



PART 2 - YOUR AND OUR AGREEMENT and DISCLOSURES

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Part 2 - Your and Our Agreement and Disclosures

Terms of Your and Our Agreement

1. This is an Agreement between You and Your Credit Union.

a. Contract for Accounts and Services. Your and our contract consists of Part 1 (the account form) and Part 2 (this agreement and the disclosures that follow). You understand that Parts 1 and 2 create a legally binding contract that governs your accounts and services at your credit union, and that this agreement (in Part 2) contains the specific terms, responsibilities and liabilities of membership, account ownership, and related services with us. By applying for membership, opening or using an account, requesting or using a service and signing Part 1 of this contract, you are agreeing to the terms and responsibilities (and accompanying liabilities) of this contract as explained in this agreement and disclosures (and that compromise Part 2). You promise that all the information provided by you to us in Part 1 of this contract is accurate, and that Part 1 has been completed according to your instructions, as confirmed by your signature on (or other authentication of) Part 1 of this contract and/or through your use of an account or service. You authorize us to rely exclusively on the terms of Parts 1 and 2 of this contract, and agree that we have no obligation to rely on any other documents (unless otherwise required). *It is the essential purpose of this contract to fairly apportion the responsibilities and liabilities of membership, account ownership and services used by each member between that member and the credit union, which in turn enables the credit union to provide the best products and services possible, in the most cost effective manner, for the benefit of all members of the credit union.*

b. Questions? Please Ask Us. Please read and keep this agreement and the accompanying disclosures so that you can refer to them anytime that you have a question about your membership, an account or a service. You understand and acknowledge that you may obtain additional copies of this contract (Part 1 (the account form) and Part 2 (the agreement and disclosures)) by contacting us during business hours, and that you can access Part 2 (the agreement and disclosures) anytime on our website at www.hicommfcu.com. As an owner of this credit union it is particularly important that you read and adhere to the terms of this agreement and the disclosures in order to fulfill 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 obtain help in the event you should have any language difficulties in reading this

contract. *Should you have any questions about a matter addressed in the agreement, or this contract (Parts 1 and 2), please contact us at your earliest convenience, and we will be happy to answer any questions or clarify any matter for you.* If you are calling from the Island of Hawaii, please call 930-7700, or if you are calling from a neighbor island or on the mainland, please call 1-800-514-2328 or log on to our website at www.hicommfcu.com.

c. Important Definitions for Your and Our Contract. As used in this contract the words "we", "our" and "us" mean the credit union and the words "you" and "your" mean you the account owner(s) (also referred to as "owner(s)"), including persons, organizations or entities, user(s) of a service and any "signer" or "agent" appointed by or on behalf of you to sign on the account and to conduct transactions and/or use a service in a representative capacity.

The terms "people" or "person" mean human beings, and the term "agent" means a person who is not an owner of the account but who has been authorized by the owner or owners to conduct transactions on the account.

The word "organization" means a corporation, partnership, limited liability company, limited liability partnership, association, business, society, charity, trust, club or similar organization or group that is eligible for membership at the credit union.

The term "signer" means any person who has the authority to represent and conduct transactions on behalf of an organization on the organization's account.

An "account" means any savings or share, checking, or certificate or share certificate account that you own at the credit union.

The term "POD" means "payable on death," and a "POD beneficiary" is a person designated under this agreement to receive funds in the account on the death of the last surviving account owner.

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 services or information in connection with the account. The term "transaction" does not include changing the ownership, beneficiary/POD payee designations, or closing an account. Transactions may be initiated by any means that we permit.

A "U.S." person is a United States citizen.

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 and/or e-mailed to you at the address in Part 1 if provided), which specifically includes this agreement and the accompanying Expedited Funds Availability disclosures, Electronic Fund Transfer disclosures, Privacy Policy, our Fee Schedule (that follow this agreement) and to any changes that we make from time to time. You understand that we may optically scan, image, or film your original Part 1, and agree that imaged or filmed Part 1 is binding on you and us as Part 1 of this contract. You agree and understand that you may change, 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, and for any changes to, distributions from, or closure or termination of any account or service, you authorize us to rely exclusively on the terms of Parts 1 and 2 of the contract and any changes we make from time to time to the agreement and disclosures. Furthermore, you agree that any additional accounts or services that you request will also be governed by Parts 1 and 2 of this contract and any changes we make to them from time to time. Please note that the headings of this agreement are for quick reference purposes only and are not part of this contract.

e. How Accounts are Titled. Accounts are generally titled in a manner so that the name used on the account matches the Social Security Number or Employer Identification Number 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 in order to note the purpose of the account and/or the ownership of funds in the account.

2. Organization of Your and Our Agreement.

In Part 1 of our contract you have provided us with your information to apply for membership, selected the ownership and survivorship features for your account(s), selected services, and certified to the Internal Revenue Service (IRS) 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 that a number is not required), that you are a U.S. person, and whether or not you are subject to backup withholding.

accompanying disclosures that follow) sets forth the specific terms, responsibilities and liabilities of membership, account ownership, and related services at the credit union. It is organized chronologically, starting with important terms that you should know about this contract, followed by membership, creation of accounts and related services, and account and service maintenance and termination issues. It concludes with a number of provisions that address both your and our responsibilities and liabilities with respect to your accounts, related services, and membership. Finally Part 2 concludes with a number of disclosures (which include our Expedited Funds Availability disclosures, Electronic Fund Transfer disclosures, Privacy policy, and Rate and Fee Disclosures) that can be found after the agreement. *Again, should you have any questions about a matter addressed in Parts 1 or 2 of our contract, please contact us at your earliest convenience, and we will be happy to answer any questions or clarify any matter for you.* For our contact information, refer to page 1, Section 1b of this agreement.

3. Membership at the Credit Union.

a. Requirements of Membership. To become a member of the credit union you (as a person or an organization) must be in our field of membership (as described in our charter) and open and maintain at least one share or savings account with the minimum required membership share/savings amount. If you are an owner, partner, principal, shareholder, or member of an organization, that organization may also 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 at the credit union. Before opening the account, we may require any signer to provide proper evidence that the organization is lawfully formed (e.g., by production of articles of incorporation, partnership agreement, business license, etc.), and to establish both his or her authority to act as a signer for the organization (e.g., board resolution, partnership letter, etc.) and his or her identity as a signer of the organization.

b. Identification, Social Security Number and Backup Withholding. To join the credit union, open, own, be on an account and/or apply for or use a service, in addition to providing us with your current name, residential or business street (or physical) address (and if different, your mailing address), phone, and birth date, we will require you to provide us with current government issued picture identification and a Social Security Number (SSN) or Employer Identification Number (EIN), certify for Internal Revenue Service (IRS) reporting purposes

that the number matches the name and address, and indicate whether you are currently subject to backup withholding and whether you are a U.S. person. For your and our protection, you agree that we may retain a copy or image of your current government issued picture identification for identity verification for any and all transactions or matters related to your account or services. In the event 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. Whether you are an account owner, agent, or signer, you authorize us to check your account, employment and credit history (which includes obtaining reports from third parties and credit reporting agencies) in order to verify your eligibility for accounts and services we do or may offer.

4. Account Ownership and Survivorship Features.

You may open any account either by yourself (or on behalf of an organization) referred to as a "one owner account," or with another person or persons as a "multiple owner account." The ownership and/or survivorship features of all accounts are designated in Part 1 of this contract. The ownership of a member organization account is governed by Section 4.i. of this agreement and not by Sections 4.a. through 4.h. that follow, and is also a one owner account.

a. One Owner Accounts. A one owner account is an account owned by you alone, which you as the account owner use during your lifetime. In the event of your death the funds in the account will go to your legal representative or claimant (subject to the terms of this agreement). Alternatively, you can designate a specific person or persons or organization(s) as a beneficiary(s)/POD payee(s) for your one owner account in Part 1 of this contract. In the event of your death, the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this agreement) upon proof of your death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, each will be entitled to his or her (or its) proportionate share of the funds in the account (which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account), and will own those funds without right of survivorship. If a beneficiary/POD payee

predeceases you, it is your responsibility to notify us and change the account accordingly. Beneficiary/POD payee designations made on Part 1 of this contract do not apply to Individual Retirement Accounts (IRAs) or any account life savings insurance, which have separate beneficiary designations.

b. Multiple Owner Accounts. A multiple owner account is an account owned by two or more persons who possess equal rights to conduct all transactions on the account. Each account owner owns the multiple owner account with right of survivorship. This means that when one account owner dies his or her interest in the account and the funds in the account are owned by the surviving owner or owners of the account (subject to the terms of this agreement). Upon the death of the final account owner the funds in the account belong to that owner's legal representative (subject to the terms of this agreement). Alternatively, you can designate a specific person or persons or organization as a beneficiary(s)/POD payee(s) for your multiple owner account in Part 1 of this contract. In the event of the final account owner's death, the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this agreement) upon proof of death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, each will be entitled to his or her (or its) proportionate share of the funds in the account (which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account), and will own those funds without right of survivorship. If a beneficiary/POD payee predeceases you, it is your responsibility to notify us and make any changes to the account. Beneficiary/POD payee designations made on Part 1 of this contract do not apply to Individual Retirement Accounts (IRAs) or any account life savings insurance, which have separate beneficiary designations.

Any account owner acting alone may conduct transactions on the account, and each account owner is authorized to act for all other owners on the account for all transactions on the account, or request future services we offer at that time. Any account owner may sign and guarantees the signature of any and all other owners on the account for all transactions. Each owner understands that any owner acting alone may change or close the account, and that his or her signature on Part 1 of this contract confirms his or her agreement to any subsequent change made to the account by any other owner on the account. While any account

owner may change or close the account acting alone, we will require all account owners to consent in writing to the addition or removal of any owner on the account (or the addition or removal of any agent to the account). All account owners agree that we have no duty to notify the account owners of the transactions engaged in, or changes to or closure of the account, by any account owner acting alone.

All account owners, both alone and together, are liable for all transactions on, changes to and closure of the account, and for any charges, fees, losses or liabilities incurred with respect to any transaction on, changes to or closure of the account regardless of which owner conducted or benefited from the transaction, change or closure. If any account owner owes us money for any reason, we may enforce our rights against all funds in any account on which that account owner's name appears on, regardless of which owner deposited the funds in the account.

c. Accounts Owned by or for People under 18 Years of Age. Anyone under eighteen years of age may open and/or own an account with us, may conduct transactions on the account, and is subject to the terms, responsibilities and liabilities of this contract. We reserve the right to require any person under eighteen years of age who wishes to open and/or own an account with us to have an account owner on the account who is at least eighteen (18) years of age or older who will be jointly and individually liable to us for any and all transactions on the account, and who is subject to the terms, responsibilities and liabilities of this contract.

d. Accounts Owned by Custodians for Minors under the Hawaii Uniform Transfers to Minors Act. As a member you may open and own an account to hold the funds of a minor (a person less than twenty-one (21) years of age) under the Hawaii State's Uniform Transfers to Minors Act. The account is a one owner account owned by you as a custodian, in which you as the account owner-custodian hold funds for the exclusive right and benefit of a minor (though if Hawaii State law provides for multiple owners of these accounts, we will allow the account to be owned jointly with right of survivorship). Though dividends/interest paid to the account are/is reported under the minor's name and Social Security Number, you as the custodian are the owner of the account, and barring a court order are the only person who is entitled to conduct transactions on the account, change and/or close the account. If you wish to designate a successor custodian on the account, we can include that person's name as a beneficiary/POD payee on the account, and that person can claim the funds in the

reaches twenty-one (21) years of age, it is your responsibility (and not the credit union's responsibility) to pay the funds in the account to the minor. You, as custodian, will still be the only owner of the account.

e. Accounts Owned by Representative Payees for Social Security Beneficiaries.

As a member you may open and own an account as a "representative payee" for a "Social Security beneficiary." We reserve the right to require you to prove both your authority to act as a representative payee for the Social Security beneficiary and your identity as a representative payee prior to opening the account. The account is a one owner account owned by you as a representative payee, in which you as the account owner-representative payee hold funds for the exclusive right and benefit of the Social Security beneficiary. Though dividends/interest paid to the account are/is reported under the beneficiary's name and Social Security Number, you as the representative payee are the owner of the account, and barring a court order are the only person who is entitled to conduct transactions on the account, change and/or close the account.

f. Agent Designations and Powers of Attorney.

i. Agent Designations. An account owner on a one owner account, and the account owners together on a multiple owner account, may designate a person or persons to be an agent(s) on the account who will be authorized to conduct transactions on the account. We will require you (the owner(s) and agent(s)) to provide information about the agent(s) and will also require the agent(s) to sign Part 1 of this contract. An agent only has rights to conduct transactions on the account, and has no ownership or survivorship rights in the account or to the funds held in the account and cannot make changes to or close the account. Once you have designated an agent(s) it is your responsibility (and not our responsibility) to monitor an agent'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 agent on the account, or assure that any transaction is for your benefit. The agent's authority to conduct transactions will continue until you terminate that authority with us or until we receive written notice of your death and have a reasonable opportunity to act on that notice. If you wish to terminate an agent's authority to conduct transactions on the account, you must notify us and change Part 1 of this contract in writing according to the terms of this agreement. We have no duty to prevent an agent from

transactions on the account until you have made this change. In the event of your death on a one owner account or the final surviving account owner's death on a multiple owner account, any funds in the account will be disbursed according to Part 1 of this contract and Section 4 of this agreement.

ii. Powers of Attorney. If you give a person power of attorney we reserve the right to require that person to prove the authenticity of the power of attorney, and both his or her authority to act as your attorney in fact and his or her identity as your attorney in fact prior to allowing the attorney in fact to open, conduct transactions on, change or close an account. Additionally, if we elect to rely on your power of attorney, both you and your attorney in fact agree to indemnify, defend, and hold us harmless for any loss, damage, claim or liability that occurs as a result of our reliance on the power of attorney. You agree that we may require the attorney in fact to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the attorney in fact's agreement to this contract. If we need to seek professional advice to review your power of attorney for opening, maintenance or closing the account, or for any transaction on the account, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of your power of attorney. We reserve the right to refuse to recognize the authority of a person with a power of attorney if we determine that we cannot reasonably rely on the power of attorney, unless otherwise required.

g. Accounts for Living Trusts. You may open an account to hold the funds of your trust on our Account Contract for Trust Part 1. You understand that for IRS reporting purposes the name that appears first on Part 1 of the contract must match Social Security or Employer Identification Number (SSN or EIN) provided by you to open the account (though we will be able to write the full legal name of the trust in the specially designated area of Part 1 of the contract should you so desire). If you wish to designate a successor trustee or successor trustees on the account, we can include that person's name or persons' names as a successor trustee on the account, and any successor trustee may claim the funds in the account upon proof of either (1) the sole trustee's or the final trustee's inability to continue as a trustee for the trust, or (2) the sole trustee's or final trustee's death. You, any person designated in Part 1 of this contract, and any person or organization associated in any way with the trust (i.e., all grantors, trustees, successor trustees, and/or beneficiaries) agree that the terms, responsibilities and liabilities of this contract are binding on all trustees/account owners, any person or organization

associated with the trust and the trust (i.e., all grantors, trustees, successor trustees, and/or beneficiaries), and agree to abide by the terms of this contract. Additionally, all persons or organizations associated in any way with the trust (i.e., all grantors, trustees, successor trustees, and/or beneficiaries) agree to indemnify, defend, and hold us harmless for any loss, damage, claim or liability that occurs as a result of opening, using, conducting transactions on and closing this account. You agree that we may require any person or organization associated in any way with the trust to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the person's or organization's agreement to this contract. You further understand and acknowledge that you, any person designated in Part 1 of this contract, and any person or organization associated in any way with the trust (i.e., all grantors, trustees, successor trustees, and/or beneficiaries), are totally and completely responsible for fulfilling the duties and responsibilities of the trust, and that we need only rely exclusively on the terms of Parts 1 and 2 of this contract. In the event we need to review your trust for opening, maintenance or termination of the account, or for any transaction on the account, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of your trust. If you elect to use our Account Contract Part 1 form and wish to designate a successor trustee to claim the funds in the account in the event of your death, we can include that person's name as beneficiary/POD payee on the account, who is a successor trustee for funds under your trust. We may require you to substantiate your authority to negotiate a check payable to a trust before accepting any check for deposit, and may require you to deposit the check into an account for the trust.

h. Accounts for Fiduciary Purposes (Accounts that Hold the Funds for Trusts, Wards, Conservatorships, Beneficiaries, Estates, etc.). When you open an account to hold the funds of an estate, trust, guardianship, conservatorship or court ordered purpose (or for any other legal and/or fiduciary relationship or purpose), you understand and acknowledge that we are only providing you, as the account owner, with an account to hold funds for that estate, trust, guardianship, conservatorship or court ordered purpose. You further understand and acknowledge that you as the account owner are totally and completely responsible for fulfilling the duties and responsibilities of that estate, trust, guardianship, conservatorship or court ordered purpose (or any other legal and/or fiduciary relationship or purpose), and that we need only rely exclusively on the terms of Parts 1 and 2 of this

Furthermore, you and all persons associated in any way with the estate, trust, guardianship, conservatorship or court ordered purpose, agree to indemnify, defend, and hold us harmless for any loss, damage, claim or liability asserted against us for our actions taken pursuant to this contract (and all disclosures and procedures incorporated by reference) that occurs as a result of opening, using and closing this account. You agree that we may require any person associated in any way with the estate, trust, guardianship, conservatorship or court ordered purpose to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the person's agreement to this contract. If we need to seek professional advice to review any documentation for the opening, maintenance and any transaction on or closing of the account that holds funds for fiduciary purposes, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of that documentation. We may require you to substantiate your authority to negotiate a check not specifically made payable to you before accepting it for deposit, and may require you to deposit the check into the specific account pertaining to the payee of check.

i. Accounts for Member Organizations.

Organizations that qualify for membership can open and own a one owner account, and both the organization and its designated signers are subject to the terms, responsibilities and liabilities of this contract. We may require any signer to provide proper evidence of the organization's existence (e.g., articles of incorporation, partnership agreement, business license), and to establish both his or her authority to act as a signer (e.g., through a board resolution, partnership letter, etc.) and his or her identity as a signer prior to opening the account.

Each director, officer, partner, shareholder, employee, member, trustee, agent, signer, etc., promises that the organization has been legally formed and exists, that it qualifies for membership, and all signers promise that they hold the positions/titles as shown on Part 1 of this contract and have the authority to transact business on behalf of the organization member account owner. The organization account owner and all directors, officers, partners, shareholders, employees, members, trustees, agents and signers agree to the terms, responsibilities and liabilities of this contract (and the agreement, all disclosures and procedures incorporated by reference), and further agree to indemnify, defend, and hold us harmless for any loss, damage, claim or liability that occurs as a result of opening, maintaining, conducting transactions on and closing the account. The organization and all

signers authorize us to rely exclusively on the terms of Parts 1 and 2 of this contract, and agree that we have no obligation to rely on any other documents. In the event we need to review any documentation for opening, maintenance or termination of the organization account, or for any transaction on or closing the organization account, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of that documentation. We reserve the right to require that all checks made payable to an organization be deposited to the organization's account.

5. Account Access and 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 allowing you to conduct authorized transactions on the account or otherwise, and that we may require you to provide us with your signature and current government issued picture identification to conduct a transaction. Any person who signs Part 1 of this contract as an account owner, signer or agent may conduct transactions on the account or utilize services provided with the account. For both 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 form is not genuine or is altered or that is illegible or written in a language other than English. You agree that our nonpayment or nonaction under such circumstances is not wrongful. In the event 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 you require more than one signature or endorsement on a check or item drawn on or deposited to your account, you agree that we may pay or accept that check or item regardless of the number of signatures on the check or item if the check or item is issued or deposited by a person authorized by you under this contract or otherwise to issue or deposit checks or items drawn on or deposited to your account. If you provide your account information, code or Personal Identification Number (PIN) to any person or organization to conduct transactions, you agree 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 agree that we may disregard all information on a check including notes and legends except for your signature, the amount

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. You may conduct transactions on your account by any means we permit, including in person (at our offices or at other credit unions with whom we have "shared branching" arrangements), by check, telephone, automated teller machines (ATMs), the mail, automatic transfer, shared branching or online via the Internet. If we require you to use a specific form to conduct and complete a transaction, and you fail to use that form, for both your and our protection you agree that we may refuse to honor, execute or complete the transaction. Whether a transaction is honored, executed 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 Debits. 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 utilize these services and receive funds by wire or ACH transfer you agree to verify the transfers by reviewing your periodic statement, and agree that we have no duty to notify you when the funds are received. While we may temporarily (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 alternatively you agree to reimburse us for the amount of the reversed transfer. Should you send a wire transfer you may identify the recipient or any financial institution by name and by account number or identifying number. We and other financial institutions may rely on the account number or other identifying number that you provide us as the correct identification number, even if the number you provide us identifies a different recipient or financial institution.

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) in order 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 assessed a fee as specified in the Fee Schedule. 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, 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, occasions when: (1) you attempt to make a withdrawal or make a transfer request by any method we do not permit, (2) you, a signer, an agent or any person fails to present authoritative documentation or identification we require to access the account or make a withdrawal, (3) disputes and/or uncertainty occur over who owns the account or the funds held in the account (see Section 20), (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, and (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 consensual security interest or statutory lien rights (see Section 18) because you or another account owner owes money to us, (7) we have been served with a garnishment, levy or other similar legal process or notice affecting the account, (8) for your own protection, in the event you appear to lack the capacity to conduct a transaction, or (9) funds held in the account are held as security for a letter of credit.

Additionally, for the protection of all members and the credit union, we reserve the right to require you to provide us with written notice of your intent to make a withdrawal from your account at least seven (7) days and up to sixty days (60) prior to the time that you would like to make the withdrawal.

ii. Account Transfer Limitations. On all savings/share, money market, and premium saver accounts, we will allow you to make up to six (6) preauthorized, automatic, telephonic, audio response, or Internet transfers to another account of yours or to the account of any other person or organization during each calendar month. Only three (3) of these six (6) transfers can be made by check or debit card purchase to another person or organization. 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 frequency 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/or

Transactions that are not subject to 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, at a shared branch location or at an automated teller machine (ATM).

iii. Account Transaction Volume Limitations.

We may limit the number of items deposited and/or the frequency of deposits and other transactions that you can make each day to your account(s). The date we use to determine the frequency of transactions is the date a transaction is completed by us rather than the date you initiate the transaction. If we allow or honor a nonconforming transaction, we are not required to allow or honor future nonconforming transactions. Should the transactions on your account exceed the limitations we establish, we may limit your account transaction activity, impose a fee as specified in the Fee Schedule, or close your account.

iv. Limitation at ATMs. For your protection and ours, we may limit the amount of cash withdrawals at automated teller machines (ATM). Our current limitations on ATM cash withdrawals are set forth in the Fee Schedule.

6. Your Checking Account.

a. Checks You Write on Your Account, Completion of Checks and 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 in order 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 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 debit transaction or a check, you should write the transaction or check number, amount, date, payee's name, purpose for making the transaction or writing the check in your check register and deduct the amount of the transaction or check from the balance in your account. This helps you to keep track of the current balance that you have in your account, 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 your checks. You agree that you are responsible for any losses incurred with respect to

your checks because you fail to use a dark permanent ink when writing your checks. You should also keep your checks in a secure location and separate from your picture identification. You agree that if you write a check that you authorize us to pay that check and that such payment is proper, regardless of whether you completed or signed the check.

You understand and 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 on the statement does not match the amount you recorded on your check register. Similarly, you can detect forged drawer's signature on checks, counterfeit checks and unauthorized remotely created checks because there is a check number on your statement for a check that you did not write. You understand and agree that you only have thirty-one (31) calendar days from the mailing date of your statement 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 recredit your account for the unauthorized amount or the unauthorized check.

b. Use of Our Check Forms. You agree to use check forms we offer through an authorized vendor. If you use a check form not provided by an authorized vendor, you understand that we may not pay the check and agree that such nonpayment is not wrongful. Alternatively if 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/or fees incurred as a result of using that check form.

c. Lost or Stolen Checks? Notify Us Immediately! If your checkbook or a box of checks is lost or stolen call us immediately. For our contact information, refer to page 1, Section 1b of this agreement. 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 a new account and new checks for that account.

d. Our Use of Automated Collection and 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. In order to 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 need not examine all other information on the check, draft or item other than the drawer's signature, the identity of the payor-drawee financial institution, 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 exercise ordinary care in paying any check, draft or item without physically or visually examining checks, drafts or items.

For your and our protection, you agree that we are not liable for refusing to honor any check, draft, item or instruction if we believe any signature, instruction, provision or term is not genuine or is altered, or that is illegible or written in a language other than English, and that such nonpayment or nonaction is not wrongful.

e. Signatures by Family Members, Friends and Employees. In the event 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 address the matter to recover any loss for payment of the check with the family member, friend or employee. You agree that you, like each member of our credit union, are in the best position to address the signature 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/or check information (your checking account and check routing, account and serial numbers) to an electronic fund transfer (EFT) and debit your account. The conversion of your check to an EFT is covered by this agreement and our Electronic Fund Transfer disclosures. You authorize us to 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 attempt to re-present the check electronically as an EFT and that this EFT, which represents the dishonored check, will be treated as a re-presented check under

this agreement.

g. Dates on Checks. When you write a check you authorize us to pay the check regardless of the date or legends restricting payment to certain periods of time (often referred to as a "stale dated" or "void" check), though 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 or legends are ineffective is because you are generally obligated to pay dishonored checks up to three (3) years (or more) from the date the check is dishonored, and our processing equipment and systems may not include examination of the check for the date. If you do not want us to pay your outstanding check, you may stop payment on that check as addressed in Section 6.h. that follows. If you notify us not to pay a check before its date (often referred to as a "postdated check") by phone, mail, shared branching, online via the Internet or in person, that notice will only be effective if it affords 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 (that affords 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 as well as complete and accurate information about the check and the account (as required), we will charge you a fee as specified in the Fee Schedule and will not pay and return the check as postdated. You may provide us with oral notice of the postdated check that will lapse within fourteen (14) days unless you confirm that notice in writing, in which case the notice will be effective for six (6) months, and can be renewed for an additional six months for the fee as specified in the Fee Schedule. We have no duty to notify you when your notice will or has expired.

h. Stopping Payment on Your Checks. You may request us to stop payment on any check(s) drawn on your checking account (by phone, mail, or in person, as we allow). If you notify us to stop payment on a check, that order will be effective only if it affords us a reasonable amount of time to act on the order 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 a timely stop payment order (that affords 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 a timely stop payment order with complete and accurate information about the check and the account, we will charge you a fee as specified in the Fee Schedule, stop payment on and return the check. You may provide us with an oral stop payment order that will lapse within fourteen (14) days unless you confirm that order in writing, in which case the notice will be effective for six (6) months, and can be renewed for an additional six months for a fee as specified in the Fee Schedule. We have no duty to notify you when your stop order will or has expired. You understand that although payment of the check may be stopped, you may be subject to legal action brought by any and all persons or organizations the check is returned to. In the unlikely event we pay a check over a timely, accurate and complete stop payment order and are required to recredit 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 frequently 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 and Lost or Stolen Credit Union Checks. If we issue to you one of our checks and you endorse that check over to another person, or give that check to the payee that you requested us to make the check payable to, and subsequently do not want that person to receive payment for the check (because you are displeased with the person or the transaction the check was issued for), we will not be able to stop payment on the check. It is your responsibility to ensure that you want the person or the payee to receive payment for the check *before* you endorse the check over to that person or give the payee the check. If you have any doubt about the person or payee or the transaction, do not endorse the check over to that person or give the payee the check since we will not be able to subsequently refuse to pay the check. If you do not use or negotiate one of our checks, you may return it to us, and request 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) days from the date of the check, in order to receive a replacement check for our check that was lost, stolen or

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, in order to obtain a replacement check for our check that you claim you did not receive.

j. Payment of Checks that Would Overdraft Your Account.

i. Account and Lending Overdraft Payment Programs. We provide 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 checks drawn on your account with insufficient funds by transferring funds from another account or pursuant to a loan agreement to your checking account, as designated by you in Part 1 of this contract, and charge you a fee as specified in the Fee Schedule. Transfers from your account(s) to your checking account are covered by this contract, whereas transfers from a loan to your checking 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 direct deposited government entitlements or benefits such as Social Security deposits.

ii. General Overdraft Payment Program. If you own a checking account and are in good standing, you may utilize our Courtesy Pay overdraft program which allows you to overdraft your account. To be in good standing requires that you own a checking account for at least sixty (60) days, be eighteen (18) years of age or older, and to have not caused us a loss. If you qualify, we will pay your overdrafts up to a total of \$500 on check advantage and small business accounts and \$1,000 for money manager and premium saver checking accounts, and charge you a fee as specified in the Rate and Fee Disclosures. If you utilize this program we will notify you of the amount paid including the fee per transaction, and you will have thirty (30) calendar days to reimburse us for paid items plus the fee(s). For more information on this program, please contact us. For our contact information, refer to page 1, Section 1b of this agreement.

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 elect to 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(s) to pay those checks, drafts or items, or those checks, drafts

or items, or those checks, drafts or items will be subject to the overdraft and/or insufficient funds terms of this agreement, or paid under one of our check overdraft programs if applicable.

I. Insufficient Funds to Pay a Check. If the funds in your checking account are not sufficient to pay checks, drafts or other items presented and drawn on your account, those checks, drafts and items will be subject to our overdraft procedures and any overdraft service or agreement 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 elect to 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 plus any fee disclosed 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 subject to a fee for the dishonored and returned check, draft, or item in accordance with the Fee Schedule. 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 result of our charging your account for any obligation you owe us. Finally, in the event we are frequently returning your checks 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 the protection of both you and the credit union and to cover costs incurred by all members for the presentment of checks over the counter, you understand that we may require any non-member presenting a check drawn on your account to provide both 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. You agree that if a non-member presenting your check fails to comply with these presentment requirements, we are not liable for refusing to pay the check and that such nonpayment is not wrongful. Checks presented after our 2:00 p.m. Hawaii Standard Time; (HST) cut off hour may be treated as if presented on the next business day that we are open.

n. Right to Refuse Payment of Any Check

Suspected of Fraud or Illegible. For the protection of both you and the credit union, you agree that we are not liable for refusing to honor any check, draft, item, order or instruction if we believe any signature, instruction, provision, term or the form itself is not genuine or is altered, or is illegible or written in a language other than English, and that such nonpayment or nonaction is not wrongful.

7. 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, that we are providing you a service in that we are saving you the time and expense of having to present the checks, drafts or items to the institution they are drawn on in person. In return for this service, you understand and agree that we may hold the funds represented by your deposit for a period of time, and that if the hold is for an extensive period of time we will provide you with notice as to the status of your deposit and when the availability of funds will be determined. 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 in the event a check, draft or item is dishonored, returned or 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 inform us and we will be happy to return the check, draft or item to you in order to allow you to obtain payment elsewhere. Furthermore, you agree for your and our protection, that following your deposit and prior to processing the check, that we may return the deposited check, draft, or item to you in order to allow you to obtain or recover payment elsewhere. Finally, you understand that whenever you make a deposit with us, and the deposit is dishonored, returned or 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 specified in this contract in general, and the Fee Schedule 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, shared branching, or online via the Internet.

c. Our Rights Upon Your Deposit. You understand that by offering to accept your deposits that 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 deem necessary for your and our protection. The availability of funds from your deposit may be subject to a hold period 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 Policy disclosure for information about our hold policy for checking accounts that follows the agreement. Following your deposit and prior to 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 agree that we may return the deposited check, draft or item to you in order to allow you to obtain or recover payment elsewhere. If we elect to hold the funds from your deposit beyond any applicable hold period set forth in the Funds Availability Policy disclosure, we will notify you about the reason for and the duration of the hold. If you do not want a hold placed on the funds from a deposited check, draft or item, please inform us before we have processed the check, draft or item and we will return the check, draft or item to you in order to allow you to obtain or recover payment of the check elsewhere.

d. Authority to Negotiate Checks and 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 choose to permit you to deposit them without your endorsement. If the account is a multiple owner account each account owner may endorse checks for one another. We reserve the right to verify the endorsement on any check we take for deposit, and may require you to comply with specific endorsement requirements for business, insurance or government checks before taking those checks for deposit. We may require proof of your authority to endorse any check on behalf of another person or organization before taking 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 into your account with us, we recommend that you endorse (sign) the back of the check with the words "For Deposit", then sign your name beneath that language, and beneath your signature record your account number. Endorsing the check in any other manner may jeopardize your account being credited for the check.

Your endorsement must go on the back of the check at the top edge (and be no more than one and one-half (1½) inches from the back top edge of the check). While we may take checks or drafts for

ignore any other language or markings within or outside of your endorsement space, and that you will be responsible for any loss we incur 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 black ink) to endorse your checks. You should also use our deposit slips along with the deposit, or at very least record your account number below the endorsement. You agree that you are responsible for any losses incurred with respect to a check deposited by you in event you fail to 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, we are providing you a service (assisting you in collecting payment for the deposit) and act only as your agent and assume no responsibility for the check, draft or item beyond that of the exercise 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 (ATM) that is not at a branch) until we actually receive the deposited item. We are not responsible or liable 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 understand and agree that we have the right to refuse and/or return any check, draft, item or funds transfer taken for deposit, to place a reasonable hold on the check, draft or item, or to send the check, draft or item for collection. We also reserve the right to charge your account for any check, draft or item taken for deposit in the event it becomes 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, retirement, Social Security 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. We reserve the right to refuse and/or to return any or all funds transfers. Should we be required to reimburse the Federal, State or County 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 agreement. If you file for bankruptcy and fail to cancel any direct deposit authorization to your accounts, you agree that your direct deposit should

continue to make (and that we should continue to apply) your direct deposits in accordance with the instructions you have given 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 made after our cutoff hour of 2:00 p.m. (HST), in which case the deposit will be credited to your account on the next business day), and deposits made on a Saturday, Sunday, or holiday will be credited to your account on the next business day. Deposits made by you at unstaffed facilities (for example, an automated teller machine (ATM) that is not at a branch) will be credited to your account on the day funds are removed and processed by us. Credit to your account for funds deposited is 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 U.S. are handled on a collection basis only, and if accepted for deposit will likely be subject to extended holds on the deposited funds.

All deposits received after our 2:00 p.m. (HST) cut off hour on a business day we are open, or received on Saturday, Sunday or federal 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 at a Night Depository. If you make deposits at a night depository, you agree to use the special bag or container that we furnish. 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 we supply. You agree that we are a bailee of items placed in the night depository until we have opened the containers, verified the contents, and credited the contents to your account or returned the bag and contents to you.

j. Erroneous Deposits to Your Account. If a deposit is made in error to your account that you are not entitled to (whether by check, cash, ACH transfer, wire transfer or otherwise), you understand and agree that we will 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. In the event you withdraw any or all of the funds erroneously deposited to your account, you further understand and agree that you are obligated to reimburse us for the amount of erroneous deposit, and any costs and fees as specified in this contract in general, or the Fee Schedule specifically.

k. Deposits Not Paid and Returned; Subsequent Claims. All deposits or other credits (including checks, drafts, items, Automated Clearing House (ACH) transfers, wire transfers, etc.) credited to your account are provisional (temporary), which 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 specified in the Fee Schedule. Additionally, if we incur a fee to collect any item, we may charge that fee to your account. After we have received final payment, we refer to these deposits as collected items. If any deposited check, draft or item 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 (plus the any fee as specified in the Fee Schedule) whether the amount of the check, draft or item was available for your use or not. In the event any check, draft or item you deposited 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. We reserve the right to pursue collection of previously dishonored or not paid items at any time, including giving a payor-drawee financial institution extra time beyond any midnight deadline limits.

In addition, 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 even if you have already received final credit and have already withdrawn the funds.

l. Endorsements by Family Members, Friends, or Employees. If a family member, friend or employee endorses a check made payable to you to any person or organization, you authorize the endorsement of the check as your endorsement, and agree that you will address the matter to recover any loss for the endorsement of the check with the family member, friend or employee. You 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.

8. Dividends/Interest and Rates.

The dividends/interest earned on your account(s), the dividend/interest rates, balance requirements, annual percentage yields, compounding, crediting and annual percentage yield earned are provided to you in the accompanying Truth-in-Savings Disclosures of your periodic statement. You

understand and agree that we will change the account dividend/interest rates and annual percentage yields from time to time.

9. Services and Fees.

All fees assessed 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 a third person's or organization's actions against you or your account(s) at the credit union. The purposes and amounts of the various fees are provided to you in the accompanying Fee Schedule and noted in your periodic statement. We charge fees so that each member is responsible for the expense of each service or transaction utilized or incurred by that member, rather than imposing that cost on all members of the credit union. You understand and agree that account fees will change over time and that we will notify you of such changes as required.

10. 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 \$100,000 per member-depositor by the National Credit Union Share Insurance Fund (NCUSIF). Our staff is 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 through the use of one owner and multiple owner accounts, family member beneficiary/POD payee designations and other fiduciary relationship accounts.

11. Lost Checks, Drafts and Cards.

If a check, one of our checks, your checkbook, a box of checks, credit card, debit card, ATM card, your Personal Identification Number (PIN) is lost or stolen, call us immediately. For our contact information, refer to page 1, Section 1b of this agreement. 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.

12. Membership, Account, Service and Transaction Information.

Only an account owner, signer or agent 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 account owners, signers or agents on an account, any owner, signer or agent 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 an hourly research fee for any time spent by us addressing your information requests, as specified in the Fee Schedule. We will not release your information to anyone without your consent unless they present us with a lawful subpoena, summons, search warrant or court order, or can prove an exception to the disclosure of your information under Federal and/or State law. You understand that under Hawaii law, we are required to report suspected financial abuse of an elder to the Hawaii Department of Human Services if we have a good faith suspicion that financial abuse has occurred or may be occurring. You agree that we may determine in our sole discretion whether we have a good faith suspicion of financial abuse, and you will hold us harmless and waive any claim regarding any report of suspected financial abuse that we make. You understand and agree that you will be charged an hourly research fee for any time spent by us addressing an authorized third party's demand or request for your information, as specified in the Fee Schedule, rather than imposing that cost on all members of the credit union.

13. All Accounts Are Non-Transferable, Non-Assignable and Non-Negotiable.

Your accounts at the credit union 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, he or she will be denied access to the account unless otherwise required, except for letters of credit.

14. Notice by Us to You and Notice by You to Us.

The terms of this contract (and specifically Part 2, this agreement and the disclosures that follow) are subject to change from time to time, and we will notify you of any changes to terms, rates and fees that affect your accounts and services as required. Written notice that we provide to you is effective when sent to you at the address provided by you in Part 1, Section 1 (or any updated address reflected in our records), postage paid U.S. mail, or as

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 you and/or contact you at all addresses, phone numbers and email addresses provided by you in Part 1 of this contract. 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. In the event we attempt to locate you we may charge you a fee as specified in the Fee Schedule. For multiple owner accounts and organization accounts you agree that notice to one of the account owner or signer at the address provided in Part 1 of this contract is notice to all account owners or signers. Any notice that you provide to us is effective only when actually received and confirmed in writing by us at:

Hawaii Community Federal Credit Union
73-5611 Olowalu Street
Kailua-Kona, HI 96740

15. Your Statement about Your Account(s), Services and Obligations.

a. Purpose and Receipt of Statement and 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. If you do not receive your periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive your statement in order for both you and the credit union 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 unless you notify us within the time periods for unauthorized transactions, errors or irregularities provided for in this agreement and the Electronic Funds Transfer disclosures. [For multiple owner accounts and organization accounts with multiple signers you agree that the provision of one statement mailed to the owner or signer at the address in Part 1, Section 1 of this contract (or, as applicable, when you have consented to receive or view statements electronically and the statement has been transmitted or made available electronically) is sufficient for all owners of and signers on the account.]

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 specified in the Fee Schedule. You agree 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 in Part 1, Section 1, postage paid U.S. mail, or if you have so requested, when we make the statement available to you electronically.

b. Your Responsibility to Examine the Statement for Errors and Fraud. It is your responsibility to examine 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 responsible for any altered, forged, unauthorized or unsigned check, draft or item drawn on your account if: (1) you do not notify us within thirty-one (31) calendar days of the mailing or when statement is made available to you electronically containing the notice of any altered, forged, unauthorized or unsigned check, draft or item, or (2) any check, draft or item where the alteration or forgery has occurred in such a manner that it would be undetectable by an ordinary person, which includes the unauthorized use of facsimile signatures. You assume this liability because you, as the owner of the account and drawer of the check, draft or item are in the best position to detect any altered, forged, unauthorized or unsigned check, draft or item drawn on your account. As explained in Section 6, you can determine an unauthorized amount because the amount on the statement does not match the amount you recorded on your check register. Similarly, you can detect forged drawer's signature on checks or counterfeit checks or unauthorized remotely created checks because there is a check number on your statement 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 own records. You further agree that our retention of your checks, drafts or items does not affect your responsibility to examine your statements and notify us of any and all unauthorized transactions, errors or irregularities within the time limits provided in this agreement or as otherwise required.

As explained in our Electronic Funds Transfer disclosures in Part 2 of this agreement, if your statement shows EFTs that you did not make, you must notify us within sixty (60) days after the statement was mailed to you to avoid responsibility for unauthorized EFTs.

16. Changes to this Contract.

We may change the terms of this contract from time to time, and we will notify you of any changes we

your accounts, services and if applicable, loans, as required. You agree that such changes are binding on you, your accounts and services (and, as applicable, loans), and understand that you may obtain additional copies of this contract (Part 1 (the account form) and Part 2 (the agreement and disclosures)) by contacting us during business hours, and that you can access Part 2 (the agreement and disclosures) anytime on our website at www.hicommfcu.com. You may change your one owner or organization account at any time by contacting us and completing a new Part 1 of this contract. You may change your multiple owner account at any time by contacting us and completing a new Part 1 of this contract, with the exception of adding or removing an account owner (or adding and removing an agent) in which case all account owners must sign a new Part 1 of this contract agreeing to the change. For multiple owner accounts, each owner understands that any owner acting alone may change or close the account, and that his or her signature on Part 1 of this contract confirms his or her agreement to any subsequent change made to the account by any other owner on the account. Furthermore, for organization accounts, we reserve the right to require any signer requesting a change to show us authority for the change from the organization's governing body (e.g., a resolution by the board of directors, certified partnership letter, etc.), and each signer's authority as a signer to make the requested change to the account.

17. Exceptions to this Contract.

We reserve the right to waive any term of this contract, though such waiver does not affect our right to enforce that term in the future.

18. Security Interest in Funds Held in an Account.

If you owe us money as a member, account owner, drawer, endorser, borrower, guarantor or any other capacity, you grant us a contractual security interest (and as applicable, any lien available under Federal or State law) on any and all funds in all accounts that you are an owner of or have an ownership interest in no matter what the source of funds in the account(s), including direct deposited governmental entitlements or benefits such as Social Security deposits. However, any right of setoff, our security interest and lien rights do not apply to retirement accounts or real estate loans. At our discretion, we may apply the funds from any account you are an owner of or have any ownership interest in to pay off your obligations to us without notice to you at any time. If we elect to not enforce our contractual security

a waiver of our rights to enforce our rights at a later time. A security interest granted by one owner of an account will continue to secure that owner's obligation to us even after that owner dies.

19. 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 attempt 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.

20. Legal Action Against Your Account for Funds or Information.

a. Legal Actions. If your account(s) is/are subject to legal action, such as levy, garnishment, attachment or other court order, we may pay out funds from your account(s) in accordance with 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 subordinate to our contractual security interest and statutory lien rights. You understand and agree that you will be charged an hourly research fee for any time spent by our staff addressing any legal, regulatory or governmental action initiated by any person or organization against you or your account(s), or for information concerning you or the account(s), or claim made by you for any transaction that ultimately is determined to be authorized, as specified in the Fee Schedule. If we need to seek professional advice to review a levy, garnishment, attachment or other court order that affects your account, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of that levy, garnishment, attachment or court order.

b. Disputes over or Uncertainty about an Account or Funds in an Account. If there is a dispute between any person or organization over the account or the funds in the account, or we are uncertain as to who is entitled to access the account (or the funds in the account), we reserve the right to hold the funds in the account and may not release the funds in the account until all persons or organizations to the

dispute or uncertainty agree in writing what should be done with the account (and the funds in the account) or until we receive a court order instructing us what to do. You agree that such a hold is beneficial to both you and the credit union to assure that only a person or organization who is entitled to access the account and the funds in the account actually obtains access to the account and the funds held in the account. If we need to seek professional advice to review a written agreement or court order that affects your account, you agree to pay all costs and expenses, including reasonable attorney's fees, incurred for the review of that agreement and court order. 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 will deduct our attorney's fees and court costs from the funds to be deposited with the court.

21. Your Obligations to Us.

In the event we incur any loss, related expenses, fees, charges and/or liability on an account, or as a result of any transaction, dispute, uncertainty or membership matter concerning you, any owner on the account, your signer or agent, you agree that you are jointly and individually liable to us for the full repayment of that loss, and related expenses, fees, charges and/or liability. You agree that we may contact you about that loss, related expenses, fees (including reasonable attorney's fees), charges, liability or any obligation that you owe to us at all addresses, phone numbers and email addresses provided in Part 1 of this contract. You understand and agree that we may deduct any loss, related expenses, fees, charges and/or liability from your account(s) without notice to you regardless of the source of those funds, including direct deposited government entitlements or benefits such as Social Security deposits. However, any right of setoff, our security interest and lien rights do not apply to retirement accounts or real estate loans. Additionally you also agree to pay any other reasonable charges, fees or expenses we may incur in conjunction with providing you membership, an account, or any transaction or related service(s) that are not covered by this contract. In the event 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/or to reasonable attorney's fees and costs, including those incurred on any appeal, bankruptcy proceeding and/or post-judgment action, unless otherwise limited or prohibited. You (and in

the event of your death, your estate) agree to hold us harmless from and agree to indemnify and defend us against any claim or legal action arising from the exercise of our right to recover for any loss, expense, fees, charges and/or liability we incur as a result of your account and/or any transaction on your account. We may deny you services or expel you from membership at the credit union pursuant to our policies, or otherwise allowed, which includes causing us a loss.

22. Our Responsibility for Errors.

If we do not properly execute a transaction in accordance with this contract, we will 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 adhere to any time limits provided for in this contract, (4) circumstances beyond our control that prevent the execution of a transaction, or (5) any losses incurred by your failure to adhere to any term of this contract. The credit union's actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable Federal and State law, Federal Reserve regulations and operating letters, clearing house rules, and general financial institution practices followed in the area serviced by the credit union. As result of a request or an order by you, should we ever disburse a greater amount of funds based on your request to any person or organization that you know (e.g., relative, friend, employee, business associate, etc.), you agree to assist us in recovering our funds, including participation in litigation and prosecution.

23. Accounts Deemed Inactive.

Should any of your accounts have a balance less than the minimum balance required in our disclosures and you have not utilized our products or services that would exempt your account from our inactive account policy, we may deem your account to be inactive. We may charge an account inactivity fee as specified in the Fee Schedule. 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 mailing address you have provided us of your account's inactive status before imposing a fee, and will terminate the fee upon the account meeting the minimum balance and/or activity requirements.

24. Funds Deemed Unclaimed Property.

In the event there has been no activity on your account(s) and we have not been able to contact you for a period of years as specified and required by the applicable State unclaimed property law, your account(s) will be presumed abandoned and the funds in the account(s) will be remitted 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.

25. Closing Your Account.

You may close your one owner account, and any owner alone may close a multiple owner account, at any time by notifying us in writing, subject to the terms of this contract. We are not responsible for any transactions that were initiated by you or other owners, signers or agents or that occur on your account, until the account is closed. You agree that if we pay any check, draft, item or transfer on your account after the account is closed you will reimburse us for the amount of the check, draft, item or transfer including any fee as specified in the Fee Schedule.

If you request a change to an existing account, we reserve the right to require you to close your account and open a new account. We may close your account at anytime and without notice if: (1) if 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 with respect to you or your account, (4) there has been any falsification, misrepresentation, or any other abuse by you or with respect to any of your accounts, (5) the balance of the account does not meet our minimum balance requirements for thirty (30) days, (6) we determine it is necessary in either to mitigate or prevent a loss to us, or (7) if you ever become abusive with, or threaten the safety of, any employee, volunteer, director, member, account owner, or third party affiliated with us. You understand that, whether your account is closed by you or us, all transactions on the account will be dishonored, not paid or rejected or returned because the account is closed. You further understand and agree that, whether your account is closed by you or us, closure does not release you or any owner, signer, or agent from any fees, obligations or other liabilities incurred on the account before, in the process of, or after the account closed.

26. Termination of Your Membership at the Credit Union.

Membership at our credit union is a privilege granted to you by the credit union and our members under State or Federal law. However, you may elect to cease to be a member of the credit union at any time by providing us with written notice of your intention to terminate your membership, subject to the terms of this contract. You understand that termination of 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's assets, we reserve the right to expel any member for cause, which includes but is not limited to: (1) abuse of credit union employees, services or privileges or other members, (2) failure to utilize credit union products or services to justify your continued participation in credit union membership, or (3) causing the credit union a loss. You understand and agree that for the protection and safety of our employees, volunteers and/or any third party affiliated with us, if you ever become abusive with, or threaten the safety of, any of our employees, volunteers, members, account owners, signers and/or any third party affiliated with us, we may terminate your access to accounts, services and facilities immediately and without notice.

27. This Contract and State and 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 Hawaii State law, Federal law, Federal Reserve regulations and operating letters, clearinghouse rules, and the general financial institution practices utilized in the areas our credit union serves, as amended or changed 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.

28. Deceased Account Owners, Claims and Transactions.

a. Disbursal of Funds to Representative or Claimant. If you own a one owner account and have not designated any beneficiaries/POD payees on the account, in the event of your death the funds in the account will go to your legal representative or claimant (subject to the terms of this agreement).

If you own a multiple owner account and have not designated any beneficiaries/POD payees on the account, in the event of your death your interest in the account and the funds in the account are owned by any surviving owner or owners of the account (subject to the terms of this agreement), and upon the death of the final account owner the funds in the account belong to that owner's legal representative or claimant (subject to the terms of this agreement).

You agree that any representative or claimant of your estate is bound by the terms of this contract. In the event of an account owner's death we may require any estate representative or other claimant of the funds held in a deceased owner's account(s) to evidence both his or her authority as the representative or claimant of the estate and identification as the estate representative or claimant before we will release any funds held in any account. 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 account 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. If we need to seek professional advice to review any documentation provided by a representative or claimant that affects your account, you agree that we may deduct all costs and expenses, including reasonable attorney's fees, incurred for the review of that documentation from your account.

b. Disbursal of Funds to Beneficiary(s)/POD Payee(s). If you own a one owner account and have designated a beneficiary(s)/POD payee(s) in Part 1 of this contract, in the event of your death the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this agreement) upon proof of your death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, in the event of your death each beneficiary/POD payee will be entitled to his or her (or its) proportionate share of the funds in the account (which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account), and will own those funds without right of survivorship. If a beneficiary/POD payee predeceases you, it is your responsibility to notify us and change the account accordingly.

If you own a multiple owner account and have designated a beneficiary(s)/POD payee(s) in Part 1 of this contract, in the event of your death your interest in the account and the funds in the account are owned by any surviving owner or owners of the account (subject to the terms of this agreement), and upon the death of the final account owner the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this agreement) upon proof of death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, in the event of the death of the final owner on the account each beneficiary/POD payee will be entitled to his or her proportionate share of the funds in the account (which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account), and will own those funds without right of survivorship. If a beneficiary/POD payee predeceases you, it is your responsibility to notify us and make any changes to the account.

c. Your Irrevocable Waiver of Your Rights to Testamentary Dispositions from Any of Your Accounts. You understand that it is your responsibility (and not our responsibility) to assure that ownership and survivorship features of your accounts, as designated by you in Part 1 of this contract, accurately reflect and take into account your personal, domestic and business circumstances (such as, but not limited to, those created, changed or terminated by marriage, separation, divorce, children, death or as a result of any agency, guardianship, conservatorship, trusts, wills, incorporations, partnership agreements, contracts, indebtedness, etc.). Under some state laws unless you irrevocably waive your rights to make testamentary dispositions from any account, you understand that certain account ownership and survivorship features such as "multiple/joint account ownership with right of survivorship" and "POD/trust account beneficiary/POD payee" designations, can be invalidated. Because it is your responsibility to assure that ownership and survivorship features of your accounts accurately reflect and take into account your personal, domestic and business circumstances, and because you can change or close the account 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. Pursuant to your wishes that we rely exclusively on the terms of Parts 1 and 2 of this contract, in the event of your death we will rely exclusively on the terms of Parts 1 and 2 of this contract for all transactions on the account, and for any changes to, distributions from or closure of the account.

DISCLOSURES

Expedited Funds Availability Disclosures

This policy applies to checking accounts, small business accounts with check access, and money manager accounts or premium saver accounts, with check access that you maintain with us. Deposits to other accounts may be subject to longer holds at our sole discretion.

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 fifth business day after the day of your deposit. ATMs that we own or operate are identifiable by our name displayed on the ATM. Funds deposited to ATMs that we own will be considered deposited on the next business day that we are open. 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. Hawaii Standard Time (HST) 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. Hawaii Standard Time (HST), after our closing or on a day we are not open, we will consider that deposit made on the next business day that 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 fifth business day after the day of your deposit. However, the first \$100 of your deposit will be available on the first business day. If we are not going to make all of the funds from your deposit available on the first 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

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 eleventh 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

will be available on the first 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 business day after the day of your deposit.

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