VERITY CREDIT UNION

MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement is the contract of deposit which covers your and our rights and responsibilities concerning Membership and Account(s) offered to you. In this Agreement, the words "you" and "yours" mean those who sign the Account Form or Account Change Form ("Account Form"). The words "we," "us," and "our" mean Verity Credit Union ("Credit Union"). The word "account" means any one or more accounts you have with the Credit Union.

The classification and form of ownership of your accounts are designated on your Account Form. By signing the Account Form or completing and transmitting an Online Account Form or service request that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Funds Availability Policy, Electronic Funds Transfer Agreement, and the Truth-in-Savings Disclosures (Rate and Fee Schedule) accompanying this Agreement, any account receipt, the Credit Union's Bylaws and policies, and any amendments which collectively govern your Membership and Accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time. Unless you waive your rights, you understand that certain account designations, such as a joint ownership with right of survivorship or POD beneficiary may be invalidated upon the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law.

I. MEMBERSHIP AND ACCOUNTS

1. Membership Eligibility. To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union's field of membership and must satisfy the membership qualifications as required by the Credit Union's Bylaws. You authorize us to check your account, credit and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request or the Credit Union offers from time to time.

2. Individual Accounts. An individual account is an account owned by one depositor including any individual, corporation, partnership, trust, or other organization qualified for Credit Union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent's estate or payable on death ("POD") beneficiary, if applicable.

3. Joint Accounts. An account owned by two or more persons is a joint account.

a. Rights of Survivorship. If your account is a joint account, the account is owned as a joint account with rights of survivorship unless otherwise stated on the Account Form. If the account is a joint account with right of survivorship, upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners.

b. Rights of Joint Account Owners. Any joint account owner is authorized and deemed to act for the other owner(s) and the Credit Union may accept orders and instructions regarding the account and requests for future services from any other account owner. Each account owner guarantees the signature of the other owners. Any account owner may withdraw all funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the shares of any account, including funds representing a membership share, without the consent of the other account owner(s) and the Credit Union shall have no duty to notify any other joint account owner(s). If the Credit Union receives written notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a Court order to act, or require that all joint account owners agree in writing to any transaction concerning the account.

c. Joint Account Owner Liability. If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

4. POD/Trust Beneficiaries. A Payable on Death (POD)/Trust designation is an instruction to the Credit Union that a designated account is an account payable to the owner or owners during their lifetimes, and upon the death of the last joint account owner, payable to any named and surviving POD/Trust beneficiary designated on your Account Card. Accounts payable to more than one POD/Trust beneficiary are owned

jointly by such beneficiaries with right of survivorship. Any POD/Trust beneficiary designation shall not apply to IRA accounts which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law.

5. Accounts for Minors. For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner to have a parental joint account owner who is at least eighteen (18) years of age who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid charges or amounts on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship unless otherwise indicated on the Account Form. The Credit Union may make payments of funds directly to the minor without regard to his or her minority. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or joint account owner. The minor account owner's tax identification number must be shown on the Form. The Credit Union shall not change the account status when the minor reaches age eighteen (18), unless authorized in writing by all account owners.

6. Washington Uniform Transfer to Minors Accounts. An account under the Washington Uniform Transfer to Minors Account (WUTTMA) is an individual account established by a member as a custodian on behalf of a minor (a person under twenty-one (21) years of age). The custodian shall open the account in the name of the minor, include the minor's social security number, and must sign his or her own name on the Account Card. The custodian is the owner of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to make deposits to, withdrawals from, or close the account. In the event of the custodian's death, the Credit Union may place an administrative hold on the account until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing such withdrawal.

7. Accounts for Living Trusts. An account of a living trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a revocable trust agreement. Upon request of the Credit Union, the trustee shall sign an Account Authorization Form and provide any other evidence of the trustee's authority the Credit Union requires. Trustee warrants that a valid living trust has been created, is currently in existence, and that the trustor and primary beneficiary are eligible for membership in the Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). Trustee agrees to notify the Credit Union in writing if a change of trustee occurs. Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the living trust or an Account Change form is received. Funds may be released to any one trustee acting alone or with a co-trustee. The trustee(s) agrees to indemnify and hold Credit Union harmless of any liability, claim, damage or loss arising as a result of unauthorized acts of any trustee or former trustee or acts of any trustee upon which Credit Union relies prior to notice of revocation of the trust. This Agreement shall be binding on the trust, any trustee, successor trustee and beneficiaries.

8. Accounts of Organizations and Associations. Accounts held in the name of an organization or association member are subject to the same terms set forth in this Agreement and the following additional rules. The Credit Union reserves the right to require the member to provide an Account Authorization Card informing the Credit Union who is authorized to act on its behalf. You agree to notify the Credit Union of any change in authority. The Credit Union may rely on the written authorization until such time as the Credit Union is informed of changes in writing and has had a reasonable time to act upon such notice. The Credit Union may require that third party checks payable to an organization may not be cashed, but must be deposited to a business account. The Credit Union shall have no notice of any breach of fiduciary duties arising from a transaction by any agent of the account owner, unless the Credit Union has actual notice of any wrongdoing.

9. Deposit Requirements. Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule. All accounts are non-assignable and nonnegotiable to third parties. Share Certificate accounts are governed by the terms of this Agreement and the terms and disclosures on your Share Certificate for each account, which is incorporated herein by this reference.

a. Endorsements. You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on third party checks presented for deposit either in person or by

comparison with member signature files. If insurance, government, and certain other checks or drafts require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as set forth on the check. Endorsements must be placed in the space on the back of the check between the top edge and 1½ inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

b. Collection of Items. The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union acts only as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit, and each correspondent will be liable only for its own negligence. The Credit Union reserves the right to send any item for collection.

c. Final Payment. All items or Automated Clearing House ("ACH") transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return charge on your account. After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

d. Direct Deposits. The Credit Union may offer direct deposit options allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

e. Crediting of Deposits. Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Ask for our current deposit cutoff time. Deposits received at unstaffed facilities such, as night depositories, will be credited on the day funds are removed and processed by the Credit Union. Items drawn from an institution located outside the United States are handled on a collection basis only. Funds will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

10. Account Access.

a. Authorized Signature. In order to access any account, the Credit Union must have an authorized signature of yours on an Account Card. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

b. Electronic Signature. You understand and agree that your electronic consent at account opening is your electronic signature which specifically records your signature and assent to the Business Membership and Account Agreement and constitutes your agreement to the terms and conditions of the Membership and Account Agreement. You agree your electronic signature captured and stored as an image by this electronic means shall be sufficient to evidence of your assent to be contractually bound by the Agreement and shall constitute a valid signature for purposes of any provision of this Agreement.

c. Access Options. You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATMs), debit card, in person, by mail, automatic transfer, audio response, online banking or

telephone). If the Credit Union accepts any draft that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the draft. The Credit Union may return as unpaid any check that is not drawn in the form provided by the Credit Union.

d. ACH & Wire Transfers. If offered, you may initiate or receive credits or debits to your account via wire transfer or ACH ("Automated Clearing House") transfer. You agree that if you receive funds by a wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for a transfer, it may reverse the provisional credit to your account, or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different party or institution. Wire transfers are governed by Federal Reserve Regulation J if the transfer is cleared through the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association.

e. Credit Union Examination. The Credit Union may disregard information on any check other than the signature of the drawer and amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

f. Electronic Check Transactions.

i. Electronic Checks. If you authorize a merchant to electronically debit your checking account using the routing, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed and signed, such authorization is an electronic check conversion. An electronic check conversion is an electronic funds transfer ("EFT") subject to the terms of the Electronic Funds Transfer Agreement. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.

ii. Electronic Re-presented Checks. If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction ("Electronic Re-presented Check") to charge your account for the amount of the check. If we receive an electronic re-presented check, we will pay or return the electronic re presented check as if the original paper check was presented to us. Any collection fee you authorize the merchant to debit from your account is an electronic funds transfer subject to the terms of the Electronic Funds Transfer Agreement. If you want to reverse an electronic re-presented check, you must give us an affidavit within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your affidavit, you must declare and swear under oath that the electronic re presented check was ineligible or unauthorized. If we receive a proper notice or affidavit from you within the 15-day period, we will re-credit your account with the amount of the charge. If you wish to stop payment of any electronic re-presented check, you must follow the procedures contained in this Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree that you will not seek to have your account re-credited due to a prior stop payment order or if for any other reason the item is deemed ineligible for collection.

11. Account Rates and Fees. The Credit Union's payment of dividends on any account is subject to the account rates and fees, earnings, payment and balance requirements as set forth on the Rate and Fee Schedule and each Share Certificate, which are incorporated herein by this reference. You agree the Credit Union may impose fees and charges for the deposit account services provided by the Credit Union. A current Rate and Fee Schedule has been provided to you separately. You agree the Credit Union may change the Rate and Fee Schedule from time to time and you will be notified of such changes as required by law.

12. Transaction Limitations. The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Drafts or other transfer or payment orders which are drawn against insufficient available funds may be returned and, if paid, will be subject to a service charge as set forth in the Rate and Fee Schedule. If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion. The Credit Union may also refuse to allow a withdrawal in other cases; for example: any dispute between the owners about the

account (unless a court has ordered the Credit Union to allow the withdrawal); a legal garnishment, levy, or attachment is served; the account secures an obligation to the Credit Union; any required documentation has not been presented; or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checks) of up to 60 days, as required by law, before such withdrawal.

13. Overdrafts.

a. Your Overdraft Liability. If on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. The Credit Union has no duty to notify you of an insufficient funds check. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Rate and Fee Schedule. However, the Credit union will not charge an overdraft fee for covering an ATM or debit card purchase transaction unless you request such protection. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays a draft that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.

b. Overdraft Protection Plan. If we approve your request for overdraft protection, we will provide an overdraft protection plan for you. We will honor drafts drawn on insufficient funds in any checking account by transferring the funds from a Savings, Money Market, Ready Money loan account, Home Equity Line of Credit account or credit card account, if applicable, to your checking account. If you elect to have transfers from a deposit, Ready Money, Home Equity or credit card account, funds will be transferred in the amount necessary to clear the overdrawn item. If you elect to have transfers from shares, funds will be transferred in the amount necessary to clear the overdrawn item. If you elect to have transfers from a loan account, you authorize us to access your account and transfer funds to your checking account. The fee for overdraft transfers is set forth on the Rate and Fee Schedule. Transfers from a deposit account will be governed by this Agreement. Transfers from your Ready Money loan account, Home Equity Line of Credit or credit card account will be governed by the applicable loan agreement.

14. Postdated and Staledated Items. You authorize us to accept and pay any check, even if the check is presented for payment before its date, unless you notify the Credit Union of the postdating. Your notice will be effective only if the Credit Union receives the notice in time for the Credit Union to notify its employees and reasonably act upon the notice and you accurately describe the check, including the number, date, and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the check. If you give the Credit Union an incorrect, incomplete, or untimely notice, the Credit Union will not be responsible for paying the item before the date stated and the Credit Union may charge your account as of the date the Credit Union pays the item. You may make an oral notice, which will lapse within fourteen (14) days unless continued in writing, within that time. A written notice will be effective for six (6) months. A notice may be renewed from time to time by telephone or in writing. You also agree not to deposit checks, drafts, or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check or draft drawn on your account which is presented more than six months after its date.

15. Stop Payment Orders.

a. Stop Payment Request. You may ask the Credit Union to stop payment on any check drawn upon or ACH debit scheduled from your checking account. You may request a stop payment by telephone, by mail, or in person. For checks, the stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order. For ACH debits, the stop payment order must be received at least three (3) banking days before the scheduled date of the transfer. You must state the number of the account, date and exact amount of the check or ACH and the number of the check or originator of the ACH debit. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, date and number of the item, its exact amount, and to whom it was issued. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. If we re-credit your account after paying a

check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check to the Credit Union, and to assist the Credit Union in legal action taken against the person.

b. Duration of Order. The Credit Union may accept an oral stop payment order which will lapse within 14 calendar days unless continued in writing within that time. A written stop payment order will be effective for six months for drafts and checks. A written stop payment order for ACH or electronic items will remain in effect until the earlier of (1) the withdrawal of the stop payment order by the account holder, or (2) the return of the debit entry or where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific originating company, or the return of all such debit entries. A written stop payment order may be renewed in writing from time to time. The Credit Union is not obligated to notify you when a stop payment order expires.

c. Liability. The Credit Union may charge a fee for each stop payment order requested, as set forth on the Rate and Fee Schedule. You may not stop payment on any certified check or draft, cashier's check or teller's check, or any other check, draft, or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any multiple party account owner, payee, or indorsee in failing to stop payment of an item as a result of incorrect information provided by you.

16. Lost Items. The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items should they become lost in the collection process.

17. Credit Union's Liability for Errors. If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (b) circumstances beyond the Credit Union's control prevents the transaction; (c) your loss is caused by your negligence or the negligence of another financial institution; or (d) the money in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

18. Credit Union Lien and Security Interest. To the extent you owe the Credit Union money as a borrower, guarantor, endorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest (except IRAs) at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness without further notice to you. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwelling, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties.

19. Legal Process. If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

20. Account Information. Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (1) it is necessary to complete the transaction; (2) the third party seeks to verify the existence or condition of your

account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (3) such disclosure is in compliance with the law, government agencies or court orders; or (4) you give us your written permission.

21. Notices.

a. Name or Address Changes. It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is required to attempt to communicate with you only at the most recent address you have provided to the Credit Union. The Credit Union will accept notices of a change in address and any other notice from you only if provided in writing to the Credit Union. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth on the Rate and Fee Schedule.

b. Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Changes in account ownership, such as adding or removing a joint account owner, must be evidenced in writing. No joint owner may remove another joint owner from the account without the consent of all owners. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

c. Effect of Notice. Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. If you have elected to receive notifications electronically, the notice is effective the date the notice is made available to you. Notice to any one account owner is considered notice to all owners of the account.

22. Taxpayer Identification Numbers (TIN) and Backup Withholding. If your account is or becomes subject to backup withholding, the Credit Union is required by law to withhold and pay to the Internal Revenue Service (IRS) a required percentage of payments of interest, dividends and certain other payments under certain conditions. Your failure to furnish a correct taxpayer identification number (TIN) or meet other applicable requirements may result in backup withholding as well as civil or criminal penalties. If you refuse to provide your TIN, the Credit Union may suspend the opening of your account, or you may request a non-dividend bearing account until a TIN is provided.

23. Statements.

a. Contents. If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided you agree that only one statement is necessary for a multiple party account. For checking accounts, you understand that when paid your original check becomes property of the Credit Union and may not be returned to you, but copies will be retained by Credit Union and made available upon your request. You understand your statements and checks are made available to you on the date the statement is mailed to you. This includes: written statements we mail to you or if you have requested an electronic statement, the statement information provided through the home banking service.

b. Examination. You are responsible for examining each statement and reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered, or unauthorized item drawn on your account if (1) you fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement and availability of checks containing any forgery, alteration, or unauthorized signature on the item; or (2) there are any items forged or altered in a manner not detectable by a reasonable person including the unauthorized use of a facsimile signature machine.

c. Notice to Credit Union. You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statements and draft copies or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charged to your account unless you notify the Credit Union in writing within the above time limit after the statement and checks have been made available to you.

d. Electronic Statements (eStatements). If your statement is provided electronically, you will be sent an electronic mail notice that will direct you to the website where you may access, review, print and otherwise copy/download your periodic statements using procedures we authorize. Electronic mail from us will be sent to the electronic mail address provided by the account owner. You understand that your eStatement is made available to you on the date the electronic mail notice is sent.

24. Dormant and Abandoned Accounts. If you have an account that you have not made a withdrawal from, deposit to, or transfer involving your account for more than twelve (12) months and the Credit Union has been unable to contact you by regular mail during that period, the Credit Union may classify your account as an inactive account and may charge an inactive account service fee as allowed by applicable law and set forth on the Rate and Fee Schedule. Thereafter, dividends will not be paid on the account if the balance falls below any minimum balance requirement. The Credit Union will notify you at your last known address prior to imposing any fee as required by law. Checking accounts will continue to incur the monthly maintenance fee, if applicable, until closed by the member. You authorize us to transfer funds from an available account of yours to cover the monthly maintenance fee, if necessary. If a deposit or withdrawal has not been made on the account and the Credit Union has had no other contact with you for three (3) years as required by the Uniform Unclaimed Property Act, the account will be presumed to be abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

25. Death of Account Owner. You irrevocably waive the right to make a testamentary disposition of any account with the Credit Union, now and in the future. You agree that upon your death, your account will be payable in accordance with any existing account designations and the terms of this Agreement. The Credit Union may require the survivor or other claimant to the account to produce certain documents before releasing the funds in the account. The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union learns of an account owner's death. Once the Credit Union learns of a member's death, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree that the Credit Union can require that anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim. You and any surviving owner or beneficiary agree(s) to indemnify and hold the Credit Union harmless from any claim or liability asserted against the Credit Union as a result of the disposition of funds in reliance on this Agreement and any account designations of yours.

26. Termination of Account. The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the funds in the account; (4) any account checks are lost or stolen; (5) if there are excessive returned unpaid items not covered by an overdraft protection plan; or (6) if there has been any misrepresentation or any other abuse of any of your accounts. You may terminate any account (except a share account) at any time by notifying the Credit Union by oral direction or in writing. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check after termination, you agree to reimburse the Credit Union for payment.

27. Termination of Membership. You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw from membership. You may be denied services or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union.

28. Special Account Instructions. You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask the Credit Union to follow instructions that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond to indemnify the Credit Union. An item presented as "payment in full" must be presented in person to a Credit Union officer, or the payment will be accepted with the rights of the Credit Union reserved. Account changes requested by you or any account owner, such as adding an account or service, must be evidenced by a signed Account Form accepted by the Credit Union. Account closure (s) requested by you or any account owner must be signed by the account owner and accepted by the Credit Union. The Credit Union will not recognize the authority of someone to whom you have given power of attorney without written authorization and the original or certified copy of a valid and current Power of Attorney.

29. Severability. In the event that any paragraph of this Agreement or any portion thereof is held by a

court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

30. Enforcement. You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. If you are in breach of this Agreement or any other loan or service agreement with the Credit Union or we suspect fraudulent activity on your account, the Credit Union may without prior notice restrict access to your accounts or suspend your electronic services or access devices, including ATM or debit cards and online or mobile banking services. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

31. Governing Law. This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Washington and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

II. FUNDS AVAILABILITY POLICY

For savings accounts, we reserve the right to place reasonable holds on fund deposits to the extent permitted by law.

For checking accounts, our funds availability policy is set forth below.

1. General Policy. Our policy is to make funds from your deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Credit Union holidays. If you make a deposit before 4:00 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 4:00 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 of Right to Hold. In some cases, we will not make all of the funds that you deposit by check available to you on the first business after the day of your deposit. Depending on the type of check that you deposit (e.g. third party checks), funds may not be available until the second business day after the day of your deposit. However, the first $500 of your deposit will be available on the same business day. If we are not going to make all of the funds from your deposit available on the first business day after the day of your deposit, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we 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 the funds from a deposit right away, you should ask us when the funds will be available.

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

4. Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

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

b. You deposit checks totaling more than $6,725 on any one day.

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

d. You have overdrawn your account repeatedly in the last six months.

e. 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 seventh business day after the day of your deposit.

Deposits at Automated Teller Machines. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be immediately available. Cash deposits will be available on the second business day after the day of your deposit, and certain checks will be available on the fifth business day after the day of your deposit. You can make deposits at ATMs not owned or operated by us that are part of the CO-OP Network, Member Access Pacific, Northwest CU Alliance and PLUS Share Deposit Network or such other terminals the Credit Union may designate. Longer delays may apply, see #4 above.

5. Deposits at Shared Branches. Funds from any deposits made at a Shared Branch outlet (identified as part of the FSCC Shared Branch network) may not be immediately available. Cash deposits and deposits of Federal, State and Local Government checks and some payroll checks are available immediately. The first $500 of deposits of local checks is available the next business day and the rest is available the fifth business day. Longer delays may apply, see #4 above.

6. 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.

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 $6,725 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 $6,725 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 $6,725 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.

7. Mobile Deposits. Funds from mobile deposits will be generally available on the second business day after the day of the mobile deposit, except the first $500 of aggregate deposits from mobile and ATM deposits will be available immediately.

III. ARBITRATION AGREEMENT & CLASS ACTION WAIVER

RESOLUTION OF DISPUTES BY ARBITRATION: THIS AGREEMENT CONTAINS IMPORTANT INFORMATION REGARDING YOUR DEPOSIT ACCOUNTS AND RELATED ELECTRONIC FINANCIAL SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT CERTAIN DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

1. Agreement to Arbitrate Disputes. Either You or We (Verity Credit Union) may elect, without the other's consent, to require that any dispute between us concerning Your Deposit Accounts (share accounts) and the electronic financial services related to your Accounts be resolved by binding arbitration, except for those disputes specifically excluded below. This Arbitration Agreement and any arbitration conducted under it are governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) and are not subject to any state law related to arbitration.

2. Disputes Covered by Arbitration. Claims or disputes between you and us arising out of or relating to your Deposit Account(s), transactions involving your Deposit Account(s) and any related electronic financial service with us are subject to arbitration. Electronic financial services include online and mobile account access, bill pay, telephone access, and any other electronic service provided pursuant to our Electronic Funds Transfer Disclosures. Any claims or disputes arising from or relating to this agreement, any prior account agreement between us, any advertising, the application for, or the approval or establishment of your account are also included. Disputes include not

only claims made directly by You, but also made by anyone connected with You or claiming through You, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Claims are subject to arbitration, regardless of what theory they are based on or whether they seek legal or equitable remedies. Arbitration applies to any and all such claims or disputes, whether they arose in the past, may currently exist or may arise in the future. All such disputes are referred to in this section as "Claims".

3. Disputes Not Covered by Arbitration. Both You and We have the right to pursue a Claim in state court instead of arbitration for claims related to our collection of any negative balance or amounts you owe us under our Membership and Account Agreement, including but not limited to: fraud, counterfeit items and any unpaid account obligations. This exception applies if the Claim is in that court's jurisdiction and brought on an individual basis. Also, arbitration will not apply to Your Account as long as You are an active duty Service Member. Otherwise, this Agreement to arbitrate will apply without limitation, regardless of whether 1) your account is closed; 2) you pay us in full any outstanding debt you owe; or 3) you file for bankruptcy.

4. No Class Action or Joinder of Parties. YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless you and we both agree, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

5. Arbitration Procedures. The arbitration must be filed with the following neutral arbitration forum and must follow its rules and procedures for initiating and pursuing an arbitration:

JAMS
www.jamsadr.com
1-800-352-5267 (toll-free)

The arbitration shall take place in the federal district in which you reside, or in which you entered into this Agreement. The arbitration shall be decided by a single, neutral arbitrator selected by both parties in accordance with the rules of the arbitration forum. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures and pursuant to JAMS' Streamlined Arbitration Rules and Procedures. Judgment on the arbitrator's award may be entered in any court having jurisdiction. This Arbitration Agreement does not preclude parties from bringing claims in small claims court or seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. You or we may choose to have a hearing, be represented by counsel and conduct discovery. If the claim is brought by You, You will pay no more than $250 of the filing costs and expenses and the remaining costs are borne by us. If we bring the claim, we pay for all filing fees and costs. Judgment on the arbitration award may be entered by any court of competent jurisdiction. We will not reimburse any fees if the arbitrator determines that your claim or dispute was frivolous or baseless. Each party shall be responsible for its own attorney fees in any arbitration unless the arbitrator awards attorney fees under applicable law or agreement.

6. Right to Resort to Provisional Remedies Preserved. Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as our federal statutory lien; our right of set-off; the right to restrain funds in an account; to interplead funds in the event of a dispute; to exercise any security interest we may hold in property; to comply with legal process; or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

7. Right to Reject this Arbitration Agreement. You have the right to opt out of this Agreement to arbitrate if you tell us within 30 days of your initial Account opening or the receipt of our Notice of Amendment and this Agreement, whichever is later. To opt out, send us written notice including the following information: (i) Your written notice must include: your name, as listed on your account, your account number, and a statement that you reject this Arbitration Agreement, and (ii) You must send Your written notice to Us at the following address: Verity Credit Union, P.O. Box 75974, Seattle, WA 98125, Attn: Risk Management.

8. Acceptance of Arbitration and Class Action Waiver. By your receipt of our Notice and a copy of this Binding Arbitration and Class Action Waiver Agreement, your decision not to reject this Agreement and as confirmed by your continued use of your Account, you agree to be bound by the above terms and Disputes Covered by Arbitration provision for all of your Accounts and effective immediately your Accounts will be bound by this Arbitration and Class Action Waiver Agreement.

Rev. June 2025