

INTRODUCTION

Electronic Funds Transfers (EFTs) are payments to or withdrawals from your account which are initiated electronically. This Agreement applies to withdrawals from your Redwood Credit Union (RCU) Account that you initiate and anyone you authorize to initiate with your Visa Debit Card or with any replacement or substitute card ("Visa Debit Card" or "Card"). "Account" means any one (1) or more RCU savings or RCU checking accounts that you may have. For the purpose of this Agreement "RCU" refers to Redwood Credit Union and "you" and "your" refer to you as the user or authorized user of the Visa Debit Card.

Please note that this Agreement contains a BINDING INDIVIDUAL ARBITRATION PROVISION AND JURY AND CLASS ACTION WAIVER which affects your rights with respect to any claims or disputes by or against RCU. You may opt out of that provision as described under the ARBITRATION AGREEMENT AND WAIVER OF CLASS AND COLLECTIVE ACTIONS.

VISA DEBIT CARDS

A Visa Debit Card bears the Visa logo, but it is not a credit card. The Visa Debit Card enables you or anyone you authorize to use the Card to make payments from your RCU account. You can use the Card to pay participating merchants for goods or services, or to obtain cash from ATMs or from others who honor the Card. Use of the Card authorizes RCU to charge your account for the full amount of the transaction plus any applicable service fee(s) when the transaction posts to your account. There is no deferred payment as there is with a credit card. To be eligible for a Visa Debit Card, you must be at least eighteen (18) years old or have a signed Responsible Adult Consent Form, and be an RCU Member in good standing (you must have the required minimum deposit in an RCU account and must be current on all RCU loans).

YOUR PERSONAL IDENTIFICATION NUMBER

You will need your Visa Debit Card and your PIN to access your RCU account through an ATM. RCU will issue you a PIN when you receive a Visa Debit Card, but RCU will not maintain a record of your PIN.

Protect the secrecy of your PIN number by memorizing it and preventing others from knowing it so no one else can use your Card unless authorized by you. DO NOT write your PIN number on the Card. DO NOT keep a written record of the number in the same place you keep your Card. If you must keep your PIN in your wallet, conceal its identity. DO NOT let anyone use your Card or watch you key in your PIN. If you lose your PIN or forget it, contact RCU to obtain a new PIN.

VISA DEBIT CARD AGREEMENT

You will receive a Visa Debit Card and a confidential Personal Identification Number (PIN). Use of your Card, the account number printed on the Card, your PIN, or any combination thereof, to obtain cash or purchase goods or services constitutes your consent to the terms of this Agreement. You are responsible for the use of each Card issued on your account, according to the terms and conditions of this Agreement.

PAYMENT ORDER INFORMATION

To assist you in handling your accounts, RCU is providing you with the order in which transactions are paid. RCU encourages you to keep careful records and practice good account management. You understand that the order in which items are processed can affect the total amount of fees that may be assessed against your account. RCU can change the policy regarding payment of transactions at any time without notice to you. Visa Debit Card Transactions are currently paid in the following order:

- ATM, point-of-sale transactions, RCU Digital Banking ("Digital Banking") and 24-Hour Telephone Teller: Transactions are paid from your account in the order they are presented to RCU throughout any given day.
- Signature-based Visa Debit Card withdrawals: Transactions are paid from your account in the order they are presented to RCU from merchants throughout any given day.

AVAILABLE SERVICES

You may use your Visa Debit Card to withdraw cash from your RCU accounts at designated ATMs. Additionally, you may access your account to purchase goods and services and obtain cash from participating merchants and financial institutions.

LIMITATIONS

Withdrawals at ATMs are limited to the lesser of the available balance in your accounts or as of the revision date of this Agreement, \$800 per business day. RCU reserves the right to increase the ATM withdrawal limit without prior notice to you.

Limits may be lower if the system is off-line. Withdrawals at most ATMs must be made in \$20 increments. The withdrawal will be posted to your account immediately unless the system is off-line. ATMs are generally available seven (7) days a week, twenty-four (24) hours a day. Please understand that an ATM, like any machine, must be periodically shut down for routine maintenance, inspection, and repair.

You may purchase goods or services or obtain cash from a participating merchant or financial institution up to the merchant's or financial institution's transaction limit. RCU will authorize transactions up to a maximum of \$3,500 per business day for Point-of-Sale merchant transactions and up to a maximum of \$3,500 for signature-based transactions.

RCU may increase or decrease Visa Debit Card limits at its sole discretion. Limits may be lower if the system is off-line.

MERCHANT HOLDS

When you use your Visa Debit Card, the merchant may place an authorization hold to confirm you have sufficient funds for a transaction or as a deposit for a potential future transaction. While this hold is in place, the funds are generally not available for withdrawal. If a hold is placed for a specific transaction and RCU is able to determine that the merchant hold was placed for that transaction, RCU will release the merchant hold and use those funds to pay the transaction. RCU cannot guarantee that it will always match a merchant hold with a transaction. If a match cannot be made, the hold will not be released, and the transaction will be paid using other available funds in an account. The amount of the hold is generally the same amount as the purchase. There may be situations where a merchant places a hold on a larger amount in anticipation of future transaction or situations where a merchant does not obtain an authorization at all and therefore, does not confirm you have available funds before processing a transaction. Examples include, but are not limited to, car rental reservations, hotel reservations, and online bids. RCU does not determine and is not responsible for the hold amount placed by merchants. RCU encourages you to discuss such holds with merchants to determine how much the merchant may place on hold.

AVAILABLE FUNDS

If you do not have sufficient funds available in your account for a withdrawal, RCU may refuse the withdrawal request. At RCU's sole option, RCU may also pay Visa Debit Card withdrawals that overdraw your account and, subject to the requirements of applicable law and regulation, and assess the nonsufficient funds fee disclosed on the Cost Recovery Schedule. RCU is never obligated to pay an item that would overdraw your account, even though RCU may have accommodated you in this way in the past. See your Membership Account Disclosure for more details.

RCU will use the available balance and not your actual balance to determine if you have sufficient funds to cover your transactions. At any time, you can confirm your available balance by logging into online banking, mobile banking, or by contacting RCU – See How to Contact Us.

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

USING YOUR CARD

You must have both your Visa Debit Card and your PIN to access your account at an ATM. If you give your Visa Debit Card and PIN to someone, you are authorizing that person to withdraw funds from your account regardless of whether that person is otherwise authorized to do so. You consent to the terms of this Agreement, the consistent applicable terms of your Membership Account Disclosure, and any overdraft agreement applicable to your account by using the Visa Debit Card. You continue to be bound for all transactions resulting from the use of the Visa Debit Card unless you give RCU written notice of termination of the Agreement and return the Visa Debit Card(s) to RCU. **Any person who applied for or who signs the Visa Debit Card is equally obligated, jointly and severally, with any other person to the terms of this Agreement.**

For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be (a) a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or (b) the government-mandated rate in effect for the applicable central processing date, in each instance, plus a currency conversion fee equal to 1.0% of the U.S. dollar amount of the transaction to the transaction amount that is charged by RCU. RCU reserves the right to increase or decrease the currency conversion fee to transaction amounts in the future. Notice of fee or surcharge changes will be provided to you as required by law.

Merchants and others who honor the Visa Debit Card may give credit for returns or adjustments. When RCU receives the credit from the merchant or other entity, RCU will credit your account for that amount. You agree that RCU is not responsible for any damage or liability that results if a merchant misrepresents the quality, price, or warranty of goods or services you pay for by using your Visa Debit Card.

You agree not to use or allow others to use your Visa Debit Card for illegal transactions, such as illegal on-line gambling. RCU may refuse to authorize transactions that RCU reasonably believes to be illegal. However, ultimate responsibility for determining whether a transaction is legal rests with you, not with RCU. You cannot use the actual or alleged illegality of an authorized transaction made using your Card as a defense to your obligation to pay it.

DOCUMENTATION OF TRANSACTIONS

Each time you use your Visa Debit Card to access your account at an ATM or with a participating financial institution or merchant, you may receive a receipt. Keep your receipts to update your records and verify your account statement. You will receive a periodic statement on your account each month in which there is a Visa Debit Card transaction or other electronic funds transfer activity. If there is no electronic funds transfer activity on your account, you will receive a statement at least quarterly.

EXCESS WITHDRAWALS

All use of your Visa Debit Card must be backed by actual available funds in your RCU account. If you have overdraft protection transfer or an overdraft line of credit on your account, RCU will transfer funds from the account(s) you have designated that will be sufficient to cover any negative account balance due to Visa Debit Card withdrawals. Funds to cover overdrafts will be transferred from the source(s) you have designated for overdraft protection in the order you have designated.

If you do not have overdraft protection transfer or an overdraft line of credit or if your overdraft protection source is not available to cover your overdraft and your withdrawal overdraws your account, you agree to immediately reimburse RCU for the amount by which your account is overdrawn. You are responsible for not attempting to withdraw funds when the available funds in your account are insufficient.

The availability of funds deposited in your account is governed by law and the funds availability policy set out in your RCU Membership Account Disclosure. The availability of overdraft protection is governed by the overdraft agreement covering the source(s) of overdraft protection for which you have been approved. Possible reasons overdraft protection might not be available include, but are not limited to, you already having reached or exceeded your maximum overdraft protection limit.

You will be obligated to repay RCU for any deficit in your account resulting from the use of the Visa Debit Card by you or by another person with your express or implied permission whether or not the person stays within the limits of use that you set. Any persons who use the Visa Debit Card are also obligated to repay RCU for any deficits in your account resulting from their use of the Visa Debit Card. You remain bound to repay any debt to RCU under this Agreement even though another person has been directed to pay the debt by agreement or court order, such as a divorce decree.

For transactions at some merchants, if the available card balance is not sufficient to complete the full purchase, a partial approval in the amount of the remaining available balance may be provided to the merchant and the merchant may permit the cardholder to use another source of funds to pay for the remaining amount due. The option to complete a purchase using the remaining available balance on your card and another source of funds for the remainder is not available at all merchants. Some merchants may decline the transaction if the card balance is less than the transaction amount.

UNAUTHORIZED TRANSACTIONS; YOUR LIABILITY FOR UNAUTHORIZED USE

TELL RCU AT ONCE if you believe your Visa Debit Card and/or PIN has been lost or stolen or if someone has transferred or may transfer money from your account without your permission. Please refer to the "HOW TO CONTACT US" section at the end of this Agreement. All RCU Members benefit when losses due to unauthorized card use claims are kept at a minimum.

In general, you will have zero liability for the unauthorized use of your Visa Debit Card under Visa operating rules. However, under Visa operating rules, there are certain circumstances, such as your gross negligence in handling your Visa Debit Card, in which you may be liable for a higher amount. If so, your maximum liability will generally be \$50 under California law. If, however, your statement shows unauthorized activity and you fail to report it to RCU within sixty (60) days after RCU sent you the first statement on which the unauthorized activity appeared, you may be liable for all unauthorized use that occurs after the end of the sixty (60) day period. If a good reason, such as a long trip or a hospital stay, kept you from reporting unauthorized activity on your statement to RCU, RCU may extend the time period.

If you give your Visa Debit Card and/or your PIN to someone, that person becomes an authorized user of your Visa Debit Card. All transactions they make using your Visa Debit Card, whether or not within the limits of any permission you gave, are considered authorized and you are responsible for them. RCU is not subject to agreements between you and other people limiting their use of your Visa Debit Card. The only way you can discontinue an authorized user's authorization to use your Visa Debit Card is to notify RCU to cancel the Visa Debit Card and PIN and ask RCU to issue a new Visa Debit Card and PIN.

RCU LIABILITY

If RCU does not properly complete a withdrawal from your account on time or in the correct amount according to our agreement with you, RCU will be liable for your direct losses or damages. However, there are exceptions. RCU will not be liable in the following instances:

- a) if, through no fault of RCU's, your account does not contain enough funds to complete the transaction;
- b) if the ATM or mobile wallet device reader where you are making the transaction does not have enough cash;
- c) if the ATM, mobile wallet, or mobile wallet device reader was not working properly and you knew about the breakdown when you started the transaction;
- d) if your Card has been reported missing and RCU has blocked the account;
- e) if circumstances beyond RCU's control such as fire, flood, electrical failure, or malfunction of the central data processing facility, prevent the completion of the transaction despite RCU's reasonable precautions;
- f) if your account is "frozen" because of a court order or some other similar legal action;
- g) if there are other lawful exceptions established by RCU and you are given proper advance notice of them.

In no event will RCU be liable for consequential, indirect costs, or punitive damages. RCU will carry out instructions given to the ATM or by written direction. RCU will not incur liability for doing so in a reasonable manner. You agree to indemnify and hold RCU harmless from all costs, claims, damage, or liability which it sustains or may sustain as a result of carrying out your instructions when received through the ATM in a reasonable manner. ATMs may be available at various locations with access during non-business hours for the convenience of RCU's Members. However, ATM sites are not subject to RCU's control. You assume the risk of using ATM sites as RCU is not responsible for any wrongful acts committed by anyone who is not an authorized agent or employee of RCU regarding your use of ATMs. Nor does RCU in any way warrant the safety or security of any location.

ATM SAFETY

- a) Be aware of your surroundings, particularly at night.
- b) Consider having someone accompany you when using the ATM after dark.

- c) Put your cash away as soon as the transaction is complete. Do not display it. Count the cash later in the safety of your vehicle or home.
- d) If you notice anything suspicious when approaching the ATM, come back later or use another ATM.
- e) If, while transacting business at the ATM, you notice anything suspicious, cancel the transaction and put your Visa Debit Card away immediately.
- f) Immediately report all crimes to the ATM operator and to local law enforcement officials.
- g) To protect the security of your accounts, take the receipt produced by the machine when the transaction is completed. DO NOT leave the receipt at the ATM.

PRIVACY

In the ordinary course of business, RCU will disclose information to a third party about your account or the transfers you make as follows: a) when it is necessary to complete a transaction; b) to verify the existence and condition of your account for a third party such as a credit bureau, merchant, or mobile wallet vendor; c) to comply with government agencies or court orders or other lawful process; or d) if you give us written permission to do so.

CHANGES IN TERMS; CANCELLATIONS

The policies outlined in this disclosure were in effect on the date of publication. However, the Board of Directors reserves the right to change RCU policy at any time without prior notice. Please contact RCU if you wish to determine if any changes have been made. When required by law, you will receive twenty-one (21) days advance notice of changes to this Agreement that adversely affect you. Your continued use of the Visa Debit Card and/or PIN after the effective date of the changes constitutes your acceptance of the new terms and conditions.

You agree that RCU may immediately terminate this Agreement and your use of RCU's Visa Debit Card service without prior notice if any of the following occur: (a) you (or any authorized user of your Visa Debit Card or PIN) breach this or any other agreement you have with RCU; (2) RCU has reason to believe that there has been or may be an unauthorized use of your Visa Debit Card and/or PIN; (3) there are conflicting claims to the funds in your account; (4) you or any authorized signer on your account requests RCU to do so; (5) you obtain cash from an ATM at a time when funds are not available in your RCU account and you do not have available overdraft protection.

Your Visa Debit Card is the property of RCU, and you agree to return it promptly to RCU upon request. RCU will report your account to credit reporting agencies if RCU closes your account because RCU has been unable to collect funds you owe us under this Agreement. If you want to change your PIN, please contact RCU.

BUSINESS DAYS

All hours are Pacific Standard Time (PST). RCU's business days are Monday through Friday, 9:00 AM to 6:00 PM, excluding holidays. RCU may be open to provide limited services on other days, but RCU does not consider those days as "business days".

NOTICES

All notices sent by RCU will be effective when mailed to you at your last address, as shown on RCU's records. In the case of joint accounts, notice to or from one account holder will be effective for all account holders.

SETOFFS, COLLECTION EXPENSES

If you become indebted to RCU by the use of your Visa Debit Card and you fail to pay what you owe RCU after RCU's demand, you agree that RCU can take funds in any RCU account in which you have an interest to recover all or part of what you owe RCU without advance notice to you, unless prohibited by law or the applicable account agreement. RCU exercising this right will not be an election of remedies. You agree to pay reasonable collection costs that RCU incurs before RCU files suit.

If RCU takes legal action to collect what you owe, you agree to pay RCU's reasonable attorney's fees and costs of suit, whether the action RCU takes is a collection lawsuit, an action to protect RCU's interests if you become a bankruptcy debtor, an action to enforce a judgment, or another type of legal action.

TRANSACTION CHARGES

The use of the Visa Debit Card at ATMs may be subject to a fee. Fees will be charged against your account. Please see RCU's current Cost Recovery Schedule, which is incorporated by reference into this Agreement.

JOINT ACCOUNTS

If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all Visa Debit Card transactions to or from any savings, checking, or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and RCU may accept orders and instructions regarding any Visa Debit Card transaction on any account from any joint account owner.

GENERAL TERMS

1. ATMs are generally available twenty-four (24) hours a day, seven (7) days a week. Individual machines may be out of order or may be closed temporarily for servicing.

2. When you initiate transactions with your Visa Debit Card or mobile wallet, you may receive other documents such as sales receipts and terms of use, which may have contract terms printed on them. Your Visa Debit Card Agreement with RCU is limited to the terms in this Agreement. Notwithstanding the foregoing, your Visa Debit Card agreement may involve other RCU agreements, such as checking or loan agreements. Wherever applicable, the terms of these agreements, to the extent not in conflict with this Agreement, shall apply as well.
3. If an ATM is unable to complete a transaction three (3) times in a row, usually because of the failure to key in the PIN properly, the ATM may retain the Visa Debit Card for your protection. If this happens, please contact RCU immediately at (800) 479-7928.
4. This Agreement is governed by applicable law. If any provision is found to be unenforceable, the rest of the agreement will remain in full force and effect.
5. When you use your Visa Debit Card and/or PIN, you acknowledge receipt of this Agreement given to you with the Visa Debit Card and/or PIN.

VISA ACCOUNT UPDATER (VAU)

Visa Account Updater (VAU) is a service provided to you by Visa®. When your Card's expiration date or card number changes, VAU may update the new card information with participating merchants that you already authorized to charge the Card. Only merchants with account-on-file business models, such as recurring bill payment providers, subscription services, or online "one-click" merchants may participate in VAU and your updated card information is only sent to qualified participating merchants.

VAU is designed to help prevent interruptions associated with recurring payments and possible service disruptions when the Card's information changes. Because not all merchants participate in VAU, it is ultimately your responsibility to notify each merchant of the new Card number and/or expiration date to ensure that your payments continue uninterrupted.

VAU is a free benefit to Card holders, and you may opt out of VAU at any time. Your opt out will not be transferred to any future replacement cards or any new cards issued to you. Any lost, stolen, or new Cards will be automatically enrolled in VAU. If you wish to opt out of VAU or if you have any questions regarding this service, please refer to the Notice and Communication section of this Agreement.

CARD CONTROLS – FREEZE CARD

The ability to freeze your Visa Debit Card is available within RCU Digital Banking. "Freeze Card" is a reversible process that will block new purchases or cash advances, excluding any recurring transactions on your Debit Card. When "Freeze Card" is utilized, recurring transactions and credits will continue to post without disruption.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

If you think that an electronic transfer shown on your statement is incorrect, or if you need more information about a transfer, immediately contact RCU at the telephone number or address listed under "HOW TO CONTACT US".

RCU must hear from you no later than sixty (60) days after RCU sent you the FIRST statement on which the error or problem appeared. Please contact RCU with the following information:

1. Your name.
2. Member (account) number.
3. Describe the error or the transfer about which you are unsure.
4. Explain, as clearly as you can, why you believe there is an error.
5. The dollar amount of the error.
6. The date of the error in question.
7. Your daytime telephone number.

If you tell RCU orally, RCU may require that you send your complaint or question in writing within ten (10) business days. RCU will tell you the results of the investigation within ten (10) business days (twenty (20) business days if your account is new, meaning that you have had the account thirty (30) days or less) and correct any error promptly. If RCU needs more time, however, RCU may take up to forty-five (45) days (ninety (90) days if your account is new, or the questioned transaction was a point-of-sale transaction or a transaction outside the U.S.) to investigate your complaint or question. If RCU decides to do this, RCU will provisionally credit your account for the amount of the questioned transaction(s) within ten (10) days (twenty (20) days if your account is new, five (5) days if your account is not new and your question involves a claim of unauthorized use of your Visa Debit Card) so that you will have use of the funds while RCU completes the investigation. If RCU asks you to put your question in writing and you do not do so, RCU may not provisionally credit your account during the investigation.

RCU will tell you the results within three (3) business days after completing the investigation. If RCU decides that there was no error, RCU will send you a written explanation. You may ask for copies of the documents that RCU used in the investigation.

TELEPHONE CONSUMER PROTECTION ACT EXPRESS CONSENT

You hereby give your express consent to RCU and its successors and assigns, and to any third party acting on behalf of any of them, to contact you regarding your accounts and/or any other business relationship you have now or will have at any time in the future with RCU. This includes your consent for RCU to contact you by telephone or text message at any telephone number or numbers you provide to RCU now or later for any purpose or that RCU obtains from any other source, all including, but not limited to, any telephone number assigned to a cellular telephone service or any other service for which you are charged for the call. This consent applies even if RCU uses an automatic telephone dialing system or an

artificial or prerecorded voice to make the call or send the message. You agree to tell RCU in writing if any telephone number you provide to RCU is assigned to a cellular telephone service or to any other service for which anyone may be charged for the call. You also agree to tell RCU in writing if you are not the person who subscribes to the related telephone service or if you are not the most common user of any such telephone number.

GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement will be governed by and interpreted in accordance with federal law and regulation, and to the extent there is no applicable federal law or regulation, by the laws of the State of California, without giving effect to conflict of law provisions of your actual state or country of residence. To the extent permitted by applicable law and subject to the terms of the arbitration agreement below, you agree that any legal action regarding this Agreement shall be brought in the county in which RCU's headquarters office is located.

ARBITRATION AGREEMENT AND WAIVER OF CLASS AND COLLECTIVE ACTIONS

A. General Terms

1. Please read this Arbitration Agreement and Waiver of Class and Collective Actions ("Arbitration Agreement") carefully. If you do not timely opt-out as permitted below, it affects your rights and may have a substantial impact on how legal claims and disputes between you and the Credit Union are resolved.

B. Agreement to Arbitrate Claims

1. This Arbitration Agreement is effective upon the 61st day after the first time we provide it to you ("Effective Date") unless you opt-out in accordance with the requirements of the YOUR RIGHT TO OPT-OUT OF THIS ARBITRATION AGREEMENT provision below. We reserve the right to make changes to this Arbitration Agreement. We will provide you with notice of any change as required by law. However, if we believe we are making changes that are to your benefit or are simply providing you with additional information about arbitration and/or this Arbitration Agreement, you agree that any such changes will not provide you with any new right to opt-out, unless otherwise provided under applicable law.

2. You and the Credit Union agree that binding arbitration may be elected by either you or the Credit Union with respect to any past, present, or future dispute, claim, or controversy above the small claims jurisdictional limit arising out of or relating to the Membership Account Agreement and/or any Credit Union account, product, or service governed by the Membership Account Agreement, even if the claim, dispute, or controversy arises out of, affects, or relates to conduct that occurred prior to the Effective Date of this Arbitration Agreement, and even if the other party has already initiated a lawsuit.

3. How is arbitration elected? Arbitration is elected by one party making a written demand for arbitration to the other party, by filing a motion to compel arbitration in court, or by initiating arbitration against the other party. You and the Credit Union agree, upon such written demand, motion, or initiation, to submit to, and that such claim shall be settled by, binding arbitration.

4. What if the claim amount falls within small claims court jurisdiction? Neither party will demand the arbitration of an action properly filed in small claims court, or its state's equivalent court, or for any claim or dispute within the scope of the small claims court's jurisdiction. But if a claim is transferred, removed, or appealed to a different court, such claim shall be subject to binding arbitration.

5. What rules will govern the arbitration action? The arbitration will be subject to the rules of the American Arbitration Association ("AAA") for consumer disputes in effect at the time the arbitration is initiated, or such similar rules as may be adopted by AAA ("Rules"). If there is any conflict between the Rules of the AAA and this Arbitration Agreement, then this Arbitration Agreement will control to the extent of the inconsistency. If the AAA is unavailable to resolve a claim or dispute, and if you and the Credit Union do not agree on a substitute forum, then the Credit Union can select the arbitration forum for the resolution of the claim or dispute. For more details and to obtain a copy of AAA's Rules and arbitrator rosters, check the American Arbitration Association's website, www.adr.org, or call the American Arbitration Association's Customer Service telephone number at (800) 778-7879. The arbitration shall be conducted before a single arbitrator appointed by the AAA. The arbitrator shall be an attorney, retired judge, or AAA panel member, with experience and knowledge regarding financial institutions and transactions.

6. What are the basic distinctions between arbitration and court proceedings? There is no judge or jury in an arbitration proceeding, and the appellate rights of both parties are more limited than in court. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law must be followed by the arbitrator, and the commencement of an arbitration under this Arbitration Agreement shall be deemed the commencement of an action for such purposes. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The arbitrator's decision shall be final and binding and may be entered in any state or federal court having jurisdiction. Except as provided under applicable law, the arbitrator's award is not subject to review by a court, and it cannot be appealed. Any claims and defenses that can be asserted in court can be asserted in arbitration. The arbitrator may award any remedy provided by the substantive law that would apply if the action were pending in court, including public injunctive relief under the California Consumer Legal Remedies Act and Unfair Competition Law.

7. How are arbitration fees and costs allocated? The filing, administration, and arbitrator fees imposed on you and/or the parties by the AAA pursuant to this Arbitration Agreement shall be paid by the Credit Union. Each party shall be responsible for and pay their respective costs, including attorneys' fees, incurred by them in preparing and presenting their cases during the arbitration proceedings, regardless of who prevails.

8. Where will the arbitration be held? Arbitration hearings will be held in a location reasonably convenient to your residence, or at another location if mutually agreed, but if personal attendance is burdensome or not feasible for you, the Credit Union will not object to you choosing to have your claims handled via telephone or other medium allowing for remote access to hearings and proceedings if otherwise allowable by the AAA and/or under the Rules.

9. What rights and or claims are not affected by this Arbitration Agreement? This Arbitration Agreement does not preclude you from bringing claims regarding the Membership Account Agreement and/or your accounts, products, or services governed thereunder to the attention of any federal, state, or local government agency or entity. Such agency or entity may be able to seek relief on your behalf. Nothing in this Arbitration Agreement shall limit your or the Credit Union's right, whether before, during, or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to apply to a court of competent jurisdiction to obtain provisional remedies (including, but not limited to, applying for injunctive relief, a temporary restraining order, a temporary protective order, an attachment order, or any other pre-judgment remedies) or interpleader relief. The exercise of such rights will not constitute a waiver of the right to submit to arbitration any dispute regarding the Membership Account Agreement. This Arbitration Agreement will not apply to any disputes involving a consumer loan secured by real estate, or a consumer loan we provide you to the extent you and/or a co-borrower are "covered borrowers" under the Military Lending Act on such loan.

10. Will this Arbitration Agreement survive if your relationship with the Credit Union changes? This Arbitration Agreement shall survive your death, the closing of any of your accounts, the termination of any product or service, or of your business or transaction(s) with us, or any bankruptcy filing to the extent consistent with applicable bankruptcy law and shall also survive as to any claim within the scope of the Membership Account Agreement.

11. What law will govern the enforceability of this Arbitration Agreement? Notwithstanding anything to the contrary in the Membership Account Agreement, this Arbitration Agreement is governed by the Federal Arbitration Act ("FAA") and shall be interpreted and enforced in accordance with the FAA to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the claim or dispute at issue. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including issues relating to the validity or enforceability of this Arbitration Agreement, shall be determined by the arbitrator. Only a court, and not an arbitrator, however, shall determine the validity and effect of the waiver of class and collective actions below. If any term or provision of this Arbitration Agreement is held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

C. WAIVER OF CLASS AND COLLECTIVE ACTION AND WAIVER OF JURY TRIAL FOR CLAIMS SUBMITTED TO ARBITRATION

1. YOU AND THE CREDIT UNION EACH EXPRESSLY INTEND AND AGREE THAT ANY AND ALL CLAIMS SUBMITTED TO ARBITRATION MUST BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY AND HEARD SOLELY ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CLASS ACTION OR OTHER PURPORTED OR ACTUAL COLLECTIVE ACTION OR OTHER REPRESENTATIVE ACTION OR PROCEEDING. WITH RESPECT TO ALL SUCH ARBITRABLE CLAIMS, YOU HEREBY AGREE TO WAIVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION OR PROCEEDING, OR LITIGATE ON A CLASS-WIDE BASIS OR ANY BASIS OTHER THAN AN INDIVIDUAL BASIS. YOU AND THE CREDIT UNION HEREBY VOLUNTARILY AND KNOWINGLY ACKNOWLEDGE AND AGREE THAT, WITH RESPECT TO ALL DISPUTES, CONTROVERSIES, AND CLAIMS SUBMITTED TO ARBITRATION, ALL PARTIES ARE WAIVING THE RIGHT TO TRIAL BY JURY TO THE FULLEST EXTENT ALLOWED BY LAW. THE PARTIES ANTICIPATE THAT BY ENTERING INTO THIS AGREEMENT, THEY WILL GAIN THE BENEFITS OF A SPEEDY AND LESS EXPENSIVE DISPUTE RESOLUTION PROCEDURE.

D. YOUR RIGHT TO OPT OUT OF THIS ARBITRATION AGREEMENT

1. IF YOU DO NOT WANT THIS ARBITRATION AGREEMENT TO APPLY TO THE MEMBERSHIP ACCOUNT DISCLOSURE AND/OR YOUR ACCOUNTS, PRODUCTS, OR SERVICES GOVERNED THEREUNDER, YOU MAY OPT OUT BY SENDING A WRITTEN REQUEST TO THE CREDIT UNION POSTMARKED WITHIN SIXTY (60) DAYS OF THE FIRST TIME YOU RECEIVE THIS ARBITRATION AGREEMENT. THE OPT OUT MUST INCLUDE YOUR FULL NAME, ADDRESS, TELEPHONE NUMBER, ACCOUNT NUMBER AND PERSONAL SIGNATURE, AND MUST BE MAILED TO THE CREDIT UNION AT: REDWOOD CREDIT UNION, PO BOX 6104, SANTA ROSA, CA 95406. OPTING OUT WILL NOT TERMINATE THE MEMBERSHIP ACCOUNT DISCLOSURE OR AFFECT ANY OTHER RIGHTS OR OBLIGATIONS YOU OR THE CREDIT UNION HAVE UNDER THE MEMBERSHIP ACCOUNT DISCLOSURE. IF YOU DO NOT OPT OUT AS PROVIDED ABOVE WITHIN SIXTY (60) DAYS, YOU UNDERSTAND AND AGREE THAT THIS ARBITRATION AGREEMENT SHALL BE BINDING ON YOU AND THE CREDIT UNION.

HOW TO CONTACT US:

All notices from RCU will be effective when mailed or delivered to you at the last known address on our records. You may contact RCU as follows:

- a. Secure email: Log in to Digital Banking and select "Contact" to send us a message.
- b. Email: Visit redwoodcu.org and click "Contact Us"
- c. Phone: Local at (707) 545-4000 or Toll-Free at 1 (800) 479-7928
- d. Mail: Redwood Credit Union, PO Box 6104, Santa Rosa, CA 95406