transactions with your card using either the Visa network or another network shown on your card, such as the ACCEL/Exchange network. The Credit Union will honor your debit transactions processed by any of these networks.

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

Transactions processed over other networks may not require you to use your PIN in order to validate a transaction. Generally, you enter your card number or swipe your card and provide or enter a PIN. However, some merchants may not require you to provide a PIN, and allow you to choose whether the transaction is processed by Visa or another network. Provisions applicable only to Visa transactions (such as Visa's zero

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liability protections) will not apply to non-Visa debit transactions and the liability rules for other EFTs in the section titled "Member Liability" will apply.

g. Electronic Check Transaction.

You may authorize a merchant or other payee to make a one-time electronic payment from your share draft account using information from your check to pay for purchases, pay bills, or pay other obligations ("electronic check transactions"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any required notice regarding the merchant's right to process the transaction or payment, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic fund transfer services will apply to electronic check transactions, except the $50 and $500 limits of liability for unauthorized transactions in Section 4. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

2. Service Limitations

a. Automated Teller Machines.

Cash withdrawals from ATMs can be made as often as you like. You may withdraw up to $500 (if there are sufficient funds in your account) each day.

b. TOP System Telephone Transfers.

Your accounts can be accessed under TOP System Telephone Transfers via a touch-tone telephone only. Not all push button phones are touchtone. Converters may be purchased for pulse and rotary dial phones. TOP System Telephone Transfers will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. If you call during this time you will hear a message directing you to call back. While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, transfers from share accounts will be limited to six (6) in any one month. No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

c. Virtual Bank Computer Transfers Service.

i. **Transfers.** You may make funds transfers to your accounts or other accounts you authorize as often as you like. However, transfers from a savings account will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or available credit line at the time of the transfer, except as limited under this or other agreements. Bill pay transfers are limited to $5,000 per payment. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

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

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

d. Debit Card.

There is no limit on the number of Debit Card purchase transactions you may make during a statement period. Visa purchases are limited to the balance available in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds or require us to increase our required reserve on the account. You may not make more than $5,000 in check card purchases or cash advances each day. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. You are solely responsible for any disputes you may have with merchandise or services received using the Debit Card. We are not responsible for any damages, liability, or settlement resolution as a result of the misrepresentation of quality, price, or warranty of goods or services by a merchant.

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

i. Ownership of Cards. Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.

ii. Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund. You may not use the Card for any illegal or unlawful transaction. We may refuse to authorize any transaction that we believe may be illegal or unlawful.

iii. Currency Conversion; International Transaction Fee. Purchases and withdrawals made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by Visa International, Inc. is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, you will be charged an International Transaction Fee of 1% of the transaction amount for any card transaction made in a foreign country.

3. Security of Personal Identification Number

The personal identification number or PIN is established for your security purposes. The PIN is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your PIN, that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that person may use the TOP System Telephone Transfers, online services, or check card to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your PIN and you agree that the use of your PIN will have the same effect as your signature authorizing transactions.

If you authorize anyone to use your PIN in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your PIN immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your PIN is changed. If you fail to maintain or change the security of these PINs and the Credit Union suffers a loss, we may terminate your electronic fund transfer and account services immediately.

4. Member Liability

You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or PIN, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe anyone has used your Account, Card or PIN and accessed your accounts without your authority, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. For Debit Card purchase transactions, if you notify us of your lost or stolen card you will not be liable for any losses provided that you were not grossly negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim.

If you believe that someone has used your Card or PIN without your permission or you have lost your Card, call: 808-536-3677 during business hours and/or www.hccu.info, or write: Hawaii Central Federal Credit Union, 681 South King Street, Honolulu, HI 96813.

5. Fees and Charges

There are certain charges for the EFT services as set forth on the Rate and Fee Disclosures. The Credit Union reserves the right to impose service charges at a future date after we give you notice of such changes as required by law. If you request a transfer or check withdrawal from your personal line of credit account, such transactions may be subject to charges under the terms and conditions of your loan agreement. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

6. Credit Union Liability for Failure to Make Transactions

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

- If, through no fault of ours, you do not have adequate funds in your account to complete a transaction, your account is closed, or the transaction amount would exceed your credit limit on your line of credit.
- If you used the wrong identification code or you have not properly followed any applicable computer, Internet, or Credit Union instructions for making transfers.
- If your computer fails or malfunctions or if the Credit Union's online access system was not properly working and such problem should have been apparent when you attempted such transaction.
- If the ATM where you are making the transfer does not operate properly, does not have enough cash or you use your Card improperly.
- If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment, or power failure) prevent making the transaction.
- If your account is frozen because of a delinquent loan or is subject to legal process or other claim.

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- If the error was caused by a system beyond the Credit Union's control such as your Internet Service Provider, any computer virus, or problems related to software not provided by the Credit Union.
- If you have not given the Credit Union complete, correct, and current instructions so the Credit Union can make a transfer.
- If the error was caused by any applicable ATM or payment system network. The ATM machine may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.
- We may establish other exceptions in addition to those listed above.

7. Termination of EFT Services

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

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

8. Notices

We reserve the right to change the terms and conditions upon which this service is offered.

9. ATM Safety Notice

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

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

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, the U.S.A. Patriot Act 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, physical address, date of birth, taxpayer identification number, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. We will let you know what additional information is required.

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Privacy Policy

Rev. June 2011

FACTS	**WHAT DOES HAWAII CENTRAL FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?**	1
Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	2
What?	The types of personal information we collect and share depend on the accounts or services you have with us. This information can include: • Name, address, Social Security Number, and income • Account balances and payment history • Credit history and credit scores When you are *no longer* our member, we continue to share your information as described in this notice.	3
How?	All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Hawaii Central Federal Credit Union chooses to share; and whether you can limit this sharing.	4

Reasons we can share your personal information	**Does Hawaii Central Federal Credit Union share?**	**Can you limit this sharing?** 5
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes—to offer our products and services to you	Yes	No
For joint marketing with other financial companies	Yes	No
For our affiliates' everyday business purposes—information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness	No	We do not share
For our affiliates to market to you	No	We do not share
For non-affiliates to market to you	No	We do not share

Questions?	Call us at 808-536-3677 or visit us online at www.hccu.info.	6

More information about your privacy continued on next page. 7

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Who We Are	8
Who is providing this notice?	Hawaii Central Federal Credit Union and CU Network Services LLC

What We Do	9
How does Hawaii Central Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards, secured files and buildings, procedural safeguards and safe record storage. We will continue to review and modify our security controls in the future to deal with changes in products, services and technology.
How does Hawaii Central Federal Credit Union collect my personal information?	We collect your personal information, for example, when you • open an account • apply for a loan • use your credit or debit card • pay your bills • make deposits to or withdrawals from your accounts We also collect your personal information from others, including credit bureaus or other companies.
Why can't I limit all sharing?	Federal law only gives you the right to limit only: • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	10
Affiliates	Companies related by common ownership or control. They can be financial and nonfinancial companies. • *Our affiliates include financial companies such as CU Network Services LLC, a provider of mortgage lending services.*
Non-affiliates	Companies not related by common ownership or control. They can be financial and nonfinancial companies. • *Hawaii Central Federal Credit Union does not share with non-affiliates so they can market to you, except in connection with our joint marketing agreements.*
Joint marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. • *Our joint marketing partners include financial service providers.*

Other Important Information	11
Should you have questions or need an explanation about any matter addressed in our privacy policy, please contact us at 808-536-3577 during business hours and we will be happy to answer your questions.	

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