

VISA ACCOUNT UPDATER (VAU) - VAU is an account updating service in which your card is automatically enrolled. You may arrange for merchants to store VISA account information for payments and recurring billing. When you arrange for merchants to store this information, you acknowledge that when your card(s) expire, are lost or stolen and new cards are issued, the service may update relevant card data (card numbers and expiration dates) to these merchants who participate in an effort to facilitate uninterrupted processing of your recurring charges. This service provides updates to a VISA database only. The database is accessed by those qualified merchants seeking your account information after you have requested they process a recurring payment or payments. This service is provided as a free benefit to you. If at any time you wish to opt out of the VAU service or if you have any questions, please call (800) 426-1601 to do so.

B. Direct Deposit Upon instruction of your employer, or Treasury Department, or other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security.

C. ACH Origination Upon instruction from you, the Credit Union will initiate electronic signals for debit entries (and in some cases credit entries and credit entry adjustments) as indicated on the ACH Debit Form and Disclosure.

D. Electronic Check Transactions: You authorize us to honor any electronic conversion transaction and re-presented check fee debit transactions you authorize ("electronic check transactions"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant's right to process a purchase transaction or bill payment. Notice may include a sign posted by the merchant at the time and place of your transaction. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

2. SERVICE LIMITATIONS

A. VISA Debit Check Card Peninsula Credit Union ATM's - no fee. Other ATM's - "Vista" Checking - (if monthly account conditions are met) free up to \$15.00 then fee per transaction; "Vista" Checking - (if monthly conditions are not met) fee per transaction; or "Business Checking"- fee per transaction. You may withdraw a combined total of up to \$600.00 or your balance, whichever is less, per day. If you have a personal line of credit in good standing you may be authorized to withdraw a combined total of up to \$600.00 or your balance, whichever is less, per day. If the ATM Network is out of service or not working properly, service may be limited. Deposits, because of the servicing schedule and processing time required in ATM operations, will be delayed between the time a deposit (either cash or check) is made and when it will be available for withdrawal. Deposits are subject to verification by the Credit Union. You should review the Credit Union's Funds Availability Policy to determine the availability of funds. You may transfer between your savings and checking up to the balance available at the time of transfer. No purchase may exceed your available funds. The Credit Union may refuse to honor or may fee for any transaction for which you do not have sufficient available verified funds or have exceeded transfer limitations (See Membership and Account Agreement Transfer Limitations-Regulation D Disclosure).

Cardholder agrees that use of this card for internet gambling or illegal use of the card will be deemed an action of default and/or a breach of contract and the cardholder's account and other related services may be terminated at the Credit Union's discretion. Cardholder further agrees, should internet gambling or illegal use occur, to waive any right to sue the Credit Union for such use or any activity directly or indirectly related to it and additionally agrees to indemnify the Credit Union, including all costs and attorneys fees, and hold harmless from any suits or other legal action or liability, resulting from such use. The Credit Union reserves the right to decline to authorize any transaction that may possess an undue risk of such activity.

Merchants will transmit electronic authorizations for purchases made with the VISA Debit check card. Once the Credit Union approves an authorization, the amount of that authorization will be held against the checking account or applicable overdraft accounts until the completed financial transaction is submitted by the merchant or

three (3) days, whichever occurs first. While the funds are on hold for an authorization, they are not available for withdrawal by any means.

Purchases and cash advances made in foreign countries will be billed to you in United States dollars. The currency conversion rate for international transactions as established by VISA International, Inc. is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, you will be charged an International Transaction Fee as set forth in the Fee Schedule. This fee applies to any debit card transaction made at a location in a foreign country, or payable to a merchant located in a foreign country even if you initiate the transaction from within the United States.

3. SECURITY OF ACCESS CODE The access code/Personal Identification Number (PIN) issued to you or selected by you is for your security purposes. The PIN is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to use your PIN, that authority shall continue until you specifically revoke such authority by notifying the Credit Union. If you fail to maintain the security of the PIN and the Credit Union suffers a loss, we may terminate your EFT and account services immediately. You may be liable for transactions.

4. MEMBER LIABILITY You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Debit Card, or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us AT ONCE if you believe anyone has used your account without your authority or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way to keep your possible losses down. For Debit Card purchase transactions, if you notify us of your lost or stolen card, you will not be liable for any losses provided you were not negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. VISA zero liability does not apply to non-VISA transactions as described in Section 1A of this disclosure. For all other EFT transactions, if you tell us within two (2) business days you can lose no more than \$50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or the EFT service, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows EFT transfers that you did not make, including those made by Card, access code or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may be liable for the full amount of the loss, if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your Debit Card has been lost or stolen, that someone has transferred or may transfer money from your account or if a transfer has been made using the information from your check without your permission, call:

1-800-426-1601 or write:

Peninsula Credit Union, P.O. Box 2150, Shelton, WA 98584.

5. BUSINESS DAYS For the purpose of electronic funds transfers, our business days are Monday through Friday. Holidays are not included.

6. FEES AND CHARGES There are certain charges for electronic fund transfer services and products set forth on the Rate and Fee Schedule. From time to time, the charges may be changed, we will notify you of any changes required by law. When you use an ATM not owned by the Credit Union, 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. This fee should be posted on the machine and will be deducted from your account as part of the

transaction. Peninsula Credit Union is not responsible for such fees.

7. RIGHT TO RECEIVE DOCUMENTATION (a) Terminal (ATM) Transfers: You can get a receipt at the time you make any transfer to or from your account using an ATM. (b) Periodic Statement: You will get a monthly account statement. (c) If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling the phone number listed. This does not apply to transactions occurring outside the United States.

8. ACCOUNT INFORMATION DISCLOSURE In order for us to conduct the business of the Credit Union, we may disclose all of the information we collect to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements so that we may provide competitive products and services. We may also disclose nonpublic personal information about you under circumstances as permitted or required by law. A complete copy of the Credit Union's Privacy Notice is available upon request.

9. LIABILITY FOR FAILURE TO MAKE TRANSFERS You agree that neither we nor the service providers shall be responsible for any loss, property damage or bodily injury, whether caused by the equipment, software, Credit Union or by Internet browser providers such as Mozilla (Firefox browser) and Microsoft (Microsoft Internet Explorer browser), or by Internet access providers or by online service providers or by an agent or subcontractor for any of the foregoing. Nor shall we or the service providers be responsible for any direct, indirect, special or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, Online services or Internet browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via the Online services and may have referred to such communication from you to us via the Online services and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by law. The Credit Union will not be liable for incomplete transaction errors in the following instances: (a) if the approved network ATM where you are making the cash withdrawal does not have enough cash. (b) if, through no fault of ours, your account does not contain enough money to make the transfer or give you the cash. (c) if the approved network was not working properly, and you knew about the breakdown when you started the transaction. (d) if circumstances beyond our control (such as fire or flood) prevent the transaction. (e) if the ATM is closed or shut off for maintenance.

(f) if funds in your account are pledged for a share secured loan or are otherwise not available. (g) if the money in your account is subject to legal process or other claim. (h) if the withdrawals and/or transfers from your savings account have reached the maximum number permitted by regulation. (i) if there are other exceptions as established by the Credit Union. (j) if you used the wrong access code/PIN or you have not properly followed any applicable computer or Credit Union instructions for making transfers or bill payment transactions. (k) if your computer fails or malfunctions or any of the Credit Union's Audio Response was not properly working and such problem should have been apparent when you attempted such transaction.

10. PREAUTHORIZED ELECTRONIC FUND TRANSFERS (a) *Stop Payment Rights*. If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify the Credit Union orally or in writing at the telephone number and address shown any time up to three (3) business days before the scheduled date of the transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do require the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made. (b) *Notice of Varying Amounts*. If these regular payments may vary in amount, the company you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. (c) *Liability for Failure to*

Stop Payment of Preauthorized Transfers. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

11. TERMINATION OF EFT SERVICES You agree that we may terminate this Agreement and your use of any EFT services if: (a) You, or any authorized user of your account or any EFT service breach this agreement; (b) We have reason to believe that there has been an unauthorized use of your account, access code or card; or (c) You breach any provision of your Membership and Account Agreement or any other Agreement with the Credit Union. You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

12. NOTICES The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

13. ERROR RESOLUTION RIGHTS In case of errors or questions about your electronic transfers, telephone us at:

(360) 426-1601

or write us at: **PO Box 2150, Shelton, WA 98584**

as soon as possible if you think your statement or receipt is wrong, or if you need more information about a transfer 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 (if any).
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 questions in writing within 10 business days.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. For errors related to transactions occurring within thirty (30) calendar days after the first deposit to the account (new accounts), we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) calendar days to investigate your complaint or question (ninety (90) calendar days for POS transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States). If we decide to do this, we will recredit your account within ten (10) business days five (5) business days for Debit Card purchase transactions 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 ten (10) business days, we may not recredit your account. If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) relied upon to conclude that the error did not occur.

14. ATM SAFETY NOTICES The following information is a list of safety precautions regarding the use of Automated Teller Machines (ATM) and Night Deposit Facilities. (a) Be aware of your surroundings, particularly at night. (b) Consider having someone accompany you when the ATM or night deposit facility is used after dark. (c) If another

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

15. ENFORCEMENT You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. This Agreement shall be governed by and construed under the laws of the state of Washington as applied to contracts entered into solely between residents of and to be performed entirely in, such a state. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Washington law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgement collection actions, if applicable. Should any one or more provisions in this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable and such modification shall not affect any other provision of this Agreement.



ELECTRONIC FUNDS TRANSFER DISCLOSURE AND AGREEMENT VISA DEBIT CHECK CARD

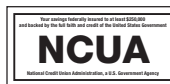
By signing the Account Card, Application, or signing or using a Visa Debit Check Card, constitutes agreement between Peninsula Credit Union and you. You agree that all signers on the primary share account will have access to all subsequent sub shares on said account. You agree to the following terms governing your rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service. Electronic funds transfers (EFT's) are electronically initiated transfers of money through direct deposits, automated teller machines (ATM), audio response transactions, and debit cards involving your deposit accounts at the Credit Union.

1. SERVICES

- A. Visa Debit Check Card** You may use your Visa Debit Check Card at ATMs (automated teller machine) of your Credit Union, and such other machines of facilities as the Credit Union may designate throughout the United States and in certain foreign countries which bear the PLUS, CO-OP NETWORK, and STAR logo to:
- (a) Withdraw cash from your checking, savings account, or personal line of credit.
 - (b) Deposit to your checking or savings account (at participating machines).
 - (c) Transfer funds between your checking and savings accounts.
 - (d) Purchase goods or services through an approved POS network.
 - (e) Receive information regarding the balance in your accounts.

The Credit Union and Merchant may require specific cardholder verification methods to authorize your debit card transactions, including the use of a PIN or signature. You agree to comply with any applicable cardholder verification method required for a transaction. If you use the card to make a Purchase, you shall be requesting the Credit Union to withdraw funds in the amount of such Purchase (including any cash received from the Merchant) from your primary transaction account and directing the Credit Union to pay such funds to the Merchant.

Transactions will be deducted from or charged to your checking account through POS or VISA Debit Check Card as often as you like. Transactions will be approved based on your available balance. All transactions will default to the checking account.



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