



SAN FRANCISCO
FEDERAL CREDIT UNION

Member Account Handbook

Effective August 3rd, 2006

ADDENDUM TO MEMBER ACCOUNT HANDBOOK

NEW INFORMATION ABOUT ELECTRONIC FUNDS TRANSFERS

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from checks you write to make purchases or pay bills. For merchant purchases, the merchant is required to post a clear and conspicuous notice that they may convert checks you write to electronic payments. For bills, the billing entity is required to provide a notice on the bill that checks submitted for payment may be converted to electronic payments. If you believe that an electronic fund transfer has been made without your permission using information from your check, tell us **AT ONCE**, just as you would if you believe your Check/Debit Card, PIN or secret code has been lost or stolen or may be subject to unauthorized use. You can call us at **(415) 775-5377, option 4** or write to us at **San Francisco Federal Credit Union, 770 Golden Gate Avenue, San Francisco, CA 94102**.



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INTRODUCTION

Thank you for joining San Francisco Federal Credit Union (“Credit Union”). By signing a Member Account Agreement, you agree to the terms in this Handbook that apply to the Credit Union services for which you apply and are approved.

Our goal is to provide you the highest yields on your savings and the lowest interest rates on your loans that are consistent with safe and sound management, outstanding membership service and financial stability.

This Handbook is a master agreement and disclosure of all San Francisco Federal Credit Union share accounts. It supplements the terms of the Truth-in-Savings Account Disclosure (including a schedule of Fees and Charges), Member Account Agreement, and the Credit Union Membership Kit. When you open your regular Share Savings Account and any sub-account, you will also receive a receipt showing specific terms. We may disclose additional terms of share accounts to you whenever you open a new share account, in periodic statements we will send you, and in our Credit Union newsletter. Not all of the terms spelled out in this Handbook apply to every share account and not all receipts will show all share account terms. Please refer to the sections of this Handbook that apply to the specific share account types you have.

This Handbook also outlines your rights and obligations as a member-owner of the Credit Union.

Your Credit Union also offers home mortgage loans, home equity loans, home equity lines of credit, credit cards, vehicle loans and other consumer loans. These loans will be subject to separate written agreements. Your general obligations as a Credit Union Member as explained in this Handbook apply to all agreements you make with the Credit Union.

Keep this Handbook with your permanent records. The Credit Union may change the terms of your contracts with us by sending you written notice required by law. You should also keep any such notices with your permanent records.

GENERAL AGREEMENTS OF MEMBERS

JOINING THE CREDIT UNION

We require that you complete an original Member Account Agreement to join the Credit Union. Blank Member Account Agreements are available at Credit Union offices, by mail, or on our website (see HOW TO CONTACT US at the end of this Handbook). If you are eligible for membership through employment in a department of the City and County of San Francisco, you may be able to obtain a membership application from your employer. You can bring your completed Member Account Agreement to any Credit Union office. Your Member Account Agreement may also be submitted by mail, fax or by electronic submission and we will open your requested Accounts and begin accepting deposits immediately. However, to protect both you and the Credit Union, unless your Membership is established in person at a Credit Union office, we will not allow withdrawals from your Accounts or make credit available to you until we receive the following items:

(1) the original Member Account Agreement with your original signature, (2) a photocopy of a valid photo ID showing your signature, (3) a copy of a document (such as a current utility bill) showing your current residence address (P.O. boxes and private mailbox service addresses are not acceptable); and, (4) copy of your most recent pay stub if you are eligible for membership through employment. Although we will send mail to P.O. boxes or private mailbox addresses at your request, we must have the street address of your residence to open your membership.

TERMINOLOGY

In this Handbook, “you” and “your” refer to the Credit Union member and any joint owner of a share account. “Member” refers to the person who signs a Member Account Agreement in that capacity and makes the required deposit to join the Credit Union. “Joint owner” refers to a person designated by a Member as a co-owner of the Member’s Credit Union accounts. “We,” “us,” and “our” refer to the Credit Union. We call our accounts by the following names: “Share Draft Accounts” are “Checking Accounts,” “Money Market Share Accounts” are “Money Market Savings Accounts,” “Regular Share” and “Share Accounts” are “Savings Accounts,” and “Term Share Accounts” are “Term Accounts.” “Board” refers to the Credit Union’s Board of Directors. “New account” means an account open less than 30 days. The singular implies the plural when an account has more than one owner.

MEMBERSHIP REQUIREMENTS AND ELIGIBILITY FOR SERVICES

Membership is open to anyone who lives, works, worships or attends school in the City and County of San Francisco. Businesses and other legal entities located in the City and County of San Francisco are also eligible. Family members of current members, including spouses, partners, parents, children, grandparents, grandchildren, siblings, and persons residing in the same household maintained as a single economic unit, can join, regardless of where they live or work. Immediate family members include those related by marriage, such as step-siblings, step-parents and step-children, and by adoptive relationships.

If you are within our field of membership and otherwise meet our criteria, your completion of a Member Account Agreement, payment of the membership fee shown on the Truth in Savings Disclosure, and deposit to a Regular Share Savings Account of the required minimum balance shown on the Truth in Savings Disclosure, establishes you as a member of the Credit Union and entitles you to apply for all of our savings and lending services. All services are subject to approval.

Minors must have an adult joint owner/signer to be eligible for services.

Once you become a Member, you are always a Member, even if you move, change jobs, or retire.

As a Member-owned cooperative, San Francisco Federal Credit Union is your Credit Union. Members are expected to uphold high standards of honesty, personal responsibility and courtesy in dealing with the Credit Union and other Members. We reserve the right to deny all services except the right to maintain a share account and to vote, and if appropriate restrict or prohibit your access to Credit Union premises, if any of the following occur: (1) You fail to meet your obligations to the Credit Union; (2) You fail to comply with applicable law and the Credit Union’s bylaws and rules as amended from time to time; (3) You are convicted of a crime in connection with business you conduct with the Credit Union; (4) You cause the Credit Union a loss in any way (including but not limited to loan charge-off, account overdrafts, or bankruptcy, or (5) You fail to conduct your business with the Credit Union in a civil and business-like way. Violence or threats of violence against, or harassment of, Credit Union staff, volunteers or other Members will not be tolerated. If you fail to meet your obligations to us because of a bona fide emergency such as a catastrophic illness, we may, at our sole option, allow you to maintain your membership privileges.

MEETING YOUR OBLIGATIONS

To make it possible for us to achieve our goals of offering high returns on your savings and affordable credit, all Members must meet their obligations to the Credit Union in a timely manner.

You agree to comply with the terms and conditions governing the Credit Union services you request.

You agree to be honest with the Credit Union about your financial circumstances. You agree not to omit any material information from loan applications. You agree not to request credit or use credit cards or lines of credit if you have reason to believe you will be unable to make the required payments.

You will not allow Credit Union Savings or Checking Accounts you open to fall below a zero balance. If you do inadvertently overdraw any Savings or Checking account, and you do not have a prearranged and available source of overdraft protection available, you agree to immediately restore any overdraft upon our written demand. If you do not promptly restore the overdraft, you agree that our Right of Recovery (see below) applies. If we cannot recover the amount under our Right of Recovery, you agree that our right to recover Collection Costs (see below) applies. Please note, overdraft protection, loan advances or transfers, if you have them available, will be made only to checking accounts.

You will take responsibility for items deposited to your accounts that are returned unpaid. (See the "Deposits and Withdrawals" section of this Handbook for more information.)

You agree to repay money you borrow from the Credit Union according to the terms of the applicable loan agreement.

OUR DISCLOSURE OF INFORMATION ABOUT CREDIT UNION SHARE ACCOUNTS AND LOANS

We will give information about share accounts to each joint owner, and information about loans to each borrower or co-signer provided that any applicable research and copying fees are paid. We will also provide information about your accounts, loans or other Credit Union activity, if we receive a lawful information request such as a subpoena that meets legal requirements. However, any disputes about the ownership of funds in joint accounts or obligations for loan payment must be resolved by the account owners or borrowers without involvement from the Credit Union. We will not give out account information to POD beneficiaries until all account owners are deceased. For further information about our maintenance of the privacy and security of information about our members, former members and other consumers, please refer to our Privacy Policy.

We acknowledge the obligation to honor court orders (such as court orders appointing conservators) and lawful powers of attorney dealing with your specific accounts or loans and will disclose information to persons so appointed. However, except as indicated here, the Credit Union does not recognize persons who are authorized signers but not joint owners. (Business accounts for non-natural person entities such as corporations that permit authorized signers, if available, are covered by separate agreements.) All other signers are automatically joint owners.

OUR OBLIGATION TO FOLLOW YOUR INSTRUCTIONS

We are required to follow written instructions transmitted to us on your accounts or loans by any account owner, borrower, co-signer or any person authorized by an account owner, borrower, court of competent jurisdiction or valid power of attorney to conduct business on your accounts or loans. We consider instructions received in writing or via electronic means such as ATM keypads, ExpressLine (Audio Response), or Online Banking to be "written" instructions. Our following the written instructions of any authorized person excuses the Credit Union of any further legal obligation regarding the proceeds of the transaction. You agree to defend and indemnify and save the Credit Union harmless from any claims, suits or liability that directly or indirectly result from our handling of your accounts or loans consistent with an authorized person's written instructions.

The Credit Union has the right to refuse to honor your instructions if they are uncertain or if a signature appears not to be authentic. If that happens, we will notify you of the fact in writing.

RECOVERY OF YOUR UNPAID OBLIGATIONS FROM YOUR CREDIT UNION SHARES ("RIGHT OF RECOVERY")

By maintaining membership in the Credit Union, you agree that if you become indebted to us for any reason, whether by failing to pay a loan, failing to restore a negative share account balance or otherwise, and you fail to pay what you owe us according to the terms of your agreements with us or upon our written demand, we can take any Credit Union shares in which you have an interest, without notice to you, to collect all or part of what you owe us (unless expressly prohibited by law or the share agreement). This consent by you is in addition to our right to impose a lien on shares to the extent of your obligations under the Federal Credit Union Act and any equitable right of offset under state or federal law. Our exercising our rights under this section of the Handbook will not be an election of remedies and will not impair our rights to pursue any other remedies we may have against you. You agree that your consent extends to all funds voluntarily deposited to Credit Union share accounts, including funds normally exempt from creditors' remedies such as social security direct deposits. You acknowledge that the Credit Union never requires deposit of exempt funds to Credit Union share accounts. The consent you give under this section of the Handbook is not a pledge by you of any shares and will not affect your right to withdraw funds prior to your default and our exercise of our rights under your consent. Our right will take priority over any third party claim to your share accounts and over the rights of others claiming an interest in your share accounts, such as surviving joint owners or pay-on-death beneficiaries to whom your account transfers in the event of your death.

COLLECTION COSTS

If you are in default in any obligation, you agree to pay reasonable costs we incur to collect what you owe us before we take legal action. If we take legal action of any kind (including but not limited to collection lawsuits, proceedings to protect our interests if you become a bankruptcy debtor, appeals, foreclosures, or actions to enforce judgments), you agree to pay our reasonable attorney's fees and costs of the action.

FEES AND DAMAGES

All Credit Union Share Accounts and Loans may be subject to fees. Our fee structure is designed to encourage use of Credit Union services and to create incentives for Members to meet their obligations and handle their accounts in a responsible way. All fees are disclosed on our separate Schedule of Fees and Charges. The Schedule of Fees and Charges, as amended from time to time, is incorporated by reference into this Handbook and made part of it.

Fees for special handling of Accounts and Loans result in some instances from your failure to carry out your agreements with us. To the extent that our charges for handling such matters may exceed our costs, they are to be considered damages. You agree that our collection of a fee does not waive any right we may have under the law to recover any loss we sustain due to your failure to meet the terms of this Handbook or other agreements you have with us. We also have the right to extra damages whenever the law provides for them, such as the exemplary damages provided as a penalty for writing bad checks.

GOVERNING AGREEMENTS AND LAWS

This Handbook, Credit Union Bylaws and policies, applicable California and federal laws as amended from time to time, and any separate agreements and disclosures provided to you will govern your transactions with San Francisco Federal Credit Union. The Credit Union may amend agreement terms from time to time consistent with applicable law and regulation by notifying you. If any provision of this Handbook in its present form or as amended from time to time is found to be void or unenforceable, the rest of the Handbook and amendments to it will remain in effect.

The Credit Union will comply with lawfully issued subpoenas, levies, writs of attachment, and similar orders pertaining to your shares. We will not incur liability to you for implementing any garnishment, attachment or levy or for complying with lawful information requests. You must take up any objections you have on matters of this type directly with the individual or entity that has requested information about or asserted a claim to your shares. You agree to defend and indemnify and hold us harmless from any third party claims that arise because of our handling of your shares while a third party claim is pending, such as if we honor drafts while a levy is in process.

You are responsible for providing the Credit Union with the correct taxpayer identification number on all share accounts you open with us. We have no duty of further inquiry as to the correctness of the number you provide, but we will not open or maintain accounts without taxpayer ID numbers.

BACKUP WITHHOLDING

The Credit Union has the right to withhold amounts required by federal tax laws from withdrawals if you or the Internal Revenue Service advises us that you are subject to backup withholding or if you fail to give us your correct Taxpayer's ID/Social Security Number.

WAIVER; MODIFICATION

The Credit Union can fail to exercise one or more rights we may have under this or any other agreement we have with you on one or more occasions without such failure being deemed a waiver of any right and without altering the terms of any agreement with you. Consistent with any limits imposed by law, the Credit Union can modify any of its agreements with you by giving notice required by law and allowing you an opportunity to avoid the changes by satisfying any

outstanding obligation you have to the Credit Union and discontinuing the related service. Discontinuation of any service by you or us will not relieve you of your obligations to us. "Modify" may include changing existing terms, adding new terms or deleting terms. Modifications can occur only through official Credit Union change in terms notices, orders of courts of competent jurisdiction, or written agreements signed by authorized Credit Union agents.

AUTHORIZATION TO REVIEW ACCOUNT AND CREDIT HISTORY

Your Member Account Agreement allows us to check your credit from time to time to determine your eligibility for Credit Union products and services, and products or services you did not request may be offered to you as a result. You can revoke this authorization at any time by notifying the Credit Union in writing. In any case, if you apply for share accounts or loans, or maintain any open-end credit (such as a Line of Credit or Credit Card) or share accounts, we can check your credit or account history with third parties as part of our normal account review process. Based on our review, we can increase or decrease credit limits, or limit or terminate share account services.

TAX REPORTING

We comply with the Internal Revenue Code, IRS regulations and state law in reporting your earnings on savings, your interest payments on certain types of loans, and filing other information returns such as for miscellaneous income. You are responsible for providing the Credit Union with the correct taxpayer identification number on all accounts you open with us. We have no duty of further inquiry as to the correctness of the number you provide, but we will not open or maintain accounts without taxpayer identification numbers.

CHANGE OF ADDRESS

You must promptly notify us of any change of your residence and mailing addresses. If we make the service available and you have elected to receive materials such as statements and disclosures from us electronically, you must promptly notify us of any change in your email address. If you do not promptly notify us of any change in your mailing address, we may charge locator service fees to your account. (See the current Fee Schedule.) If email we send you is returned undeliverable, we will resume sending communications to you by postal mail until we receive an updated email address for you. If you do not receive statements or other materials that you expect to receive from us on a regular basis, contact us immediately at a location indicated in the "HOW TO CONTACT US" section at the end of this Handbook to request copies of the materials you have missed. We will not be responsible for unauthorized transactions or other errors if you do not notify us within the time frames specified elsewhere in this Handbook.

NOTICES

All notices sent by the Credit Union will be effective when mailed to you at your last address as shown on our records. If the service is available and you elect to receive notices (including periodic account and loan statements) electronically, either the notice itself or a message that the notice is available for viewing at the Credit Union's secure website will be sent to you at the last email address we have for you. In the case of joint accounts or loans, notice to or from one account holder or borrower will be effective for all account holders or borrowers unless otherwise specified in this Handbook or required by law.

YOUR CONSENT TO THE TERMS OF THIS HANDBOOK

Your payment of the Credit Union membership fee, deposit of the required minimum balance to a Regular Share Account and completion of a Member Account Agreement constitute your agreement to the terms of this Handbook.

YOUR CREDIT UNION SHARE ACCOUNTS

GENERAL INFORMATION

Par Value of a Credit Union share is stated on the Truth in Savings Disclosure.

Earnings and Payment of Dividends

Most Credit Union Accounts earn dividends. If an account earns dividends, they accrue from the day after the business day we receive your deposit or as stated in the FUNDS AVAILABILITY section. The Board sets our competitive dividend rates, taking into consideration the cost of funds and market conditions. Dividends are only paid out of current income and available earnings after required transfers to reserves at the end of the dividend period. Dividends cannot be guaranteed. Except for Term Accounts, dividend rates and corresponding annual percentage yields are not set in advance. Unless otherwise indicated, dividend rates and yields are variable and can change at any time. The Board may change dividend cycles. See our separate Truth-In-Savings Disclosure for current dividend rates and Annual Percentage Yields (APYs) on all share accounts. The Truth-In-Savings Disclosure, as amended from time to time, is incorporated by reference into this Handbook and made part of it.

Account Ownership and Transfer of Proceeds at Death

You own and are considered the primary member on all share accounts established under your Member number. When permissible, you may designate one or more joint owners of your accounts on your Member Account Agreement. (Joint owners on IRA, IRA Term, Minor and Fiduciary Accounts are prohibited.) Joint owners must sign the Member Account Agreement along with the Member.

Joint owners own all proceeds of each share account on which you have designated them, including dividends, with right of survivorship. Joint owners may deposit or withdraw any amount in any share account on which you have designated them. Withdrawal by any one owner of funds from a joint account terminates the rights of all other share account owners to the withdrawn funds. If a joint owner withdraws funds that qualify a Member for membership, the Member can reinstate the membership to active status by depositing the required minimum membership balance.

Joint owners acting individually may pledge share accounts as security for loans. In addition, if a joint owner becomes indebted to the Credit Union in any manner, any shares in which the joint owner has an interest becomes subject to the Credit Union's Right of Recovery, even if the primary member is not a party to the transaction that resulted in the joint owner's debt. Joint owners must belong to the Credit Union in their own right to borrow money from the Credit Union, to vote in Credit Union elections, and to hold Credit Union office.

Should any owner of a joint account die, any surviving owner(s) will automatically own any money in the account. When the last owner dies, the account proceeds will automatically pass to any named Pay-on-Death (POD) beneficiary(ies), or, if no beneficiaries are named, to the estate of the last owner to die.

Members may also own share accounts individually rather than jointly. On individual accounts, the account proceeds will transfer at the Member's death to any named POD beneficiary(ies) or, if no beneficiaries are named, to the Member's estate.

On share accounts with designated POD beneficiaries, funds pass automatically to the named beneficiaries and are not subject to any probate proceeding. If you name more than one POD beneficiary, your beneficiaries will receive proceeds in equal shares unless you indicate otherwise on your Member Account Agreement.

The Credit Union's right to recover the unpaid obligations of a deceased share account owner will prevail over the rights of surviving joint owners or POD beneficiaries to the funds in the account.

If a Member wishes to designate different joint owners for different accounts, or to have both joint and individual accounts, or to have different POD beneficiaries for different accounts, you must complete a separate Member Account Agreement for each joint ownership or POD beneficiary combination. Only the accounts you designate on the Agreement will have that combination of joint owners and/or POD beneficiary(ies).

Under community property law, either spouse has a right to set up an account in his or her own name without the consent of the other spouse, whether or not the account owner has designated a POD beneficiary. However, the surviving spouse of the account owner may have a right to his or her community property interest in the account on the death of the joint owner. This interest, if asserted, would reduce the amount that transfers to the POD beneficiary.

POD beneficiaries are not allowed on Minor or Fiduciary Accounts.

You may wish to consult with your tax advisor or legal advisor before you designate POD beneficiaries on IRA accounts because your decision may have significant tax consequences.

Changing Account Ownership or Beneficiaries

Any change in account ownership or access shall be in writing and on an amended Member Account Agreement. Consistent with the California Probate Code, if an owner of a joint account wishes to remove the other owner(s), either (1) that person must withdraw all funds, close the account, and re-open it in the new owner's name, or (2) all current owners must consent in writing to the change. If the owner wishing to remove other owners is not a member, he or she must qualify for and establish membership to re-open the account.

If there is a conflict between information you have provided on different Member Account Agreements at different times for the same account type, the information on the most recent Member Account Agreement will govern. We will assume that any omission of information on a more recent Member Account Agreement is intentional. For example, if an older agreement named a POD beneficiary and a more recent agreement leaves the POD beneficiary space blank, we will assume that you want account proceeds to pass to your estate at your death and not to pass to your previously named POD beneficiary.

Continuing Authorization to Open Accounts

By completing a Member Account Agreement, you give the Credit Union a continuing authorization to open any account for you on your oral or written request and deposit of funds. Any share account opened by oral authorization under a member number for which we do not yet have a Member Account Agreement on file is an individual account until a valid written Member Account Agreement, executed by all Joint Owner/Signers is returned to the Credit Union.

Deposits and Withdrawals

Funds can be deposited to your accounts by (1) direct deposit of your net pay or retirement benefits, (2) automatic payroll deduction, (3) automated clearinghouse transfer (ACH), (4) in person at Credit Union branches or Credit Union Service Centers, (5) by mail, (6) by wire transfer, or (7) through San Francisco Federal Credit Union ATMs and deposit-taking ATMs on other networks that we specify from time to time.

Withdrawals can be made (1) by the ExpressLine Voice Response System, (2) by Online Banking, (3) in person, (4) at select network ATMs, (5) by writing checks if you have a Credit Union Checking Account, (6) by pre-authorized electronic fund transfer (ACH), or (7) by telephone. Personal telephone withdrawals, ExpressLine withdrawals and Online Banking withdrawals will only be made by transfer to another Credit Union account of yours or by Credit Union check payable to the primary member and mailed to the primary member's address as shown on our records.

Certain deposits are subject to delayed availability, as spelled out in the "FUNDS AVAILABILITY POLICY" section of this Handbook.

Please use the deposit tickets in the back of your checkbook for all deposits to your checking account.

On your Credit Union Checking Account, you may write as many checks and make as many transfers or withdrawals out of the Account as you wish, provided you have sufficient funds. The number of deposits you may make is unlimited on all account types except for Term Accounts. However, the number of transfers out of your Regular Share Savings Accounts and Money Market Savings Accounts by certain methods is limited. You may make as many withdrawals or transfers out of these accounts as you wish using these means: (1) in person, (2) by mail, (3) by messenger, (4) at the ATM, or (5) by a telephone request to mail a check payable to you to your address in our records. All other withdrawals or transfers out of these accounts (which we refer to as "non-personal withdrawals") are limited to six per month, and no more than three of six such transfers may be made by check, draft, Debit Card, or similar order made by you and payable to third parties. Examples of transfers or withdrawals out of these accounts to which the limits apply include: (1) pre-authorized automatic payments, such as for health club dues or utility bills; and (2) automatic transfers (including overdraft protection transfers).

We may refuse to accept for deposit checks or other items that are stale dated (more than six months old), appear to have been altered or are not made payable to you. However, we have no obligation to refuse items presented for deposit to your accounts. We operate in an automated processing environment and do not physically examine all items presented for deposit. You agree to defend, indemnify and hold the Credit Union harmless from any claims, losses, liability, damages or expenses we incur as a result of accepting items for deposit to your accounts, unless we fail to exercise ordinary care in accepting the item.

We can accept an item payable to you alone for deposit to any account of which you are the owner in our records, whether or not you have endorsed the item, and whether the account to which it is deposited is shown on our records as a joint account or a single owner account. If an item is payable to you or another person, we can accept the item for deposit to any account of which you are an owner in our records, whether or not you or the other person(s) have endorsed the item, and whether the account to which the item is deposited is shown in our records as a joint account or a single owner account. If an item is payable to you and another person: (a) we can accept the item for deposit to any account on which you and all other payees are joint owners in our records, whether or not you and/or the other payee(s) have endorsed the item; (b) if all payees have

endorsed the item for deposit to an account that you have with us, we will accept the item for deposit to that account, regardless of the ownership of that account; and (c) if the item is deposited to an account on which all payees are not shown as joint owners in our records, we can, at our option, either refuse to accept the item for deposit, or accept the item for deposit to an account that our record show is owned by an endorsing payee. If we accept the item for deposit to an account owned by an endorsing payee, the endorsing payee agrees to defend, indemnify and hold the Credit Union harmless from any and all claims by non-endorsing payees. If an item is not payable to you but has been endorsed over to you by a third party payee, we reserve the right to refuse to accept the item for deposit to your account or to require that the third party payee's financial institution guarantee the third party's endorsement. If you deposit an item that is not payable to you or endorsed to you by the payee, you agree to defend, indemnify and hold us harmless from any claims or losses we incur, and you may be subject to civil suit or criminal prosecution. We have the right, but not the obligation, to refuse to accept for deposit items payable to you but not endorsed by you.

If we receive an erroneous deposit, such as a duplicate direct deposit of your net pay or a direct deposit of social security benefits after the payee's death, we can return the erroneous deposit to the payor and deduct the amount of the erroneous deposit to your account.

If an item you deposit is returned unpaid, we will deduct any amount for which you have received provisional credit from your accounts. All credits are provisional until we receive final payment from the institution on which the deposited item is drawn.

You acknowledge that our making funds from a non-cash deposit available to you for withdrawal is not a guarantee or representation by us that the item you deposited will be paid. If you are concerned about the validity of an item you want to deposit, you should contact the financial institution on which the item is drawn. No Credit Union employee has the expertise or is authorized to give you an oral or written guarantee that an item you deposit will be paid. Should any Credit Union employee state orally or in writing that they believe an item you deposit will be paid, that should be interpreted only as that employee's best guess and not as a guarantee. If the paying financial institution lawfully returns an item you deposited, we will deduct the amount of the item from your account, even if you have already withdrawn the funds and even if the deduction results in a negative balance.

We can deduct amounts of erroneous payments or uncollected deposits without advance notice to you, though we will notify you as soon as is reasonably practicable. You must, upon our demand, restore any negative balance that results from our deducting erroneous or uncollected deposits from your accounts. If you do not do so, our Right of Recovery applies. If we cannot restore the negative balance by exercising our Right of Recovery, our right to recover Collection Costs applies.

Items drawn on an institution located outside of the United States are handled on a collection basis only as long as the amount is equivalent to \$200.00 (US) or over. Funds will be credited to your account when we receive final payment. There is a fee for collection items. Please see the Fee Schedule.

Non-Transferability of Share Accounts

Except for Checking Accounts, all accounts are non-transferable, other than on the books of the Credit Union. This means that shares can only be transferred to other members. To transfer your shares to another member, you must use a written form acceptable to us. Credit Union by-laws permit us to require a notice of at least 7 and up to 60 days before you withdraw shares.

Funds pledged as security for loans cannot be withdrawn without the Credit Union's prior written consent. We may refuse withdrawals if you have delinquent obligations with us.

Federal Insurance

Generally, if a Credit Union member has more than one share account in the same insured Credit Union, those accounts are added together and insured up to \$100,000 by the National Credit Union Share Insurance Fund (NCUSIF). There are exceptions, however. Trust Accounts are eligible for an additional \$100,000 of insurance. IRA Accounts are insured up to \$250,000. Accounts with different joint owners are also eligible for an additional \$100,000 of insurance. If an account designates one or more eligible POD beneficiaries, \$100,000 of insurance will be available for the primary member and for each POD beneficiary. (Eligible POD beneficiaries are the spouse, parent, child, sibling or grandchild of the primary member.) Here are some examples. (1) A member has a Regular Share Savings Account and a regular IRA and a Roth IRA in the same Credit Union. The Regular Share Savings Account is insured up to \$100,000. The aggregate regular and Roth IRAs balances are insured up to \$250,000. (2) A primary member has a Regular Share Savings Account jointly with X, a regular Share Savings Account jointly with Y, and a Regular Share Savings Account jointly with Z. Each of the three accounts is insured up to \$100,000 by the NCUSIF. (3) A primary member has a Regular Share Savings Account naming his spouse, his son, and his granddaughter as POD beneficiaries. Because all three POD beneficiaries are eligible, the account is insured up to \$400,000, \$100,000 for the primary member and \$100,000 for each of the three POD beneficiaries.

Dividend Calculation, Compounding and Crediting

Refer to the Truth in Savings Disclosure.

Fees

Credit Union Accounts may be subject to fees, which, if assessed, may reduce earnings. Please see the separate Schedule of Fees and Charges.

Permanent Records and Statement Review

We will mail you periodic statements recording all deposits, withdrawals, checks drawn on your account, dividends (if any), and fees. All accounts will receive a statement at least quarterly. Checking Accounts and accounts with electronic transfer activity will receive monthly statements. If there is more than one owner of the account, the statement will be sent to the first primary member.

We will mail statements to you at your address in our records. Notify us of any address change. If we receive a notice that an address we have for you is no longer valid, we will attempt to locate you once without charge. If our effort to locate you is unsuccessful, we may assess an invalid address fee against your account twice a year in June and December. See the Schedule of Fees for the amount.

You will not receive your canceled checks, although all checks are microfilmed and retained in that form for seven years. Also, your checks are in duplicate, so

you make a copy every time you write a check. The IRS accepts duplicates for tax purposes. We will provide two check copies per statement period free of charge. Additional check copies are available for a small fee. See the Schedule of Fees and Charges.

The Credit Union is not responsible for items lost in delivery by the post office or otherwise not collected by the member.

If any mailed statements or other documents we send you are returned, undelivered, by the post office, the Credit Union is authorized to destroy them after three years.

If you are expecting a statement and have not received it, please contact the Credit Union to request a duplicate.

In Case of Errors or Inquiries about your Statement:

If you suspect that there was an unauthorized signature or alteration of an item that affected one of your accounts (for example, if you think someone forged your signature on your check), you must notify us, in writing, within **thirty (30) days** or we will not be responsible for the item. Tell us all the information requested under the section entitled "WHAT TO TELL US IN CASE OF ANY ERROR OR INQUIRY."

Electronic Transfer Errors or Unauthorized Use: Please see the separate Electronic Funds Transfer Agreement and Disclosure in this Handbook for information about your rights and responsibilities.

Read your statement promptly to be sure we made no errors. The Credit Union will investigate any errors, provided you notify us in writing within **sixty (60) days** of the mailing of the statement containing the error. Tell us all the information requested under the section entitled "WHAT TO TELL US IN CASE OF ANY ERROR OR INQUIRY." We will not be liable for errors if you fail to notify us within the 60-day period.

Because we operate in an automated check processing environment, it is not feasible for us to physically examine checks that clear. For this reason we are, as allowed by law, altering the provisions of the California Commercial Code related to the time within you must report unauthorized signatures, alterations or other errors on your account.

If we correct any error that we made or accept any responsibility for a transaction, we have the right to collect the amount credited to your account from anyone else who is responsible. Our crediting your account will result in an automatic assignment to us of your rights to collect the amount from anyone else. You agree to cooperate with our efforts to collect the amount we credited to your account.

If we make an error in handling your account, our liability will be limited to the actual damages. The maximum actual damages are the amount of the transaction. We will not be liable for consequential damages such as alleged harm to your credit standing, unrealized profits, emotional distress or exemplary damages due to a claimed reckless disregard of the consequence of our actions.

Closing Accounts

We have the right to close your accounts for any business reason on 10 days' written notice to you at your last known address. Any closing of your accounts will not affect our handling of regular transactions prior to the notice, provided that sufficient funds are available to handle them.

Other grounds for closing your account(s) with or without advance notice include your writing NSF checks without overdraft protection, your failure to pay your loans, your misuse a checking account for check kiting or other unlawful purpose, or your failure to observe the conditions of any other agreement with the Credit Union.

Escheat

If our records indicate that you live in California and there has been no activity on your account other than crediting of dividends for three years, your account will be deemed abandoned and subject to forfeiture to the state of California pursuant to California Code of Civil Procedure §1513.5. We will charge the maximum fee allowed by law for this process. After two years of inactivity, we will notify you at your address in our records that your account will escheat if you do not contact us to indicate an interest in your account. Once the shares and dividends are turned over to the State, the credit union has no further liability to you. You must contact the State Controller's Office to request return of the funds.

If you reside in a state other than California, we will comply with the escheat law of your state (if there is one) or with California escheat law (if your state does not provide for escheat).

Our Handling Accounts In Case Of Your Death or Incompetence

If you have an individual account, your death or a court appointment of a conservator to manage your legal affairs will terminate our authority to disburse funds from your account. Our authority will terminate ten days after the later of (1) the date of your death or the appointment of a conservator or (2) the date we learn of your death or the appointment of a conservator. After we learn of your death or incompetence, we will comply with the law or court orders in disbursing account proceeds, and we will honor stop pay requests by any persons claiming an interest in your account.

SAVINGS ACCOUNTS

Regular Share Savings Account

This account is required to maintain membership in the Credit Union. Please refer to the Truth in Savings Disclosure, Schedule of Fees and Charges and account opening receipt for details regarding minimum balance requirements, dividend rate and payment, and fees. Non-personal withdrawal and transfers are limited as explained in the "Deposits and Withdrawals" section of this Handbook.

Money Market Savings Account

This account requires a higher minimum balance than our Regular Share Savings Account and typically pays higher dividend rates. See the Truth in Savings Disclosure, Schedule of Fees and Charges and account opening receipt for details regarding minimum balance requirements, dividend rate and payment, and fees. Non-personal withdrawal and transfers are limited as explained in the "Deposits and Withdrawals" section of this Handbook.

Premium Money Market Account

This account requires a higher minimum balance than our Regular Share Savings Account or Money Market Savings Account and typically pays higher dividend rates. See the Truth in Savings Disclosure, Schedule of Fees and Charges, and account opening receipt for details regarding minimum balance requirements, dividend rate and payment, and fees. Non-personal withdrawal and transfers are limited as explained in the "Deposits and Withdrawals" section of this Handbook.

TERM ACCOUNTS

Term Accounts offer a fixed rate of return on a set balance over an agreed-upon term and can earn higher rates of return. Term, dividend rate and Annual Percentage Yield are set when you open the Account. See the Truth in Savings Disclosure and account opening receipt for details regarding account term, dividend rate and payment, early withdrawal penalties, renewal at maturity and other information. No additions to Term Accounts are permitted except during the grace period that follows maturity. Withdrawals (other than withdrawals of paid dividends) will be subject to early withdrawal penalties.

Individual Retirement Accounts

Regular Share Savings Accounts and Term Accounts are available as IRAs. The terms stated in this Handbook will apply to the Regular Share Savings Account and Term Account IRAs, except that on Regular Share Savings Account IRAs, there is no minimum opening balance, and you will not earn dividends on any day on which the balance falls below \$500. All IRAs are also subject to federal tax laws.

Fiduciary Accounts

We can set up all our non-IRA accounts for special purposes such as family trusts, executors of estates, and guardians and conservators. Uniform Transfer to Minor Act accounts is also available. These accounts are subject to separate written agreements. Certain restrictions apply.

SHARE DRAFT (CHECKING) ACCOUNTS

General Checking Account Information

All accounts offer unlimited check-writing and a VISA® Debit Card (also known as Check Card). Please refer to the Truth in Savings Disclosure Schedule of Fees and Charges, and account opening receipt for additional information about features, minimum balance requirements, dividend rate and payment (if any), and fees related to checking accounts.

General Checking Account Terms

The following terms apply to all Credit Union Checking Accounts.

Payments on Checks. We will make payments on current checks drawn on available funds in your Checking Account when signed by any person authorized on your Member Account Agreement. We will only honor completed, signed and endorsed checks, on blanks printed by us and given to you for your use or in a form approved by us. Spoiled checks should be destroyed or, if retained, disfigured. The carbon copy in the checkbook should be marked "void."

Governing Law. In handling checking transactions we will be governed by the California Commercial Code, Federal Reserve Board Regulations and our Credit Union procedures, as changed from time to time.

Stale Dated Items. The Credit Union is under no obligation to pay a check on which the date is more than six months old. If we do pay it, we will not be liable to you for any costs or damages.

Overdrafts. You may authorize overdrafts by completing an Overdraft Protection Authorization on your Member Account Agreement. If there isn't enough money in your Checking Account to cover the checks you write, or to cover transactions by you or authorized users of your electronic transfer devices (see the ELECTRONIC FUNDS TRANSFER section of this Handbook), we will consider these checks or electronic transfers to be requests for fund transfers or loan advances to cover the overdrafts. The money will be taken from the source(s) you have indicated on your Member Account Agreement to the extent funds or credit are available, in any order we determine consistent with applicable law. The following rules also apply:

1. Overdraft transfers from your Regular Share Savings Account or Money Market Savings Account will be in \$50 multiples, up to the available funds in the account. The minimum balance required to maintain the account is not available for overdraft protection. See the current Truth in Savings Disclosure for minimum balance requirements.
2. If you have an open-end line of credit in good standing and with available credit, you may also designate that line of credit as an overdraft protection source. Advances will be posted from your line of credit in multiples of \$100 (or the available credit) to cover your overdraft in the amount needed. Overdraft line of credit advances are governed by the terms of the applicable loan agreement.
3. We may assess fees for overdraft protection transfers from Regular Share Savings or Money Market Accounts, or for overdraft protection advances from lines of credit. Please refer to the current Schedule of Fees and Charges.
4. If you do not have available overdraft protection, we may at our sole option pay or return unpaid any check you write or any EFT (such as a debit card transaction, ACH payment or online bill payment) that will overdraft your checking account. If we do pay the item, you agree to repay any amount by which your account is overdrawn including any overdraft fee, such as a "paid NSF" or "returned NSF" fee as shown on the Fee Schedule, immediately upon our demand. If you do not restore the negative balance, you agree that we can recover the amount of the negative balance and any related fees from your next deposit to the overdrawn checking account, even if the deposit is funds that would normally be exempt from creditors' remedies such as a direct deposit of social security, or from any other Credit Union share account (other than IRA) in which you have an interest, even if the other shares include funds normally exempt from creditors' remedies, under our Right of Offset.
5. Unless you have available funds or credit in a share account or line of credit that you have authorized for overdraft protection and all of your accounts and loans with the Credit Union are in good standing, we are not obligated to pay an item that would overdraw your account, even though we may have accommodated you in this way in the past.
6. At our option, we have the right to automatically redeposit NSF items without notification to the parties. If an item you deposit is returned NSF, we can offset any resulting negative balance from any Credit Union shares in which you have an interest under our Right of Recovery. If we returned a check you wrote for insufficient funds, the institution at which the item was deposited may automatically redeposit the item without notice to the parties.

7. Unless you have a formal overdraft protection arrangement with us, we can close your Checking Account without prior notice for repeated overdrafts or for your other misuse of the Account such as check "kiting."
8. You waive protest and notice of dishonor for nonpayment of deposited returned items
9. We will post the items in sequential order within each batch presented to us by our data processing system.
10. Every joint owner of the account is equally responsible for making up deficiencies in the account balance.
11. Checks you write on insufficient funds may be re-presented by the payee for payment through the ACH (automated clearinghouse) system if the payee notifies you of this possibility when you write the check. These are called "RCK entries" and are electronic fund transfers. Checks on which the signature is forged, altered checks, checks for over \$2,500, checks returned for reasons other than insufficient funds, or checks re-presented more than 180 days after their original date, are not eligible for ACH re-presentation.

Stopping Payment. You can stop payment on any check drawn on your account before the check has been cleared for payment by notifying us orally and in writing. You must follow up the oral notice with a written request within fourteen (14) calendar days of the oral notice, or the stop payment request will lapse. Stop payment requests will be processed promptly, but the Credit Union will not be responsible for a check we pay within the first 24 hours after you request the stop pay. Written stop payment requests are valid for only six months but may be renewed for additional six-month periods by giving written notice to the Credit Union within the period during which the stop payment request is effective.

1. For us to effectively stop payment, we need to know the drawer, the payee, the account number, the date, the check number, and the exact amount of the check. Our computer will search for the check exclusively by the check number. It can read nothing else on the check. If the check number is wrong, no stop payment can be made.
2. If we fail to carry out a timely stop pay, we will not be obligated to reimburse you if the check paid your valid obligation. If we do reimburse you, the claim for funds against the payee of the check will be assigned to us and you agree to cooperate in collecting the amount wrongfully paid to the payee of the stopped check. Our liability to you is limited to the amount of the improperly paid check.

Post Dated Checks. Postdated checks may be cashed if presented by the payee before the date on the check. We will not be liable for the consequences of such early payment, unless you have given us separate notice (the date on the check alone is not sufficient notice) that the item is post-dated and identified the check to us by providing the same information that we require for stop payment requests. Our responsibility for failing to carry out your instructions regarding a post-dated check is the same as if we paid a check over your stop payment order.

Availability of Funds for Check Writing. Non-cash deposits are made available only after the times specified in the "Funds Availability Policy" section of this disclosure. We consider these deposits uncollected funds until the hold period expires. Please postpone writing checks or attempting withdrawals against these funds unless you intend to rely on your overdraft protection.

Prohibition on Pledging Funds. Funds deposited in Checking Accounts may not be pledged as security for a loan.

Lost or Stolen Checks. If your checks are lost or stolen, please tell us immediately. Call us at (415) 775-5377. We recommend that you close your checking account and re-open it with a new number. Even if you stop payment on a sequence of lost or stolen checks, people who obtain your checks can obtain new checks with your account and routing number on them. If you elect to keep your account open under the same number after your checks are lost or stolen, the Credit Union will not be responsible for unauthorized checks paid on your account unless they fall within a sequence of check numbers on which you have stopped payment.

Immediate Check Payment. Due to new check processing laws that took effect in October 2004, checks you write may clear within a matter of minutes or hours. You should be sure that you have available funds before writing checks. Do not assume that you can write a check and later make a deposit to cover it.

Check 21 and Substitute Checks. The Check Clearing for the 21st Century Act, otherwise known as Check 21, took effect in October 2004. This law allows financial institutions to “truncate” clearing checks by creating an electronic image of a check rather than using the original paper check. The electronic image is called a “substitute check.” The substitute check includes the front and back of the original check and the legend, “This is a legal copy of your check. You can use it the same way you would use the original check.”

Preauthorized Drafts. A preauthorized draft is created when you give someone (such as a telemarketer or a creditor to whom you owe money) your checking account number along with your routing and transit number and authorize them to use the information to debit your checking account for the amount of money you have agreed to pay them. Any preauthorized draft presented to the Credit Union after you have voluntarily given your checking account information to the payee is considered authorized by you, even though you have not signed a check.

ACH Conversion of Other Checks. Persons to whom you write checks may convert them to electronic fund transfers. This may occur when you write a check to a merchant (called a POP or point-of-purchase entry) or when you send a check to a creditor to pay a bill (called an ARC or accounts receivable entry). Creditors who convert your checks to ARC entries must permit you to opt out of such conversions.

SPECIAL SERVICES

CREDIT UNION CHECKS

If you obtain a check drawn on the Credit Union payable to someone other than yourself the Credit Union is, under normal circumstances, guaranteeing the payment of the check. For that reason we will accept a refund or replacement request on a Credit Union Check only after we receive a written declaration under penalty of perjury from you and, in some cases, the payee. If the check was lost, stolen or destroyed before you delivered it to the payee, you must sign the declaration. If the check was lost, stolen or destroyed after delivery to the payee, both you and the payee must sign the declaration.

If we receive the refund or replacement request after the check has cleared, we will not be responsible for the loss.

We will not issue a replacement check or credit your account until 90 days after the issue date of a Credit Union Check.

If, after 90 days have passed, we issue a replacement check or re-credit your account, we are discharged from further liability. If a holder in due course presents the original check after that time, we must pay the proceeds of the original check to the holder or the financial institution. You agree that if this happens, and you do not pay us the amount of the original check immediately upon our demand, we can deduct the amount of the original check from any Credit Union shares in which you have an interest, and that if you do not have available funds for us to exercise our Right of Recovery, our general rights to collect what you owe us will apply.

WIRE TRANSFERS

Wire transfer terms are different from other account agreements and terms. This section of the Handbook constitutes notice to all account owners of the rules regarding wire transfers. Wire transfers sent and received by the Credit Union are subject to the following terms:

We can make wire transfers from your share accounts and will carry out your written instructions. We will also receive wire transfers for you. Wire transfers are subject to the terms of Federal Reserve Regulation J and Article 4A of the Uniform Commercial Code.

1. If we are receiving a wire transfer on your behalf, our responsibility is to carry out the terms specifically as transmitted by the sending financial institution, including any specific security procedure.
2. We will not be liable for damages to you or a third party if we carry out the written instructions in a reasonable manner.
3. We have a right to rely on any account or routing numbers furnished by you as sender or any numbers transmitted with a wire transfer from another financial institution for your benefit with reference to the deposit of the funds received. Any effort we make to assist you in determining transit and routing numbers for institutions to which you wish to make wire transfers is provided as an accommodation only and accuracy is not guaranteed. You are responsible for the accuracy of names and routing, transit and account numbers on wire transfers you send.
4. We have no obligation to correct erroneous spellings of names or erroneous account numbers in sending or receiving wire transfer proceeds.
5. We will not be liable for indirect, consequential or punitive damages in the event that loss is sustained because we have failed to carry out instructions in a reasonable manner. Our liability is limited to the amount of the wire transfer.
6. Wire transfers will be reflected on your monthly statement. You agree to examine your statement promptly and notify us of any wire transfers errors within 14 days after the mailing date of the statement. If you do not notify us within 30 days of the mailing date of the statement, we will not be liable for any claims, demands or expenses related to the error.
7. You agree that if we receive an erroneous wire transfer to your account, the sending party can reverse the transaction and the amount of the wire transfer will be deducted from your account. We will notify you if this happens. If a wire transfer you receive is reversed, you agree to immediately restore any resulting overdraft to your accounts upon our demand. If you do not do so, you agree that we can recover any overdraft amount from any Credit Union share account in which you have an interest. You further agree that our rights under Collection Costs above apply if we cannot recover what you owe by exercising our Right of Recovery.

8. Unless we tell you otherwise, the cutoff time for wire transfers is 2:00 PM for transfers within the U.S. and 1:00 PM for international (non-U.S.) wire transfers. Payment orders, cancellations, or amendments received after the cutoff time will be processed during the next business day we are open. (We do not process wire transfers on Saturday even though we may be open to provide some services on Saturdays.)
9. Once a wire transfer has been sent, it generally cannot be canceled.
10. Your wire transfer requests may be delayed if you give us erroneous information.
11. We can refuse to carry out a wire transfer request or change order if we have reason to believe that doing so will cause us a loss.
12. In sending wire transfers for you, we will follow security procedures. If you make your request in person, we may require photo identification. If you make your request by telephone, we may call you back at your telephone number in our records to confirm the request, and we may also ask you to confirm a telephone request by a signed authorization letter before the wire transfer is performed.
13. If a specific account type is not indicated, wired funds are posted to your Checking Account if you have one, or your Regular Share Savings Account if you do not have a Checking Account. It is your responsibility to verify that expected funds are posted to the appropriate account.

FUNDS AVAILABILITY POLICY

All deposits are subject to verification and final collection. When you deposit an item (such as a check) drawn on another institution, there is always a time delay before the item reaches the institution on which it is drawn and we recover payment. The following summary is given to you to meet federal notice requirements of our Check Hold policy and a specific understanding of circumstances that might cause a delay in availability. Please read it and keep it for future reference.

GENERAL RULES

Summary: Our policy is to provide you with prompt access to your funds. We will give you a written notice if a Hold is being placed on any part of your deposit. The following is a detailed explanation of our policy.

Remember that if an item you deposit is returned unpaid, you are responsible for that item.

DETERMINING AVAILABILITY OF A DEPOSIT

The length of a delay, if any, is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays and federal holidays. If you make a deposit before we close on a business day that we are open, we will consider that to be the day of your deposit. However, if you make a deposit after we close or on a day that we are not open, we will consider the deposit made on the next business day that we are open. Please consult the section entitled "How to Contact Us" for branch hours. If you mail your deposit, we will consider the day we receive it to be the day of your deposit. If you make your deposit to a proprietary ATM or non-proprietary ATM before close of business day on a business day, we will consider that to be the day of your deposit. If you make your deposit after business hours on a business day or on a

weekend or holiday, we will consider the next business day to be the day of your deposit. A proprietary ATM is an ATM that we own and is labeled as our machine. Deposits to a night depository are considered deposited the next business day.

If we do impose a delay, the length of the delay varies depending on the type of deposit and is explained below.

Same Day Availability

Funds from the following deposits are available on the same business day as the day of your deposit:

1. Cash if deposited in person to one of our tellers or CU Service Center.
2. Electronic direct deposits.
3. Checks drawn on San Francisco Federal Credit Union.
4. Wire transfers.

Next Business Day Availability

Funds from the following deposits are available on the next business day after the day of your deposit if the deposit is made in person to a teller, received by mail, or deposited to a proprietary ATM or CU Service Center. Deposits not made in person to a teller (ATM deposits, for example) are subject to verification.

1. U.S. Treasury checks, and California State, county, city or public agency checks.
2. Federal Reserve Bank checks, Federal Home Loan Bank checks, and U.S. Postal Money Orders, if payable to you and endorsed by you.
3. Cashier's, certified, and teller's checks, if payable to you and endorsed by you.
4. Cash (unless deposited in person to a teller, in which case it will have same day availability).
5. The first \$100 of local and non-local checks.

Other Check Deposits

The delay, if any, for personal and business check deposits depends on whether the check is a local or a non-local check. To see whether a check is local or non-local, look at the routing number on the check.

Identifying Routing Numbers: On personal checks, the routing number is the first series of numbers in the lower left hand corner of the check. On business checks, the routing number should be the second block of digits at the lower left side of the check. The first four numbers identify the region in which the check will clear. Of these the first two numbers are critical. If it is in the San Francisco Bay Area, routing numbers 1210 through 1213 and 3210 and 3213 are local checks clearing through San Francisco. Otherwise, the check is a non-local check.

Some checks are marked "payable through" and have a four- or nine-digit number nearby. For these checks, use the four-digit number (or the first four digits of the nine-digit number), not the routing number on the bottom of the check, to determine if these checks are local or non-local. If a delay is imposed (and we will notify you if it is), our policy is to make funds from these checks available as follows:

1. **Local Checks:** The first \$100 will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit. For example, if you deposit a local check of \$700 on Monday, \$100 of the deposit is available on Tuesday. The remaining \$600 is available on Wednesday.
2. **Non-Local Checks:** The first \$100 will be available on the first business day after the day of your deposit. The remaining funds will be available on the fifth business day after the day of your deposit. For example, if you deposit a \$700 non-local check on a Monday, \$100 of the deposit is available on Tuesday. The remaining \$600 will be available the following Monday.

If you deposit both categories of checks, \$100 from the checks will be available on the first business day after the day of your deposit.

Deposits at Non-Proprietary ATMs

The funds will be available not later than five business days after the business day of your deposit.

Longer Delays May Apply

In some cases, we will not make all of the funds that you deposit by check available at the times shown above. If we are not going to make all funds from your deposit available at the times shown above, we will notify you in writing when you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to a Credit Union employee or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you need your funds right away, ask us when the deposit will be available.

We can delay availability for any reasonable amount of time, generally not more than nine business days, if:

1. We reasonably believe a check you deposit will not be paid.
2. You deposit checks totaling more than \$5,000 on any one day.
3. You have overdrawn your account repeatedly in the last six months.
4. You redeposit a check that has been returned unpaid.
5. There is an emergency, such as failure of communications equipment.

We will notify you if we delay your availability to withdraw funds for any of these reasons, and when the funds will be available.

Special Rules for New Accounts

If you are a new member, the following special rules will apply during the first 30 days your account is open.

The first \$5,000 from a deposit of U.S. Treasury checks will be available on the first business day after the day of your deposit. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. Funds from wire transfers into your account will be available on the first business day after the day we receive the transfer.

Funds from deposits of cash and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, travelers and state and local government checks will be available on the first 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 be available on the ninth business day after the day of

your deposit. If you do not make the deposit in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

If we choose to accept a check as your agent for collection rather than to deposit it, these delay limits do not apply. The money will be posted to your account when we receive it.

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 the address of the financial institution. You will be responsible for any costs or delays the Credit Union incurs because checks deposited to your account do not comply with the endorsement rules.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE STATEMENT

INTRODUCTION/SCOPE OF SERVICES

Electronic Funds Transfers (EFTs) are payments to, or withdrawals from, your account that are started electronically. This agreement applies to transactions initiated by (1) ATMs (automatic teller machines) that display the logos of networks we designate from time to time, (2) ExpressLine Voice Response, (3) Online Banking and Bill Payer, (4) Point-of-Sale (POS) terminals that display logos of networks we designate from time to time, (5) third party electronic transfers into your account via Automated Clearing House (ACH) such as pension payments by direct deposit and payroll deduction, (6) transfers out of your account to third parties via ACH such as automated bill payment services, or (7) use of a VISA® Debit Card at participating merchants or ATMs that display logos of networks we designate from time to time. (Debit Cards are also known as Check Cards.)

ELIGIBILITY

Eligibility for EFT services is conditioned upon your continuing to be a Credit Union member in good standing (including the deposit and maintenance of the required Regular Share Savings Account balance stated in the Truth in Savings Disclosure and meeting your loan obligations), and your account history with the Credit Union and other institutions must be satisfactory. You need not have a checking account with San Francisco Federal Credit Union ("Credit Union," "we," "us") to qualify for a Debit Card, but you must have a Credit Union checking account to use your Debit Card for signature transactions or point-of-sale purchases.

SECURITY OF YOUR ACCOUNTS: KEEP YOUR PERSONAL IDENTIFICATION NUMBER (PIN) AND PASSWORD SECRET

You can't use a VISA® Debit Card at an ATM or point-of-sale terminal without keying your Personal Identification Number (PIN) into the ATM or terminal after inserting your Card into the machine. Your randomly selected PIN will be given to you when you request a Debit Card. You may change your PIN if you wish by bringing your Card and valid identification to a credit union office. You will need to know your existing PIN to request a new one, but we recommend you store your PIN only in your memory. Keeping your PIN secret will keep an unauthorized person from taking money out of your Credit Union accounts.

You can't use the ExpressLine Voice Response system or Online Banking without your secret PIN/Password, initially your social security number. Because this is an easy number for others to obtain, we recommend you change it immediately, following the ExpressLine or Online Banking instructions for doing so.

To keep your Passwords and PINs secret, please follow these simple rules. Memorize them, just as you learn a frequently called telephone number. Do not write your PIN on your Debit Card, and do not keep PIN/Passwords near telephones or your personal computer in your home or office. If you must write these numbers down, do so in a way that won't make it easy for someone to find them and know what they are. Don't let anyone use your Debit Card or watch you key in your PIN or Password. If you believe an unauthorized person has gained access to your PIN or Password, telephone the Credit Union immediately (see "HOW TO CONTACT US" at the end of this disclosure) and instruct us to deactivate/block the card or change your PIN.

Remember that a PIN is not required to use a Debit Card for signature transactions. Treat your Debit Card as carefully as you treat cash.

CONSENT TO TERMS

By applying for, keeping, signing or using any EFT device, you acknowledge receipt of this disclosure and you agree that your use of EFT services will be subject to its terms. If you don't want to use ExpressLine or Online Banking, call or visit the Credit Union and ask us to de-activate your PIN and/or password. If you don't want to use a Debit Card, cut all issued cards in half and return them to the Credit Union with a request that they be cancelled.

EXPRESSLINE-AUTOMATED TELEPHONE ACCESS TO YOUR ACCOUNTS (VOICE RESPONSE)

Our ExpressLine Voice Response System lets you access your accounts electronically by touch-tone telephone from anywhere in the United States. We will give you instructions on how to conduct transactions on your account by phone.

Available Services

By keying in your confidential PIN and the proper command on a touch-tone phone, you will be able to: 1) transfer funds between your Regular Share Savings, Checking, and Money Market Accounts, 2) make loan payments by direct transfer from your Regular Share Savings, Checking or Money Market Accounts, 3) obtain account information, including posting of transactions, loan status, account balances, dividends, last deposit and check clearance status, savings and loan rates, loan terms, or 4) request withdrawal by check payable to you from your Regular Share Savings Account (the check will be mailed to the primary member at his/her address of record). Other related services may be added upon notice to you.

Generally, the ExpressLine Voice Response System is available seven days a week, twenty-four hours a day. The only time you will not be able to access your account is during computer system maintenance.

Limitations on ExpressLine Use

Federal regulations limit certain non-personal transfers by telephone from your non-transaction accounts to six transactions per month (see the section entitled "Deposits and Withdrawals" in this Handbook). ExpressLine transfers are considered non-personal.

Unauthorized ExpressLine Transactions

Notify the Credit Union immediately if you believe an unauthorized person has gained access to your secret ExpressLine PIN. You should also change your PIN immediately. Call ExpressLine to obtain instructions for changing your PIN by telephone. If you believe an unauthorized person has obtained your PIN and used it to change your ExpressLine PIN, please call the Credit Union (see "HOW TO CONTACT US" at the end of this Handbook) to close your accounts to ExpressLine access. See "Unauthorized Transactions" in the "TERMS APPLICABLE TO ALL EFTs" section of this disclosure for information on how to contact the Credit Union and other information on your potential liability for unauthorized transactions.

Additional Terms Applicable to ExpressLine

Please read the section below entitled "Terms Applicable to All EFTs" carefully. These terms apply to ExpressLine.

ON-LINE BANKING AND BILL PAYER

You can use your PC for a variety of transactions. You must have a personal computer with the following system requirements to use Online Banking and Bill Payer:

1. Internet Access
2. Modem capable of at least 28.8 bits per second (bps).
3. A version of a browser that is SSL (secure socket layer) enabled, such as a Netscape Navigator version 6.2 or greater, or Microsoft Internet Explorer version 5.0 or greater.

You must have a Credit Union Checking Account to use Bill Payer.

Available Services

By following the instructions that appear on the screen, you can use Online Banking on your home computer to perform any transaction you can perform with ExpressLine. You can also download account history and print prior statements.

With Bill Payer, you can pay your bills on-line without writing checks, saving you time and postage. By accessing Bill Payer through Online Banking, you can make a single payment, set up recurring manual payments that vary in amount, or set up automatic payments in the same amount at the same frequency (such as monthly or bi-weekly) to merchants.

Online Banking and Bill Payer are generally available 24-hours a day, seven days a week, although the system may from time to time be shut down for maintenance.

If you do not want to use both Online Banking and Bill Payer, please call or visit the Credit Union and ask us to deactivate your password. If you want to cancel the Bill Payer service, you can select the “Stop Bill Pay” option in Bill Payer at any time.

Activating On-Line Banking and Bill Payer

Log into Online Banking by following the instructions that appear on the screen. Instructions will be provided in Online Banking to change your password. To activate Bill Payer, sign on to Online Banking by entering your Online Banking password and clicking the “Pay Bills” button. The first time you log into Bill Payer, you will be required to agree to the terms of the on-line banking disclosure to proceed. Bill Payer will give you complete instructions on setting up payments.

Limitations on On-Line Banking and Bill Payer Use

All transactions are limited to available funds in your accounts. Single Bill Payer payments cannot exceed \$9,999.99. You can pay as many bills as you like, but you can have no more than 250 merchant payees set up at any one time. Online Banking transfers out of your Regular Share Savings and Money Market Savings Accounts are limited to six per month. Overdraft protection transfers out of Regular Share Savings and Money Market Accounts for Bill Payer (if you have set either of these accounts up as an overdraft protection source) are limited to three per month. (See the “DEPOSITS AND WITHDRAWALS” section of the Handbook for details on withdrawal limits.) Bill Payer payments can be made only to U.S. merchants and only in U.S. Dollar denominations. Bill Payer cannot be used to pay money you owe to governmental entities such as taxes, or to make court-ordered payments such as child support. If you have available overdraft protection we will make account transfers or loan advances to your Checking Account to cover Bill Payer payments that would otherwise overdraw your account.

Special Bill Payer Instructions

You are responsible for providing us with complete and accurate information about the merchant you wish to pay (a) when you first set up the account on Bill Payer and (b) if merchant information changes. Bill Payer will give you detailed instructions about what information is required. We do not verify the accuracy of merchant information.

You tell us the date that your payment is due. We will deduct the necessary funds to make the payment from your account at the start of business two to five business days before the payment is due. We will attempt to send the payment to the merchant by check or electronic transfer on the day we deduct the funds from your account. Whether your payment is made by check or electronically, you must have funds available in your account to make the payment by 12:01 a.m. five business days before the payment due date. If you are setting up a new payment, and the payment is due in less than five business days, we will deduct the funds from your account at the start of business on the business day after you set up the payment. If you want us to send a same-day payment, your request must reach us before 12:01 a.m. on that business day. The merchant may not receive the payment on time if we do not have complete and accurate instructions and funds by 12:01 a.m. five business days before the payment is due.

If you intend to rely on funds from direct deposit to make a bill payment, be aware that we do not receive those funds until after the funds are deducted from Bill Payer.

If our first attempt to make a Bill Payer payment fails due to insufficient funds or other reason, we attempt the payment a total of five times. If we are still unsuccessful, we will charge our standard returned share draft fee to your account.

We will not be responsible for late payments if you fail to observe these time limits or if you do not provide us with complete and accurate merchant information.

You can cancel a bill payment by clearing the “due date” and “payment amount” fields or deleting the merchant from Bill Payer at any time before funds are withdrawn from your account. However, once the funds are withdrawn from your account, electronic payments cannot be stopped and you will have to resolve any disputes directly with the merchant. It may be possible to stop a payment by check if we receive your request before the merchant cashes the check. We will make reasonable efforts to stop check bill payments but cannot guarantee that we will be able to do so.

The Credit Union will be responsible for late fees only if we fail to follow your timely, complete and accurate instructions. You will be responsible for any late fees that occur because you have not given us accurate or complete information, because you do not have sufficient available funds in your account by 12:01 a.m. five business days before your payment due date, because you have not instructed us to make the payment on time, because a check we mailed was lost or misdelivered by the postal service, or if making a mortgage payment, you did not select a payment due date on the business day of or prior to the actual due date (we are not responsible if the due date you entered is within the grace period).

Unauthorized On-Line Banking Transactions

Notify the Credit Union immediately if you believe an unauthorized person has gained access to your secret Online Banking password. You should also change your password immediately by using Online Banking and following the instructions. If you believe an unauthorized person has used your password to change your password, please call or visit the Credit Union immediately. See “Unauthorized Transactions” in the “TERMS APPLICABLE TO ALL EFTS” section of this Handbook for information on how to contact the Credit Union and other information about your potential liability for unauthorized transactions.

Fees

See the current Schedule of Fees and Charges for any fees that may apply to Online Banking or Bill Payer.

Additional Terms Applicable to On-Line Banking and Bill Payer

Please read the section in this Handbook entitled “TERMS APPLICABLE TO ALL EFTS” carefully. These terms apply to Online Banking and Bill Payer.

Online Banking and Personal Computer Security

We use web browsers that are capable of conducting a secure session with an SSL (Secure Sockets Layer) enabled web server. This means that data transmitted between your computer and our server is scrambled during transmission. When the data finally arrives at our server, it is unscrambled.

You might find the following measures, which are commonly recommended, helpful in securing your personal and financial information.

Try to create original passwords:

- Use a combination of numbers, letters and punctuation
- Longer passwords are better

- Make sure your password is something you can remember without writing it down
- Memorize your password

Use and install anti-virus programs: Viruses can infect a home computer in many ways: through floppy disks, CDs, e-mail, websites and downloaded files.

Anti-virus programs help protect your computer against most viruses, worms, Trojans and other unwanted invaders that can make your computer "sick." Viruses, worms and the like often perform malicious acts, such as deleting files, accessing personal data or using your computer to attack other computers. If a file is found to be infected with a virus, most anti-virus programs provide you with options of how to respond, such as removing the harmful item or deleting the file. Installing an anti-virus program and keeping it up-to-date is the best defense for your home computer.

Install firewalls: A firewall can be described as a security guard for your home computer. The guard is a piece of software or hardware that helps protect your PC against hackers and many computer viruses and worms. It is a good idea to install a firewall on your home computer.

Avoid E-mail Scams: All internet users should be aware of the online scam known as "phishing" (pronounced "fishing"). Phishing involves the use of e-mail messages that appear to come from your bank or another trusted business, but are actually from imposters.

Phishing e-mails typically ask you to click a link to visit a web site, where you're asked to enter or confirm personal financial information such as your account numbers, passwords, Social Security number, credit card numbers, debit card number, PINs or other data. Although these web sites may appear legitimate, they are not. Thieves can collect whatever data you enter and use it to access your personal accounts.

Keep your computer up to date: Most software vendors provide free patches to fix problems in their products. You can usually download these patches from the vendor's web site.

Back Up Data: It is a good practice to back up important files and folders on your computer. To back up files, make copies onto CDs or floppy discs.

PLEASE NOTE: San Francisco Federal Credit Union cannot and does not warrant the security of any online environment, nor do we warrant the performance of your computer equipment or software.

DEBIT CARDS

A Debit Card (also known as a Check Card) bears the VISA® logo, but it is not a credit card. A Debit Card enables you or anyone you authorize to use the Debit Card to order the Credit Union to make payments from your linked Credit Union Checking Account without writing a check. If you have a checking account you can use the Debit Card to pay participating merchants for goods or services, either through a point-of-sale terminal displaying the logo of a network we have designated or by a signature transaction. You can also use a Debit card with a checking, savings, or money market account to obtain cash from ATMs, that display logos of networks we have designated. Use of the Debit Card authorizes the Credit Union to charge your Checking Account or the other account you designate for ATM access for the full amount of the transaction plus any applicable service fee as soon as the transaction posts to your account. There is no deferred payment as there is with a credit card.

Available Debit Card Services - Signature Transactions

You can use your Debit Card to access your linked Checking Account to purchase goods and services from participating VISA® merchants and obtain cash from financial institutions displaying the VISA® logo, on signature transactions, up to \$5,000 per day.

We can add other services by giving you any notice required by law.

Available Debit Card Services - PIN Transactions

You can also use your San Francisco Federal Credit Union Debit Card to withdraw cash up to \$500.00 per day, usually in \$20.00 increments, from your linked Regular Share Savings or Money Market Savings and Checking Account. Withdrawals are available at proprietary ATMs and at non-proprietary ATMs on networks in which we participate. You can use your Debit Card to make purchases or withdraw cash from your linked Checking Account for up to \$2,500 per day in point-of-sale (POS) transactions at terminals on networks in which we participate. You can also use your Debit Card at proprietary ATMs and ATMs on certain networks to transfer funds between linked accounts and make deposits to your linked accounts. Proprietary ATMs are ATMs that we own and operate. The logos of ATM networks and point-of-sale networks in which we participate are shown on the back of your Debit Card.

Debit Card Transaction Limits

All Debit Card transactions are limited to the amounts listed above for those transaction types or the available funds in your account, whichever is less. The per-day limit for signature transactions applies to 24-hour periods Monday through Saturday. From start of business Saturday to start of business Monday counts as one day for determining the limit for signature transactions. The per-24-hour-period limit for ATM and point-of-sale transactions applies seven days a week.

You can designate one Savings or Money Market Account and one Checking Account to access at ATMs with your Debit Card. You can access your designated non-Checking Accounts only at ATMs. Merchant and point-of-sale transactions can access only your Checking Account.

If you have a Debit Card with only a Savings Account linked, you will be able to conduct ATM transactions only. Signature and POS transactions are only available with a linked Checking Account.

Until the earlier of (1) five days from the date of the merchant transaction or (2) the merchant authorization clearing your account, your total authorization limit will be reduced by the amount of the merchant authorization. After the transaction clears, your total authorization limit will be permanently reduced by the amount of the transaction plus any applicable fees, although additional deposits to your Checking Account will of course increase your total authorization limit after they have cleared.

Although you have sufficient funds in your Checking Account to cover a requested withdrawal, it may be possible that an ATM, merchant, financial institution or other entity that honors the Debit Card will not be able to determine your actual balance. Therefore, the Credit Union will not be liable for the refusal or inability of any such ATMs or entities to allow you to use your Debit Card or for their retention of your Card.

All use of your Debit Card must be backed by actual available funds in the Credit Union account you are accessing. If you have been approved for overdraft protection on your Checking Account, we will make a loan advance or transfer funds from the account(s) you have designated that will be sufficient to cover any negative Checking Account balance due to a Debit Card checking withdrawal. Funds to cover overdrafts will be transferred from the source(s) you have designated for overdraft protection in any order we choose consistent with applicable law. If your overdraft protection source is not available to cover your transaction, we may either pay or refuse the transaction, at our sole discretion. If a permitted debit card withdrawal overdraws your Checking Account, you agree to immediately reimburse the Credit Union for the amount by which your account is overdrawn. You are responsible for not attempting to withdraw funds when the available funds in your accessed Account are insufficient. We have the right not to honor transactions for which you do not have sufficient funds or overdraft protection. Fees are associated with overdrafts whether or not you have overdraft protection available. Please see the Credit Union's Truth-In-Savings Account Disclosure for details on such fees and charges.

A Hold may remain on funds in your Checking Account even after a Debit Card transaction is cleared. For example, if a Debit Card authorization is obtained in advance for several nights at a hotel, but actual charges are put through one night at a time, a Hold might apply to both the total advance authorization and the charges for the individual nights. The Credit Union will make every effort to avoid this, but you should be aware of this possibility.

You agree not to use the Debit Card for illegal transactions such as illegal on-line gambling. We reserve the right to refuse to allow any transaction we reasonably believe to be illegal or unenforceable. However, responsibility for determining the legality of transactions for which authorized use of your Debit Card is made rests with you, not the Credit Union. The illegality of any authorized use of the Card will not be a defense to your obligation to pay the transaction amount.

Checking Account Terms Apply to Debit Card

Use of the Debit Card will be treated as though it were a check and will also be governed by the terms of your Checking Account agreement with the Credit Union, plus any Checking Account overdraft protection agreement you have with the Credit Union, except that

1. the Credit Union may charge withdrawals to the Checking Account in any order it determines consistent with the law. If funds are not sufficient to cover all withdrawals, the Credit Union may pay Debit Card withdrawals and dishonor regular checks, and
2. the Credit Union cannot honor stop payment requests on Debit Card transactions.

Transaction Dispute Rights - Applicable to Debit Cards

VISA operating rules give you certain rights to dispute merchant transactions. You must first make a good faith effort to resolve the dispute directly with the merchant. If you are unable to resolve the dispute directly with the merchant, notify the Credit Union at once. You must tell us within 60 days of the date on which we sent you the FIRST statement on which the disputed transaction appeared. Include copies of any documents that reflect your efforts to resolve your dispute with the merchant.

The Credit Union will arrange to have the dispute investigated to determine whether you have the right to have your account credited for the amount in dispute. The Credit Union will, at a minimum, provisionally recredit your account

for the amount of your dispute so that you will have use of the funds within 10 business days (20 business days for new accounts). It may take up to 45 days (90 days for Point of Sale or foreign transactions or on new accounts) to make a determination. Your account will be provisionally recredited in 5 days if the dispute involves unauthorized use of your VISA Debit Card and your account is not new.

If you do not submit your dispute in writing within 10 business days after we ask you to do so, we are not required to credit your account during the investigation. If it is determined that you are entitled to a credit to your account, the Credit Union will post it (or change a provisional credit to a permanent credit) within 1 business day of the determination.

If VISA operating rules do not allow a credit to your account, any amount for which your account was provisionally credited will be deducted from your account. We will notify you if this happens, and will pay any items that overdraw your account for 5 business days after we send you this notice without imposing an overdraft fee, but only to the extent the overdrafts are equal to or less than the amount of the provisional credit we deducted from your account. If any item overdraws your account by more than the amount of the provisional credit, you will be charged an overdraft fee. You agree to immediately restore to the Credit Union the amount of any overdraft on your accounts.

Your rights to dispute merchant transactions through the Credit Union are limited to those provided by VISA's operating rules.

Other Debit Card Terms

Although other documents you may receive when you initiate transactions with your Debit Card, such as sales receipts, may have contract terms printed on them, your agreement with the Credit Union is limited to the terms in this agreement plus your Credit Union Checking Account Agreement and any overdraft protection agreement applicable to your Credit Union Checking Account.

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. For transactions initiated outside the United States, VISA will add a 1% International Service Assessment (ISA) to the transaction amount, and we will pass the ISA on to you as a currency conversion fee.

Merchants and others who honor the Debit Card may give credit for returns or adjustments. When the Credit Union receives the credit from the merchant or other entity, the Credit Union will credit your Checking Account for that amount.

Debit Card Fees

The use of the Debit Card at ATMs may be subject to a fee. Third party ATM operators may impose fees for use of their ATMs. They are required to disclose these fees to you at the ATM before you complete your transaction and become obligated to pay the fee. Once you complete your transaction, the third-party ATM operator fee will be deducted from your account.

Although there is no annual fee applicable directly to the Debit Card, the Checking Account with which the Debit Card is linked may be subject to fees for certain types of transactions, and those transactions will be subject to fees if initiated by Debit Card. Please refer to the Schedule of Fees and Charges for fees that apply to Debit Card transactions.

Liability for Unauthorized Use of Debit Cards

Your liability for unauthorized use of your VISA® Debit Card use is determined by VISA USA's operating rules. If unauthorized use of your VISA Debit Card occurs at certain POS terminals or ATMs, your potential liability for unauthorized use is that set out below in the "Unauthorized Transactions" part of the "TERMS APPLICABLE TO ALL EFTs" section of this Agreement. Except for certain POS or ATM activity, you will have no liability for unauthorized use of your VISA® Debit Card. You agree to promptly report the loss or theft of your VISA® Debit Card whether or not you may be liable for its unauthorized use. It benefits all Credit Union members if losses due to unauthorized card use claims are kept to a minimum.

Additional Terms

Please read the "TERMS APPLICABLE TO ALL EFTs" sections of this disclosure very carefully. They apply to the Debit Cards.

AUTOMATED CLEARING HOUSE (ACH) SERVICES

ACH transfers are regular automatic deposits into your account, such as direct deposit of your payroll or retirement benefits, and regular automatic payments out of your account, such as transfers to pay health club dues. ACH transfers will occur only if you authorize the originating company in writing. You agree to the additional agreement and disclosures specified in the separate ACH form.

Although you can call the Credit Union for information about the transfer, your only documentation of the transfer will be an entry on your periodic statement.

Available ACH Services

ACH may be used to make deposits, and to make loan payments, on dates and in amounts that you specify.

Preauthorized Debits (Withdrawals)

You may arrange with the Credit Union and other third parties in advance to have regular preauthorized electronic payments, such as mortgage payments or insurance premium payments. If the scheduled transfer date falls on a holiday, the transfer will take place on the prior business day.

If you have authorized the Credit Union to initiate debits from your account at another institution, and debits are returned for the second time, we will cancel your authorization.

Preauthorized Credit (Deposits)

Upon instruction of your employer, the Treasury Department, or other financial institution, the Credit Union will accept direct deposits of your paychecks or of recurring Federal payments, such as Social Security. 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 (415) 775-5377.

Limitations on ACH Services

For deposits, the payor (the person or entity that pays you money) must offer direct deposit. For payments, the creditor (the person or entity to whom you pay money) must accept payments via ACH transfer. ACH payments out of your non-transaction accounts are limited to six per month (see Deposits and Withdrawals above for further information).

Right to Stop ACH Payments

If you have preauthorized ACH payments out of your account, you can stop any of these payments by calling, visiting or writing the Credit Union at the locations indicated in the "How to Contact Us" section of this Handbook, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. We may also require you to complete an ACH Stop Payment Form and deliver to us within fourteen (14) days. If you fail to confirm your oral request, it may lapse. We will charge you a fee for each stop payment order you give us as set forth in the Schedule of Fees and Charges.

This stop payment is for one ACH payment/debit only. Because this is not a request to stop all future payments, the Credit Union and you can expect subsequent payments to be initiated. (To stop or cancel all future payments, you must contact the originator or the third party whom you initially authorized.) A stop payment order will remain in effect 1) for six months from the date of the stop payment order, 2) until payment of the entry has been stopped, or 3) until the member withdraws the stop payment order in writing, whichever occurs first.

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 actual damages, not to exceed the amount of the payment.

Notice of Payments in Varying Amounts

If your regular payments vary in amount, the person you are going to pay is responsible for notifying you of the amount at least ten days in advance of the scheduled payment date. You may tell the person to whom you make payments that you only wish to receive this notice when the payment amount will vary by more than a specified amount from the previous payments, or when the amount would fall outside certain limits that you set.

Corrections and Payment Revocations

If an ACH transfer is made into your account in error (if, for example, your employer inadvertently makes a double direct deposit of your net pay) you agree that we can reverse the erroneous transfer into your accounts without giving you advance notice. We will, however, tell you after the fact if such a correction is made. If reversal of an erroneous ACH deposit to your account results in an overdraft, you agree to immediately restore the account to a positive balance after receiving our written demand. If you do not do so, you agree that our Right of Recovery and our right to recover Collection Costs will apply.

Credit that we give you for an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive final settlement, we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you the amount of the entry.

Unauthorized/Authorization Revoked Transactions

If you want to reverse an ACH debit, you must complete and sign a written statement under penalty of perjury (affidavit) within 15 days after we send or make available to you the periodic statement that reflects payment of that ACH debit. If we receive a properly completed and signed written statement under Penalty of Perjury from you within the 15-day period, we will re-credit your account with the amount of the charge. The written statement under penalty of perjury includes permissible reasons for which an ACH debit may be reversed.

Please contact us by calling, visiting or writing us at the locations indicated in the "How to Contact Us" section of this Handbook.

Other ACH Transactions

A CIE or customer-initiated entry occurs when you initiate an electronic transfer of funds to pay a company to whom you owe money, such as through use of Bill Payer. Bill Payer will tell you whether your bill is being paid electronically or by check.

A PBR or consumer cross-border payment occurs when ACH credits (deposits) or debits (withdrawals) are initiated on your account involving foreign countries.

A TEL entry is initiated when you give oral authorization over the phone to initiate an ACH withdrawal from your account. This is distinct from a preauthorized draft (described in the Checking Account section of this Handbook), which authorizes a payee to initiate a check (draft) payment on your account. A TEL entry is permitted only if you have an existing relationship with the payee or if you initiated the call to the payee. A TEL entry may authorize a single payment or recurring payments.

A WEB entry is initiated when you give authorization over the internet (not using Online Banking or Bill Pay) to initiate an ACH withdrawal from your account. WEB entries may authorize a single payment or recurring payments.

TERMS APPLICABLE TO ALL EFTS

Responsibility of Transactions

1. You must have both your Debit Card and your personal identification number to access your Credit Union accounts through any ATM or POS terminal. You must have your PIN/Password to use ExpressLine or Online Banking and Bill Payer.
2. If you authorize us to issue a duplicate Debit Card to someone, or if you give your Card, PIN or ExpressLine PIN or Online Banking and Bill Payer Password to another person, you are authorizing that person to withdraw funds and perform other transactions on your accounts covered by this agreement regardless of whether you have otherwise authorized that person. This rule also applies to any other EFT service that may become available in the future.
3. You consent to the terms of this agreement by using any EFT access device (such as a Debit Card, ExpressLine PIN or Online Banking Password). You continue to be bound for all transactions resulting from the use of the Debit Card, ExpressLine PIN, or Online Banking and Bill Payer Password until you give us written notice to deactivate the device and, if it is a physical device such as a plastic card, return it to us.
 - (a) Any person who applied for the Debit Card, ExpressLine PIN, Online Banking and Bill Payer Password, or signs a Debit Card, or uses an EFT device for transactions, is equally obligated (jointly and severally) with any other such person to meet the terms of this agreement.

- (b) You are also obligated to repay any charges resulting from the use of the Debit Card, ExpressLine or Online Banking and Bill Payer by another person with your express or implied permission, whether or not the person stays within the limits of use set by you.
 - (c) Any persons who use the Debit Card, ExpressLine or Online Banking and Bill Payer are also obligated to repay the Credit Union for all charges incurred because of their use of the access device.
 - (d) You remain bound to pay for charges under this agreement even though another person has been directed to pay the debt by agreement or court order such as a divorce decree. No release from the obligation to pay debts incurred as a result of electronic fund transfer transactions will be valid unless (i) in writing signed by an authorized Credit Union employee or (ii) pursuant to a court order in an action to which the Credit Union is a party.
4. You understand and agree that if you or anyone you authorize to use the Debit Card, ExpressLine or Online Banking and Bill Payer gives conflicting instructions on the ATM keypad and a deposit slip or other written instruction inserted into the ATM, the Credit Union will follow the instructions given on the keypad.
 5. You agree that if you or anyone acting with you uses your Debit Card, ExpressLine or Online Banking and Bill Payer with fraudulent intent, we consider that transaction to have been authorized by you.

Documentation of Transactions

Each time you use a Debit Card at an ATM, you will receive an acknowledgement receipt describing the transaction (unless the machine notifies you that receipts are not available or, at some machines, you elect not to get a receipt). You will also get a receipt when you use your Card at a Point of Sale terminal or for a signature transaction. If you use your Debit Card for telephone or Internet purchases, your only record may be your monthly statement. Keep your receipts to update your records and verify your monthly statements on which these transactions will also appear. ExpressLine and Online Banking transactions are reflected only on your monthly statement.

Excess Withdrawals

Withdrawals or transfers must be backed with actual available funds. If you have been approved for overdraft protection, we will make a loan advance or transfer funds from your designated overdraft protection account source sufficient to cover any negative account balance, up to your available credit limit or the available balance in your account, depending on the overdraft protection source(s) you have. Funds will be advanced or transferred from the sources you have designated on your Member Account Agreement, Debit Card application, or supplemental Overdraft Authorization Card in any order we determine consistent with applicable law. Unless you have overdraft protection, cash may not be dispensed if available funds in the accessible accounts are not sufficient. It is your responsibility not to attempt to withdraw cash against deposits that have not yet cleared in the time permitted by the law and the Credit Union procedures. If any account of yours has a negative balance because of EFT activity, you agree to immediately restore your account to a zero or positive balance.

Unauthorized Transactions - All EFTs

Your Liability for Unauthorized Use

Tell us AT ONCE if you believe that your Debit Card, PIN, ExpressLine PIN, or Online Banking secret Password, has been lost or stolen or otherwise made available to an unauthorized person, or that someone has transferred or may transfer money from your account without your permission. Please refer to the "HOW TO CONTACT US" section at the end of this disclosure for how to provide this notification. Telephoning is the best way of keeping losses down. You could lose all the money in your account, plus your maximum overdraft line of credit if you fail to promptly report unauthorized ExpressLine or Online Banking use, or the unauthorized use of a Debit Card for certain POS or ATM transactions.

If you believe your Debit card or Expressline PIN, or your Online Banking secret Password has been lost or stolen or otherwise made available to an unauthorized person, and you **tell us within two (2) business days** after you learn of the loss or theft, you can lose no more than \$50, if someone used your Card and PIN for certain ATM or POS transactions, or your Password without your permission.

However, if you **DO NOT tell us within two (2) business days** after you learn of the loss or the theft or other unauthorized dissemination of your Debit Card or Expressline PIN or Online Banking secret Password, and we can prove we could have stopped someone from using your Card and PIN for certain unauthorized ATM or POS transactions or your Password without your permission, you could lose as much as \$500.

If you live in California, and unauthorized Debit Card transactions that fall outside VISA's "zero liability" rule occur, your maximum liability will be \$50 unless the following paragraph also applies.

If your statement shows transfers that you did not make, tell us at once. **If you do not tell us within sixty (60) days after** the statement was mailed to you, you may not get back any money you lost after sixty (60) days, if we can prove that we could have stopped someone from taking the money if you had told us in time. That means you could lose all the money in your account *plus your maximum overdraft line of credit*.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

If unauthorized use is made of your Debit Card for transactions other than certain POS and ATM transactions specified in VISA USA's operating rules, the VISA "zero liability" rule applies, and you will have no liability for it.

Please remember: Any person who receives an additional Debit Card at your request, or to whom you give your Card and/or PIN, or whom you permit (either by express or implied permission) to use your PIN, Card or ExpressLine PIN would be able to *withdraw all of the money in your account*. We refer to such persons as authorized users, and you agree that all authorized users may withdraw funds from your accounts with the Debit Card, ExpressLine PIN, or Online Banking Password. You are obligated to repay any charges resulting from the use of your Card by authorized users, whether or not the person stays within any limits of use set by you. For example, if you give your friend your Debit Card in April to buy groceries and he/she uses it again in October to withdraw cash from an ATM, that transaction is considered authorized by you. The only way you can stop an authorized user from withdrawing funds from your accounts is to notify the Credit Union to cancel your Debit Card and de-activate your PIN, or to de-activate your ExpressLine PIN or Online Banking Password. You remain liable for any authorized use of your Debit Card or PIN or Password that occurs before you tell the Credit Union to cancel them.

Credit Union Liability: If we do not properly complete a transaction according to our agreement with you, we will be liable for your direct losses or damages. However, there are some exceptions.

1. We will not be liable, if:
 - (a) through no fault of ours, your account does not contain enough money, or you don't have available credit, to make the transaction;
 - (b) the ATM where you are making the transaction does not have enough cash;
 - (c) the equipment was not working properly and you knew about the breakdown when you started the transaction;
 - (d) the money in your account is subject to legal process or other claim;
 - (e) your Debit Card, PIN, ExpressLine PIN, or Online Banking Password has been reported lost, stolen or missing and we have blocked the account;
 - (f) circumstances beyond our control such as fire, flood, electrical failure, or malfunction of the central data processing facility prevent the completion of the transaction despite our reasonable precautions; or
 - (g) there are other lawful exceptions established by the Credit Union and you are given proper advance notice of them.
2. In no event will the Credit Union be liable for consequential, special, indirect or punitive costs or damages.
3. The Credit Union will carry out instructions given to us electronically, whether through the ATM, ExpressLine, Online Banking or a Point of Sale terminal, or in writing such as through a preauthorized transfer instruction or Debit Card signature transaction. We will not incur liability for doing so in a reasonable manner. You agree to defend, indemnify and save the Credit Union harmless from all costs, claims, damage, or liability which we sustain as a result of carrying out in a reasonable manner instructions received through ATM, POS terminal, signature transaction, ExpressLine, or Online Banking, from you or an authorized user.
4. The Credit Union may arrange for the availability of ATMs at various locations with access during non-business hours for the convenience of its members. However, ATM sites are not subject to our control. You assume the risk of using them since the Credit Union does not in any way warrant the security or safety of any location. The Credit Union is not responsible for wrongful acts committed by anyone who is not an authorized agent or employee of the Credit Union regarding your use of ATMs. The Credit Union will not be liable for consequential damage that you claim results from our failure to complete a transaction.
5. Remember, the best way to safeguard your PIN and Password is to store them only in your memory. Don't let anyone have them or see them. They are given to you as a convenience to you. Your carelessness in keeping them any place where they can be identified and used by someone else to take money out of your accounts may expose you to loss of funds that your Credit Union will not cover.
6. **Security:** Avoid using ATM machines alone at night or at sites that appear to have the potential for assault or robbery. Put your money away and leave the site as soon as you have completed the transaction. Don't key your access code into the machine when someone is in a position to see the number.

Privacy

In the ordinary course of business regarding your EFTs, the Credit Union will disclose information to a third party about your account or the transfers you make: 1) where it is necessary for completing transfers; or 2) to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or 3) to comply with government agency or court orders; 4) if you give us your written permission, or 5) on closed accounts if we reasonably believe you mishandled your account. We will disclose information about you and your accounts to VISA USA and their agents if you have a Debit Card and use the VISA Assistance Center for emergency services. We will disclose information if we believe a third party such as a credit reporting agency or other entity has a legitimate reason for wanting the information. See the Credit Union's separate Privacy Policy for more information on the Credit Union's maintenance of the privacy of membership information.

Change in Terms - Cancellation

1. The Credit Union may change the terms of the Electronic Funds Transfer Agreement by mailing or delivering a written notice or amended agreement to you at your last known address on our records for the account. When we change this agreement, we will give you at least 21 days' written notice. You agree that we may immediately terminate this agreement and your use of Credit Union Debit Card, ExpressLine or Online Banking services without prior notice if any of the following occur: (a) you (or any authorized user of your Debit Card, or PIN code) breach this or any other agreement between us (including loan agreements); (b) we have reason to believe that there has been or may be an unauthorized use of your Debit Card, PIN code or Password; (c) there are conflicting claims to the funds; (d) you or any authorized signer on your account requests us to do so; or (e) you withdraw funds at a time when funds are not available in your Credit Union accounts accessed under this program and you do not have a Credit Union checking overdraft protection agreement in effect with available funds or credit.
2. Your Debit Card is the property of the Credit Union and you agree to return it to us upon request.
3. If you want to change your Debit Card PIN you must bring both the Card and valid identification to any Credit Union branch for re-coding. ExpressLine PIN, or Online Banking Passwords can be changed by following the instructions given by ExpressLine or Online Banking.

Delayed Deposits

Availability of funds deposited at ATMs may be delayed. Please refer to the "FUNDS AVAILABILITY POLICY" section of this Handbook for details. In addition, you are responsible for not attempting to use EFT devices to withdraw funds before they become available. Reference to the FUNDS AVAILABILITY POLICY will help you comply with this rule.

Additional Terms

1. Generally, ATMs may be accessed seven days a week; individual machines are sometimes closed temporarily for servicing.
2. Electronic Funds Transfer transactions may involve other Credit Union agreements, such as checking or loan agreements. Wherever applicable, the terms of these agreements shall apply as well.

3. If an ATM is unable to complete a transaction three times in a row, usually because of the failure to key in the proper PIN, for your protection, the Debit Card may be retained by the ATM.
4. This agreement is governed by applicable law. If any provision of this agreement is found to be unenforceable, the rest of the agreement will remain in effect.
5. When you use your Debit Card, ExpressLine or Online Banking, you acknowledge receipt of this agreement and disclosure given to you with the card and/or PIN number and/or Password.
6. Business days are Monday through Friday. The Credit Union may be open to provide limited services on other days, but we do not consider those days "business days" as that term is used in this disclosure.
7. If your use of EFT services results in your becoming indebted to the Credit Union, and you do not pay what you owe us, you agree to pay reasonable collection costs we incur before we take legal action. If we have to take legal action to collect what you owe us, you agree to pay our reasonable attorney's fees and all costs we incur in taking the action in addition to what you owe us, whether the legal action we take is a collection lawsuit, a bankruptcy proceeding, an appeal, or another type of legal action.
8. The Credit Union can delay enforcing any of its rights under this Agreement without waiving them.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

If you think that an electronic transfer shown on your statement is wrong, or if you need more information about a transfer, contact us at the telephone number or address listed under the "HOW TO CONTACT US" section at the end of this disclosure. Please tell us all the information requested under the section entitled "WHAT TO TELL US IN CASE OF ANY ERROR OR INQUIRY."

We must hear from you no later than **sixty (60) days** after we sent you the **FIRST** statement on which the error or problem appeared. If you tell us orally, we may require that you send us your complaint or question in writing **within ten (10) business days**. We will notify you of the results of our investigation **within ten (10) business days (twenty (20) business days for new accounts)** after we hear from you and will correct any error promptly.

If we need more time, however, we may take **up to forty-five (45) days (ninety (90) business days for Point-of-Sale (POS) transactions or transactions involving foreign countries, or on new accounts)** to investigate your complaint or question. If we decide to do this, we will recredit your account **within ten (10) business days (twenty (20) business days for new accounts)** for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If your complaint or question relates to a claim of unauthorized use of your VISA Debit Card and yours is not a new account, we will provisionally recredit your account **within five (5) business days**.

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.

We will send you a written explanation **within three (3) business days** after we finish our investigation, whether or not we find that we made an error. You may ask for copies of the documents that we used in our investigation.

HOW TO CONTACT US

Call: **(415) 775-5377** or outside 415 **(800) 852-7598**

Fax: **(415) 775-5340**

TDD: **(415) 222-7333**

Main Office Business Hours:

Mon-Wed, Fri	8:30 a.m. to 5:30 p.m.
Thursday	10:00 a.m. to 5:30 p.m.
Saturday	9:00 a.m. to 3:00 p.m.
Sunday	Closed

Branch Business Hours: (Specific Branch hours may vary)

Monday	Closed
Tues-Wed, Fri	9:00 a.m. to 5:30 p.m.
Thursday	10:00 a.m. to 5:30 p.m.
Saturday	9:00 a.m. to 3:00 p.m.
Sunday	Closed

You may write to us at:

San Francisco Federal Credit Union
770 Golden Gate Avenue
San Francisco, CA 94102

You may email us at:

contacts@SanFranciscoFCU.com

Locations:

For a complete list of branch locations, visit our website or call us.

Website:

www.SanFranciscoFCU.com

To report a Lost or Stolen VISA® Debit Card During Business Hours, call:

(415) 775-5377, option 4, then select option 5

To report a Lost or Stolen VISA® Debit Card After Business Hours, call:

(800) 754-4128

To report a Lost or Stolen VISA® Debit Card After Business Hours Outside the US, call collect:

(414) 341-6535

To report a Lost or Stolen VISA® Credit Card During Business Hours, call:

(415) 775-5377, option 4, then select option 5

To report a Lost or Stolen VISA® Credit Card After Business Hours, call:

(800) 682-6075

WHAT TO TELL US IN CASE OF ANY ERROR OR INQUIRY

- (1) Tell us your name;**
- (2) account number;**
- (3) describe the error or the transfer about which you are unsure;**
- (4) explain, as clearly as you can, why you believe there is an error;**
- (5) tell us the dollar amount; and,**
- (6) the date in question.**

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