

Important information about changes to your HAPO Account

Notice of Binding Arbitration and Class Action Waiver:

HAPO values your membership – your financial well-being is our primary concern. The following notice provides a permanent addendum to our existing Membership and Account Agreement. The provisions in this addendum apply to all deposit accounts and electronic services on your own account(s) and to any minor account on which you are a joint owner, if any. These provisions ensure maximum benefits to the entire membership and will ensure that we are able to provide the best possible services to all members. Please review the enclosed waiver for further details.

Overdraft Protection Disclosure (consumer accounts only) revised January 1, 2020: HAPO Community Credit Union has amended its Overdraft Protection Disclosures to clarify how overdrafts are determined and overdraft protection provisions applied. Please review the enclosed disclosure for further details.

Notice of Change in Terms and Fee Schedule effective March 1, 2020:

As part of a routine examination of fees associated with HAPO Community Credit Union, the following fee amendments are effective on March 1, 2020. As your locally-owned credit union, we remain committed to keeping fees at HAPO to a minimum and strive to be lower than or comparable to others in the credit union industry. Please review HAPO's updated Fee Schedule enclosed for changes to the following fees:

- Outgoing IRA Transfer
- Card Replacement
- Early Account Closure
- Legal Processing- Garnishments/Levies/Subpoenas/Court orders

Addendum to Membership and Account Agreement Binding Arbitration and Class Action Waiver Agreement

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

Agreement to Arbitrate Disputes. Either You or We may elect, without the other's consent, to require that any dispute between us concerning Your Deposit Accounts (share accounts) and the electronic financial services related to your Accounts be resolved by binding arbitration, except for those disputes specifically excluded below. This arbitration agreement is entered into pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1 – 16 (the "FAA").

Disputes Covered by Arbitration. Claims or disputes between you and us arising out of or relating to your Deposit Account(s), transactions involving your Deposit Account(s) and any related electronic financial service with us are subject to arbitration. Electronic financial services include online and mobile account access, bill pay, telephone access, and any other electronic service provided pursuant to our Electronic Funds Transfer Disclosures.

Any claims or disputes arising from or relating to this agreement, any prior account agreement between us, any advertising, the application for, or the approval or establishment of your account are also included. Disputes include not only claims made directly by You, but also made by anyone connected with You or claiming through You, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Claims are subject to arbitration, regardless of what theory they are based on or whether they seek legal or equitable remedies. Arbitration applies to any and all such claims or disputes, whether they arose in the past, may currently exist or may arise in the future. All such disputes are referred to in this section as "Claims".

Disputes Not covered by Arbitration. The only exceptions to arbitration of Claims is that both you and we have the right to pursue a Claim in state court instead of arbitration for claims related to our collection of any negative balance or amounts you owe us under our Membership and Account Agreement, including but not limited to: fraud, counterfeit items and any unpaid account obligations. This exception applies if the Claim is in that court's jurisdiction and proceeds on an individual basis.

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

The Arbitration Proceeding. The arbitration must be filed with one of the following neutral arbitration forums and must follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If You initiate the arbitration, You must notify Us in writing at: HAPO Community Credit Union, 601 Williams Blvd., Richland, WA 99354 Attn: Risk Management

If We initiate the arbitration, We will notify You in writing at Your last known address on file. You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

American Arbitration Association
1-800-778-7879 (toll-free)
www.adr.org

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

The arbitration shall be conducted in the same city as the U.S. District Court in Your state closest to Your home address, unless the parties agree to a different location in writing.

Administration of Arbitration. The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years experience or a retired or former judge selected in accordance with the rules of the arbitration forum. The arbitrator shall follow procedures and rules of the arbitration forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this arbitration provision, in which case this arbitration provision will prevail.

You or we may choose to have a hearing and be represented by counsel. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

Costs. The party initiating the arbitration shall pay the initial filing fee. If You file the arbitration and an award is rendered in Your favor, We will reimburse You for Your filing fee. If there is a hearing, We will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, We will advance or reimburse filing and other fees if the arbitrator rules that You cannot afford to pay them or finds other good cause for requiring Us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

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

Severability, Survival. These arbitration provisions shall survive (a) termination or changes to Your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Resolution of Disputes by Arbitration provision is deemed invalid or unenforceable, the remainder of this Resolution of Disputes by Arbitration provision shall remain in force. No portion of this Resolution of Disputes by Arbitration provision may be amended, severed, or waived absent a written agreement between You and Us.

Applicability. The requirement of arbitration will not apply to Your Account as long as You are an active duty Service Member. Otherwise, this Agreement to arbitrate will apply without limitation, regardless of whether 1) your account is closed; 2) you pay us in full any outstanding debt you owe; or 3) you file for bankruptcy.

Right to Reject this Resolution of Disputes by Arbitration. You have the right to opt out of this agreement to arbitrate if you tell us within 30 days of your initial Account opening or the receipt of this notice, whichever is later. To opt out, send us written notice including the following information: (i) Your written notice must include: your name, as listed on your account, your account number, and a statement that you reject the Resolution of Disputes by Arbitration provision, and (ii) You must send Your written notice to Us at the following address: HAPO Community Credit Union, 601 Williams Blvd., Richland, WA 99354 Attn: Risk Management.

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

Overdraft Protection Disclosure: You agree to the terms and conditions of these Overdraft Protection Disclosures which are part of your Consumer Membership and Account Agreement.

An overdraft balance could occur in several ways, such as:

- Payment of checks, ATM/debit card transactions, ACH/electronic funds transfers or other withdrawal requests
- The return of unpaid items deposited by you
- The imposition of bank service charges
- The deposit of items which, according to our Funds Availability Policy are treated as not yet available or finally paid

Member Liability. If on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or the overdraft protection plan you have with us. For purposes of determining an overdraft, the Credit Union's determination of an insufficient account balance may be made at the time the check or item is presented to us, which may be later than the time you conduct the transaction or receive a transaction authorization request. The Credit Union has no duty to notify you of an insufficient funds item prior to overdraft or return of an item.

Your account will then be subject to a charge for the item whether paid or returned as set forth in the Common Features Disclosure. We may charge a fee each time a check or item is submitted or resubmitted for payment and returned. Therefore, you may be assessed more than one fee as a result of a returned item or any resubmission(s) of the returned item. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays a check or item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time.

Overdraft Determination. Overdrafts will be determined based on the available balance in your account at the time of presentment. However, the Credit Union has no control over the timing when checks or other items are presented. Your available balance may be lower than your actual balance due to funds held for debit card transactions you have authorized and deposited checks held pursuant to our funds availability policy. Also, any overdraft or returned item fees imposed on your account will decrease your available and actual balance. You can view your available balance through Online Banking and at ATMs to avoid an overdraft. Transactions may not be presented in the order which they occurred. The order in which checks or items are received and processed may affect if an overdraft occurs. The Credit Union processes checks and items as follows: (i) checks are paid in the order they are presented, (ii) for ACH items, credits are processed first and ACH debits processed second with the lowest items paid first, and (iii) debit card transactions are paid in the order they are presented.

Reoccurring Debit Transactions. When you establish reoccurring debit transactions from your account, such as loan or bill payments, you understand those transactions will be presented and processed whether or not you have an available balance in your account. You agree that for any reoccurring debit transaction that overdraws your account, you agree to pay an overdraft fee as set forth on the Fee Schedule for accounts.

Overdraft Protection Overview. Overdraft protection is a special feature for those times when an accident has caused your checking account to be overdrawn. Unlike a loan, this protection is not tied to your credit score. The fees for overdrafts are set forth on the Credit Union's Common Features. The Credit Union offers two types of protection for overdrafts:

Transfer Protection Plans

- Transfers from Savings Account
- Transfers from Revolving Line of Credit

Overdraft Options

- Courtesy Pay - Checks
- Courtesy Pay - Debit

See "Transfer Protection Plans" and "Overdraft Options" sections for complete program details.

Member Consent

Member Opt-In. At account opening every member will elect which methods of overdraft protection they wish to participate in. The Credit Union will provide a confirmation notice to you in writing which will include a statement informing you of your right to revoke your consent and the methods to do so.

Member Opt-out. Every checking account owner has the right to not participate or opt-out of any or all of these options. They are clearly optional and may not be right for everyone. You are not required to use these features and you may opt-out at any time through any of the following ways:

- Request to opt-out at the time you open your account
- Call the Credit Union with your request at (509) 943-5676 or (800) 284-4276
- Submit your request online or through online banking at www.hapo.org
- Submit a written request to:
HAPO Community Credit Union
601 Williams Blvd.
Richland, WA 99354

Transfer Protection Plans

Eligibility. Every member is eligible for Transfer Protection on their checking account. Transfer Protection from Savings account is eligible for use upon election. Transfer Protection from a Revolving Line of Credit must be applied for and be approved through the Credit Union's loan underwriting process.

Transfer Limitations.

- Money Market accounts are not eligible as overdraft suffixes
- All transfers must be within the same account number, we do not cross reference related accounts
- You are limited to six (6) unsigned transfers from each savings account
- You are limited to the available balance of your Timeline loan; loan limits are established prior to overdraft

Transfer Fees. You will be charged a fee if we transfer from your savings account to cover an overdraft as outlined in the Credit Union's Common Features. You will not be charged a transfer fee if funds can be transferred from your established Revolving Line of Credit loan associated with your checking account. Interest will accrue daily based upon the new loan balance.

Overdraft Options. The Credit Union offers two options for overdraft protection:

- Courtesy Pay – Checks - protection for Automatic withdrawals (ACH) and check transactions
- Courtesy Pay – Debit - protection for ATM & Debit card transactions and everyday one-time debit card transactions

If you opt-in to *Courtesy Pay – Checks*, you can elect to additionally opt-in to *Courtesy Pay – Debit*, providing you meet the eligibility requirements.

If you elect to opt-out of *Courtesy Pay – Checks*, you will not have the option to opt-in to *Courtesy Pay – Debit*. See Member Consent section for how to opt-out.

The following information applies to both options.

Eligibility Requirements. Courtesy Pay is available on checking accounts opened for 90 days. Primary members with an associated checking account that meet this criteria will not be subject to a waiting period.

All members must meet the eligibility requirements listed below:

- Account ownership is not a fiduciary relationship (Representative Payee, etc.)
- Account is not involved in legal action such as bankruptcy, levies or garnishments
- Existing loans and VISAs are not delinquent, as defined by the Credit Union
- No previous unpaid closure history with the Credit Union
- Primary account holder is 18 or older
- Regular deposits are made bringing your account to a positive balance at least once every 30 days
- Any account closures reported from other financial institutions must be paid in full for more than 5 years at account opening
- No reports of derogatory information obtained from the consumer reporting agency used by the Credit Union at account opening

Overdraft Limit. The Credit Union will establish a set amount in excess of the member's account balance in which overdrafts may be paid. For each eligible account, this amount is \$500. This means the Credit Union may approve transactions up to \$500 (for overdraft items and applicable fees) beyond the account balance; however, due to the timing of pending and settling transactions, there may be times when an account goes negative beyond this amount.

The approved overdraft limit will not be included in any "available" amount in the account balance. ATM withdrawals and over the counter transactions are ineligible. The Credit Union reserves the right to make changes to this program and will notify you of the changes as required.

Exceeding Your Overdraft Limit. There is no additional cost to participate in Courtesy Pay. The only cost incurred will be overdraft fees for each item paid. Any item that causes a negative balance in excess of your established overdraft limit will result in all items being returned or declined to the payee. A return or non-sufficient funds (NSF) fee for each item returned will be charged to your account as outlined in the Credit Union's Common Features. There is **no limit** on the total fees we can charge you for overdrawing your account. No fees will be charged for declined items.

Daily Overdraft Limit. The Credit Union has established a daily limit to the amount of overdrafts that will be covered in the event that you do not have the available funds in your account at the time the transaction posts. The Credit Union will cover up to five overdrafts to your account in any one day. Once you have met the daily limit, Courtesy Pay will be suspended. Checks and ACH transactions will be returned and you will be charged a return item fee. Debit transactions will be declined and no fee will be charged.

If there are previously authorized debit transactions presented for payment after you have reached the daily fee limit the Credit Union will pay the transaction. If a fee is assessed the fee will be reversed and refunded before the next business day.

Credit Union Discretion. If you continue to meet the eligibility requirements and there are no legal orders outstanding, we may approve your reasonable overdrafts as a discretionary courtesy. The Credit Union will limit your transactions at our facility at anytime when your account is past due or overdrawn. We are not obligated to pay any item presented for payment if your account does not contain sufficient funds, even though we may have previously paid overdrafts for you. We will not approve an overdraft in excess of the overdraft limit.

Overdraft Notification. The Credit Union will not send you a notice when an overdraft occurs. All overdrafts, transfers to cover an overdraft, and fees associated with overdrafts will show on your monthly statement. Additionally, the statement will include an aggregate of overdraft fees for the statement period and year to date.

Payment Requirements. You must bring your account to a positive balance within thirty (30) days of the first overdraft. We will not send you a notice regarding each overdraft; however, we will send a letter when your account has been negative for ten (10) and twenty (20) days. These notices will specify the required date of payment. If you are unable to bring your account to a positive balance within thirty (30) days from the first date that your account became negative, Courtesy Pay participation and overdraft ability will be revoked. You will receive written notice of the cancellation. If your account is not brought to a positive balance within forty five (45) days, we will have no option but to close your account and take steps to recover the funds. On accounts with more than one owner, each owner shall be jointly and severally liable for drawing or presenting the item creating the overdraft and associated fees.

Suspension or Cancellation of Courtesy Pay. Your overdraft limit could be suspended or cancelled for the following reasons:

- Failing to bring your account to a positive balance within 30 days
- Account is involved in legal action such as bankruptcy, levies or garnishments
- Delinquency of a loan or VISA account
- Derogatory activity on any related account
- Illegal activity such as check kiting or fraudulent deposits
- Notification of derogatory activity at another financial institution
- Account ownership is a fiduciary relationship (Representative Payee, etc.)
- At the discretion of the Credit Union

HAPO FEE SCHEDULE

Schedule of fees and charges are applicable to ACH, ATM, checking, savings, other transactions and promotional services. The fees listed below are also applicable to both **Consumer** and **Commercial Accounts**. The Credit Union may amend these fees and make adjustments to services as necessary. Some fees and charges may change without notice. Fees associated with your account are part of the Account Agreement.

Overdraft & Return Items

This may consist of ACH, ATM or Check transactions, including Substitute Checks. This can also occur as a result of deposits in which funds have not been made available.

Overdraft Share Transfer Limited to six (6) unsigned transfers per month under Federal Regulation D	\$5.00 per item
Overdraft Items	\$28.00
Return Unpaid	\$28.00
Uncollected Funds	\$20.00
Deposit Items Returned	

Miscellaneous

Phone Cash Advance Non HAPO VISA	\$20.00 per item
VISA Card	
Overnight Shipping Fee	\$25.00
Loan Extension	\$35.00
Coin Machine- Member Coin Machine – Non-member	5% service fee 8% service fee
Replacement Checks HAPO Corporate Checks	\$15.00 per item
Card Replacement Fee	\$5 per card**
Stop Payment ACH, Check or Series of Checks	\$26.00 per item

Incoming Wire Transfer	\$15.00 per item
Outgoing Wire Transfer	\$25.00 per item
Foreign Outgoing Wire Transfer	\$50.00 per item
Quick Cash Money Transfer	Determined by Western Union

Return Mail Service	\$5.00 per item
Account Research	\$25.00 per hour
Signature Guarantee Free when funds coming to HAPO	\$25.00 per item
Inactive Account Fee Minor accounts excluded	\$5.00 per month

IRA Transfer fee

(Funds transferred to another Financial Institution)

\$25.00 per transfer**

Bonus Offer-Early Account Closure

(Must be open 6 months before closure)

\$25.00**

Loan Repossession Processing fee

\$100.00

Legal Orders Processing Fee

\$50.00 per item
\$75 per item**

Garnishments, Levies, Subpoenas and Court Orders

Check (ACH) Pay by Phone

\$20.00 per item

Web Payment

\$12 per transaction

Safe Deposit Box

Annual Rental Fees

Fees will be automatically debited from the account. Box availability and size may vary between financial centers.

10 X 10	\$80.00
6 X 10	\$60.00
5 X 10	\$45.00
3 X 10	\$30.00
5 X 5	\$25.00
3 X 5	\$15.00
Drilling of Box	\$200.00
Key Replacement	\$45.00

HAPO Commercial Accounts & Services

Cash & Coin Services

Coin Machine	5% service fee
Bag Coin Deposits	1% service fee
Rolled Coin	\$0.10 – per roll
Cash Order	.1% service fee
Bill Pay	\$7.95 per month

Business Savings

Minimum Balance	\$100.00
Monthly Fee	None or \$5.00 if balance falls below minimum

Traditional Checking

Minimum Balance	None
Monthly Fee	None
Credited/Debited items per month	Free
0-250	\$0.30 per item
251+	Free
Cash activity per month:	Free
\$0 - \$12,000	\$0.15 per \$100
\$12,001+	

Premier Checking

Minimum Balance	\$2,500.00
Monthly Fee	None or \$10.00 if balance falls below minimum
Credited/Debited items per month	Free
0-450	\$0.30 per item
451+	Free
Cash activity per month:	Free
\$0 - \$30,000	\$0.15 per \$100
\$30,001+	

Premier Money Market

Minimum Balance	\$2,500.00
Monthly Fee	None or \$15.00 if balance falls below minimum
Credited/Debited items per month	Free
0-20	\$0.30 per item
21+	Free
Cash activity per month:	Free
\$0-\$5000	\$0.15 per \$100
\$5001+	

IOLTA Checking

Interest on Lawyer Trust Account

Minimum Balance	\$100.00
Monthly Fee	None or \$15.00 if balance falls below minimum
Credited/Debited items per month	Free
0-250	\$0.30 per item
251+	Free
Cash activity per month:	Free
\$0-\$5000	\$0.15 per \$100
\$5001+	