

PEARL HAWAII FEDERAL CREDIT UNION CHECKING ACCOUNT AGREEMENT

I/We give permission to Pearl Hawaii Federal Credit Union to establish this Checking Account for me/us. The Credit Union will pay checks for me/us up to the amount available in this Account and will charge all such payments against funds in this Account.

It is further agreed that:

- a) **Only checks printed by the Credit Union's authorized check printer and/or other methods approved by the Credit Union may be used to make withdrawals from this Account.**
- b) The Credit Union is under no obligation to pay a check that exceeds the fully paid and collected funds balance in this account. The Credit Union may, however, pay such check and transfer funds to this Account in the amount of the resulting overdraft, plus a service charge, from any designated savings account if agreed to on the Checking
- c) Account signature card. (An overdraft is created when a check is written and there are insufficient funds in the account to cover the check)
- d) The Credit Union will pay a check on the day it is presented for payment, even though the date (or any limitation on the time of payment) appearing on the check is different.
- e) **When paid, checks become the property of the Credit Union and will not be returned either with the periodic statements of this account or otherwise.**
- f) Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a check.
- g) Any objection with respect to any item shown on a periodic statement of this Account is cancelled unless made in writing to the Credit Union before the end of 60 days after the statement is mailed.
- h) This Account is subject to the Credit Union's right to require advance notice of withdrawal.
- i) This Account is subject to the Credit Union's right to close your checking account if your checking account balance is zero for one (1) year or more. Or, if the account is dormant for one (1) year or more. This Account is also subject to such other terms, conditions and service charges as the Credit Union may establish from time to time.
- j) If this Agreement is signed by more than one person, the persons, signing below shall be the joint owners of the Account which in that event shall be subject to the additional terms and conditions printed below.

ADDITIONAL TERMS AND CONDITIONS FOR JOINT SAVINGS ACCOUNT

If this account is owned by more than one owner (Joint Owners), the Credit Union is authorized to recognize any of the signatures on the application in the payment of funds or the transaction of any business for this account. Each owner has a right to current funds, future funds, and all accumulation including dividends in this account. There is a right of survivorship which means if one or more of the owners died, then the remaining owner(s) have a right to the funds. Payment to any of the joint owners shall be valid and shall discharge the Credit Union from any liability for such payment. The rights of the Credit Union under the agreement shall not be changed or terminated by the owners, except by written notice to the Credit Union which shall not affect prior transactions.

Each account owner 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. This liability is due immediately, and can be deducted directly from any account owned individually or jointly by each of you whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whatever you signed the item or benefited from the charge of overdraft. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorney's fees.

ADDITIONAL CHECKING ACCOUNT AGREEMENT AND TERMS

I/We hereby acknowledge that the Credit Union will not examine signatures on checks prior to payment. Instead, each account owner will be responsible for the detection of unauthorized or forged checks.

Members responsibility for check verification will be accomplished as follows:

- a) Each account owner will be required to notify the Credit Union of any unauthorized checks shown on the periodic checking account statement.
- b) Checks drawn against non-existent or closed checking accounts will be dishonored and returned at the time of presentment.

When the Credit Union receives notice of an unauthorized check, a copy of the check will be examined, and the signature on the check will be compared with the signature on file.

Federal Regulation "D" limits the number of transfers from any savings account to any other account or any third party, to a maximum of six (6) per month. Transfers include request by: 1) Phone 2) Member Telephone Service 3) Automatic transfers from savings to cover overdrafts 4) Preauthorized bill payments to third parties 5) Home Banking Transfers. Transfers in person at any of our Branches, or transfers from checking accounts, or ATM transactions are not included in the limit.