

Pima Federal
credit union



MEMBER AGREEMENTS AND DISCLOSURES

BROCHURE CONTENTS

Welcome To Pima Federal Credit Union.....	1
United States of America PATRIOT Act and Identification/Share Account Types/Share Insurance.....	2
Truth-In-Savings.....	3
Checking Account.....	4
Agreement and Disclosures.....	5
24-Hour Teller Service/Helpful Hints For ATM Users and Electronic Funds Transfer—Regulation “E” Disclosure.....	6
Transfer Types and Limitations/Limitation On Dollar Amount of Transfers/Stop Payments.....	7
ATM Card Disclosure.....	8
Debit Card Disclosure.....	10
Overdraft Protection For ATM, Visa® Debit & Checking Accounts.....	12
Courtesy Pay Requirements and Terms and Conditions.....	13
Term Share Certificates.....	14
Health Savings Accounts/Coverdell Education Savings Accounts.....	15
IRAs: Traditional and Roth.....	16
Automatic Deposits:	
Payroll Deduction.....	17
Direct Deposit/Funds Availability Policy.....	18
Disputes and Claims.....	19
Wire Transfer Terms and Conditions/Safety Deposit Boxes/Pima Access Line (PAL).....	20
EzPal: Multi-Factor Authentication.....	21
Disclosures.....	22
Loan Programs.....	24
Applying For a Loan.....	25
A Privacy Message From Pima FCU.....	26
Termination of Account/Opt-Out Option.....	27
Rates and Terms.....	28,29



WELCOME TO PIMA FEDERAL CREDIT UNION

Pima Federal Credit Union (Pima Federal) began in 1951 and has grown to serve over 50,000 members. Pima Federal is a federally chartered, non-profit financial institution run by and exclusively for the benefit of you, our members. Profits are returned to you in the form of dividends on deposits and the many services we provide.

The credit unions' chief claim to uniqueness is that it is a "People-Helping-People" financial institution. Our members are not customers—they are owners. Whether you have \$25 or \$100,000 in shares, all members have the same rights when it comes to deciding the future of the credit union.

Your membership entitles you to elect fellow members to the Board of Directors. The board adopts policies and procedures that affect the credit unions' operation and determines dividend and loan rates. All directors and committee members serve without compensation because they feel the credit union is important to the economic well-being of their fellow members.

Joining The Credit Union

By joining Pima Federal, you become part of a dynamic, progressive, and growing organization. The ways in which you may qualify for membership are as follows: being a Pima County employee, being an employee of Pima Federal, volunteer or registered member of any non-profit organization located in Pima County (such as a church, lodge, the Chamber of Commerce, etc.), being a relative of anyone who qualifies for membership under our core groups listed above or being an employee of one of our Select Employee Groups (SEG's).

If you qualify for membership, you can join at any one of our seven financial centers. Simply come in and complete a membership card and deposit a minimum of \$25 into a Regular Share Account. Join today and take advantage of our many benefits! If you would like more information on becoming a member, call or write to Pima Federal Credit Union, ATTN: Membership Officer, P.O. Box 50267, Tucson, AZ 85703-1267.

Financial Center and ATM Locations

- ◆ 3730 N. Stone Avenue, Tucson, AZ, 85705 (Financial Center with ATM and Drive-thru)
- ◆ 231 N. Pantano Road, Tucson, AZ, 85710 (Financial Center with ATM and Drive-thru)
- ◆ 1177 W. Silverlake Road, Tucson, AZ, 85713 (Financial Center with ATM and Drive-thru)
- ◆ 2455 E. Valencia Road, Tucson, AZ, 85706 (Financial Center with ATM and Drive-thru)
- ◆ 6510 N. Thornydale Road, Tucson, AZ, 85741 (Financial Center with ATM and Drive-thru)
- ◆ 4841 S. Overland Dr., Tucson, AZ, 85714 (Financial Center with ATM and Drive-thru)
- ◆ 830 E. Main Street, Suite 170, Springerville, AZ, 85938 (Financial Center with ATM)
- ◆ 6781 N. Thornydale Road, Tucson, AZ, 85741 (Mortgage Center)

Financial Center Hours

Monday, Tuesday and Thursday: 9:00 a.m. to 5:00 p.m. ◆ **Wednesday:** 11:00 a.m. to 5:00 p.m.
Friday: 9:00 a.m. to 6:00 p.m. ◆ **Saturday:** 9:00 a.m. to 1:00 p.m. (Overland and Springerville Financial Centers are not open on Saturdays)

Phone

(520) 887-5010 or (800) 746-2328

Website

www.pimafcu.org

UNITED STATES OF AMERICA PATRIOT ACT AND IDENTIFICATION PROGRAM

Congress passed and President Bush signed into law the USA PATRIOT Act. The purpose of this law is to help protect you, your family, and our country from terrorism by preventing terrorist financing. All financial institutions are now required to verify the identity of anyone opening an account. We must also verify the identity of anyone added as signatories to or having access to new or existing accounts and loans. We are required to retain copies of documents used to verify your identity.

If you had an existing account with us before the USA PATRIOT Act rules became effective, we may still need to verify and retain copies of any documents used to verify your identity when you request any type of new account, apply for a loan, or are added as a signatory to an existing account or loan. We ask for your understanding as we work to support these efforts to maintain the security of your funds and our country.

SHARE (SAVINGS) ACCOUNT TYPES

Regular Share Account

Once you open your Regular Share Account you have all the benefits of credit union membership, including the right to vote for credit union board members. You must maintain a minimum balance of \$25 in this account at all times.

High Rate Account

This is one of our most popular accounts. This high-yield savings account pays tiered rates on balances of \$1,000 or more.

Holiday Club Account

The Holiday Club year begins on November 1st and ends on October 31st. In the first week of November, the account balances (plus accrued interest) are transferred to the sub-share that you designate.

Special Account

Use this account to save for a specific purpose such as a vacation, education, or for a down payment on a home.

Term Share Certificates

For higher long-term rates, Pima Federal offers a competitive Term Share Certificate program designed to fit your individual needs. Dividends are paid and credited monthly to the account of your choice.

SHARE INSURANCE

As a member, you are insured to at least \$250,000 by the National Credit Union Share Insurance Fund (NCUSIF), which is backed by the full faith and credit of the United States Government. Established by Congress in 1970 to insure member share accounts at federally insured credit unions, the NCUSIF is managed by NCUA under the direction of the three-person NCUA board. You can obtain more information by calling our Member Information Center at (520) 887-5010 or (800) 746-2328 (outside of Tucson).

TRUTH-IN-SAVINGS DISCLOSURE

Truth-In-Savings requires all financial institutions to disclose to consumers the Dividend Rate and/or the Annual Percentage Yield (APY) and any fees imposed in connection with a deposit account. The APY is a prospective figure projecting what the account will earn if all assumptions are met (i.e., funds remain on deposit, account remains open, etc.). The purpose of Truth-In-Savings is to enable you to make meaningful comparisons when shopping for deposit account services.

Except as specifically described, the following disclosures apply to all of the accounts listed on page 29 of this brochure.

1. Rate information: The Dividend Rate and Annual Percentage Yield on your accounts are set forth in the Variable Rate Regular Share Schedule. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the Dividend Rate and frequency of compounding for an annual period. The Dividend Rate and Annual Percentage Yield may change as determined by the credit unions' Board of Directors.

2. Nature of dividends: Dividends are paid from current income and available earnings after providing for the required reserves at the end of the Dividend Period. The Dividend Rate and APY are for prospective rates and yields that the credit union anticipates paying for the applicable Dividend Period.

3. Compounding and crediting: Dividends will be compounded and credited as set forth on page 29. Dividends are credited at the end of the posting day on the last calendar day of the Dividend Period. If you close any of your Variable Rate Regular Share Accounts before dividends are credited, you will not receive accrued dividends from that account.

4. Par value of shares; Dividend Period: The par value of a main share in this credit union is \$25. The Dividend Period for the Variable Rate Regular Share Account is set forth on page 29. The Dividend Period begins on the first calendar day of the Dividend Period and ends on the last calendar day of the Dividend Period.

5. Balance Computation Method:

A. Daily Balance Method: Dividends are calculated by the Daily Balance Method, which applies a Daily Periodic Rate to the balance in the account each day.

B. Average Daily Balance Method: Dividends are calculated by the Average Daily Balance Method, which applies a Periodic Rate to the Average Daily Balance in the account for the Dividend Period. The Average Daily Balance is calculated by adding the balance in the account for each day of the Dividend Period and dividing that figure by the number of days in the Dividend Period.

6. Accrual of dividends: Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account. Dividends will begin to accrue on non-cash items (e.g., checks) on the business day you make the deposit to your account.

7. Fees and charges: Fees and charges may be assessed against your account and are detailed in the Fee Schedule.

8. National Credit Union Share Insurance Fund: Member accounts in the credit union are federally insured by the National Credit Union Insurance Fund (NCUSIF), up to at least \$250,000.

9. High Rate Account: suffix 5

- \$1,000-\$4,999= Tier 1
- \$5,000-\$9,999= Tier 2
- \$10,000-\$24,999= Tier 3
- \$25,000-\$49,999= Tier 4
- \$50,000-\$74,999= Tier 5
- \$75,000 & above= Tier 6

A. Tiering Method:

1. If your daily balance was more than \$1,000, but not more than \$4,999.99 during the Dividend Period, the Tier 1 Dividend Rate is paid on the entire balance in your account for that day.
2. If your daily balance was \$5,000 or more, but not more than \$9,999.99 during the Dividend Period, the Tier 2 Dividend Rate is paid on the entire balance in your account for that day.
3. If your daily balance was \$10,000 or more, but not more than \$24,999.99 during the Dividend Period, the Tier 3 Dividend Rate is paid on the entire balance in your account for that day. Tier's 4, 5 and 6 follow this same pattern.

B. Minimum balance requirement: If the balance in the High Rate Account falls below the \$1,000 minimum on any day during the Dividend Period, the High Rate Account will be closed and the balance will be transferred to your Main Share Savings Account. If the High Rate Account is closed before accrued dividends are credited, you will not receive accrued dividends.

C. Transaction limitations: During any Dividend Period, you may not make more than six withdrawals or transfers to another credit union of yours or to a third party by means of a pre-authorized or automatic transfer, check, draft, debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any Dividend Period, your account will be subject to fees as disclosed in the Fee Schedule, or closure.

10. Holiday Club Accounts:

A. Transaction limitations: Members may withdrawal from Holiday Club Accounts within seven days after opening without penalty. Thereafter, the entire balance must be withdrawn and the account may not be reactivated until the beginning of the next Holiday Club Account year.

B. Maturity: Holiday Club Account balances are distributed to members by transfer to another suffix on the second business day of November each year. The Holiday Club Account remains open and contributions for the next Club Account year may begin the following week.

CHECKING ACCOUNT

With a Pima Federal Checking Account, you can pay bills, save money, make purchases, and receive cash.

Other benefits include:

- ◆ No minimum balance (excluding business and DBA accounts),
- ◆ No per check fee (excluding business and DBA accounts),

- ◆ No monthly service charges regardless of the number of deposits made, checks written and balances maintained (excluding business or DBA accounts),
- ◆ Free Overdraft Protection from savings (not including first \$25),
- ◆ Duplicate checks available,
- ◆ Visa® Debit card for qualifying members,
- ◆ Free Visa® ATM card,
- ◆ Automatic overdraft protection from your Line of Credit (for those who qualify),
- ◆ Payroll Deduction, Direct Deposit or other automatic deposits into your account,
- ◆ Free Online Bill Payment.

CHECKING AGREEMENT & DISCLOSURE

For purposes of this agreement the terms “You” or “Your” applies to each owner of this account. You hereby authorize Pima Federal to establish this Checking Account, hereinafter called “Account”, for you.

You do hereby agree to the following terms and conditions:

- (a)** The credit union requires that the owners of this account (which is a subsidiary account to the regular account) be the same as the owners of the Main Share Account,
- (b)** All new accounts are subject to verification through a check authorization organization such as Telecheck or Chex Systems,
- (c)** The credit union is authorized to honor checks initiated either by paper or electronic device by you and to charge all such payments against the funds in this account,
- (d)** The credit union is under no obligation to pay a check on which the date is more than six months old,
- (e)** All signers on this account are considered “agents” or “attorney-in-fact” for each signer on this account and are liable for all checks written on the account,
- (f)** When paid, checks become the property of the credit union and will not be returned with the periodic statements of the account,
- (g)** Except for negligence, the credit union is not liable for any actions taken regarding the payment or non-payment of a check,
- (h)** The account shall be subject to service charges and fees as described in the credit unions’ Fee Schedule. These charges will be applied against the balance in the account,
- (i)** Funds in the account may not be used as collateral for a loan,
- (j)** Any objection respecting any item shown on a periodic statement of the account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed,
- (k)** All non-cash deposits to this account will be credited subject to final collection,
- (l)** The credit union may refuse any check or other item drawn against your account if it is not on a form approved by us (i.e., checks ordered from a magazine ad, etc.). If we accept a check or other item not on a form approved by us, you will be responsible for any loss by us in handling the item,
- (m)** Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. The liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability and you are liable regardless of whether you signed the item or benefited from the charge or overdraft,
- (n)** The credit union may amend any terms and conditions of this agreement from time to time by giving you written notice 30 days prior to the implementation of such change.

24-HOUR TELLER SERVICE

Our Visa® Debit and ATM cards allow you to get cash at your convenience—24 hours a day, seven days a week—at most ATM's, no matter where you are, including Alaska, Hawaii, and many foreign countries.

The ATM card and your Pima Federal Debit card let you complete your cash transaction in less than one minute. Your transactions are fast, smooth, and simple. Your card(s) each come with a secret Personal Identification Number (PIN)—so only you know it.

When you need “Quick Money,” think of your Pima Federal Visa® Debit card and ATM cards and look for these nationally recognized symbols: Cirrus®, STAR® and Allpoint®.

HELPFUL HINTS FOR ATM USERS

- ◆ Never keep your Personal Identification Number (PIN) in your wallet,
- ◆ Never write your PIN on your ATM or Debit card,
- ◆ Shield the ATM screen when entering your PIN,
- ◆ If you notice suspicious persons loitering near the ATM, **DO NOT** leave your car,
- ◆ The ATM will capture your card upon the third incorrect PIN entry,
- ◆ Always remove the card from the ATM or the card will be retained,
- ◆ If you carry your card in a billfold with other cards that have magnetic stripes, isolate them from each other to avoid stripe erasures,
- ◆ Save receipts on ALL card transactions,
- ◆ Balances do not include outstanding debits.

ELECTRONIC FUNDS TRANSFER—REGULATION “E” DISCLOSURE

Validation of access device: You cannot use your Visa® card to transfer money into or out of your account until it has been validated. Validation occurs when you select your Personal Identification Number (PIN) by completing the telephone instructions attached to your Visa® card. If you do not want to use the Visa® card, please destroy it at once by cutting it in half and returning it to one of our offices.

Consumer liability: Tell us AT ONCE if you believe your card or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account, plus your maximum overdraft Line of Credit. If you tell us within two business days, you can lose no more than \$50 if someone used your card or PIN without your permission.

If you DO NOT tell us within two business days after you learn of the loss or theft of your card or PIN, and we can prove we could have stopped someone from using your card or PIN without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, 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. These time periods may be extended under certain conditions.

Contact in event of unauthorized transfer: If you believe your Visa® Debit card or PIN has been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call us during normal business hours at (520) 887-5010, extension 127. After business hours, you may call (800) 746-2328. You may also write to: Pima Federal Credit Union, Attention: Card Services Dept., P.O. Box 50267, Tucson, AZ, 85703-1267.

Business days: For purposes of these disclosures, our business days are Monday through Friday. Saturday, Sunday and holidays are not included.

TRANSFER TYPES AND LIMITATIONS

Account access: You may use your Visa® Debit card(s) and PIN to: (1) Withdraw cash from your Checking or Regular Savings Account, (2) Make deposits to your Checking or Regular Savings Account (deposits may not be posted to your account until four days after deposit), (3) Transfer funds between your Checking and Regular Savings Accounts upon request, (4) Pay for purchases at places that have agreed to accept the card or PIN and (5) Pay bills directly from your Checking or Regular Savings Account. Some of these services may not be available at all terminals.

Other: The following transfers are also available: (1) Direct Deposit to your Savings or Checking Account and (2) Transferring funds between your Savings and Checking Account whenever you make a phone request.

LIMITATIONS ON DOLLAR AMOUNTS OF TRANSFERS

You may withdraw up to \$500 per account, per day, from ATM's. You may also spend up to \$1,000 for goods or services each day you use the card at a merchants Point-of-Sale terminal. You may be able to withdraw the available balance of your Regular Savings, Checking and Line of Credit each day. Withdrawals at ATM's will also be included to determine the availability of funds. Periodically, authorizations may be declined because merchants may not be able to access information regarding your available funds.

Confidentiality: We will disclose information to third parties about your account or the transfers you make: (1) Where it is necessary for completing transfers, (2) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, (3) In order to comply with government agency or court orders or (4) If you give us your written permission.

Documentation: (A) **Terminal transfers:** You can get a receipt at the time you make any transfer to or from your account using one of our Automated Teller Machines or a Point-of-Sale terminal, (B) **Preauthorized credit:** 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 may call us at (520) 887-5010 or (800) 746-2328 to find out whether or not the deposit has been made, (C) **Periodic statements:** You will receive a monthly account statement.

STOP PAYMENTS

Right to stop payment and procedures for doing so: If you have requested us in advance to make regular payments out of your account, you can stop any of these payments by calling us at (520) 887-5010 or (800) 746-2328 or by writing: Pima Federal Credit Union, Attention: Card Services Dept., P.O. Box 50267, Tucson, AZ, 85703-1267. We must receive your request **three business days** before the payment is scheduled to be made. If you call, we also require you to put your request in writing and send it to us within 14 days after the call. We will charge you for each stop payment order you give. If we do not receive your written order to stop payment within 14 days, the order to stop payment will be removed (see Fee Schedule). **Note: Debit card transactions do not allow stop payment.**

Notice of varying amounts: If regular payments vary in amount, the person you are going to pay will tell you ten business days before each payment when it will be made and how much it will be. If we do not receive your written order to stop payment within 14 days, the order to stop payment will be removed.

Liability for failure to stop payment of preauthorized transfer: If you order us to stop a preauthorized payment **three business days** or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

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

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.

ATM CARD DISCLOSURE

1. Issuance of card: You have requested the credit union to issue you an ATM card that can be used to access funds in your account. At the time of issuance, you will select a PIN for this card. **DO NOT** reveal your PIN to anyone else or write it down where it is available to others.

2. Responsibility of transactions: You are responsible for all transactions you make with the ATM card or that you authorize another person to make with the ATM card. If you give your card and PIN to another person, you have granted them authority to make transactions for you. You are fully liable for the transactions until you notify the credit union that transactions made by that person are no longer authorized and the PIN is changed.

3. Liability for unauthorized transactions: Tell us immediately if you believe your card has been lost or stolen. Telephoning is the best way of keeping your possible losses down. Your liability for unauthorized use of your card or account will be determined under the following paragraphs for transactions at ATM's or if you were grossly negligent in the handling of your account or card.

If you tell us within two business days, you can lose no more than \$50 if someone used your card without permission. If you **DO NOT** tell us within two business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transactions that you did not make, tell us at ONCE. If you do not tell us within 45 days after the statement was mailed to you, you may not get back any money you lost after 45 days if we can prove that we could have stopped someone from taking money if you had told us in time.

Because of Chargeback Rights, it is important that you contact Pima Federal **immediately** with any kind of transactions on your account that you did not authorize. You may report your ATM card lost or stolen at (520) 887-5010, ext. 127 during business hours or (800) 746-2328 after business hours.

4. Use of the card: You may use the ATM card and PIN to: (1) Withdraw cash from your account at ATM's, and (2) Purchase goods or services that display the logos on the back of the ATM card.

Use of the ATM card, the account number on the ATM card, the PIN or any combination of the three for payments, purchases, or to obtain cash from ATM's is an order by you for the withdrawal for the amount of the transaction from your account.

Use of the ATM card is subject to the terms and conditions of your other Pima Federal accounts and any future changes or abuse to those accounts may affect the use of the ATM card.

5. Overdrafts: If your account does not have Automatic Overdraft Protection or if there are no overdraft funds available, you agree to pay Pima Federal immediately upon demand for any negative balance arising in your account. Pima Federal reserves the right to deduct the amount of any overdraft on your account from any other account you have access to with Pima Federal, except an Individual Retirement Account (IRA). A Non-Sufficient Funds (NSF) fee will be assessed to the account for each NSF overdraft.

6. Limitations: The funds must be available in the account at the time the transaction is made. The limit on ATM withdrawals is \$500, including fees per business day and \$1,000 for Point-of-Sale (POS) transactions.

7. Liability: Pima Federal will not be responsible if: (1) Through no fault of Pima Federal, you do not have enough funds in your account to complete a transaction, (2) Your overdraft limit has been exhausted, (3) An authorization cannot be cleared because of system malfunction, (4) Circumstances beyond our control prevent a transaction from being completed, (5) You use a damaged or expired ATM card, or (6) You use an incorrect PIN.

8. In case of errors or corrections about your electronic transfers: Telephone us at (520) 887-5010, extension 127, or (800) 746-2328, extension 127. Or, write to us at: Pima Federal Credit Union, P.O. Box 50267, Tucson, AZ, 85703-1267, as soon as you can if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. We must hear from you no later than 45 days after we sent the FIRST statement on which the problem or error appeared.

When you call, please be prepared to:

- A. Tell us your name and account number,
- B. Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information,
- C. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or questions in writing within ten business days. We will tell you the results of our investigation within ten 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 questions. If we decide

to do this, we will credit your account within ten business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten business days, we may not credit your account.

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

If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of ten business days.

* If you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a Point-of-Sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have 90 days to investigate.

DEBIT CARD DISCLOSURE

1. Issuance of card: You have requested the credit union to issue you a Visa® Debit card (this is not a charge card) that can be used to access funds in your Checking Account. Validation occurs when you select your Personal Identification Number (PIN) by completing the telephone instructions attached to your Visa® card. DO NOT reveal your PIN to anyone else or write it down where it is available to others.

2. Responsibility of transactions: You are responsible for all transactions you make with the Visa® Debit card or that you authorize another person to make with the Visa® Debit card. If the account is a joint account, all transactions involving the account are binding.

3. Liability for unauthorized transactions: Tell us immediately if you believe your card has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus the maximum overdraft Line of Credit, if you have one). If a transaction is made with your card or card number without your permission, and is either a Visa® or Interlink® transaction, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or card. Your liability for unauthorized use of your card or account will be determined under the following paragraphs for transactions that are not Visa® or Interlink® transactions, for transactions at ATM's or if you were grossly negligent in the handling of your account or card.

If you tell us within two business days, you can lose no more than \$50 if someone used your card without permission. If you DO NOT tell us within two business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transactions that you did not make, tell us AT ONCE. If you do not tell us within 45 days after the statement was mailed to you, you may not get back any money you lost after the 45 days if we can prove that we could have stopped someone from taking money if you had told us in time.

Because of Chargeback Rights it is important that you contact the credit union immediately with any kind of transactions on your account that you did not authorize or merchandise that you may not be satisfied with. You may report the Visa® Debit card lost or stolen by calling us at (520) 887-5010, ext. 127 during normal business hours or (800) 746-2328 after normal business hours.

4. Use of the card: You may use the Visa® Debit card and PIN to: (1) Withdraw cash from your Checking Account at ATM's or financial institutions that accept Visa® cards and (2) Purchase goods or services that display the logos on the back of the Visa® Debit card. You may use the Visa® Debit card without the PIN to: (a) Purchase goods or services at places that accept Visa® cards and (b) Order goods or services by mail or telephone from places that accept Visa® cards. Use of the Visa® Debit card, the account number on the Visa® Debit card, the PIN or any combination of the three for payments, purchases, or to obtain cash from ATM's, financial institutions, or others who honor Visa® cards is an order by you for the withdrawal for the amount of the transaction from your account.

Use of the Visa® Debit card is subject to the terms and conditions of your other credit union accounts and any future changes or abuse to those accounts may affect the use of the Visa® Debit card.

5. How to use the Visa® Debit card: When using your Visa® Debit card, it may be necessary to treat it as a "Credit" transaction. What this means is that you must press the "Credit" button on the credit card machine at the merchant counter, or the merchant will treat it as a "Credit" with a card-reading machine. In either case, you will need to authorize the transaction by signing a receipt. These transactions will post against your Checking Account.

6. Overdrafts: If your account does not have Automatic Overdraft Protection or if there are no overdraft funds available, you agree to pay the credit union immediately upon demand for any negative balance arising in your account. The credit union reserves the right to deduct the amount of any overdraft on your account from any other account you have access to with the credit union, except an Individual Retirement Account (IRA). A Non-Sufficient Funds (NSF) fee will be assessed to the account for each NSF overdraft.

7. Limitations: The funds must be available in the account at the time the transaction is made. As long as the funds are available there is no limit with the exception of the PIN transactions. The limit on ATM withdrawals is \$500 per business day and \$1,000 for Point-of-Sale transactions.

8. Liability: The credit union will not be responsible if: (1) Through no fault of the credit union, you do not have enough funds in your account to complete a transaction, (2) Your overdraft limit has been exhausted, (3) An authorization cannot be cleared because of system malfunction, (4) Circumstances beyond our control prevent a transaction from being completed, (5) You use a damaged or expired Visa® Debit card or (6) You use an incorrect PIN.

9. In case of errors or questions about your electronic transfers: Telephone us at (520) 887-5010, ext. 127, or (800) 746-2328, ext. 127, or write to us at : Pima Federal Credit Union, P.O. Box 50267, Tucson, AZ, 85703-1267, as soon as you can if you think your statement or receipt is wrong or if you need more information about a transaction listed on that statement or receipt. We must hear from you no later than 45 days after we sent the FIRST statement on which the problem or error appeared. When you call, please be prepared to:

- A. Tell us your name and account number,
- B. Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information,
- C. Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within ten business days. We will tell you the results of our investigation within ten 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 ten* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If the error you assert is an unauthorized Visa® transaction, other than a cash disbursement at an ATM, we will credit your account within five business days, unless we determine that the circumstances or your account history warrants a delay, in which case you will receive credit within ten business days. If we ask you to put your complaint or question in writing and we do not receive it within ten business days, we may not credit your account.

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

* If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of ten business days.

** If you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a Point-of-Sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have 90 days to investigate.

OVERDRAFT PROTECTION FOR ATM, VISA® DEBIT AND CHECKING ACCOUNTS

The credit union is under no obligation to pay a check that exceeds the funds available. THE REQUIRED BALANCE IN MAIN SHARES OF \$25 CANNOT BE USED FOR OVERDRAFT PROTECTION. OVERDRAFT PROTECTION IS NOT AVAILABLE FROM OTHER ACCOUNT NUMBERS. However, the credit union may pay according to the following option(s):

1. Main Shares—0 suffix

Only funds above the minimum required balance of \$25 can be used for Overdraft Protection.

2. Special Savings—4, 20, 21, 22,23 suffixes

Any funds available in this account may be used for Overdraft Protection, if requested.

3. High Rate—5 suffix

Overdraft Protection from this account is available, with exceptions:

- (a) A maximum of six automatic withdrawals are allowed in one calendar month,
- (b) If overdraft is automatically used more than six times in one calendar month, a fee will be charged for each additional overdraft transfer (see Fee Schedule),
- (c) To automatically activate Overdraft Protection, there must be a balance of more than \$1,000. If the balance falls below \$1,000 due to any withdrawal, dividends will not be paid on that balance while it is in the High Rate Account and the High Rate Account will be closed and funds transferred to the Main Share Account.

4. Personal Credit Line

Funds from the Line of Credit are available only up to the established limit, and are only available if the loan is current. When funds are transferred for Overdraft Protection, the payments are subject to change, and the member will be responsible to make the correct loan payment.

5. Courtesy Pay

At the time of an overdraft on your account, Pima Federal has the option to pay or return the overdraft item.

Courtesy Pay is an overdraft privilege that is a convenient service available to eligible members with personal Checking Accounts. The benefits of Courtesy Pay are: (a) The overdraft item

is paid instead of being returned to the merchant, (b) Fewer charges from the merchants for returned checks, (c) Additional convenience and flexibility in managing funds and (d) Less aggravation and embarrassment.

COURTESY PAY MATH FORMULA:

\$100 (Checking Account balance)	
-\$150 (Check trying to clear Checking Account and paid by Courtesy Pay)	
<hr/>	
-\$50 (Balance before fee assessed)	
+\$25 (NSF= Non-Sufficient Funds fee)	
<hr/>	
-\$75 (Checking Account balance after Courtesy Pay transaction, plus fee)	

COURTESY PAY REQUIREMENTS:

- ◆ No action on your part,
- ◆ No additional documents need to be signed,
- ◆ No charge unless the privilege is used, however, a \$25 per item fee will be charged each time the privilege is used.

COURTESY PAY TERMS AND CONDITIONS

Pima Federal is not obligated to pay any item presented for payment if your account does not contain sufficient collected funds, excluding Debit card transactions. Pima Federal cannot promise to pay every overdraft and some restrictions do apply. To be eligible for this service:

- ◆ The account must be open for at least 90 days and must be used for personal purposes,
- ◆ The account must be maintained in good standing,
- ◆ The account holder must make regular deposits totaling a minimum of \$400* every 30 days,
- ◆ The account holder must not be in default on any Pima Federal loans,
- ◆ The account holder must not be subject to any legal or administrative orders or levys,
- ◆ The address on file must be current,
- ◆ Main Share balance must be at a minimum of \$25.
- ◆ The account holder must have a positive balance, at least once every 30 days. This positive balance must be maintained for a consecutive 24-hour period to meet this eligibility requirement.

Business, association and minor accounts are not eligible. Pima Federal may limit the number of accounts eligible for Courtesy Pay service to one account per member.

The Courtesy Pay service does not constitute an actual or implied agreement between you and Pima Federal, nor does it constitute an actual or implied obligation of or by the credit union. This service represents a purely discretionary courtesy or privilege that the credit union may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

Pima Federal may refuse to pay an overdraft for the member at any time, even though the member's account is in good standing and even though Pima Federal may have previously paid overdrafts for the member. The member will be notified by mail of any NSF items paid or returned that the member may have. However, Pima Federal has no obligation to notify the member before Pima Federal pays or returns any item. The amount of any overdraft(s) plus NSF fee(s) that the member owes shall be payable upon demand. If there is an overdraft paid by

Pima Federal on an account with more than one owner on the Checking Agreement Card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such NSF/overdraft(s) plus NSF fee(s).

TERM SHARE CERTIFICATES

Except as specifically described, the following disclosures apply to all of the Term Share Certificates.

1. Rate information: The Dividend Rate and Annual Percentage Yield on your accounts are set forth in the Term Share Certificate Rate Schedule. The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For Term Share Certificate and IRA Term Share Certificate Accounts, the Dividend Rate and Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends paid will reduce earnings.

2. Nature of dividends: Dividends are paid from current income and available earnings after providing for the required reserves. The Dividend Rates and Annual Percentage Yields are the prospective rates and yields that the credit union anticipates paying for the applicable Dividend Period.

3. Compounding and crediting: Dividends will be compounded and credited as set on page 28. The Dividend Period for each account is set forth on page 29. The Dividend Period begins on the first calendar day of the Dividend Period and ends on the last calendar day of the Dividend Period.

4. Balance information: The minimum amount required to open each account is set forth on page 28. Dividends are calculated by the Daily Balance Method which applies a Daily Periodic Rate to the principal in the account each day.

5. Accrual of dividends: Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account. Dividends will begin to accrue on non-cash deposits (e.g., checks) on the business day you make the deposit to your account. For a Term Share Certificate, if you close your account before accrued dividends are credited, accrued dividends will be paid.

6. Transaction limitations: After the account is opened, you cannot make additional deposits to that certificate.

7. Maturity: Your account will mature on the maturity date set forth on your Account Receipt or Renewal Notice.

8. Early withdrawal penalties: We may impose a penalty if you withdraw the funds before the maturity date. The penalty will equal 90 days' dividends on your deposit if the term is between six months and three years. If the term is greater than three years, the penalty will equal 180 days' dividends on your deposit.

9. Fees: See Fee Schedule.

10. Renewal policies: Your Term Share Certificate will automatically renew at maturity unless otherwise notified. You will have a grace period of ten calendar days after the maturity date to

withdraw the funds in the account without being charged an early withdrawal penalty. During the grace period, you may also deposit additional funds to your Term Share Certificate.

11. National Credit Union Share Insurance Fund: Member accounts in the credit union are federally insured by the National Credit Union Share Insurance Fund (NCUSIF).

HEALTH SAVINGS ACCOUNT (HSA) DISCLOSURE

To open an HSA, you must select a high deductible health plan. The major advantage of a high deductible plan is lower premiums. Contributions and plan deductible limits change frequently, therefore consult your tax professional regarding your individual circumstances.

A high-deductible health care plan protects you from catastrophic medical costs and the HSA provides you with a source of funds to pay some or all of the costs not covered by the health plan.

You will be able to deduct your contribution to your HSA, and the account earnings will accumulate on a tax-deferred basis. Any distributions from your HSA are tax-free if they are used for qualified medical expenses.

An HSA enables you to take control of your health care decision. You do not have to be employed to make contributions to your HSA plan.

The balance of your HSA at the end of the year is carried over to the next year, therefore, you are not placed in a position of having to “use it or lose it” each year.

COVERDELL EDUCATION SAVINGS ACCOUNT (ESA)

What is an ESA?

An account set up specifically for the sole purpose of paying for your child’s education expenses, such as tuition, fees, books, supplies, equipment and, in some cases, room and board and computers.

How does an ESA work?

Contributions to an ESA are never tax-deductible, however, an ESA offers you the potential for tax-free withdrawals—including earnings.

What is the most I can contribute to an ESA?

The maximum contribution per child per year is \$2,000.

Who is eligible to open and contribute to an ESA?

You can contribute the full amount if you are:

- ▶ A single filer with a Modified Adjusted Gross Income (MAGI) of up to \$95,000,
- ▶ A joint filer with a MAGI of up to \$190,000.

If your income as a single filer is \$95,000 to \$110,000 or a joint filer is \$190,000 to \$220,000 you may be able to make less than the full contribution amount. If your income exceeds these amounts, you cannot make a regular ESA contribution for that year.

How long can I contribute to the account?

You can contribute to an ESA until the child reaches the age of 18 (this age limit does not apply to beneficiaries with special needs).

As a parent, am I the only one who can open and contribute to an ESA?

No, anybody who meets the income requirements can open and contribute to a child's ESA. This includes grandparents, aunts, uncles, family or friends. However, the total contribution cannot exceed \$12,000 per child.

Who controls the account?

One responsible person controls the account. This person decides when the funds will be withdrawn and if and when the funds will be rolled over to the ESA of a family member. The responsible person must be a parent or legal guardian of the child. The child can serve as the responsible individual after becoming an adult.

What is considered a "qualified" expense?

Qualified expenses include tuition, fees, books, equipment for enrollment or attendance at most any post-secondary education institution (public, non-profit or proprietary). Certain room and board expenses may qualify and other expenses for elementary and secondary education are included as qualified expenses. The purchase of computer technology or equipment that is used by the beneficiary and the beneficiaries' family while the beneficiary is in school may also qualify.

What is the deadline for making an ESA contribution?

The deadline for making ESA contributions is April 15 of the following calendar year, not including extensions.

IRA's

Traditional IRA

- ◆ Maximum contributions per year (refer to IRS rule),
- ◆ May be totally or partially tax-deductible (check with your tax advisor for additional information),
- ◆ Direct transfer for IRA from one financial institution to another without taxes or penalties,
- ◆ Direct Rollover IRA funds from a Qualified Retirement Plan (QRP) to an IRA without taxes or penalties providing the IRA owner never had access to the funds,
- ◆ IRA owner may withdraw funds from an IRA without taxes or penalties, providing the funds are deposited back into an IRA within 60 days from receipt date of the funds. This type of rollover can only occur once every 365 days,
- ◆ IRA owner may withdraw up to \$10,000 for a first-time home purchase without penalties,
- ◆ IRA owner may withdraw funds from the IRA without penalties to pay for higher education (college) for themselves, a spouse, child or grandchild. IRA owner will pay taxes on withdrawal of funds,
- ◆ IRA owner may withdraw funds without penalties at age 59^{1/2} and is required to begin withdrawing funds at 70^{1/2},
- ◆ Contributions to the IRA may be made through Direct Deposit transfer, Payroll Deduction, or at any branch.

IRA Contribution Limits

Year	Age 49 & Below	Age 50 & Above
2009	\$5,000	\$6,000

Roth IRA

- ◆ Contributions to a Roth IRA are not tax-deductible,
- ◆ Maximum contributions are the same as traditional IRA's or 100% of earned wages, whichever is less,
- ◆ There is no maximum age for making Roth contributions provided the IRA owner earns compensation or files jointly with someone who earns compensation,
- ◆ If an IRA owner transfers funds from a Traditional IRA to a Roth IRA, the money is subject

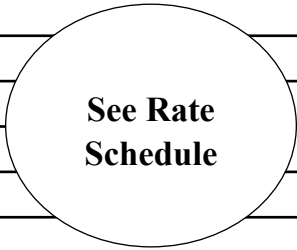
to income tax in the year that it was removed from the Traditional IRA,

- ◆ Funds from a Qualified Retirement Plan may not be directly rolled into a Roth IRA,
- ◆ Roth IRA owners may withdraw their contributions, tax and penalty-free, at any time for any reason,
- ◆ Earnings withdrawn from a Roth IRA will be taxable unless the distribution is a qualified distribution.

Qualified Distributions Include:

1. Funds in account for five years,
2. IRA owner deceased,
3. Over age 59^{1/2},
4. Disabled,
5. First-time home purchase.

Structure of Traditional and Roth IRA's

Balance Level	Proposed Dividend Rate
\$1-\$4,999	
\$5,000-\$9,999	
\$10,000-\$24,999	
\$25,000-\$49,999	
\$50,000-\$74,999	
\$75,000 and above	

1. Dividend Rate may change daily, based on balance in account at the end of each day,
2. Dividend Rate earned is based on entire balance, not just the amount of funds in each tier,
3. No minimum balance requirements,
4. Dividends are compounded daily and paid monthly at end of the last day of the month,
5. If account is closed before monthly dividends are posted, accrued dividends are not paid,
6. Dividends begin to accrue on the business day on which the deposit is made.

Except as specifically described, the following disclosures apply to all of the accounts listed on page 29 of this brochure.

Minimum Opening Deposit	\$250.00
Dividend Compounded	Monthly
Dividends Credited	Monthly
Dividend Period	Monthly
Terms Available	6 months to 5 years
Additional Deposits	Not Allowed
Withdrawals	See #8
Renewal	Automatic
Fees	See Fee Schedule

AUTOMATIC DEPOSITS

Payroll Deduction

If you're interested in increasing your savings and/or making Pima Federal loan payments without hassle, Payroll Deduction is for you.

If offered by your employer, this service enables you to have your loan payment and/or a specified amount of savings deducted from your paycheck, automatically, before you're tempted to

spend it. If you want to adjust the amount of the deduction, simply fill out a new payroll slip. To sign up for Payroll Deduction, visit a New Accounts Representative at any Pima Federal office.

Direct Deposit*

You can have your net Social Security, Veterans Administration, retirement, disability or paycheck deposited automatically into your Pima Federal Savings or Checking Account. Once the Direct Deposit has been credited to your account, you can choose to have it automatically transferred to another account or applied to a Pima Federal loan (ask for details.) Direct deposit provides you with convenience and security. It also lessens the risk of an actual check being lost or stolen in the mail.

To sign up for Direct Deposit, visit a New Accounts Representative at any Pima Federal office, or the payroll office at your place of employment.

* Please contact Pima Federal for the routing number and correct account number format.

FUNDS AVAILABILITY POLICY DISCLOSURE

Your ability to withdraw funds at Pima Federal: 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 Saturdays, Sundays and federal holidays. If you make a deposit before closing, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open or in a Night Depository, we will consider that the deposit was made on the next business day. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

Reservations 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 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 second 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 first business day after the day of your deposit, we will notify you at the time you make the 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 first business day after the day of your deposit.

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:

- ◆ You deposit checks totaling more than \$5,000 on any one day,
- ◆ You re-deposit a check that has been returned or unpaid,
- ◆ You have overdrawn your account repeatedly in the last six months,
- ◆ We have reasonable cause to believe a check you deposit will not be paid,
- ◆ 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 (7th) business day after the day of your deposit.

Deposits at Automated Teller Machines (ATM's): Funds from any deposits, whether cash or checks, made at ATM's which Pima Federal does not own or operate will be available no later than the fifth business day after the day of your deposit.

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 or wire transfers into your account will be available on the same business day as the day of your deposit. Funds from deposits of cash, and the first \$5,000 of a days' total deposits of federal, state, or 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 seventh 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. Funds from deposits of checks drawn on Pima Federal will be available on the same business day as the day of your deposit. Funds from all other check deposits will be available no later than the seventh business day after the day of your deposit.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at (520) 887-5010, ext. 127 or (800) 746-2328, or write to us as soon as possible at: Pima Federal Credit Union, Attention: Card Service Dept., Tucson, AZ, 85703-1267, 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 provided your FIRST statement on which the problem or error appeared, with the following information: (1) Tell us your name and account number, (2) Describe the error or transfer you are unsure about, and explain clearly as to why you believe it is an error or why you need more information, (3) Tell us the dollar amount of the suspected error, and (4) Tell us how and when you became aware of the error. If you tell us verbally, we require that you also send us your complaint or question in writing within ten business days.

We will tell you the results of our investigation within ten 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 ten business days for the amount you think is in error, so that you will have use of the money during the time it takes to complete our investigation. If we do not receive your written complaint or question within ten 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 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 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.

DISPUTES AND CLAIMS

This agreement will be governed by and construed in accordance with the laws of the State of Arizona. All disputes and claims relating to Pima Federal Credit Union and Pima Federal Credit Union product(s) or any other claims or causes of action between you and Pima Federal Credit Union or any of its officers, directors, employees or affiliates, whether in tort or in contract, shall be settled totally and finally by arbitration in Tucson, Arizona in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment on any award may be

entered in the Pima County District Court or in the United States District Court for the Western District of Arizona. In the event that a provision of this agreement is necessary to make it enforceable, the balance of the agreement will remain in full force and effect.

WIRE TRANSFER TERMS AND CONDITIONS

- ◆ Pima Federal is NOT responsible for inaccurate wiring instructions provided by a member,
- ◆ An additional fee may be assessed to a member for inaccurate wiring instructions,
- ◆ If a member does not supply appropriate identification, the wire may not be sent,
- ◆ If a member does not supply accurate wiring instructions, the wire may not be sent,
- ◆ Upon receiving a wire, if sufficient or adequate information is not given to post funds, the wire may be returned,
- ◆ Pima Federal recommends that wire requests be filled out in person. If a wire request is not filled out in person, the member's identity will be verified by using various methods.

Note: Pima Federal does not send international wires.

SAFE DEPOSIT BOXES

Safe deposit boxes are available at the following Pima Federal branches: Stone, Pantano, Thornydale, Valencia and Silverlake branches.

Available Box Sizes:

- 3" x 5",
- 5" x 5",
- 3" x 10",
- 5" x 10",
- 7" x 10",
- 10" x 10".

Miscellaneous Charges

Key Deposit (2 keys): See Fee Schedule

Drilling/Lost Keys: At cost (per box)



PIMA ACCESS LINE (PAL)

How do you spell convenience? We spell it “Pima Access Line” or PAL.* This is our easy-to-use, automated phone system that gives you information on your accounts even if the credit union is closed.

PAL allows you to do it all with one simple touch-tone telephone call—wherever you are, whenever you want. It's also private because your account information can only be obtained using your personal Access Code Number.**

PAL allows you to transfer money from one sub-account to another (e.g. from your shares to your checking or loan). You can keep a close tab on all of your accounts, including the amount

of your cleared checks. The automated voice response is available in both English and Spanish. This is your chance to enjoy the freedom only Pima Access Line can offer! At Pima Federal we are dedicated to giving our members convenience and service in meeting all their financial needs. Best of all, there is no charge for this service!

* You must have a touch-tone telephone to use this service.

** Simply call your nearest Pima Federal office to obtain your personal Access Code Number.



EzPAL

EzPAL is Pima Federal's online financial services system. From the convenience of your home or office, you may: transfer funds between your savings, checking and loan account(s); transfer funds to other joint accounts; obtain balance and transaction information from your account(s); request check withdrawals; apply for loans; view check images and access Online Bill Pay. Be assured that EzPAL has a very high level of encrypted security. Please refer to the EzPAL Application Agreement and Disclosure Statement before you begin using EzPAL.

Here's how to get started: Apply for a User ID and password at any Pima Federal branch. You must have Internet access, a User ID and a password to utilize EzPAL. EzPAL is available through our website at the following address: www.pimafcu.org. For more information, please contact our Member Information Center at (520) 887-5010 or (800) 746-2328.

MULTI-FACTOR AUTHENTICATION

We're Taking Online Security To A New Level!

Your EzPAL account is now protected with a higher level of security. The EzPAL home banking security enhancements will better protect your account against online theft and fraud, provide you with more peace of mind when you make transactions online, and will minimize the risk of falling victim to a "spoofed" website.

How It Will Work

You will complete a simple, one-time enrollment process the first time you enter our enhanced system. You will then complete the following steps:

1. Select a picture from an online library (the picture you choose will be displayed on future EzPAL logins),
2. Enter a word or text phrase that will be displayed along with your chosen image when you log in (the text phrase is known only to you and the credit union),
3. Select three "Challenge Questions" and provide the answer to each of these questions.

Logging Into EzPAL

After enrollment, when you log into EzPAL you'll enter your current User ID (your account

number). Afterwards, you will be shown the picture and text phrase you selected in the enrollment process. If the image and text phrase are correct, you'll continue with the login and enter your temporary password (provided at the time of sign up). This process will give you assurance that you are logging into the legitimate Pima Federal website because no one else knows your image and text phrase—only you and us.

EzPAL DISCLOSURES

The words “Credit Union,” “We” or “Us” refer to Pima Federal Credit Union. The words “You” or “Your” refer to the person(s) who sign the application. By using EzPAL, you agree to the terms of this agreement.

1. You agree that the following uses of EzPAL are strictly prohibited. You agree to indemnify, hold harmless, and defend Pima Federal from and against any and all claims, actions, suits, judgments and expenses (including court costs and reasonable fees of attorneys, accountants and expert witnesses) at your sole expense, arising from your failure to abide by these restrictions or use of EzPAL.

- A)** Unauthorized communication of any ATM, debit or credit card information belonging to any other person or entity,
- B)** Unauthorized communication of any information concerning any password or other online access number, code, identification, or any other proprietary information belonging to any other person or entity,
- C)** Use of EzPAL to copy, distribute or transmit copies of copyrighted materials belonging to any other person or entity is permitted only to the extent that the owner has provided express permission to you permitting such activity. Copying, distributing, or transmitting copyrighted materials other than with permission as specified above is expressly prohibited,
- D)** Communicating any obscene or defamatory information,
- E)** Use of EzPAL in violation of any telecommunication, postal, other local laws or regulations of your country of origin, the U.S., or in either the furtherance or commission of any crime or other unlawful or improper purpose.

2. Pima Federal and its suppliers make no warranties or representations of any kind with respect to EzPAL. Neither Pima Federal nor its suppliers, nor anyone else who has been involved in the creation, production or delivery of EzPAL assume any responsibilities with respect to your use thereof. No verbal or written information given by Pima Federal, its suppliers, or any of their employees shall create a warranty, and you may not rely on any such information or advice. Any cause of action concerning EzPAL under this agreement must be commenced within one year after such cause of action has occurred.

3. You further agree:

- A)** Transmission of confidential business and sensitive personal information is at your sole risk,
- B.)** Pima Federal reserves the right to monitor and review transmissions online and in storage, and to remove any material which Pima Federal, at its sole discretion, believes may be unlawful or objectionable, without prior notice to you.

EzPAL Application Agreement and Disclosure Statement: Covers the use of EzPAL with Pima Federal accounts and services described below. By using EzPAL, you agree to the terms of this Agreement and Disclosure Statement. Joint account holders and other persons that you authorize to use EzPAL are also bound by the terms and conditions contained in this Application Agreement and Disclosure Statement.

Your password is confidential: The password identifies you as the individual who is authorized to conduct transactions from the account and validates the directions given just as the actual signature and other proof of identity validate your directions. The use of the password with EzPAL is a method by which Pima Federal is helping you to maintain the security of your accounts. Therefore, you agree to take all reasonable precautions to ensure that no one else learns your password.

Termination: Pima Federal may cancel this agreement at any time without notice. You agree and acknowledge upon termination of services to immediately cease using this software.

Contact us in the event of unauthorized transactions: If you believe your password has been lost or stolen or that an unauthorized transfer or payment from any of your accounts has occurred or may occur, please contact Pima Federal immediately at (520) 887-5010 or (800) 746-2328.

Consumer liability: Contact Pima Federal **immediately** if you believe your password has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account, plus the maximum overdraft Line of Credit, if applicable. If a transaction is made with your password without your permission, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or password. Your liability for unauthorized use of your password or account will be determined under the following paragraphs:

If you tell us within two business days, you can lose no more than \$50 if someone used your password without your permission. If you **DO NOT** tell us within two business days after you learn of the loss or theft of your password, and Pima Federal can prove we could have stopped someone from using your password without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us **immediately**. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lose 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 hospital stay) kept you from telling us, we will extend the time periods.

Amendment of the agreement: Pima Federal may change the terms of this agreement at any time, including changes to services. Pima Federal will notify you of the changes as required by law.

Business day disclosures: Pima Federal business days are Monday through Friday, excluding Saturdays, Sundays, and holidays. Hours are: Monday, Tuesday and Thursday from 9:00 a.m. to 5:00 p.m.; Wednesday from 11:00 a.m. to 5:00 p.m.; Friday from 9:00 a.m. to 6:00 p.m. and Saturday from 9:00 a.m. to 1:00 p.m., MST (Overland and Springerville financial centers are not open on Saturdays).

Record of transactions: Your monthly statement will show the status of your accounts, including transactions that occurred during the past month.

EzPAL services: You may use EzPAL with your password and Internet access to request the following transactions:

- A) Transfer funds between your Checking, Savings and Loan Accounts at Pima Federal,
- B) Obtain balance and transaction information from your accounts,

- C) Request check withdrawals—payable and mailed to primary member only,
- D) Apply for loans.

Fees: There is no fee incurred for use of EzPAL services. Refer to current Fee Schedule for other charges.

Posting of transaction: EzPAL transactions will be posted no later than the next business day after they are initiated by you. Check requests will be processed and mailed the next business day. Please allow adequate mailing time for delivery.

Our liability: Pima Federal will not be responsible if:

- A) Through no fault of Pima Federal, you do not have enough available funds in your account to complete a transaction,
- B) Your overdraft limit has been exhausted,
- C) An authorization cannot be cleared because of system malfunction,
- D) Circumstances beyond our control prevent a transaction from being completed,
- E) You use an incorrect password,
- F) Your password has been lost or stolen,
- G) Any loss or damage because of a failure or delay in the delivery or processing of any transaction.

Limitations on the use of EzPAL: You will be denied use of EzPAL if you do not have adequate funds available in your account, available overdraft protection, or do not enter the correct password. There is a limit on the number of denials permitted. If you exceed the limit, you will be denied access to EzPAL.

In case of errors or questions about your electronic transfers, contact us at any of the following:

Telephone (local): (520) 887-5010

Telephone (toll-free): (800) 746-2328

Mail: Pima Federal Credit Union, ATTN: EzPAL, P.O. Box 50267, Tucson, AZ, 85703-1267.

LOAN PROGRAMS

Pima Federal's loan rates are very competitive. We invite you to compare our rates with those of other financial institutions. You'll see why most members choose their credit union for a loan.

Pima Federal offers you a wide variety of loans for your convenience:

- ◆ Automobiles,
- ◆ Motorcycle,
- ◆ Boats and watercraft,
- ◆ Personal,
- ◆ Mobile homes,
- ◆ Share loans,
- ◆ Visa® card,
- ◆ Recreational vehicles,
- ◆ Home improvements,
- ◆ Line of credit,
- ◆ Home mortgages,
- ◆ Home Equity Line of Credit.

Loan protection packages are available at a minimal additional cost. We hope you never need to use this coverage, but it is nice to know that you are protected when and if you need it. Payroll Deduction, Direct Deposit and Automatic Transfer arrangements are also available for automating loan payments.

APPLYING FOR A LOAN

It's easy! Simply complete and sign an application—then return it to any of our offices with verification of your income and any other household income. You may also apply through Ez-PAL at www.pimafcu.org or by calling The Loan Connection (TLC), our touch-tone telephone loan application system at (520) 887-5010 or (800) 746-2328. To access TLC during business hours, choose option 3. To access TLC during non-business hours, choose option 3.

To expedite the processing of your loan request, please provide appropriate items from the following checklist:

- ◆ Two current paycheck stubs for each applicant,
- ◆ Two years of tax returns (for self-employed borrowers only),
- ◆ Two years of Schedule E's to verify rental income,
- ◆ Purchase order for any vehicle purchase,
- ◆ Vehicle title for refinance,
- ◆ Statements for accounts you wish to be paid with this loan,
- ◆ Other items may be required, depending on the type of loan requested and your individual situation.

YOUR BILLING RIGHTS: KEEP THIS NOTICE FOR FUTURE USE

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

Notify us in case of questions about your statement.

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- ◆ Your name and account number,
- ◆ The dollar amount of the suspected error,
- ◆ Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your Savings, Checking or other account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three business days before the automatic payment is scheduled to occur.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE

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

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. If we find that we made a mistake on your statement, you will not have to pay finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. We must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we cannot collect the first \$50 of the questioned amount even if your statement was correct.

You may terminate any single party account at any time by notifying the credit union in writing. The credit union reserves the right to require the consent of all multiple party account owners for termination of a multiple party account. The credit union is not responsible for payment of any check, withdrawal or other item after the account is terminated. However, if the credit union pays an item after termination, you agree to reimburse the credit union for payment.

A PRIVACY MESSAGE FROM PIMA FEDERAL

Pima Federal is required by law to provide you with this privacy notice to explain how we collect, use and protect your personal financial information. We are committed to protecting the personal privacy rights of all of our members and we consider all personal information as personal and confidential.

Information that we collect about you: We collect non-public information about you from the following sources:

- ◆ Applications for credit or other services (items such as your name, address, Social Security Number, assets and income),
- ◆ Your transactions with Pima Federal (items such as your account balance, payment history, parties to transactions, and credit card usage),
- ◆ Credit reporting agencies (information regarding your credit worthiness and credit history).

Information that we share about you: We are committed to providing you with competitive products and services to meet your financial needs, which makes it necessary that we share

information about you with third parties as allowed or required by law. These companies must agree to maintain strong confidentiality safeguards and they also must limit the use of the information that we provided. These companies are not permitted to sell the information they received to other third parties. Transaction experiences are reported to credit reporting agencies. We will not provide member names, addresses, or account information to unaffiliated third parties other than:

- ◆ When the member requests or consents to disclosure,
- ◆ Where it is necessary for completing transactions on an account,
- ◆ Where we are legally required to do so to comply with a government agency, order, court orders, or other authorized legal processes (e.g., in response to a subpoena or fraud investigation),
- ◆ Where we have agreed to provide information under contracts and such disclosure is in compliance with the Fair Credit Reporting Act or other applicable laws and regulations, such as credit bureaus.

How we protect your information: All Pima Federal employees and volunteers are instructed and required to keep your personal information confidential. We limit access to your personal information to those who need it to do their jobs. Pima Federal maintains physical, electronic, and procedural safeguards that comply with federal regulations to guard your non-public personal information. If information is disclosed to third parties for the purpose of providing or marketing our products and services or marketing their own products and services, we require those third parties to keep all personal information confidential. This privacy disclosure is being issued to comply with the provisions of the Gramm-Leach-Bliley Act governing the privacy of consumer financial information.

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 the account, (3) There is a dispute as to the ownership of the funds in the account, (4) Any checks are lost or stolen, (5) There are excessive returned unpaid items not covered by an overdraft protection plan, (6) There has been any misrepresentation or any other abuse of any of your accounts or (7) The credit union reasonably deems it necessary to prevent a loss to the credit union.

OPT-OUT OPTION

If you prefer that we do not disclose your personal information to these types of businesses, you may exercise your “Opt-Out” right at any time. We will discontinue any sharing of information as quickly as possible. To “Opt-Out”, please sign and mail the form located at the end of this brochure to: Pima Federal Credit Union, P.O. Box 50267, Tucson, AZ 85703-1267.

Variable Rate Regular Share Account Terms

ACCOUNT RATES AND TERMS

BALANCE REQUIREMENTS									
Account Type	Dividends	Dividends Compounded	Dividends Credited	Dividend Period	Minimum Opening Balance	Minimum Balance To Avoid Service Fee	Minimum Balance To Earn Stated APY	Balance Computation Method	Transaction Limitations
Main Share Savings	See Rate Schedule	Daily	Monthly	Monthly	\$25	\$25	\$25	Daily Balance (see section 5a)	—
Holiday Club Savings	See Rate Schedule	Daily	Monthly	Monthly	—	—	—	Daily Balance (see section 5a)	See Section 10
Special Savings	See Rate Schedule	Daily	Monthly	Monthly	—	—	—	Daily Balance (see section 5a)	—
High Rate Share	See Rate Schedule	Daily	Monthly	Monthly	\$1,000	—	Tiered Rate Acct. (See Sections 9a & 9b)	Daily Balance (see section 5a)	See Section 9c
Checking	See Rate Schedule	—	—	—	—	—	—	—	—
Demand IRA Accounts	See Rate Schedule	Daily	Monthly	Monthly	—	—	—	Daily Balance (see section 5a)	—

Fixed Rate Term Share Certificate Account Terms

ACCOUNT RATES AND TERMS

Certificate Type	Minimum Balance	Dividends Compounded	Dividends Credited	Dividend Period	Terms Available	Additional Deposit	Early Withdrawal Penalty	Renewable	Rates	Fees
Term Share/ IRA Certificate	\$250	monthly	monthly	monthly	6 month 12 month 24 month 36 month 48 month 60 month	Not Allowed	90 day 90 day 90 day 90 day 180 day 180 day	Automatic	See Term Share Certificate Rate Schedule	See Fee Schedule
Term Share/ IRA Certificate	\$1,000	monthly	monthly	monthly	6 month 12 month 24 month 36 month 48 month 60 month	Not Allowed	90 day 90 day 90 day 90 day 180 day 180 day	Automatic	See Term Share Certificate Rate Schedule	See Fee Schedule
Term Share/ IRA Certificate	\$10,000	monthly	monthly	monthly	6 month 12 month 24 month 36 month 48 month 60 month	Not Allowed	90 day 90 day 90 day 90 day 180 day 180 day	Automatic	See Term Share Certificate Rate Schedule	See Fee Schedule
Term Share/ IRA Certificate	\$25,000	monthly	monthly	monthly	6 month 12 month 24 month 36 month 48 month 60 month	Not Allowed	90 day 90 day 90 day 90 day 180 day 180 day	Automatic	See Term Share Certificate Rate Schedule	See Fee Schedule

SAVINGS AND CHECKING PROGRAMS

Share Savings Accounts
Checking Accounts
Overdraft Protection
VISA® Debit Cards and ATM Cards
Holiday Club and Special Accounts
Youth Savings Accounts
High Rate Accounts
IRAs—Traditional and Roth
Health Savings Accounts and Coverdell Education Savings Accounts
Term Share Certificates
Business Accounts (sole proprietorship only)

LOAN PROGRAMS

New and Used Vehicle Loans
Vehicle Equity Loans
Motorcycle Loans
Credit Cards (personal and business)
First Mortgage Loans
Home Equity Loans
Share Secured Loans
Personal Loans
Lines of Credit
Recreational Vehicle and Motorsport Loans
The Loan Connection (TLC)—24-hour telephone loan application system
Webloan—online loan application system
Vehicle Service Contracts
Guaranteed Asset Protection (GAP)
Payment Protection Plans

BENEFITS FOR EVERYONE

EzPAL—free online account access
Free online Bill Pay Service
Pima Access Line (PAL)—24-hour telephone account access
Drive-thru services at all financial centers
Payroll Deduction/Direct Deposit
American Express® Travelers Cheques and Money Orders
Wire transfers
Notary public and Signature Guarantee Services
Day and night depositories
Seven conveniently located financial centers
Nationwide account access through Shared Branching
Extended Friday and Saturday hours
Safe Deposit Boxes
Costco/Sam's Club membership availability
Discounted movie/Attraction tickets
Discounted vacation packages
Automated Teller Machines (ATMs)—at all financial centers and other network locations

PLEASE ADDRESS ALL CORRESPONDENCE TO:

Pima Federal Credit Union, P.O. Box 50267, Tucson, AZ 85703-1267