

Important Changes to Your Account Terms

This is an addendum to and Notice of Change in Terms to your Master Account Agreement and Disclosures ("Agreement"). It is incorporated into and becomes a part of your Agreement and is effective 1/1/2022.

The following is a summary of changes that are being made to your account terms. All other terms and conditions of your Agreement remain unchanged. If you have any questions, please contact FAST Federal Credit Union by phone at (559) 584-0922, in person at any branch location, through our website www.fastcu.com, or mail to 312 W. 7th St, Hanford, CA 93230.

1. Account Agreement, Section 13 – items "b" through "e" have been added.

b. How Transactions are Posted to Your Account. There are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

Credits. Deposits are generally added to your account when we receive them. However, in some cases when you deposit a check or draft, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure for details regarding the timing and availability of funds from deposits.

Debits. There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.

- ❖ **Drafts.** When you write a draft, it is processed through the Federal Reserve System. We receive data files of cashed drafts from the Federal Reserve each day. The drafts drawn on your account are compiled from these data files and paid each day. We process the payments in the order contained in the data file.
- ❖ **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments you have authorized. ACH transactions for your account are posted throughout the day.
- ❖ **PIN-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment.
- ❖ **Signature-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase; however, merchants may not require your signature for certain transactions. Merchants may seek authorization for these types of transactions. The authorization request places a hold on funds in your account when the authorization is completed. The "authorization hold" will reduce your available balance by the amount authorized but will not affect your actual balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received in real time throughout the day and are posted to your account when they are received.

The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your card for payment. For example, if you use your debit card at a restaurant, a hold will be placed in an amount equal to the bill presented to you; but when the transaction posts, it will include any tip that you may have added to the bill. This may also be the case where you present your debit card for payment at gas stations, hotels and certain other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

This is a general description of certain types of transactions. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.

c. Understanding Your Account Balance. Your share draft account has two kinds of balances: the actual balance and the available balance.

- ❖ **Actual Balance** – Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect drafts you have written and are still outstanding or transactions that have been authorized but are still pending.
- ❖ **Available Balance** – Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds, minimum balance requirements, or to comply with court orders.

We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance online, at an ATM, by calling us at **(559) 584-0922** or stop by the Credit Union.

d. Returned Item/Non-Sufficient Funds (NSF) Fees. The Credit Union may return a check or debit transaction (e.g., ACH payments) submitted for payment against your checking or savings account if the amount of the check or debit exceeds the available balance in your checking or savings account. Each time we return a check or debit for insufficient funds, we will assess NSF fees in the amount shown on the Credit Union's current Schedule of Fees and Charges for each returned check or debit item. If the merchant that submitted the initial check or debit submits the same item again, after it is rejected the first time, then we may reject it again and charge another NSF fee resulting in another NSF fee for the same item.

The Credit Union has no control over the number of times a merchant may resubmit the same check or debit transaction to us for payment and you will be charged multiple NSF fees in connection with a single check or debit transaction that has been returned for insufficient funds multiple times. There is no limit on the total NSF fees we can charge you for each item presented.

e. Minimizing Fees. The best way to know the amount of available balance you have and to avoid paying overdraft or returned item fees is to record and track all of your transactions closely, including pre-authorization commitments, outstanding checks, ACH debits, internet bill payments, online and mobile banking transfers, restrictions on deposits (or returned deposits) and any other items that may reduce your available balance.

2. Truth In Savings, Section 11 – The bold language in items "i" and "l" have been added and/or revised.

i. Early Withdrawal Provisions. We may impose a penalty if you withdraw any of the funds from your share certificate before the maturity date. IRA share certificates may incur additional penalties imposed by the U.S. federal government, please consult your tax advisor for more information. Refer to the Fee Schedule for current early withdrawal fees.

If you withdraw principal from your share certificate within six days of opening it, a penalty of seven days' dividends will be assessed, even if the penalty will diminish principal.

If you withdraw principal on your share certificate seven or more days after opening it, but prior to maturity, a penalty will be assessed as follows:

- ❖ Share certificates with terms of less than one year, the early withdrawal penalty is equal to 90 days' dividends or the amount of dividends that have accrued since the Certificate was opened, whichever is less;
- ❖ Share certificates with terms of one year or more, the early withdrawal penalty is equal to 180 days' dividends or the amount of dividends that have accrued since the Certificate was opened, whichever is less.

I. Renewal Policy. Unless you provide written instructions to do otherwise, your share certificate will automatically renew at maturity with the same term at the then current dividend APY being paid for that term. Additionally, if your original share certificate term is no longer available, your share certificate will automatically renew at the next shortest term at the then current dividend APY being paid for that term.

There is a ten (10) day grace period after the maturity date during which you may withdraw all or part of your share certificate balance without penalty. No dividends will be paid on funds withdrawn in the grace period.

3. Regulation E, Section 11– The bold language in item “c” has been added.

c. Foreign Transactions. Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing foreign transactions is a rate selected by Visa from a 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 the government-mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. See the Fee Schedule for current fees.

A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States with no regard to the physical location of your card. This includes, but not limited to, ordering goods or services online or any other mobile device or App within the United States to a merchant located outside the United States with the exception of U.S. military bases and U.S. territories.