

AGREEMENTS AND DISCLOSURES

THESE AGREEMENTS AND DISCLOSURES CONTAIN IMPORTANT MEMBERSHIP INFORMATION, NECESSARY TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES, ELECTRONIC SERVICES AGREEMENT AND DISCLOSURES, FUNDS AVAILABILITY POLICY, WIRE TRANSFER AGREEMENT AND PRIVACY POLICY DISCLOSURE. PLEASE BE CERTAIN TO READ THESE AGREEMENTS AND DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Throughout these Agreements and Disclosures, the references to "We", "Us", "Our" and "Credit Union" mean BANNER FEDERAL CREDIT UNION. The words "You" and "Your" mean each person applying for and/or using any of the services described herein. "Account" means any account or accounts established for You as set forth in these Agreements and Disclosures. The word "Card" means any ATM or VISA Check Card issued to You and any duplicates or renewals. Our Audio Response System is hereinafter referred to as "BETI" and "E-Check" means any check which You authorize the payee to process electronically. For joint accounts, read singular pronouns in the plural.

BANNER FEDERAL CREDIT UNION MEMBERSHIP

To apply for membership with Banner Federal Credit Union, You must complete, sign and return an application for membership.

Your signature on Your application for membership informs the Credit Union that You would like to join the Credit Union and that You agree to conform to the Credit Union's Bylaws and Amendments.

Credit Union membership is granted to applicants within Banner Federal Credit Union's common bond as outlined in the Credit Union's Charter.

Eligibility also includes spouses of persons who died while within the field of membership; Credit Union employees; persons retired as pensioners or annuitants from the above organizations; and organizations of such persons.

By signing Your application for membership, You acknowledge receipt of these Agreements and Disclosures, including the terms and conditions which apply to Your Accounts.

Family Membership

Credit Union members in good standing and whose status is currently within the Credit Union's common bond (as outlined herein) may sponsor immediate family members and possibly other members of Your household for Credit Union membership. Eligible family members may include for instance: father, mother, brother, sister, son, daughter, grandmother, grandfather and spouse (which may include anyone living in Your residence that You maintain a single economic unit with).

ACCOUNT AGREEMENT

YOU AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT CONTROLS YOUR ACCOUNT(S) WITH BANNER FEDERAL CREDIT UNION, TOGETHER WITH ANY OTHER RELATED DOCUMENT SUCH AS OUR FUNDS AVAILABILITY POLICY AND ELECTRONIC FUND TRANSFER AGREEMENT AND/OR AGREEMENTS AND DISCLOSURES, ALL OF WHICH, TO THE EXTENT APPLICABLE, ARE INCORPORATED INTO THIS AGREEMENT BY REFERENCE.

JOINT ACCOUNTS. If Your Account is owned jointly, then all funds on deposit are owned by any of the joint Owners. We can release or pay any amount on deposit in Your Account to any Owner. We can honor Checks, withdrawals, orders or requests from any Owner. All Owners are liable to Us for any overdrafts that may occur on Your Account, regardless of whether or not a benefit occurred. Any Owner may provide Us written notice to freeze funds on deposit and We may, at Our option, honor such written request. If We do, then the Account will remain frozen until We receive subsequent written notice signed by all Owners of the Account as to a disposition of funds on deposit. Any funds on deposit may be utilized to satisfy any debt or garnishment of any Owner of the Account. If the Owners of the Account hold the Account jointly as Tenants in Common and We receive notice that one of the Owners has died, We may freeze the Account until We receive evidence satisfactory to Us as to an appropriate disposition of funds on deposit in the Account. It is the responsibility of joint account Owners to determine any legal effects of opening and maintaining a joint account.

CUSTODIAL ACCOUNTS. Any custodial account is subject to the Uniform Transfers to Minors Act. It is Your responsibility to determine and understand any legal effects related to this type of Account.

TRUST ACCOUNTS. Trust Accounts will only be opened by the Credit Union if the Trust documentation presented by You to the Credit Union is in a manner acceptable to Our underwriting policies. We require all Trust Accounts to name a beneficiary. For Revocable Trust Accounts, the individual establishing the Trust (the "Settlor") must be a member of the Credit Union and any withdrawal of Trust Account funds will be deemed a revocation of the Trust to the extent of any such withdrawal. If the Account Designation shows a payable on death status, any Beneficiary has rights to the Account only if alive and only if the Settlor is deceased. If the Beneficiary dies before the Settlor, the Trust is terminated. The Settlor may change the Beneficiary at any time by providing Us adequate proof of such change in a manner acceptable to the Credit Union. It is Your responsibility to determine and understand any legal effects related to this type of Account.

UNIFORM SINGLE OR MULTIPLE PARTY ACCOUNT SELECTION FORM NOTICE. The ownership type You select for the Account You open may determine how property passes on Your death. Your will may not control the disposition of funds held in some types of Accounts. It is the responsibility of all Account Owners to determine any legal effects of the ownership type You select. Please read the definitions below and consult with legal counsel if any parts are unclear.

Single Party Account

The party to the Account owns the Account. At the death of the party, ownership passes as part of the party's estate.

Single Party Account With POD (Pay On Death) Designation

The party to the Account owns the Account. At the death of the party, ownership passes to the POD (pay on death) beneficiaries and is not part of party's estate.

Multiple Party Account With Right Of Survivorship

The parties to the Account own the Account in proportion to the parties' net contributions to the Account. The Credit Union may pay any sum in the Account to a party at any time. At the death of a party, ownership passes to the surviving parties.

Multiple Party Account With Right Of Survivorship And POD (Pay On Death) Designation

The parties to the Account own the Account in proportion to the parties' net contributions to the Account. The Credit Union may pay any sum in the Account to a party at any time. At the death of the last surviving party, ownership passes to the POD (pay on death) beneficiaries and is not part of the last surviving party's estate.

Multiple Party Account Without Right Of Survivorship

The parties to the Account own the Account in proportion to the parties' net contributions to the Account. The Credit Union may pay any sum in the Account to a party at any time. At the death of a party, the deceased party's ownership passes as part of the deceased party's estate.

POWER OF ATTORNEY. If You name a person to act as Your attorney-in-fact or agent in any way with Your Account, We are only obligated to deal with such person if We, in Our sole judgment, approve of the form of appointment and the supporting documentation.

DEPOSIT OF ITEMS. You may make deposits to Your Account using any method available from Us, including deposits in person, by mail or electronic means. We have the right to refuse to accept any Check or instrument for deposit at Our sole discretion. If You deposit an item and it is returned unpaid, We will debit Your Account for the amount of the item and charge You a returned check fee. You will be liable to Us for the amount of any item You deposit which is returned unpaid, and in addition, will be responsible for any of Our costs and expenses incurred in the collection of such returned item from You, including reasonable attorneys' fees. Subject to Our Funds Availability Policy, You may not be able to withdraw funds from Your Account until We have received final settlement for any items deposited. If You make a deposit on a Saturday, Sunday, or a holiday, or after Our predetermined cut-off hour on business days, the deposit will be credited to Your Account as of the next business day.

COLLECTION OF ITEMS. In processing items You have deposited for collection, We are only Your agent and assume no responsibility beyond the exercise of ordinary care. Any item deposited is subject to final settlement in cash or credit. We may use any method

ACCOUNT AGREEMENT (continued)

We feel is appropriate to collect items, which may include use of a Federal Reserve Bank. We are not responsible for the acts of any third party We use for the collection of items including responsibility for lost items. If We use a local clearinghouse in the collection of items, You authorize Us to do so and to act in accordance with any applicable rules and regulations. We may permit You to withdraw funds from Your Account before final settlement has been made, however, if final settlement is not made, We have the right to charge Your Account or otherwise require You to repay such funds.

OVERDRAFT PROTECTION. To the extent permitted by law, You authorize Us to transfer funds from other accounts You may have with Us in necessary multiples (or in such increments as We may from time to time determine) to Your Account to cover any overdraft. If You have a line of credit with Us, transfers will be made either from Your line of credit up to Your available credit limit and/or from Your Primary Savings Account, provided You have enough available funds in that Account, depending upon the preference You have indicated to Us for clearing any such overdraft(s). Any overdraft transfers from Your Primary Savings Account may be subject to a transfer fee. You hold Us harmless from any and all liability which might otherwise exist if a transfer does not occur.

EXPENSES. If We incur any costs or expenses as a result of any attachment, garnishment or levy against Your Account, You will reimburse Us for such costs or expenses or We may charge them to Your Account.

INACTIVE OR DORMANT ACCOUNTS. Inactive Accounts (Accounts with no withdrawals or deposits within 180 days) may be subject to an Inactive Account Fee. We have no liability if Your Account becomes dormant and is therefore subject to escheatment in accordance with state and/or federal law.

LIEN IMPRESSMENT AND SET-OFF. You agree that We may impress and enforce a statutory lien upon Your Accounts with Us to the extent You owe Us any money and We may enforce Our right to do so without further notice to You. We have the right to set-off any of Your money or property in Our possession against any amount You owe Us. The right of set-off and Our impressed lien does not extend to any Keogh, IRA or similar tax deferred deposit You may have with Us. If Your Account is owned jointly, Our right of set-off and Our impressed lien extends to any amount owed to Us by any of the joint Owners.

CREDIT REPORTING NOTICE. We may report information about your account to credit bureaus. Late Payments, missed payments, or other defaults on your account may be reflected in your credit report.

MINIMUM BALANCE REQUIREMENTS, FEES AND SERVICE CHARGES. You agree to pay Us any applicable fees or charges, and are responsible for any minimum balance requirements and deposit requirements called for in Our Agreements and Disclosures provided to You when You opened Your Account. In any case and with proper notice to You, fees, charges, balance requirements and deposit requirements may be changed by Us from time to time.

SUSPENSION OF SERVICES. We have the right to suspend the benefit of any Credit Union service at any time for reasonable cause. At Our discretion, We also have the right to pay any Check presented for payment from Your Account after Your Account is closed or suspended and to recover such amount paid from You.

Account services are available to those members in good standing with the Credit Union. We reserve the right to cancel or suspend services to a member who is not in good standing, which includes members that have: (a) a delinquent loan; (b) a Savings Account balance below the \$25.00 minimum; (c) an unresolved deposited returned Check; (d) any unpaid and uncollected fees; (e) a negative balance on an Account; or (f) caused a financial loss to the Credit Union.

ASSIGNABILITY. You may not assign or transfer any interest in Your Account.

AGREEMENTS AND DISCLOSURES. The Agreements and Disclosures provided to You at the time You opened Your Account and referred to throughout this Agreement contain: (a) a list of fees and charges applicable to Your Account; (b) the dividends and applicable Annual Percentage Yield (APY); (c) how dividends are credited or compounded; and (d) other pertinent information related to Your Account. Your Agreements and Disclosures may be amended by Us from time to time in a manner as prescribed by law.

ACCOUNT DISCLOSURES

THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.

SPECIFIC TERMS APPLICABLE TO YOUR SHARE ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

STOP PAYMENTS. You may ask Us orally to stop payment on a Check. For any such request to remain valid, however, You must also supply Us with a written request within 14 days after You make any such oral request. Stop payment requests are also subject to the terms and conditions of the Order For Stop Payment form related to any such request. Your request must be given to Us in a timely manner so that We have a reasonable opportunity to act on Your request. A written stop payment request is effective for 6 months. If at the end of 6 months, You request Us to continue the stop payment order, that request will be treated as a new request. We are not liable if We pay a Check which You have requested Us to stop payment on as long as We act in good faith and exercise ordinary care.

In any event, any damages that We might otherwise be liable for shall not exceed the amount of the involved Check. If We do pay a Check for which You have requested stop payment and as a result any other item is returned unpaid by Us due to nonsufficient funds, We are not liable for any consequences resulting from such action. If Your Account is a joint Account, any Owner of the Account may request a stop payment. Any release of a stop payment order must be made by the person who made the request. If You ask Us to stop payment on a pre-authorized transfer, Your request will be processed under the provisions of Our Electronic Fund Transfer Agreement with You.

CHECKS AND OTHER ACCOUNT ACCESS DEVICES. Any Check or other Account access device which does not meet Our standards for acceptance may be rejected by Us, whether such standards are established by law, regulation or Our own policy.

POSTDATED, STALE OR OVERDRAFT CHECKS. You understand that postdating a Check will have no effect on whether or not it is honored prior to or after the date of any such Check. A stale Check is any Check received by Us that is dated 6 months or more prior to the date of receipt. We may pay or refuse to pay any postdated, stale or overdraft Check, or other item presented for payment on Your Account without any liability.

CHECK SAFEKEEPING. Check Safekeeping is automatic on Your Account and, unless You specifically request otherwise and agree to pay any associated fees, Your cancelled Checks will not be returned to You. You understand that cancelled Checks retained by Us are later destroyed after a reasonable period of time. If You subsequently request a copy of a Check and We are unable to supply it, then We shall not be liable for any damage You may sustain in excess of the face amount of the involved Check.

PERIODIC STATEMENTS. You will be provided with a periodic statement showing activity on Your Account. If You believe any statement reflects discrepancies, You must notify Us of such discrepancies within 60 days from the date We mailed the statement to You. If the discrepancy noted is the result of an electronic fund transfer, then the provisions of Our Electronic Fund Transfer Agreement with You will control resolution of the matter.

AMENDMENTS. This Agreement may be amended by Us at any time, in which case We will provide You with a notice of amendment as required by law or regulation.

ORGANIZATIONAL, PARTNERSHIP OR CORPORATION ACCOUNTS. If Your Account is an organizational, partnership or corporate account, You will supply Us with a separate authorization informing Us of the authorized signers for the Account and provide any other related documents if We request You to do so. We require that all partners, owners or organizational members be individually eligible for membership.

NOTIFICATION OF ADDRESS CHANGE. You will notify Us promptly in writing with Your signature if You move or otherwise have a change of address. In the event We are unable to locate You, You agree to pay all fees associated with maintaining an invalid address in Our records and any costs and locator fees incurred in Our locating efforts.

WAIVERS. You agree and understand that Our failure or delay to exercise any right, remedy, power, or privilege available to Us pursuant to this Agreement shall not affect or disallow Our future exercise of that right, remedy, power or privilege.

GOVERNING LAW. This Agreement shall be governed by the laws of the State of Arizona, except to the extent that federal law controls.

Minimum Balance Requirements. The minimum balance required to open this Account is \$35.00 (\$10.00 of which is for Your one-time non-refundable membership fee). You must maintain a minimum daily balance of \$75.00 in Your Account each day to obtain the disclosed annual percentage yield.

ACCOUNT DISCLOSURES (continued)

Transaction Limitations. To open and establish a primary share Account, You must not have had an open primary share Account within the 3 month period immediately preceding such opening date.

SPECIFIC TERMS APPLICABLE TO YOUR REGULAR CHECKING ACCOUNTS

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$25.00. You must maintain a minimum daily balance of \$500.00 in Your Account each day to obtain the disclosed annual percentage yield.

Transaction Limitations. No transaction limitations apply to this Account.

SPECIFIC TERMS APPLICABLE TO YOUR HOLIDAY CLUB ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$1.00. You must maintain a minimum daily balance of \$1.00 in Your Account each day to obtain the disclosed annual percentage yield.

Transaction Limitations. You will not be permitted to make any withdrawals from Your Account other than for the automatic transfer of all of the funds in Your Account except \$1.00 to Your Checking Account (or Your Savings Account if You do not have a Checking Account with Us) on the first business day of November of each year. Any other withdrawals will result in the closure of Your Account.

SPECIFIC TERMS APPLICABLE TO YOUR MISCELLANEOUS CLUB ACCOUNT

Variable Rate Information. This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$1.00. You must maintain a minimum daily balance of \$1.00 in Your Account each day to obtain the disclosed annual percentage yield.

SPECIFIC TERMS APPLICABLE TO YOUR MONEY MAXIMIZER ACCOUNT

Tiered Variable Rate Information. This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$1,000.00. You must maintain a minimum daily balance of \$1,000.00 in Your Account each day to obtain the disclosed annual percentage yield.

Transaction Limitations. You will be charged an Excess Withdrawal Fee for withdrawals in excess of 3 per statement cycle.

SPECIFIC TERMS APPLICABLE TO YOUR IRA ACCOUNT

Tiered Variable Rate Information. This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open this Account is \$1.00. You must maintain a minimum daily balance of \$1.00 in Your Account each day to obtain the disclosed annual percentage yield.

Transaction Limitations. Individual Retirement Accounts are subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement or Your tax advisor for additional information.

SPECIFIC TERMS APPLICABLE TO YOUR SHARE CERTIFICATE ACCOUNT

Tiered Fixed Rate Information. This Account is subject to a Tiered Fixed Rate. For the dividend rate and corresponding APY, refer to the "Rates and Terms" provision of this Disclosure.

Minimum Balance Requirements. The minimum balance required to open a Certificate Account is \$500.00. You must maintain a minimum daily balance equal to the minimum balance required to open Your Account each day to obtain the disclosed annual percentage yield.

Maturity Date. Your Account will mature after the term indicated in the "Rates and Terms" provision of this Disclosure.

Early Withdrawal Provisions. We will impose a penalty if You withdraw any of the principal funds from Your Account before the maturity date. The penalty imposed will equal 30 days of dividends on Your Account for Accounts with a term of 1 year or less and 90 days of dividends for Accounts with a term greater than 1 year.

Renewal Policies. Your Account will renew automatically upon maturity. You will have a 10 calendar day grace period immediately following the maturity of Your Account during which You may make deposits to and withdrawals from Your Account without penalty.

Transaction Limitations. Once Your Account is established, You may not make any further deposits to Your Account until the maturity date. Individual Retirement Accounts are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement or Your tax advisor for additional information.

GENERAL TERMS APPLICABLE TO ALL ACCOUNTS

Member in Good Standing. The Account services described in these Agreements and Disclosures are available to those members in good standing with the Credit Union. We reserve the right to suspend services to a member who is not in good standing, which includes members that have:

- a delinquent loan
- a savings balance below the \$25.00 minimum
- an unresolved deposited returned check
- any unpaid and uncollected credit union fees
- a negative balance on an account
- caused a financial loss to the Credit Union

Nonsufficient Funds Returns. Any Check or pre-authorized transfer, or transaction made through the use of Your ATM or debit Card, or other electronic means, as is applicable (including any in-person transaction), that is presented to Us for payment on Your Account when Your Account lacks sufficient collected funds to pay any such item may, at Our option, be returned for nonsufficient funds or We may honor any such item and charge You a fee for doing so.

Minimum Balance Requirements. To be a member and maintain Accounts with Us You must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$25.00. If the balance in Your Account drops below one share (\$25.00) for a period of 6 months or more, We may, at Our option, close Your Account. You will earn dividends for every day during the period that Your Account balance equals or exceeds the minimum daily balance requirements for Your specific Account type.

Variable Rate Information. For all dividend-bearing Variable Rate Accounts, the dividend rate and APY may change every dividend period based on the determination of the Credit Union Board of Directors.

Nature of Dividends. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Withdrawal of Dividends Prior to Maturity. For all Savings Certificate Accounts, the Annual Percentage Yield assumes dividends remain on deposit until maturity. A withdrawal will reduce earnings.

Additional Transaction Limitations. For all Accounts (except Checking Accounts) during any statement period, You may not make more than 6 withdrawals from or transfers to another Credit Union Account of Yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than 3 of the 6 transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If You exceed these limitations, Your Account may be subject to closure by the Credit Union.

The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than 7 days and up to 60 days before any such withdrawal.

Compounding and Crediting. For all dividend-bearing Accounts, dividends will be earned daily for each day on which Your balance exceeds the minimum daily balance requirement for Your Account. Additionally, for all dividend bearing Accounts (except for Savings, Holiday Club, Miscellaneous Club and IRA Savings Accounts), the dividend period is monthly and dividends will be compounded and credited monthly. For Savings, Holiday Club, Miscellaneous Club and IRA Savings Accounts, the dividend period is quarterly and dividends will be compounded and credited quarterly.

Balance Computation Method. For dividend-bearing Accounts, dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in Your Account each day.

ACCOUNT DISCLOSURES (continued)

Accrual on Noncash Deposits. For dividend-bearing Accounts, dividends will begin to accrue no later than the business day that You deposit noncash items (e.g. checks) into Your Account.

Other Fees and Charges. Any fees and charges applicable to Your Account are disclosed in a separate Schedule of Fees and Charges provided in conjunction with these Agreements and Disclosures.

THIS IS YOUR ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE. IT INCLUDES NECESSARY FEDERAL STATEMENTS AS REQUIRED BY THE ELECTRONIC FUND TRANSFER ACT (15 U.S.C. SECTION 1693 ET SEQ) AND REGULATION E (12 CFR 205 ET SEQ) AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR ATM CARD, VISA CHECK CARD, AUDIO RESPONSE SYSTEM ("BETI") AND OUR PERSONAL COMPUTER ACCOUNT ACCESS SYSTEM ("VIRTUAL BRANCH"), EACH WITH THEIR CORRESPONDING PERSONAL IDENTIFICATION NUMBER (PIN) OR ACCESS CODE AND ANY CHECKS YOU AUTHORIZE TO BE PROCESSED ELECTRONICALLY ("E-CHECK").

ATM CARD, VISA CHECK CARD, BETI AUDIO RESPONSE SYSTEM, VIRTUAL BRANCH PERSONAL COMPUTER ACCOUNT ACCESS SYSTEM AND E-CHECK AGREEMENT. This Agreement applies to any electronic fund transfer made to or from Your Account(s) by You or by any user who has access to Your Account with actual, apparent or implied authority for use of Your Account. Electronic fund transfers to and from Your Account can be made through the use of, but may not be limited to, the following: (a) Your Card in Automated Teller Machines (ATMs) or at any place that it is honored including those transactions made through the use of the appropriate PIN in conjunction with Your Card; (b) Our BETI Audio Response system; (c) any check which You authorize the payee to process electronically; and (d) Our Virtual Branch Personal Computer Account Access system.

BETI TRANSACTIONS. You may use BETI in conjunction with Your PIN or Access Code to make the following types of transactions on designated accounts: (a) telephone transfers of funds between Your Savings and Checking Accounts and/or loan Accounts; (b) payments on Your loan Accounts; (c) inquiries on Account balances and loan data; (d) withdrawals from deposit Accounts; (e) make inquiries on share/deposit transactions; (f) miscellaneous inquiries on Credit Union services that affect Your Account; (g) make inquiries on loan Accounts that You may have with Us; (h) obtain information about payroll deduction or direct deposit transactions; and (i) make inquiries on ATM transactions. BETI operates 24 hours every day. If You attempt to use the system and are told that "the system is not available", please call back later when service is restored.

An electronic fund transfer is any transfer of funds which is performed through the use of Your Card, E-Check, Our BETI Audio Response system, Our Virtual Branch Personal Computer Account Access system or other electronic device. You understand that Your Card and any Personal Identification Numbers (PINs) or Access Codes are issued by Us and are not transferable. The use of Your Card, PIN and/or any other Account access device is subject to the following terms. You agree: (a) to abide by Our rules and regulations as amended related to the use of Your Card, PIN and/or other Account access device; (b) that We may follow all instructions given to machines; (c) that each withdrawal by You or by any authorized user of Your Card or PIN may be charged to Your Savings or Checking Accounts, as appropriate, and will be treated as though it were a share withdrawal except that: (1) We may charge withdrawals to Your Savings or Checking Account(s) in any order We determine; (2) We cannot honor stop payment requests on ATM, BETI and POS withdrawals.

VIRTUAL BRANCH TRANSACTIONS. At the present time, You may use Our Virtual Branch system via a personal computer for the following services: (a) transfer funds between Your deposit Accounts and/or Line of Credit Accounts; (b) make payments on Your loan Accounts; (c) inquiries on Account balances, Account transactions and loan date; (d) withdrawals from deposit Accounts; (e) make check withdrawals payable to You from authorized deposit Accounts; (f) transactions on shares/deposits; (g) miscellaneous inquiries on Credit Union services that affect Your Account; and (h) make advances from Your Line of Credit that You may have with Us.

We may, but are under no obligation to do so, process an Electronic Fund Transfer that exceeds the balance in Your Savings and/or Checking Accounts. In the event that any such transfer occurs, You agree to immediately pay Us the overdrawn amount plus any associated fees and charges.

E-CHECK TRANSACTIONS. You may authorize a merchant or other payee to make a one-time electronic payment from Your checking Account using information from your check ("E-Check") to: (a) pay for purchases; or (b) pay bills.

JOINT ACCOUNTS. If this is a joint Account, You agree to be jointly and severally liable, under the terms of this Agreement. You understand that any Account access device that is requested and approved will be mailed only to the primary accountholder at the address that We have for You on file. We may refuse to follow any instructions which run counter to this provision.

BUSINESS DAYS. Every day is a business day except Saturdays, Sundays and holidays.

DELAYED FUNDS AVAILABILITY NOTICE. Subject to Our Delayed Funds Availability Policy, deposits made at Banner Federal Credit Union locations may not be posted to Your Account until they are received and verified by Us. All deposited items are removed from machines each business day. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope. See Our Funds Availability Policy Disclosure for Our policy regarding the availability of Your deposits.

ADDITIONAL TRANSACTION LIMITATIONS. For all Accounts (except Checking accounts) during any statement period, You may not make more than 6 withdrawals from or transfers to another Credit Union Account of Yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than 3 of the 6 transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If You exceed these limitations, Your Account may be subject to closure by the Credit Union.

ISSUANCE OF PERSONAL IDENTIFICATION NUMBERS AND ACCESS CODES. You will be issued a Personal Identification Number (PIN) and/or Access Code to be used in conjunction with ATM, VISA Check Card, BETI and/or Virtual Branch transactions. Your use of Your PIN or Access Code is Your authorization to Us to withdraw funds from Your Savings and/or Checking Accounts to cover such transactions.

OWNERSHIP. Your Card and/or any other Account access device will remain Our property and may be cancelled or its use restricted by Us at any time without notice. You agree to surrender it and to discontinue its use immediately upon Our request. You will be required to return any Account access devices to Us immediately upon the closing of Your Account.

TYPES AND LIMITATIONS OF SERVICES

ATM CARD TRANSACTIONS. You may use Your ATM Card in conjunction with Your PIN in ATMs and/or such other machines or facilities as We may designate to: (a) withdraw cash from Your Savings or Checking Account(s) up to a maximum of \$1,000.00 per business day; and (b) transfer funds between Your Savings and Checking Accounts. If You do use Your Card for such transactions, You authorize Us to withdraw funds up to the available balance of Your Account(s) to cover any such transactions, provided You have available funds.

NOTIFICATION OF PRE-AUTHORIZED DEPOSITS. If You have arranged to have direct deposits made to Your Account at least once every 60 days (from Your employer, the Federal government or other payor), You can call Us at (602) 254-5291 to find out whether or not the deposit has been made.

VISA CHECK CARD TRANSACTIONS. You may use Your VISA Check Card in conjunction with Your PIN in ATMs and/or such other machines or facilities as We may designate to: (a) withdraw cash from Your Savings or Checking Account(s) up to a maximum of \$1,200.00 per business day; (b) transfer funds between Your Savings and Checking Accounts; and (c) learn the balances in Your deposit Accounts that You have with Us. You may also use Your VISA Check Card to make Point of Sale (POS) withdrawals from Your Checking Account and to purchase goods and services at any location where the Card is accepted up to a maximum of \$1,200.00 per business day for transactions involving the use of Your PIN, and \$2,500.00 for signature-based transactions. If You do use Your Card for such transactions, You authorize Us to withdraw funds up to the available balance of Your Account(s) to cover any such transactions, provided You have available funds.

RIGHT TO STOP PRE-AUTHORIZED PAYMENTS. If You want to stop any pre-authorized payments, call Us at (602) 254-5291 or write Us at the address shown in this Agreement in time for Us to receive Your stop payment request three business days or more before the payment is scheduled to be made. If You call, We may also require You to put Your request in writing and get it to Us within 14 days after You call. Such stop payment notice will apply only to that particular payment. To be sure that a third party does not bill You again for the "stopped" payment or to cancel the entire pre-authorized payment arrangement, contact the third party.

OUR LIABILITY FOR FAILURE TO STOP PAYMENT. If You order Us to place a stop payment on one of Your pre-authorized payments three business days or more before the transfer is scheduled, and We do not do so, We will be liable for losses or damages, to the extent provided by law.

TRANSACTION SLIPS. You can get a receipt at the time You make any transaction to or from Your Account (except for telephonic, Virtual Branch and mail-in transactions, and certain small-value transactions). When an electronic transfer has been made during any given month, You will receive a monthly statement to reflect all electronic fund transfers to or from Your Account during that statement period. In any case, You will receive a statement at least quarterly.

FEES. We may assess reasonable charges against Your Account for transactions performed at electronic terminals. If so, We will specify any charges for these or other types of electronic transactions, including automatic transfers, on an accompanying pricing document. We will explain the charges to You when You open Your Account. You will be provided with a fee schedule and BETI and Virtual Branch information after Your Account is established. Additional fee schedules are available at any of Our office locations. You may also be charged fees imposed by ATM operators for using ATMs that We do not own

ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE (continued)

and/or operate. When You use an ATM not owned by Us, You may be charged a fee by the ATM operator, or any network used, and You may be charged a fee for a balance inquiry even if You do not complete a fund transfer.

LIABILITY FOR FAILURE TO COMPLETE TRANSACTIONS. If We do not properly complete a transaction to or from Your Account according to this Agreement, We will be liable for Your losses or damages. However, We will not be liable if: (a) Your Account does not contain enough money to make the transaction through no fault of Ours; (b) the ATM where You are making the transaction does not have enough cash; (c) the terminal was not working properly and You knew about the breakdown when You started the transaction; (d) circumstances beyond Our control prevent the transaction; (e) Your Card is retrieved or retained by an ATM; or (f) Your Card or PIN has been reported lost or stolen and We have blocked the Account.

LIABILITY FOR UNAUTHORIZED USE. Telephone Us at once at (602) 254-5291 or write Us at the address shown in this Agreement if You believe Your Card, PIN or Access Code have been lost or stolen, or if you believe that an electronic fund transfer has been made without Your permission using information from Your check. Telephoning is the best way of keeping Your possible losses down. You could lose all of the money in Your Account (plus Your maximum overdraft line of credit, if applicable). If You tell us within 2 business days after You learn of the loss or theft of Your Card or PIN, You can lose no more than \$50 if someone uses Your Card or PIN without Your permission. If You fail to tell Us within 2 business days after You learn of the loss or theft of Your Card or PIN and We can prove that We could have stopped someone from using Your Card or PIN without Your permission if You had told Us, then You could lose as much as \$500. Additionally, if Your periodic statement shows transfers that You did not make, including those made by Card, PIN or other means, You will tell Us at once. If You fail to tell Us within 60 days after We mail You the first periodic statement on which the transfer appears, You could lose the entire Account balance if We can prove We could have stopped someone from taking Your money if You had given Us notice in time. If a valid reason (such as a long trip or hospital stay) keeps You from giving Us notice, We will extend the time periods. **Exception:** You will have no liability for unauthorized use for Your VISA Check Card as long as You report the loss or theft of Your VISA Check Card within 2 business days. If You report such loss or theft after 2 business days, or provide proper notification of other unauthorized VISA Check Card transactions, Your liability for unauthorized use will not exceed \$50. **These exceptions do not apply to transactions originating at an ATM or from Your gross negligence and/or fraudulent use of Your VISA Check Card.**

IN CASE OF ERRORS OR IF YOU HAVE QUESTIONS ABOUT ELECTRONIC TRANSFERS. Call Us at (602) 254-5291 or write Us at the address shown in this Agreement as soon as You can, if You think Your statement or receipt is wrong or if You need more information about a transaction listed on the statement or receipt. We must hear from You no later than 60 days after We send You the first statement on which the problem or error appeared.

- (1) Tell Us Your name and Account number.
- (2) Describe the error or the transfer You are unsure about, and explain as clearly as You can why You believe it is an error or why You need more information.
- (3) Tell us the dollar amount of the suspected error.

If You tell us orally, We may require that You send us Your complaint or question in writing within 10 business days.

FUNDS AVAILABILITY POLICY DISCLOSURE

THIS DISCLOSURE DESCRIBES YOUR ABILITY TO WITHDRAW FUNDS AT BANNER FEDERAL CREDIT UNION. YOU SHOULD ALSO REFER TO THE SECTION OF THESE AGREEMENTS AND DISCLOSURES THAT DESCRIBES THE DETAILS OF YOUR SPECIFIC ACCOUNT TYPE FOR ADDITIONAL INFORMATION.

General Policy. Our general policy is to make funds from Your deposits available to You on the 1st business day after We receive Your deposit. Electronic direct deposits will be available on the same day of deposit. Once they are available, You can withdraw the funds 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 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 closing or on a day that We are not open, We will consider the deposit made on the next business day We are open.

Reservation of Right to Hold. In some cases, We will not make all the funds You deposit by check available to You on the 1st business day after We receive Your deposit. Depending on the type of check You deposit, funds may not be available until the 5th business day following the day of Your deposit. However, for Checking Accounts, the first \$100 of Your deposit will be available on the 1st business day following the day of Your deposit. If We are not going to make all the funds from Your deposit available on the 1st business day following the day of Your deposit, We will notify You at the time You make Your deposit. We will also tell You when the funds will be available. If Your deposit is not made directly to one of Our employees, or if We decided to take this action after You have left the premises, We will mail You the notice by the next business day after We receive Your deposit. If You will need the funds from a deposit right away, You should ask Us when the funds will be available. Any request for payment against funds on which a hold has been placed will be returned unpaid.

We will determine whether an error occurred within 10 business days after We hear from You and will correct any error promptly. If We need more time, however, We may take up to 45 days to investigate Your complaint or question. If We decide to do this, We will credit Your Account within 10 business days for the amount You think is in error, so that You will have the use of the money during the time it takes Us to complete Our investigation. If We ask You to put Your complaint or question in writing and We do not receive it within 10 business days, We may not credit Your Account. We will tell You the results within three business days after completing Our investigation. If We decide that there was no error, We will send You a written explanation. You may ask for copies of the documents that We used in Our investigation. If We have credited Your Account with funds while investigating an error, We will charge Your Account for those funds if We conclude no error has occurred. In this provision, all references to 10 business days will be 20 business days if Your notice of error involves an electronic fund transfer that occurred within 30 days after the first deposit to Your Account was made and all references to 45 business days will be 90 business days if Your notice of error involves an electronic fund transfer that: (a) was not initiated within a state; (b) resulted from a point-of-sale debit card transaction; or (c) if Your notice of error involves an electronic fund transfer that occurred within 30 days after the first deposit to Your Account was made.

FOREIGN TRANSACTIONS. For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be: (a) a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives; or (b) the government-mandated rate in effect for the applicable central processing date. In each instance, plus or minus any adjustment determined by the Credit Union.

UNAUTHORIZED TRANSFERS. To report a lost or stolen Card, PIN, Access Code or any combination thereof, You will call Us at (602) 254-5291. You may also write to Us to report the loss of a Card, PIN, Access Code or any combination thereof, at the address shown in this Agreement. You should also call the number or write to the address listed above if You believe a transfer has been made using the information from Your check without Your permission.

DISCLOSURE OF ACCOUNT INFORMATION. We may disclose information to third parties about Your Account or transfers You make: (1) when it is necessary to complete an electronic transaction; or (2) in order to verify the existence and conditions of Your Account for a third party such as a credit bureau or merchant; or (3) in order to comply with a government agency or court order, or any legal process; or (4) if You give Us written permission.

TERMINATION. We may terminate Your right to use Your Card, PIN or Access Code or cancel this Agreement at any time upon written notice. You may request termination of these services in writing.

CHANGE IN TERMS. We may change the terms and charges for the services shown in this Agreement and may amend this Agreement from time to time.

GOVERNING LAW. This Agreement is controlled and governed by the laws of the State of Arizona except to the extent that such laws are inconsistent with controlling federal law.

Longer Delays May Apply. We may delay Your ability to withdraw funds deposited by check into Your Account an additional number of days for the following reasons:

- We believe a check You deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn Your Account repeatedly in the last 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 11th business day after the day of Your deposit.

In any case, We reserve the right to refuse an item for deposit or encashment.

Location of Check Endorsements. Federal law requires all check endorsements to be in the first 1-1/2 inches of the trailing edge of the back of the check. The trailing edge is opposite the left side of the face of the check, the side of the check just behind Our address. You will be responsible for any costs incurred by Us due to delays in returning checks deposited into Your Account that do not comply with the endorsement standards.

Special Rules for New Accounts. If You are a new member, the following special rules will apply during the first 30 calendar days Your Account is open. Funds from electronic direct deposits to Your Account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of

FUNDS AVAILABILITY POLICY DISCLOSURE (continued)

cashier's, certified, teller's and federal, state, and local government checks will be available on the next business day after the day of Your deposit if the deposit meets certain conditions. For example, the checks must be payable to You. The excess over \$5,000 will not be available until the 11th business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,000 will not be available until the 2nd business day after the day of

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

Dividend Payment Policy. See the Account Disclosures section in Agreements and Disclosures for Our policy on the payment of dividends.

THESE ARE THE TERMS AND CONDITIONS WHENEVER YOU REQUEST A WIRE TRANSFER OF FUNDS FROM YOUR ACCOUNT(S) WITH US BASED UPON YOUR ORAL OR WRITTEN REQUEST. WE WILL PROVIDE WIRE TRANSFER SERVICES AS A MEANS TO INITIATE DOMESTIC AND INTERNATIONAL TRANSFERS FOR YOU, SUBJECT TO THE TERMS OF THIS AGREEMENT, WHICH YOU AGREED TO BY SIGNING YOUR APPLICATION FOR MEMBERSHIP WITH US AT THE TIME THAT YOUR ACCOUNT WAS ESTABLISHED.

We are authorized to charge Your Account for the payment of wire transfer requests. If more than one Account(s) is designated, We may charge any of the designated Accounts unless You give Us specific written directions otherwise. Your transfer requests may involve the transfer of funds from any of Your designated Accounts with Us to another account You have with Us, to any other financial institution, or to a third party or account of a third party maintained with Us or any other financial institution. There are no restrictions or limitations on the amounts which may be ordered or requested, or on the location or address of the beneficiary of a transfer unless You give Us written instructions to the contrary.

You agree to examine any statement or confirmation which We send You and to notify Us within 30 days after the mailing date on any statement or confirmation, of any discrepancy or error. If You fail to notify Us of any discrepancy or error within the required time period, You agree that We are not liable to pay interest or reimburse You for any discrepancy or error in relation to a transfer request described in such statement or confirmation.

The party(ies) named in Your application for membership are the Authorized Persons who may issue payment orders to Us for the initiation of wire transfers or to receive telephone calls from Us, in accordance with this Agreement, for the purpose of confirming payment orders for the initiation of wire transfers which have been transmitted to Us under this Agreement for any Account designated in Your application for membership. For confirmation purposes, We may call any party designated in Your application for membership. If more than one Authorized Person is named, any one of them may issue payment orders on any designated Account.

You and the Credit Union agree that the following specified security procedures represent a commercially reasonable method of providing security against unauthorized payment orders: (a) Only individuals named in Your application for membership shall issue wire transfer requests to Us; and (b) We reserve the right to telephonically contact any individual named in Your application for membership for the purpose of confirming a transfer request, regardless of amount, although We have no obligation to do so. If We cannot obtain a confirmation satisfactory to Us, then We reserve the right to refuse to honor any wire transfer request.

Wire transfer requests must be given to Us in compliance with Our cut-off hours as established from time to time by Us. We are not responsible for the accuracy of a routing number which You supply verbally and which is contained in Your wire transfer request. Wire transfer requests received by Us after Our cut-off hours may be treated as if received on the following business day.

We have no responsibility to verify the identity of any party identifying themselves as an individual authorized to receive a telephonic confirmation of any wire transfer request, other than to verify that the name given by such party corresponds to a party named in Your application for membership. If, for any reason, We are not satisfied that a wire transfer request was issued by an authorized party or confirmed by an authorized party, We may refuse to execute the transfer request. If We do so, We shall not incur any liability of any nature. You agree to prevent disclosure, other than on a need-to-know basis, of any of the aspects of the security procedures which You have agreed to with Us. You will notify Us immediately if You believe the confidentiality of the security procedures has been compromised and You shall act to prevent the security procedures from being further compromised.

We have no obligation to accept or execute any wire transfer request. We will provide You telephonic notice of rejection. If We are unable to reach You by telephone, We may at Our option give You notice of rejection in writing.

We have no liability of any nature for delays or mistakes, provided We act in good faith and with reasonable care. We are not responsible for delays or mistakes caused by other parties through whom We transmit funds whether such other parties were selected by You or Us. We are not required to make a wire transfer on the day a wire transfer request is received, unless the wire transfer request is received within a reasonable time before any cut-off hour We have established. We will generally use the funds transfer system, but We may use any means and routes that We, in Our sole discretion, consider suitable for the transmission of funds.

If We accept a wire transfer request consistent with this Agreement, You agree that any such transfer requests which We receive are effective as Your transfer request, whether or not authorized.

You agree that We have no liability and are not responsible for any delay or failure to transfer any amount specified in any wire transfer request because of rules, regulations, or policies of the Federal Reserve Board which limits, in the aggregate, the amount We can transfer from time to time during any business day, provided, however, that We will promptly notify You of any such failure or delay and will effectuate the transfer as soon as is reasonably possible.

You will have no right to cancel or amend a payment order to initiate a wire transfer after We receive it. We will make a reasonable effort to act on a cancellation or amendment of a payment order made by You prior to the time that We execute such payment order, but We have no liability if Your cancellation or amendment is ineffective.

We shall have no liability whatsoever for any special, consequential, punitive, or indirect loss or damage suffered by You in connection with services offered by Us which are subject to this Agreement, regardless of whether We know or should have known such damages might be incurred. We have no responsibility for any attorneys' fees that You might incur.

You agree to re-execute this Agreement or to execute a new agreement if changes are necessary. Your application for membership designates any Account which may be charged in relation to wire transfer requests. All parties which You have authorized to issue wire transfer requests or to receive telephonic confirmations from Us are identified in Your application for membership. All modifications or additions to Your application for membership must be in writing.

We may terminate this Agreement at any time by giving written or oral notice to You. Unless We terminate this Agreement, the Agreement shall remain in effect until We receive written notice of termination from You and have been afforded a reasonable opportunity to act on Your termination notice. You may not assign this Agreement to any other party.

You agree to pay Us the amount of any transfer request which We transmit pursuant to this Agreement when We execute a payment order to carry out Your wire transfer request. You will not make any wire transfer request which would cause You to exceed the available balance in the Account designated to pay the transfer request. If a payment order is executed which creates an overdraft, with or without Our prior consent, You agree to pay Us the overdraft amount and any overdraft fee immediately upon Our demand. We have the right to set-off the amount of any overdraft against the balance in any of Your accounts with Us and We may exercise any rights We have under any agreements which grant Us security for the payment of Your liabilities or obligations to Us.

This Agreement is governed by the provisions of Regulation J, 12 CFR Part 210, Subpart B, including the Appendices, to the extent that any wire transfer request is carried out. Terms which are not defined in this Agreement shall have the same meaning as defined in the Uniform Commercial Code Article 4A. This Agreement is also subject to all applicable Operating Circulars of the Federal Reserve Bank in the district in which We are located and any other applicable provisions of federal or state law. To the extent that Regulation J does not apply to this Agreement, this Agreement shall be governed by the laws of the state in which We are chartered.

You understand and agree that the payment of a wire transfer request may be made by Us or any other financial institution used to carry out the transfer request on the basis of an identifying or account number which You have provided for a beneficiary, even if the number identifies a person different from Your intended beneficiary. You also understand and agree that We or any other financial institution used to carry out a transfer request, may rely on the identifying number of the intermediary or beneficiary's financial institution which You have provided as the proper identification of the intermediary or beneficiary's financial institution, even if the number identifies a financial institution different from the one You intended to identify. We or any other financial institution are not responsible for determining whether any identifying or account numbers You have provided to initiate a wire transfer are accurate. You will be liable to Us for the amount of any transfer request even if payment of the transfer request is made to a person different from the named beneficiary based upon the beneficiary's identifying or account number provided by You or payment of the transfer request is made to a financial institution different from the one identified by name based on the identifying number which You have provided to Us.

We may amend this Agreement, from time to time, by sending You a copy of any amendment at least 30 days prior to its effective date. This Agreement may also be amended by a writing signed by You and Us. No representation or statement not expressly contained in this Agreement or in any amendment shall be binding upon You or Us.

If any provision of this Agreement is prohibited by applicable law, such prohibition shall apply only to that provision and all other provisions of the Agreement shall remain in full force and effect.

WIRE TRANSFER AGREEMENT (continued)

CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE

THIS IS YOUR CREDIT LINE ACCOUNT AGREEMENT AND IT INCLUDES NECESSARY FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENTS, AGREEMENTS, AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF ANY ACCOUNT ACCESS DEVICE. PLEASE BE CERTAIN TO READ THIS AGREEMENT CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

In this Agreement, the reference to "We", "Us", "Our" and "Credit Union" mean BANNER FEDERAL CREDIT UNION. The words "You" and "Your" mean each person accepting this Agreement. If this is a joint Account, read singular pronouns in the plural. "Convenience Checks" mean the special Account access devices that We may provide for Your use from time to time.

You, as the Borrower, under a Credit Line Account ("Account"), understand that the following Federal Disclosure Statement and the terms and conditions found herein constitute Our Agreement with You. Your Account may be accessible through a variety of means which could include advance request forms, vouchers, checks, charge slips, convenience checks, and the like. Regardless of the access means, You promise to pay Us all amounts charged to Your Account by You or by any user who has access to Your Account, with actual, apparent or implied authority for use of Your Account, including Finance Charges and other fees or charges described herein.

FEATURE CATEGORIES. Your Account has Feature Categories which may include Signature Line of Credit (including Overdraft Protection), and Personal Property Secured (a label to reference certain Feature Categories secured by personal property described in the Security Interest Section on the separate page titled "Credit Line Account Advance Request and Security Agreement").

ADVANCES. Whenever You request a transaction, We may require You to prove Your identity. If You request an advance by telephone, We will deposit the amount requested in Your Savings Account or Your Checking Account and You authorize Us to do this, or We may draw a draft or check made payable to You and mail it to You. When the amount advanced appears on a subsequent statement, that will be conclusive evidence of Your telephone request. You understand that all advances are subject to Our prior approval and, in particular, whether or not any specific secured advance request is approved may be, in part, determined by how much equity You have or will have in the shares and/or Collateral offered as security.

SECURITY. As permitted by law, to secure all transactions under this Agreement in either joint or individual Accounts, We have the right to impress and enforce a statutory lien against Your shares on deposit with Us (other than those deposits established under a governmental approved tax deferral plan such as an IRA or Keogh account), and any dividends due or to become due to You from Us to the extent that You owe on any unpaid balance on Your Account and We may enforce Our right to do so without further notice to You. Additionally, You agree that We may set-off any mutual indebtedness.

Whether additional security will be required depends on the type of advance You request. If You request an advance under a Feature Category which describes personal property, that property, including the proceeds of the sale of such property, must also be given as collateral. For example, a Feature Category called "New Car Advances" means the collateral will be a new car. The fact that we are acquiring a security interest in certain property or shares will be disclosed in the Credit Line Account Advance Request and Security Agreement form related to any initial secured advance. You will be provided a copy of that form at the time You receive the initial advance for any secured Feature Category.

Except for Our security interest, any Collateral pledged as security for Your Account is owned free and clear from any liens, adverse claims, security interests or encumbrances. Without Our express written consent, no other liens, security interests or encumbrances will be allowed to attach to the Collateral. You agree to inform Us immediately if the Collateral is to be moved from the address We have on file for You or at such other address at which You have informed the Credit Union the Collateral is now located. The Collateral will not be sold or otherwise transferred and at all times the Collateral will be kept in good repair. The Collateral shall not be used for any unlawful purpose. We shall receive Your full cooperation in obtaining everything that We require to place and/or maintain Our security interest and/or lien in the Collateral. We may examine and inspect the Collateral at any time, wherever located. All taxes or assessments on the Collateral shall be paid as they come due; if not paid, We may pay them and will be entitled to reimbursement or alternatively, charge that amount to Your Account, under the related Feature Category.

You acknowledge that You own any shares and/or Collateral pledged as security and that there are no other liens against them other than Ours. You agree to perform all acts which are necessary to make Our security interest in the shares and/or collateral being pledged enforceable.

OTHER SECURITY. Collateral (other than household goods or any dwelling) given as security under this Agreement or for any other loan You may have with Us will secure all amounts You owe Us now and in the future if that status is reflected in the "Truth-in-Lending Disclosure" in any particular Agreement evidencing such debt.

LINE OF CREDIT LIMITS. You will be notified of each specific Credit Limit for each Feature Category for which You are approved. Unless You are in default, any Credit Limits established for You will generally be self-replenishing as You make payments.

You will keep Your unpaid balance within Your Credit Limit set by Us, and You will pay any amount over Your Credit Limit on Our demand whether or not We authorize the

advances which caused You to exceed Your Credit Limit. Even if Your unpaid balance is less than Your Credit Limit, You will have no credit available during any time that any aspect of Your Account is in default.

JOINT ACCOUNTS. Each Borrower will be responsible, jointly and severally, for the repayment of any amounts owed. If any Account access device, such as a Personal Identification Number (PIN) is requested and approved, You understand that any such Account access device(s) will be mailed only to the primary Borrower at the address that We have on file for You. We may refuse to follow any instructions which run counter to this provision.

MINIMUM MONTHLY PAYMENTS (PAYMENT SCHEDULE). Though You need only pay the Minimum Monthly Payments, You understand that You have the right to repay at any time without penalty. You also understand that You will only be charged periodic Finance Charges to the date You repay Your entire balance. You may make larger payments without penalty. Any partial prepayment will be applied toward future payments. All payments to Us must be in lawful money of the United States. We may apply each payment to whichever Feature Category We wish. For all Feature Categories, payments will be applied first to any Late Charges owing, then to the Finance Charge due, then to the outstanding principal balance.

Any unpaid portion of the Finance Charge will be paid by subsequent payments and will not be added to Your principal balance. You understand that any delay in the repayment of Your unpaid balance will increase Your periodic Finance Charges and any acceleration in the repayment of Your unpaid balance will decrease Your periodic Finance Charges.

Signature Line of Credit Minimum Monthly Payments will be established and fixed at the time of each advance at an amount equal to 3.00% of Your then outstanding balance, subject to the lesser of \$30.00 or Your balance, plus any portion of the Minimum Payments shown on prior statement(s) which remains unpaid, plus any amount that exceeds Your approved Credit Limit.

Personal Property Secured Minimum Monthly Payments will be disclosed to You at the time of each advance on a separate page titled "Credit Line Account Advance Request and Security Agreement".

You may, by separate agreement, authorize Us to charge Your payment directly to Your Savings or Checking Account.

LATE CHARGE. If Your payment is more than 10 days late, You will be charged 20.00% of the interest due, subject to a minimum of \$5.

FINANCE CHARGES. A Finance Charge will be assessed on any unpaid principal balance for each Feature Category of Your Account for the period such balance is outstanding. Balances change each time advances are made, payments are made or credits given under any Feature Category. The Finance Charge begins to accrue on the date of each advance and there is no grace period.

HOW TO DETERMINE THE FINANCE CHARGE. For all Feature Categories, the Finance Charge is determined by multiplying Your unpaid balance at the close of each day in the billing cycle being accounted for by the applicable Daily Periodic Rate. The unpaid balance is the balance each day after payments, credits, and unpaid Finance Charges to that balance have been subtracted and any new advances, insurance premiums or other charges have been added to Your unpaid balance. These daily Finance Charges are then added together and the sum is the amount of the Finance Charge owed for the Feature Category being accounted for. The total Finance Charge You owe on Your Account for each billing cycle is the sum of all the Finance Charges due for all applicable Feature Categories.

VARIABLE RATE. For all Feature Categories, advances are subject to a Variable Rate which is based on the average 26 Week T-Bill Rate as published in the Money Rates Section of The Wall Street Journal in effect for the last month of each calendar quarter of each year ("Index") plus Our Margin. The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of each

CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE (continued)

calendar quarter of each year. Increases or decreases in the Interest Rate will cause like increases or decreases in the Finance Charge and will affect the number of Your regularly scheduled payments. Your Interest Rate will never be greater than 18.00% nor less than 6.00% and will apply to Your remaining principal balance.

For the applicable Index, Margin and Daily Periodic Rate (and the corresponding Annual Percentage Rate) for all Feature Categories, refer to the separate page titled "Additional Disclosure - Federal Truth-In-Lending Act" which We will provide to You prior to the time of Your first credit advance under the related Feature Category.

OVERDRAFT PROTECTION. We may transfer funds in multiples of \$50 (or in such increments as We may from time to time determine) to Your Checking Account by an advance on Your Signature Line of Credit Feature Category, subject to this provision, to clear any Overdraft on Your Checking Account. Whether or not such transfers occur will be controlled by this Agreement. In any event, You hold Us harmless for any and all liability which might otherwise arise if the transfer does not occur. Overdraft Protection automatically ceases if this Agreement is ever cancelled or terminated or Your Account is in default.

PERIODIC STATEMENTS. On a regular basis, You will receive a statement showing all transactions on Your Account including amounts paid and borrowed since Your last statement. We will provide You a statement each month in which there is a debit or credit balance or when a Finance Charge is imposed. We need not send You a statement if We feel Your Account is uncollectible or if We have started collection proceedings against You because You defaulted. Each statement is deemed to be a correct statement of account unless You establish a billing error pursuant to the Federal Truth-In-Lending Act.

OUR RESPONSIBILITIES TO HONOR CONVENIENCE CHECKS. We are under no obligation to honor Your Convenience Checks if: (1) by paying a Convenience Check, You would exceed Your Credit Limit; (2) Your Cards or Convenience Checks have been reported lost or stolen; (3) Your Account has been cancelled or has expired. If a postdated Convenience Check is paid and, as a result, any other Convenience Check is returned unpaid, We are not responsible for any resulting loss or liability.

DEFAULT. You will be in default if: (a) You do not make any payment or perform any obligation under this Agreement, or any other agreement that You may have with Us; or (b) You should die, become involved in any insolvency, receivership or custodial proceeding brought by or against You; or (c) You have made a false or misleading statement in Your credit application and/or in Your representations to Us while You owe money on Your Account; or (d) A judgment or tax lien should be filed against You or any attachment or garnishment should be issued against any of Your property or rights, specifically including anyone starting an action or proceeding to seize any of Your funds on deposit with Us; and/or (e) We should, in good faith, believe Your ability to repay Your indebtedness hereunder is or soon will be impaired, time being of the very essence.

Upon any occurrence of default, We may, to the extent permitted by law, cancel Your rights under this Agreement, require the return of all access devices and declare the entire balance of every Feature Category of Your Account immediately due and payable, without prior notice or demand. If Your entire Account balance is not then paid immediately upon default, and if permitted by law, the collateral shall be voluntarily surrendered to the Credit Union at a time and place acceptable to it. If this is not done, to the extent permitted by law, the Credit Union may enter the premises where the collateral is located and take possession of it and the Credit Union may assert the defense of a superior right of possession as the holder of a security interest to any offense of alleged wrongful taking and conversion. The Credit Union may sell or dispose of the collateral in any manner permitted by law, and any resulting deficiency on Your Account shall be immediately paid to the Credit Union.

COLLECTION COSTS. In the event collection efforts are required to obtain payment on this Account, to the extent permitted by law, You agree to pay all court costs, private process server fees, investigation fees or other costs incurred in collection and reasonable attorneys' fees incurred in the course of collecting any amounts owed under this Agreement or in the recovery of any collateral.

ENFORCEMENT. We do not lose Our rights under this or any related agreement if We delay enforcing them. We can accept late payments, partial payments or any other payments, even if they are marked "paid in full" without losing any of Our rights under this Agreement. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

NOTIFICATION OF ADDRESS CHANGE. You will notify Us promptly if You move or otherwise have a change of address.

CHANGE IN TERMS. We may change the terms of this Agreement by mailing or delivering to You written notice of the changes as prescribed by the Federal Truth-In-Lending Act. To the extent permitted by law, the right to change the terms of this Agreement includes, but is not limited to, the right to change the periodic rate applicable to Your unpaid balance and/or future advances.

PROPERTY INSURANCE. You agree to insure the property described in the Security Interest section of any Credit Line Account Advance Request and Security Agreement against fire and other hazards, with a policy as specified by Us, in the amount necessary to protect Our

security interest in the Collateral with Us named as loss payee for Our protection. Such insurance shall protect against loss by fire, theft, and collision, and will provide "all risks" hull insurance in the case of aircraft or boats and accessories thereto, if any. You may purchase the insurance from any insurer You want, but We have the right not to accept the insurer for reasonable cause. If You do not get or keep such insurance, We may (but are under no obligation to do so) obtain it and: (a) add the costs to the principal balance of Your Account; (b) increase Your periodic payment; and/or (c) demand that You pay the cost in a single lump sum. In any case, You agree to pay for the cost of any such insurance and if You fail to do so, We may declare Your Account in default. You agree to deliver satisfactory evidence of the insurance policy to Us within any time period specified in any notice from Us or on Our behalf. You understand that any property insurance obtained by Us on the Collateral will only protect Our interest in this Agreement and the Collateral and that the cost of such insurance may be remarkably greater than that which You obtain on Your own, all of which means that property insurance obtained by Us on Your behalf may cost You more and provide less coverage on the Collateral.

CREDIT INSURANCE. Credit insurance is not required for any extension of credit under this Agreement. However, You may purchase any credit insurance available through Us and have the premiums added to Your outstanding balance. If You elect to do so, You will be given the necessary disclosures and documents separately.

INTEGRATED DOCUMENTS. Any separate sheet of paper labeled "Additional Disclosure - Federal Truth-In-Lending Act", and/or "Credit Line Account Advance Request and Security Agreement" which is delivered together with this Agreement or at a later date becomes an integrated part of this Agreement and Disclosure.

CONSENT TO AGREEMENT. You acknowledge receipt of a copy of this Agreement. By signing the application; or by using Your Account or any Account access device; or by authorizing another to use Your Account, You agree to and accept its terms.

UPDATING AND DISCLOSING FINANCIAL INFORMATION. You will provide facts to update information contained in Your original Account application or other financial information related to You, at Our request. You also agree that We may, from time to time, as We deem necessary, make inquiries pertaining to Your employment, credit standing and financial responsibility in accordance with applicable laws and regulations. You further agree that We may give information about the status and payment history of Your Account to consumer credit reporting agencies, a prospective employer or insurer, or a state or federal licensing agency having any apparent legitimate business need for such information.

TERMINATION. Either You or We may cancel Your Account or any particular Feature Category of Your Account, at any time, whether or not You are in default. You will, in any case, remain liable to pay any unpaid balances according to the terms of Your Account.

GOVERNING LAW. This Agreement is controlled and governed by the laws of the State of Arizona except to the extent that such laws are inconsistent with controlling federal law.

YOUR BILLING RIGHTS - KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about Your rights and Our responsibilities under the Fair Credit Billing Act.

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR STATEMENT

If You think Your statement is wrong, or if You need more information about a transaction on Your statement, write Us on a separate sheet, at Our address shown in this Agreement. Write to Us as soon as possible. We must hear from You no later than 60 days after We sent You the first statement on which the error or problem appeared. You can telephone Us, but doing so will not preserve Your rights.

In Your letter, give Us the following information:

- Your Name and Account number.
- Dollar amount of the suspected error.
- Describe the error and explain, if You can, why You believe there is an error. If You need more information, describe the item You are not sure about.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE

We must acknowledge Your letter within 30 days, unless We have corrected the error by then. Within 90 days, We must either correct the error or explain why We believe the statement is correct.

After We receive Your letter, We cannot try to collect any amount You question, or report You as delinquent. We can continue to bill You for the amount You question, including Finance Charges, and We can apply any unpaid amount against Your Credit Limit. You do not have to pay any questioned amount while We are investigating, but You are still obligated to pay the parts of Your statement that are not in question.

CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE (continued)

If We find that We made a mistake on Your statement, You will not have to pay any Finance Charges related to any questioned amount. If We didn't make a mistake, You may have to pay Finance Charges, and You will have to make up any missed payments on the questioned amount. In either case, We will send You a statement of the amount You owe and the date that it is due.

If You fail to pay the amount that We think You owe, We may report You as delinquent. However, if Our explanation does not satisfy You and You write to Us within 10 days

THIS IS YOUR PRIVACY POLICY DISCLOSURE AND INSTRUCTIONS. IT CONTAINS IMPORTANT INFORMATION CONCERNING OUR PRIVACY POLICY AND INCLUDES NECESSARY DISCLOSURES AS REQUIRED BY THE GRAMM-LEACH-BLILEY ACT (15 U.S.C., CH. 94, §6801 ET SEQ.) AND THE NATIONAL CREDIT UNION ADMINISTRATION RULES AND REGULATIONS (12 CFR 716). PLEASE BE CERTAIN TO READ THESE DISCLOSURES AND INSTRUCTIONS CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Throughout these Disclosures and Instructions, the references to "We", "Us", "Our" and "Credit Union" mean BANNER FEDERAL CREDIT UNION. The words "You" and "Your" mean each person applying for and/or using any of the services offered by Us. "Account" means any account or accounts established for You.

Categories of information We collect. We collect nonpublic personal information about You from the following sources:

- Information We receive from You on applications or other forms;
- Information about Your transactions with Us, Our affiliates, or others; and
- Information We receive from a consumer reporting agency.

Categories of information and parties to whom We disclose information about existing and former members. We do not disclose any nonpublic personal information about Our members or former members to anyone, except as permitted by law.

Information disclosed to service providers and joint marketing companies about existing and former members. We may disclose the following information to companies

telling Us that You still refuse to pay, We must tell anyone We reported You to that You have a question about Your statement and, We must tell You the name of anyone We reported You to. We must tell anyone We reported You to that the matter has been settled between Us when it finally is.

If We don't follow these rules, We can't collect the first \$50 of the questioned amount, even if Your statement is correct.

that perform marketing services on Our behalf or to other financial institutions with whom We have joint marketing agreements:

- Information We receive from You on applications or other forms, such as Your name, address, social security number, assets, and income; and
- Information about Your transactions with Us, Our affiliates, or others, such as Your account balance, payment history, parties to transactions, and credit card usage; and
- Information We receive from a consumer reporting agency, such as Your creditworthiness and credit history.

Our policy and practices on protecting the confidentiality and security of information We have about You. We restrict access to nonpublic personal information about You to those employees who need to know that information to provide products or services to You. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard Your nonpublic personal information.