

10. ACCOUNT ACCESS AND LIMITATIONS. You may use your card to:

- (i) Withdraw cash from your checking or savings account.
- (ii) Make deposits to your checking or savings account.
- (iii) Transfer funds between your checking and savings accounts whenever you request.
- (iv) Pay for purchases at places that have agreed to accept the card.

Some of these services may not be available at all terminals. You may also access your account through internet access if approved by the Credit Union. Internet access will be governed by the Credit Union's Home Banking Services Terms and Conditions.

11. LIMITATION ON FREQUENCY OF TRANSFERS. For security reasons, there are limits on the number of transfers you can make using your card. Ask the credit union for details on the limitations placed on the number of transfers you can make.

12. LIMITATIONS ON DOLLAR AMOUNTS OF TRANSFERS. For security reasons, there are limits on the dollar amount of transfers, including ATM withdrawals and purchases, you can make using your card. Ask the credit union for details on the limitations placed on the dollar amount of transfers you can make.

13. PER TRANSFER CHARGE. We will not charge you for transfers you make using our automated teller machines.

14. CONFIDENTIALITY. We will disclose information to third parties about your account or the transfers you make:

- (i) Where it is necessary for completing transfers, or
- (ii) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- (iii) In order to comply with government agency or court orders,
- (iv) If you give us your written permission.

15. DOCUMENTATION. You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at 801-968-9011 to find out whether or not the deposit has been made.

16. PERIODIC STATEMENTS. You will get a monthly account statement unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

17. PRAUTHORIZED PAYMENTS. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call us at 801-968-9011, or write us at P.O. Box 26977, Salt Lake City, UT 84126, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

18. LIABILITY FOR FAILURE TO STOP PAYMENT OF PRAUTHORIZED TRANSFER. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

19. FINANCIAL INSTITUTION'S LIABILITY. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If the transfer would go over the credit limit on your overdraft line.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the system was not working properly and you knew about the breakdown when you started the transfer
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

20. ATM FEES. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

21. FOREIGN TRANSACTIONS. Electronic fund transfers made in foreign countries and foreign currencies will be debited from your account in U.S. dollars. The conversion rate to dollars will be determined in accordance with the operating regulations established by VISA International. Currently the currency conversion rate used to determine the transaction amount in U.S. dollars is generally either a government-mandated rate or the wholesale rate in effect the day before the transaction processing date, increased by one percentage point. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

22. ERRORS OR QUESTIONS ABOUT ELECTRONIC TRANSFERS. In Case of Errors or Questions About Your Electronic Transfers Telephone us at 801-968-9011 or write us at P.O. Box 26977, Salt Lake City, UT 84126 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 5 business days if the transaction was a VISA transaction or within 10 days if the transaction was not processed as a VISA transaction for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

FUNDS AVAILABILITY POLICY DISCLOSURE

1. YOUR ABILITY TO WITHDRAW FUNDS. Our policy is to make funds from your deposits available to you on the same business day as the day we receive your deposit. Once they are available, you can withdraw the funds in cash and/or we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Sundays, and Federal holidays. If you make a deposit before 3:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

2. RESERVATION ON RIGHT TO HOLD. In some cases, we will not make all of the funds that you deposit by check available to you on the same business day as the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. However, the first \$100 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

3. LONGER DELAYS MAY APPLY. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- a. You deposit checks totaling more than \$5,000 on any one day.

b. You deposit a check that has been returned unpaid.

c. We believe a check you deposit will not be paid.

d. There is an emergency, such as failure of communications or computer equipment.

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

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

5. SPECIAL RULES FOR NEW ACCOUNTS. If you are a new member, the following special rules apply during the first 30 days your account is open:

a. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, 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 your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

b. Funds from deposits of checks drawn on Hercules Credit Union will be available on the same business day as the day of your deposit.

c. Funds from all other check deposits will be available not later than the 11th business day after the day of your deposit.

HOME BANKING SERVICES TERMS AND CONDITIONS

In addition to the Electronic Funds Transfer section of this Agreement, the following terms and conditions apply to Hercules Credit Union (the "Credit Union") Home Banking Services:

1. APPLICABILITY. These terms and conditions apply to access to the Home Banking Services, the use of software and transactions completed through the On-Line Services. The On-Line Services are available to members of the Credit Union upon compliance with any condition established by the Credit Union. The specific transactions shall be subject to the terms of the Agreement applicable to the account on which the transaction is completed.

2. SOFTWARE RIGHTS. The Credit Union assigns to the Member the right to use the On-Line Services software. These rights are limited to the license rights of the Credit Union and are subject to the terms of any License Agreement. This assignment is without warranty except any assignable warranties of the software supplier. The software rights may not be assigned by the Member. The rights to use the software may be rescinded or revoked at any time without prior notice.

3. HARDWARE. The Member shall provide any necessary computer equipment, including a compatible computer operating with a Windows operating system, modem and printer. Minimum requirements, including available memory, modem operating speed and internet connection system may be established from time to time by the software supplier. The Member is responsible for providing all hardware, internet access and operating software to operate the On-Line Services. The member is responsible for all hardware and software maintenance and all telephone expenses.

4. AVAILABLE TRANSACTIONS. The transactions which can be performed by the On-Line Services are the following:

- 4.1. Account balance and account history.
- 4.2. Loan balances, payment history, payment due date, payment amount and interest paid inquiries.

4.3. Credit card account balances, purchases, cash advance, payment history, payment due date, payment amount and interest paid inquiries.

4.4. Account transfers between different account suffixes within the same Member account. Transfers can be deposit transfers or payments.

4.5. Account transfers between different Member accounts if such transfers are approved by the Credit Union.

4.6. Automated bill paying services.

5. RESPONSIBILITY FOR TRANSACTIONS. Transactions can be completed with the use of the Member's account number and a Personal Identification Number (PIN). The Member is responsible for errors in the amount, payee, payment terms and all other information upon which transactions are completed.

6. WAIVER OF UNIFORM COMMERCIAL CODE AND OTHER LAW. The On-Line Services utilizes advanced electronic technology in lieu of otherwise existing methods such as issuance of checks, to complete transactions. Any provisions of the Uniform Commercial Code or other applicable law which are inconsistent with the completion of transactions by electronic means are waived. Transmission of the transactions to the Credit Union constitutes authorization for the transactions without the need for signatures, verification or other authorization. In the event of inconsistency between these terms and conditions and otherwise applicable law or agreement, these terms and conditions shall apply.

7. RECEIPTS AND NOTICES. The Member shall print any receipts or other documentation of transactions completed by use of the On-Line Services. The Credit Union will not provide receipts or other transaction documentation. Transactions will appear on the Member's account statement.

8. HOME BILL PAYING SERVICES. The On-Line Services provides home bill paying services. The Member is responsible for providing all information necessary to complete the bill paying process. The Member's account will be charged a fee for bills paid, as set forth in the Schedule of Rates, Fees and Balances. Many payments cannot be made by automated means. A check may be prepared. The Credit Union is not responsible for any delays in the processing of payments or the acceptability of the payment by the recipient. The Credit Union is not responsible for payments being received on time or by a certain date. The Credit Union is not responsible for any fees or charges incurred by the Member.

9. SERVICES AVAILABILITY. Services shall generally be available 24 hours per day. Transactions completed after 5:00 p.m. or on weekends or holidays will be considered as transactions for the next business day. The Credit Union's Funds Availability Policy shall apply to accounts accessed through the On-Line Services. The Credit Union is not responsible for services not being available because of computer malfunction or maintenance, communication lines not being available, loss of power or other reasons. The Credit Union will, to the extent possible, notify the Member upon connection to the Credit Union's On-Line Services of the unavailability of or restrictions on available services.

10. FEES. The Credit Union shall establish fees applicable to transactions completed through the On-Line Services. These fees may be changed by the Credit Union at its discretion. Fees shall be charged against the Member's checking or shares account at the end of each month. Fees shall include, but not be limited to, stop payment fees, check copy fees and bill payment fees, as set forth in the Schedule of Rates, Fees and Balances.



Growing Stronger Together

Member Handbook

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MEMBERSHIP AGREEMENT AND DISCLOSURES

GENERAL MEMBERSHIP

1. MEMBERSHIP. Membership in the credit union is restricted to persons who, at the time of application, are within the field of membership and meet the membership requirements. To maintain membership, a minimum share deposit as stated on the fee schedule must be maintained.

2. VOTING RIGHTS. Each credit union member is entitled to one vote at any meeting of members on each matter submitted to the membership. The credit union's Board of Directors is elected by the vote of the membership. Proxy voting is not allowed.

3. MEMBER SERVICES. Various services are provided for members. These services include share and deposit accounts, share draft (checking) accounts, Individual Retirement Accounts (IRAs), certificates of deposit, automatic teller machine access, telephone account access, consumer loans, credit card accounts, home equity loans, notary public service, cashier's checks, wire transfers, automatic clearing house (ACH) transfers, travelers checks, safety deposit boxes and other services. These services are provided according to this membership agreement and/or the terms and conditions established by the credit union in any related agreements.

4. DIVIDENDS OR INTEREST. Dividends or interest may be paid on shares or deposits at the credit union. Dividends are paid on share accounts including share draft accounts. Dividends are paid from current income and available checking, after required transfers to reserves at the end of a dividend period. Interest is paid on deposit accounts. Interest is guaranteed and will be paid on deposit accounts. If an account is not specifically specified as a deposit account, the account is a share account subject to dividends. Dividends or interest are subject to change. No advance notice of rate decreases is required.

5. APPLICABLE LAW. Membership and credit union accounts are subject to the Financial Institutions Act of 1981 or the Federal Credit Union Act, as applicable, the Articles of Incorporation and Bylaws of the Credit Union. The applicable law, rules, policies and procedures are subject to modification and amendment.

6. STATUTORY LIEN AND RIGHT OF SET OFF. All shares, deposits, accumulated interest or dividends in any individual, joint, multiple party or transaction account at the credit union are subject to a statutory lien and right of set off for any amounts owed to the credit union by a member or other person having any ownership interest in the account. This lien and right of set off applies to any amounts in the account in the future. The credit union may exercise its lien and right of set off without notice and without judicial process. The lien and right of set off does not apply to amounts in any Individual Retirement Account.

7. ACCOUNT CLOSING. The account(s) of a member may be closed by the credit union if the member (a) has or may cause a loss to the credit union; (b) has not maintained any required minimum deposit requirements; (c) has filed a petition in bankruptcy; (d) has failed to behave properly at the credit union; or (e) has violated any other terms or conditions of membership.

8. NATIONAL CREDIT UNION SHARE INSURANCE FUND. Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

ACCOUNT OWNERSHIP

1. DESIGNATION ON ACCOUNT CARD. The ownership of any credit union accounts shall be designated on the applicable account card. Unless specific ownership is otherwise designated, the ownership of the share account shall apply to all additional accounts or subaccounts having the same account number.

2. JOINT TENANCY WITH RIGHTS OF SURVIVORSHIP. Any account owned as joint tenants with rights of survivorship shall be subject to the provisions of Utah Code Annotated 7-9-32. Any joint tenant may withdraw all amounts on deposit in the account. Upon the death of a joint tenant, amounts on deposit can be withdrawn by a surviving joint tenant.

3. PAYABLE ON DEATH BENEFICIARY. A payable on death beneficiary may be designated by the member. Any account with a payable on death beneficiary shall be subject to the provisions of Utah Code Annotated 7-9-32(6). The payable on death beneficiary may receive the amount on deposit upon written request if there is no surviving joint owner; at least thirty (30) days has passed since the member's death and all obligations of the member to the credit union have been paid.

4. TRUST ACCOUNTS. Accounts of trusts may be established at the credit union. The credit union is the depository only for the trust account. Any trustee designated on any account card may transact any business on a trust account. The credit union may rely upon written evidence submitted

by the trustee or successor trustee regarding the appointment of the trustee or successor trustee.

SHARE ACCOUNTS

1. RATE INFORMATION. The dividend rate and the annual percentage yield on your share account are disclosed on the rate notice. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change quarterly or monthly as determined by the Credit Union's Board of Directors and as stated on the rate notice.

2. COMPOUNDING AND CREDITING. Dividends will be compounded daily and will be credited quarterly or monthly. If you close your account before dividends are credited, you will not receive dividends.

3. MINIMUM BALANCE REQUIREMENTS. The minimum balance to open this account is the purchase of a \$50 share in the Credit Union. You must maintain a minimum daily balance in your account, as stated on the fee schedule, to avoid a service fee. If, during any month, your account balance falls below the required minimum daily balance, your account will be subject to a service fee as set forth on the fee schedule.

4. BALANCE COMPUTATION METHOD. Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal in your account each day.

5. ACCRUAL OF DIVIDENDS. Dividends will begin to accrue on the business day you deposit items (e.g., checks or cash) to your account.

6. FEES AND CHARGES. Fees and charges may be assessed against your account. These Fees and Charges are set forth on the Fee Schedule.

7. TRANSACTION LIMITATIONS. During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union or to a fee.

8. ATTORNEY FEES. In the event the credit union incurs any attorneys fees or court costs in connection with any accounts or collecting any amounts due because of activity on any accounts, you agree to pay such fees or costs.

CHECKING ACCOUNTS

1. BASIC TERMS. The terms applicable to share accounts apply to checking accounts unless stated otherwise in this Checking Account section or in the rate notice.

2. AUTHORIZED SIGNATURES. The credit union is authorized to pay checks signed by any person on the account card. All such payments shall be charged against the deposits in this account.

3. CHECKING FORMS. Only checks (and other methods) approved by the credit union may be used to make withdrawals from this account. The credit union is not responsible for any loss based on the use of forms not approved by the credit union.

4. CHECKS EXCEEDING BALANCE. The credit union is under no obligation to pay a check that exceeds the fully paid and collected balance in this account. However, in the event of a check that would exceed such balance and result in this account being overdrawn, the credit union may:

- Treat such check as a request to the credit union for an advance from the overdraft loan account, if any, sufficient to permit the credit union to pay such checks and credit the loan advance to this account, or
- If no loan advance can be made, the credit union may pay such check and transfer shares to this account in the amount of the resulting overdraft, plus a service charge, from any other regular share account from which any of the undersigned is then eligible to withdraw shares.

5. CHECK DATE. The credit union may pay a check on whatever day it is presented for payment, notwithstanding the date (or any other limitation on the time of payment) appearing on the check.

6. RETENTION OF CHECKS. When paid, checks become the property of the credit union and will not be returned either with the periodic statement of this account or otherwise.

7. CREDIT UNION LIABILITY. Except for negligence, the credit union is not liable for any action it takes regarding the payment or nonpayment of a check.

8. PERIODIC STATEMENTS. Any objection respecting any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of sixty (60) days after the statement is mailed.

9. STOP PAYMENTS. A stop payment order must be signed and received at a time and in a manner that allows the credit union a reasonable opportunity to stop payment. You must precisely identify the account number, check number and amount of the checks. A stop payment order is effective for six months. If an oral stop payment order is received, it lapses after 14 days unless it is confirmed in writing.

10. PREMIUM CHECKING ACCOUNTS. The terms applicable to checking accounts apply to premium checking accounts unless otherwise stated in this section. A minimum balance of \$2500 must be maintained in order to earn the interest rate established by the credit union. Interest is compounded and paid monthly on the actual balance in the account each day provided the \$2500 is maintained.

CERTIFICATE ACCOUNTS

1. BASIC TERMS. The rates for certificate accounts are stated on the rate notice. Compounding and crediting for certificates is the same as share accounts unless stated on the rate notice.

2. MATURITY DATE. The maturity date of your account is stated on the certificate.

3. EARLY WITHDRAWAL PENALTIES. We may impose a penalty if you withdraw any of the funds before the maturity date. The penalty will equal three months' dividends on your deposit.

4. RENEWAL POLICIES. Your certificate account will automatically renew at maturity. You will have a grace period of 10 business days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty.

PREMIER ACCOUNTS

1. BASIC TERMS. The terms applicable to share accounts apply to Premier Accounts unless stated otherwise in this Premier Account section or in the rate notice.

2. BALANCE REQUIREMENTS. A minimum balance of \$2500 must be maintained. If the balance falls below \$2500 the funds in the account may be transferred to the member's regular share account.

3. INTEREST. The interest rate is established by the credit union on a daily basis. Interest is compounded and paid quarterly provided the minimum \$2500 balance is maintained. Interest is payable on the actual balance in the account each day.

4. WITHDRAWALS. Withdrawals may be made in any amount of \$100 or more. However, a maximum of six withdrawals per month can be made.

5. NO PLEDGES. Deposits in the Premier Account cannot be pledged as collateral.

DORMANT OR INACTIVE ACCOUNTS

1. DORMANT OR INACTIVE ACCOUNTS. An account is dormant or inactive if mail is returned to the credit union undeliverable. You may also notify the credit union in writing if no activity is expected on an account but you wish to maintain the account.

2. CHARGES ON DORMANT ACCOUNTS. The credit union will assess charges related to the maintenance of DORMANT accounts. These charges shall be stated in the credit union's fee schedule.

3. CHARGES OR INTEREST NOT REFUNDABLE. Any charges or interest shall not be refunded or credited to your account after any period of dormancy.

FUNDS TRANSFER TERMS AND CONDITIONS

1. FUND TRANSFERS. The credit union provides funds transfer services. These services include wire transfers, automated clearinghouse (ACH) and other transactions. Funds transfers are defined in Article 4A of the Uniform Commercial Code and Subpart B of Regulation J of the Board of Governors of the Federal Reserve System.

2. PROCESSING TIME. The credit union may establish or change cut-off times for the receipt and processing of funds transfer requests, amendments, or cancellations. Unless other times are posted for the various types of funds transfers, the cut-off time will be at 3:00 p.m. on each weekday that the credit union is open which is not a holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the

next funds transfer business day and processed accordingly.

3. INITIATION OF TRANSFERS. The credit union may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as a joint tenant or other authorized party with the right of access to the account from which the funds transfer is to be made.

4. SECURITY PROCEDURES. The credit union may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the security procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the the authenticity of payment orders may be verified using that security procedure unless you notify the credit union in writing that you do not agree to that security procedure. In that event, the credit union shall have no obligation to accept any payment order from you or other authorized parties on the account until you and the credit union agree, in writing, on an alternate security procedure.

5. USE OF FEDWIRE. If you send or receive a wire transfer, Fedwire may be used. Regulation J is the law covering all Fedwire transactions. This means that your rights and liabilities in a wire transfer involving Fedwire will be governed by Regulation J.

6. IDENTIFICATION OF TRANSFERS. If you give the credit union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's bank on the basis of the identifying banking account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the credit union if the funds transfer is completed on the basis of the identification number you provided the credit union.

7. IDENTIFICATION OF BANK. If you give the credit union a payment order which identifies an intermediary or beneficiary's bank by both name and an identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person than the named person. This means that you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided.

8. ACH PAYMENTS. The credit union may give you credit for automated clearinghouse (ACH) payments before it receives final settlement of the funds transfer. Any such credit is provisional until the credit union receives final settlement of the payment. You are hereby notified and agree, if the credit union does not receive such final settlement, that it is entitled to a refund from you of the amount credited to you in connection with the ACH entry. This means that the credit union may provide you with access to ACH funds before the credit union actually receives the money. However, if the credit union does not receive the money, then the credit union may reverse the entry on your account and you would be liable to pay the credit union.

9. ACH RULES. ACH transactions are governed by operating rules of the National Automated Clearing House Association. In accordance with these rules, the credit union will not provide you with next day notice of receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.

10. RECEIPT OF FUNDS TRANSFER. If the credit union received a funds transfer for you or for other persons authorized to have access to your account, you agree that the credit union is not obligated to provide you with next day notice of the receipt of the funds transfer. The credit union will provide you with notification of the receipt of all funds transfers by including such items in the periodic account statements which we provide. You may, of course, inquire between receipt of periodic statements whether or not a specific funds transfer has been received.

11. PAYMENT OF INTEREST. If the credit union becomes obligated under Article 4A to pay interest to you, you agree that the rate of interest to be paid shall be equal to the account at the credit union to which the funds transfer should have been made or from which the funds transfer was made.

ELECTRONIC FUNDS TRANSFER

1. AVAILABLE SERVICES. As a user of electronic funds transfer service, you will have access to electronic transfers. The electronic transfers available can change from time to time depending on technology and services available. For example, As a user of electronic funds transfer service, you may have access to specifically identified automatic teller machines, Touch Tone Teller and Automated Clearing House (AHC) services. The automatic teller machine transactions which

you may initiate are: cash withdrawals, deposits and account balance inquiries. The cash withdrawals may be made from your deposit account(s), or your credit line if granted by the credit union. With Touch Tone Teller, you may also make account transfers and loan payments, as well as check withdrawals to yourself, balance inquiries, cleared check and other debit inquiries, and automatic deposits and credit inquiries through the Touch Tone Teller voice response system. Touch Tone Teller is accessed via touch-tone telephone or personal computer with modem after your account has been authorized. You may also arrange to have preauthorized electronic funds transferred to your accounts (credits) or from your accounts (debits).

2. ACCESS DEVICE. To initiate any transaction with an automated teller machine, you must use an approved access device (card). Approved access cards include your Visa Check Card or Visa Credit or other specified card issued by the credit union PLUS your Personal Identification Number (PIN).

3. SERVICE CHARGES. At present, there may not be a charge for any automated teller machine transaction, but such charges may be made in the future. You will be notified as required when any change in the terms of this Agreement is made. Refer to the Credit Union Fee Schedule for current fees.

4. LOST CARD NOTIFICATION AND LIABILITY FOR UNAUTHORIZED USE. Tell us AT ONCE if you believe your card and/or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You can contact us (801) 968-9011 or VISA at 1-800-453-4270. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card or PIN, you can lose no more than \$50 if someone used your card or PIN without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or PIN, and we can prove we could have stopped someone from using your card and/or PIN without your permission if you had told us, you could lose as much as \$500. Your liability for VISA transactions will be \$0 unless the Credit Union determines that there is substantial evidence that you were grossly negligent or fraudulent in the handling of the account or the card.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

5. CONTACT IN THE EVENT OF UNAUTHORIZED TRANSFER. If you believe your card or PIN has been lost or stolen, call the credit union at (801) 968-9011 or VISA at 1-800-453-4270 or write Visa Department, Hercules Credit Union, P.O. Box 26977, Salt Lake City, UT 84126. You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

6. BUSINESS DAYS. For purposes of these disclosures, our business days are Monday through Friday. Holidays are not included.

7. PREAUTHORIZED TRANSFER FROM YOUR ACCOUNT. You may preauthorize an electronic funds transfer from one of your accounts to a designated recipient account. Authorization must be in writing. A copy of your authorization may be provided by the recipient of the transfer. If you have told us in advance to make such regular payments, you may stop payment of any preauthorized transfer by notifying us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. Written confirmation of your stop order must be made by you within fourteen (14) days of the oral notification or the stop payment order will not be binding. If this regular transfer from your account may vary in amount, the person you are going to pay will tell you ten (10) days before each payment.

8. PREAUTHORIZED TRANSFERS TO YOUR ACCOUNT. You may arrange to have direct deposits made to your account from the same person or company at least once every sixty (60) days. You may call the number on your periodic statement or call Touch Tone Teller to see if the transfer did occur.

9. ELECTRONIC CHECK CONVERSION. You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to:

(i) Pay for purchases.

(ii) Pay bills.