

# SHARE ACCOUNT DISCLOSURE STATEMENT

**Member, Joint, Trust, Fiduciary, and Estate Accounts**

***AlaskaUSA***<sup>®</sup>  
*Federal Credit Union*

**alaskausa.org**

## **CONTACT INFORMATION**

Please contact us with any questions about these disclosures or with any concerns related to your account.

**By Phone:**

**907-563-4567 | 800-525-9094**

**Available 24 hours a day, 7 days a week**

**In Writing:**

**Alaska USA Federal Credit Union**

**P.O. Box 196613**

**Anchorage, AK 99519-6613**

**In Person:**

**You may also talk to us in person at any of our branches.**



Your savings federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government. National Credit Union Administration, a U.S. Government Agency.

AKUSA 00106-D R 01/22

## **1. WELCOME TO ALASKA USA FEDERAL CREDIT UNION**

### **1.1. Getting Started**

Thank you for opening an account with Alaska USA Federal Credit Union.

Please read this Share Account Disclosure Statement carefully as it contains important terms and conditions that apply to your account with Alaska USA Federal Credit Union (hereafter, Alaska USA).

### **1.2. How to Contact Us**

You can contact us with any questions about these disclosures or with any concerns related to your account.

By phone:

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## **2. THE AGREEMENT FOR YOUR ACCOUNT**

### **2.1. This Is a Binding Contract**

This Share Account Disclosure Statement, the applicable "Schedule of Service Fees," the "Membership Application and Master Account Agreement," and other account opening documents for your account are part of the binding contract (the Agreement) between you and Alaska USA for your share account. These documents cover your rights and responsibilities concerning your accounts and the rights and responsibilities of Alaska USA. In this Agreement, the words "you," "your," and "yours" mean anyone who opens an account with Alaska USA, anyone who signs a "Membership Application and Master Account Agreement" or signature card, account change card, or any other account opening document, and anyone for whom membership and/or service requests are approved through Alaska USA's online application and authentication process. The words "we," "us," and "our" refer to Alaska USA. The word "account" means any one (1) or more share or other accounts you have with Alaska USA. Please read all of these documents carefully.

This Agreement mentions some of the laws and regulations that apply to common share account transactions, provides some disclosures for deposit accounts required by federal law, and establishes terms that cover some transactions or situations that the law either does not cover or allows us to change by this contract.

When you complete the documentation to open an account or keep your account open, you acknowledge that you have reviewed

and understand the terms of this Agreement, and you agree to be governed by the terms in this Agreement. You understand that these terms, which may be periodically changed or supplemented, are a binding contract between you and Alaska USA for your share account.

We give this Agreement to you when you open your account. Additional copies may be obtained by contacting us via one of the methods in section 1.2 "How to Contact Us."

### **2.2. Making Changes to the Agreement**

The terms and conditions in this Agreement may change without notice to you unless prior notification is required by law. Any notice provided by us to you constitutes notice to all individuals authorized by you to access the account. If you have any questions, please contact us via one of the methods in section 1.2 "How to Contact Us" of this Agreement.

We may change this Agreement at any time in various ways: we may add new terms, delete or amend existing terms, add new accounts and services, discontinue existing accounts or services, and/or convert existing accounts and services into new accounts and services.

When we change this Agreement, the then-current version of this Agreement supersedes all prior versions and governs your account. If you continue to use your account or keep it open, you are deemed to have accepted and agreed to the change and are bound by the change. If you do not agree with a change, you may close your account as provided in this Agreement.

### **2.3. Governing Laws and Bylaws**

This Agreement, and your and our rights and obligations under this Agreement, are governed by and interpreted according to Alaska USA's bylaws, federal law and the laws (including applicable principles of contract law) of the state of Alaska, as well as local clearinghouse rules, as amended from time to time. You agree to be bound by all terms and conditions of our bylaws, as amended from time to time. Notwithstanding other provisions, you agree that changes in the bylaws will be effective when approved by our Board of Directors, even if you do not receive prior notice. You may obtain a copy of our bylaws upon request via one of the methods in section 1.2 "How to Contact Us."

Your rights and obligations for remittance transfers shall be governed by and interpreted as described in section 13.5 "Outgoing Wires."

### **2.4. Severability**

If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

### **2.5. Indemnity**

You agree to indemnify Alaska USA and hold us harmless from and

against all costs, including attorney's fees, damages, and claims, related to our actions if we are unable to post funds to an Account under certain circumstances, including but not limited to the following:

- a. Our closing of the account;
- b. Your or any payee or endorsee's raising of a claim regarding the account; or
- c. Our failure to cancel or process an item as a result of incorrect information provided by you.

### **3. INFORMATION ABOUT YOU AND YOUR MEMBERSHIP**

#### **3.1. Membership**

You must meet at least one of the membership qualifications defined in Alaska USA's Field of Membership and purchase at least one (1) share (the value of one share is \$5). Your membership is contingent on satisfactory verification of identity according to The USA PATRIOT Act, and you authorize us to perform a credit check on you or obtain a credit report for you and/or contact employers or other third parties to verify information about you at any time. Your request for membership may be denied if you have caused Alaska USA a financial loss and/or you have a record of account abuse with a consumer reporting agency.

Once you qualify for membership, you will not be required to re-qualify if you have maintained an active membership status. To be an active member, you must maintain a balance of at least \$5 (the value of one share) in any share account. If the account balance drops below \$5 for any reason and the balance is not increased to \$5 within a six-month (6-month) period, your membership may be terminated. At that point, you will need to re-qualify to receive account services again.

By signing your "Membership Application and Master Account Agreement," you agree to abide by the terms and conditions applicable to all accounts and services you receive from Alaska USA and to conform to Alaska USA's bylaws and amendments.

Member accounts, including the account numbers, are solely owned by the member. Only a member may add joint owners or beneficiaries to the account, close the account (and thereby withdraw their membership), and vote in any membership election, including the annual meeting. All share accounts are non-assignable and non-transferable to third parties.

You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share(s) and closing all your accounts. Additionally, you may be denied services for causing a loss to Alaska USA, or you may be expelled for any reason as allowed by applicable law.

#### **3.2. Tax Information**

If we pay you \$10 or more in dividend payments on your deposit

account with us, we are required to report the payments to you and to the Internal Revenue Service (IRS). We may also be required to report this information to the appropriate state revenue authority. You should consult your tax advisor or legal professional for more information.

When you open an account with us, we are required to obtain from you, and you certify that you have provided to us, a correct certified U.S. Tax Identification Number (TIN) and correct information about your backup withholding status. For individuals, the TIN is your Social Security Number. Resident aliens who do not qualify for Social Security should provide their Individual TIN.

**About backup withholding:** Backup withholding is not an additional tax. If we are required to backup withhold, the current backup withholding rate will apply to any dividends paid to your account, and the amount withheld will be paid directly to the IRS on your behalf. Backup withholding may apply in any of the following situations: (1) if you do not give us a certified name and TIN; (2) if the IRS notifies us that the name or TIN is incorrect; or (3) if the IRS notifies us that you did not report all your dividends on your tax return. If backup withholding applies to you, we are required to report the backup withholding amounts to you and to the IRS. Backup withholding amounts paid to the IRS may be claimed as a credit on your federal income tax return.

In some cases, a state and local tax authority may also require that we pay state and local backup withholding on interest paid to your account when we are required to pay backup withholding to the IRS.

If you administer your account as a retirement account, all IRS reporting and filing implications are the sole responsibility of you and should be discussed with your tax advisor or legal professional. Alaska USA, its affiliates, and its employees do not provide tax advice.

#### **3.3. Your Personal Information**

Our information practices are described in the "Alaska USA Privacy Notice." We provide the notice when you open your account.

Additional copies may be obtained online at [alaskausa.org](http://alaskausa.org) or by contacting us via one of the methods in section 1.2 "How to Contact Us" in this Agreement.

If you are a California resident, we also provide the supplemental "California Consumer Privacy Act Policy." The policy explains how we collect, use, and disclose certain personal information collected from California residents or households and summarizes your rights with regard to such information as required by the California Consumer Privacy Act of 2018.

Upon request, we provide you the name and address of each agency from which we obtain a credit report regarding your account.

#### **3.4. Statutory Lien/Security Interest**

We have the right to seize deposited funds to repay financial

obligations owed by you or a joint account owner, co-borrower, guarantor, or other obligated party. These obligations may include a negative share balance or a loan that is in default. Funds may be seized from any account or share that lists the obligated party as member or joint owner.

By signing the account agreement, you acknowledge and voluntarily agree to pledge all shares and funds in the account as collateral security for any loan or loans with Alaska USA.

Under federal law, we have the right to impress and enforce a statutory lien against your shares and dividends in the event of failure to satisfy a financial obligation. A "lien" on property is a creditor's right to obtain ownership of the property in the event a debtor defaults on a debt. A "statutory lien" is one created by federal or state statute. We may enforce that right without further notice to you. This lien right applies to all accounts you have with Alaska USA, to the extent permitted by law, including accounts that are held jointly with another party. Specific exceptions to our application of our statutory lien right may apply, including the following instances: (1) if the account is an IRA or other tax-deferred retirement account; (2) to offset credit card debt if you are delinquent on a credit card issued by us; or (3) if you are in bankruptcy, the statutory lien would not be enforced while an automatic stay is in effect. These exceptions do not negate any other remedy available to us in the event that you default on a debt.

### **3.5. Negative Information Notice**

We may report information about your loan, share, or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

### **3.6. Share Insurance Coverage**

Accounts are federally insured to at least \$250,000 by the National Credit Union Association (NCUA). The NCUA is the federal agency that charters and supervises federal credit unions and insures savings in federal credit unions across the country through the National Credit Union Share Insurance Fund (NCUSIF). The NCUSIF is a federal fund backed by the full faith and credit of the United States government.

IRAs are separately insured up to an additional \$250,000 by the NCUSIF.

## **4. ACCOUNT OWNERSHIP AND TYPES**

All account owner(s) and representative(s) (including joint owners, Trustees, Fiduciaries, and Personal Representatives) for the account types discussed in this section agree to conform to the bylaws of Alaska USA and agree to the terms, conditions, and fee schedules established and amended by us. Account owner(s) and representative(s) on your account have equal rights and authority to access account funds, including ownership shares, and to sign or endorse all withdrawal slips, checks, or drafts to be cashed or deposited. Your account may be accessed via debit card(s), remote account access, or other means approved by us. We may require

that any or all disbursements shall be made payable to any one or more of the account representative(s). The account owner(s) and representative(s) agree that we are authorized to charge at any time against any account associated with the account owner(s) any indebtedness, excluding credit card accounts, owing to us by the account owner(s). All accounts shall be subject to withdrawal or receipt by any one of the account owner(s) or representative(s).

Payment to any of them shall be valid and shall discharge us from any liability for such payment.

You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection.

All account representative(s) warrant that each account established and maintained with us is done so in a manner that is wholly consistent with the governing documents applicable to the specific type of account established, with applicable statutes and regulations, and with any applicable court or administrative orders. We are not responsible for the validity, existence, or legality of the type of account established, nor shall we be required to validate the authority of any account representative(s) to transact business.

All account owner(s) and representative(s) release us, our officers, directors, and employees from any and all liability or claim(s) for loss of funds resulting from any transaction by or through any account owner(s) or representative(s) (whether or not the account representative is named in the account agreement). The account owner(s) and representative(s) jointly and severally (if more than one) agree to indemnify, defend, and hold us harmless from any and all claims, suits, actions, damages, judgments, costs, charges, and expenses, including court costs and attorney's fees, against any and all liability, loss, and damage of any nature whatsoever that we shall or may sustain resulting from the establishment, maintenance, and transaction of any business related to the account(s) established pursuant to the specific account agreement(s). The account owner(s) and representative(s) agree to pay any necessary expenses, attorney's fees, or costs in the enforcement of this indemnification and hold harmless agreement.

If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages, not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject

to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care and our actions or nonactions shall be consistent with applicable state law, Federal Reserve regulations and operating letters, NCUA regulations, and clearinghouse rules.

Account owner(s) and representative(s) agree that we shall be notified if there is any change in the account representative(s), their role, their address, or the addition of an account representative(s). Any change shall be made effective by us only after we have received the change in writing at the address in section 1.2 "How to Contact Us" with reasonable time to act upon such notice. We shall have discretion in how we determine the identity of any person claiming to be an account representative. Such determination shall be binding on the account representative.

#### 4.1. Joint Accounts

Account terms and conditions for joint ownership of an account are set forth in the Master Joint Account Agreement. Joint owners are not qualified for membership based on the joint account; therefore, they do not retain the same rights to the account as a member. Only the member may add, remove, or change the status of other joint owners.

Such action must be executed in writing by the member and shall not affect transactions made within one (1) business day of receipt of notice by us. Only the member may designate Payable on Death beneficiaries for the account.

Any joint owner may establish verbally or in writing additional shares or services associated with a master account number. This includes, but is not limited to, debit card and/or remote account access service.

Joint owners may remove themselves from the account as set forth in the Master Joint Account Agreement. If a joint owner is removed from the account, any blank checks in that owner's possession that are presented for payment may be honored by us. The primary member on the account is solely responsible for recovering any checks held by the joint owner whose name is deleted from the account.

#### 4.2. Trust Accounts

Account terms and conditions for trust accounts are set forth in the Trust Master Account Agreement. A Trust Agreement or Trust Abstract is required to establish a Trust account. An existing member account may not be converted into a Trust account; a separate account in the name of the trust must be established.

All Trustee(s) may borrow from us, guarantee debts of others made by us, and pledge all or any part of the account as collateral security for a loan or loans with us. Each Trustee warrants that such transactions are permitted under the governing Trust documents. Any Trustee may access any credit line loan established with a Trust account through any access means made available by us.

#### 4.3. Fiduciary Accounts

Fiduciary Accounts include the following types: Representative Payee,

Guardian/Conservator, and Uniform Transfers to Minors Act (UTMA) accounts. Account terms and conditions for fiduciary accounts are set forth in the Fiduciary Master Account Agreement.

The Fiduciary(ies) agree that (1) the Letter of Appointment, applicable statutes and regulations, court or administrative order, and/or other document establishing the fiduciary relationship is in full force and effect and has not been revoked or amended in any manner that would change the Fiduciary(ies)'s power or authority; (2) the Fiduciary(ies) are qualified, are acting as Fiduciary(ies), and are authorized to open an account and complete other documents for the receipt of financial services from us on behalf of the account owner; (3) the Fiduciary(ies) shall not transact any personal financial transactions on any accounts for which he/she is acting in a fiduciary capacity; and (4) the Fiduciary(ies) will send written notice of any change in the Fiduciary(ies)'s power or authority or any other event that would cause any representations made to us to be or become inaccurate or incorrect. Until we receive written notice of any change relevant to the Fiduciary(ies), we may rely on these representations and any instructions by the Fiduciary(ies) when taking any actions affecting the account or the account owner before or after termination of the fiduciary relationship.

The Fiduciary(ies) agree that we have not provided legal, tax, or estate planning advice to the Fiduciary(ies) or any other person connected with the fiduciary account or the account owner. The Fiduciary(ies) warrant and represent that the Fiduciary(ies) either actually consulted with legal counsel or had ample opportunity to consult with legal counsel regarding fiduciary obligations owed to the account owner and/or the legal, tax, or estate planning issues relating to the opening of and transacting business in accounts with us. We do not assume any obligations that have been imposed upon the Fiduciary(ies), and it remains the Fiduciary(ies)'s sole responsibility to fulfill any and all such obligations and meet all standards of care imposed by law.

The Fiduciary(ies) accept sole responsibility for maintaining records as required by law, and we are exempt from any such obligation. Specific documentation is required for each type of fiduciary account:

- ▶ **Guardian/Conservator Accounts:** Official court documents specifying the Guardian/Conservator's right to manage the Ward's financial affairs and accounts are required to establish a Guardian/Conservator account. Guardian/Conservator accounts may only be managed by the Guardian/Conservator. We do not offer an account type for co-management of funds by both the Guardian/Conservator and the Ward/Protected Person.
- ▶ **Representative Payee Accounts:** A Representative Payee account is a limited account type established solely for the purpose of receiving direct deposits from the Social Security Administration (SSA). A Letter of Appointment from the SSA is required to establish a Representative Payee account—applications for appointment are not sufficient. A Representative Payee account can have only one (1) Representative Payee as a signatory. Upon receipt of notification

that a change in Representative Payee has occurred, funds held in a Representative Payee account must be returned to the SSA.

- › **Uniform Transfers to Minor Act (UTMA) Accounts:** No specific documentation granting authority is required to establish the account. For income tax purposes, dividends earned on a UTMA are reported under the name of the minor beneficiary in whose name the account is established. A UTMA can have only one (1) individual, the Custodian, authorized to transact on the account.

#### 4.4. Accounts for Minors

We may require that an account in the name of a minor be established by a custodial parent or legal guardian of the minor and that the custodial parent or legal guardian be listed as a joint owner. The joint owner and the minor must be eligible for membership with us. Custodial parents and/or legal guardians who are not listed as a joint account owner do not have rights to the minor's account. All funds deposited to the account become the property of the minor but are managed by the adult joint account holder. The adult joint account holder shall be primarily liable to us for any returned items, overdrafts, or unpaid charges or amounts.

We may make payments of funds directly to a minor without regard to his or her age. We have no duty to inquire about the use of any transaction by the minor or joint owner. Services offered to minors may be limited or restricted at our discretion. Once the minor turns 18, we require they establish a single name account and will transfer all funds to their control.

#### 4.5 Estate Accounts

Account terms and conditions for Estate Accounts are set forth in the Estate Master Account Agreement. To establish an estate account with us, the decedent must have been a member of Alaska USA at the time of death. Personal Representative(s) must provide a TIN for the estate, a Death Certificate, and Letter of Testamentary or Letter of Administration. An estate account can have only two (2) Personal Representatives as signatories on the account.

### 5. CHECKING AND SAVINGS ACCOUNTS

#### 5.1. Share Accounts and Share Draft Accounts

The term "Share Account(s)" generically and collectively refers to the following types of shares: savings, money market, share draft (checking), Health Savings Accounts (HSAs), certificates, and Individual Retirement Account (IRA) Certificates. Share draft accounts will hereinafter be referred to as checking accounts and share drafts as checks.

#### 5.2. Limits on Withdrawals

You may not withdraw shareholdings that are pledged as required security on loans without the written approval of a loan officer, except to the extent that such shares exceed your total primary and contingent liability to Alaska USA. You may not withdraw any shareholdings below the amount of your primary or contingent

liability to Alaska USA if you are delinquent as a borrower, or if borrowers for whom you are co-maker, endorser, or guarantor are delinquent, without the written approval of a loan officer. However, shares issued in an irrevocable trust are not subject to restrictions upon withdrawal except as stated in the trust agreement. The maximum number of shares that may be held by any one member shall be established from time to time by resolution of the Board of Directors.

### 6. TERM SHARE ACCOUNTS: CERTIFICATE OF DEPOSIT AND INDIVIDUAL RETIREMENT ACCOUNT (IRA)

#### 6.1. Maturity and Renewal

Term share accounts (Certificates and IRA Certificates) will mature at the maturity date set forth in the Certificate Receipt or Maturity Notice.

Certificates and IRA Certificates are eligible for automatic renewal. A Certificate or IRA Certificate designated for automatic renewal will be extended for successive periods equal to the original term and at the prevailing dividend payment frequency, dividend rate, and Annual Percentage Yield (APY) being paid by us as of the renewal date on the Certificate or IRA Certificate with the same term and minimum balance, unless otherwise specified by you prior to maturity.

Certificates not specified to automatically renew at maturity by you prior to the maturity date shall be disbursed as instructed by you.

Funds disbursed from a matured Certificate, if deposited into another account of yours, are subject to the terms and conditions of that account. An IRA Certificate not specified to automatically renew will automatically convert to a variable-rate IRA and is subject to the terms and conditions of a variable-rate IRA.

#### 6.2. Limitations and Amendments

During the first seven (7) days after the date of issuance, the maturity period (term) of the Certificate or IRA Certificate may be changed and deposits to them will be permitted. The dividend rate for the amended Certificate or IRA Certificate will be the published dividend rate on the original date of issuance or renewal for the specified term and final amount.

One-time annual deposits to IRA Certificates will be permitted up to the yearly contribution limit established by the Internal Revenue Service.

Certificate dividends may be paid to the Certificate balance, by automatic dividend withdrawal to another share within the account, or by check. IRA Certificates do not allow dividends paid by check or automatic dividend withdrawal to another non-IRA share within the account. The dividend disposition and renewal options for the Certificate or IRA Certificate may be changed at any time during its term.

#### 6.3. Early Withdrawal Penalties

A penalty for early withdrawal will be assessed if the deposited funds or



any portion of them are withdrawn prior to the maturity date.

Exceptions to these penalties shall apply only in case of your death or disability, or if the amount withdrawn is equal to your annual required minimum IRA distribution. The Early Withdrawal Penalty applies to all automatic renewals of existing Certificates or IRA Certificates as if they were new deposits, except during the first ten (10) calendar days after renewal. During this grace period, all or part of the Certificate may be withdrawn without being subject to the Early Withdrawal Penalty.

Partial withdrawals from a Certificate or IRA Certificate are not allowed if the withdrawal would lower the balance below the required minimum. In the event an early withdrawal lowers the Certificate balance below the required minimum, the Certificate must be closed, and the Early Withdrawal Penalty will be calculated using the full balance of the Certificate.

Pursuant to federal regulations, a minimum Early Withdrawal Penalty of seven (7) days' dividends will be assessed on amounts withdrawn within the first six (6) days after the date of issuance of a new non-IRA Certificate and on any partial withdrawals made prior to the date of maturity. Application of this penalty may result in the forfeiture of some principal and dividends.

The following schedule of forfeitures will also apply to Certificates and IRA Certificates:

- › If the maturity period (term) of the Certificate is ninety (90) days or less, you shall forfeit an amount equal to the lesser of
  - » thirty (30) days of dividends on the amount withdrawn, or
  - » all dividends on the amount withdrawn since the date of issuance or renewal.
- › If the maturity period (term) of the Certificate is 91 days to 365 days, you shall forfeit an amount equal to the lesser of
  - » ninety (90) days of dividends on the amount withdrawn, or
  - » all dividends on the amount withdrawn since the date of issuance or renewal.
- › If the maturity period (term) of the Certificate is 366 days to 729 days, you shall forfeit an amount equal to the lesser of
  - » 180 days of dividends on the amount withdrawn, or
  - » all dividends on the amount withdrawn since the date of issuance or renewal.
- › If the maturity period (term) of the Certificate is 730 days or more, you shall forfeit an amount equal to the lesser of
  - » 365 days of dividends on the amount withdrawn, or
  - » all dividends on the amount withdrawn since the date of issuance or renewal.

## **7. DIVIDENDS AND RATES**

### **7.1. Dividend Rates and Yields**

Dividends are paid from current income and available earnings after all expenses have been paid and required regulatory transfers to reserves are completed at the end of a dividend period. The disclosed Dividend Rate and Annual Percentage Yield (APY) are the prospective rates and yields that we anticipate paying for the applicable dividend period. The Dividend Rate and APY are provided on a separate document entitled "Share Rates Disclosure," and they are accurate as of the date on the rate sheet. The Dividend Rate and APY may change as determined by the Board of Directors, and such changes are solely within our discretion; this applies to variable rate and fixed rate accounts. For term share accounts (which are also fixed rate accounts), once the account is issued or renewed, the rates are fixed over the term of that account. If you have questions, please visit [alaskausa.org](http://alaskausa.org) or contact us via one of the methods in section 1.2 "How to Contact Us" in this Agreement.

### **7.2. Annual Percent Yield (APY) Calculation**

The APY measures the total amount of dividends paid on an account based upon the Dividend Rate and the frequency of compounding. The APY is expressed as an annualized rate and is based on a 365-day year. For variable rate accounts, APY calculation assumes that principal and paid dividends remain in the account for a full 365 days. For fixed rate accounts, APY calculation assumes that principal and paid dividends remain in the account through the maturity date. A withdrawal of paid dividends before maturity of term share accounts (Certificates or IRA Certificates) will reduce earnings.

### **7.3. Dividend Period**

The Dividend Period is the frequency with which dividends are compounded and credited and may be different for each share type. The Dividend Period is established by the Board of Directors and is set forth in the "Comparative Summary of Share Accounts" included in this agreement. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period. For example, if the dividend period is monthly, then the first dividend period within a calendar year would begin January 1 and end January 31. If the dividend period is quarterly, then the first dividend period within a calendar year would begin January 1 and end March 31.

The dividend declaration date precedes the ending date of a dividend period and is usually the date of the last Board of Directors meeting prior to the ending date of a dividend period. The Board of Directors generally meets on the last Wednesday of a calendar month.

The effective beginning date for Certificates (including IRA Certificates) is the date the Certificate was issued or renewed. The effective beginning date for all other new share accounts is the first calendar day funds were deposited.

Certificates and IRA Certificates with an original maturity of less than one (1) year will receive accrued dividends at maturity. Certificates and IRA Certificates with an original maturity of one (1) year or more will receive accrued dividends at the end of each month and at maturity. Dividends will not be paid if an account is closed before accrued

# COMPARATIVE SUMMARY OF SHARE ACCOUNTS

Account	Type	Dividends	Balance Requirements	Transaction Limitations on Account	Statement Frequency	Eligibility as Loan Collateral		
	Account ID Range	Frequency of dividend payment (or the dividend rate)	Frequency that changes may be made to the dividend rate and Annual Dividends (if not reinvested)	Minimum balance to open an account	Minimum daily balance to avoid Maintenance Fee	Transaction limitations to comply with federal regulations	Statement for all account types with the same account number are mailed together	Funds on deposit may be pledged as collateral on a loan from Fidelity USA
Savings								
Stock Savings	10	Quarterly	May vary daily as determined by the Board of Directors (Variable rate account)	None	\$50 (5% for members less than 26 years of age)	Minimum daily balance requirement waived if another share or loan with a balance is associated with this account number	Quarterly (Monthly if a checking or money market account; an active credit line or an applicable electronic funds transfer is associated with the account type)	Yes
Premium Savings	10				\$10,000			
Money Market								
Money Market \$2,500 or greater	20	May vary daily as determined by the Board of Directors (Variable rate account)		None	\$2,500	None	Monthly	No
Super Money Market line 1: \$10,000 to \$24,999 line 2: \$25,000 or greater	20	Monthly	May vary daily as determined by the Board of Directors (Variable lined rate account)		\$10,000			
Jumbo Money Market line 1: \$50,000 to \$99,999 line 2: \$100,000 or greater	20				\$50,000			
Checking								
Convenience Checking	70	None		Not applicable		Maintenance fee applies if Direct Deposit is discontinued: \$500 in any associated share or loan account. Minimum daily balance requirement waived for members less than 26 years of age.	None	Monthly
Retail Only Checking	70	None		Not applicable				
Instant Checking	70	Monthly as determined by the Board of Directors (Variable rate account)		None		\$1,000	Monthly	No
Health Savings Account FICA	74	Monthly	Monthly as determined by the Board of Directors (Variable lined rate account)	\$50, \$2,500, \$10,000, or \$50,000				
Individual Retirement Accounts								
Individual Retirement Account (RBA)	50-69	Quarterly	Monthly as determined by the Board of Directors (Variable rate account)	None	\$50	\$50	Quarterly (Monthly if a checking or money market account; an active credit line or an applicable electronic funds transfer is associated with the account type)	No
RBA Certificate (Term of 1-11 months to 364 days)	50-69	At Maturity	At Maturity (lined rate account)	\$500, \$2,500, \$10,000, \$25,000, \$50,000, \$100,000, or \$250,000				
RBA Certificate (Term of 12-60 months)	50-69	Monthly	Monthly (lined rate account)					
Certificates								
Terms of 1-11 months (0 to 364 days)	80-99	At Maturity	At Maturity (lined rate account)	\$500, \$2,500, \$10,000, \$25,000, \$50,000, \$100,000, or \$250,000		A penalty may be assessed on amounts withdrawn before the maturity date.	Quarterly (Monthly if a checking or money market account; an active credit line or an applicable electronic funds transfer is associated with the account type)	Yes (For a period of time to exceed the maturity date on monthly payment loans)
Terms of 12-60 months (0 to 364 days)	80-99	Monthly						



dividends are credited. Accounts opened after December 31, 1983, on which the taxpayer identification number (TIN) has not been certified, will not receive a dividend.

#### **7.4. Balance Requirements and Dividend Accruals**

The “Comparative Summary of Share Accounts” included in this Agreement shows the minimum balance required to open each share type, the minimum daily balance that must be maintained in a share each day to obtain the disclosed APY, and the minimum daily balance required to avoid the imposition of an account maintenance fee. The share type designations in effect during the Dividend Period will determine the corresponding balance requirements used in dividend calculation and maintenance fee assessment.

Dividends are calculated by the Daily Balance method that applies a daily periodic rate to the principal balance every day, providing that the balance is at or above the minimum daily balance required to earn dividends for that share type on that day. Dividends will begin to accrue on the business day that the cash or non-cash (e.g., check) deposit is made to the share account. Dividends will begin to accrue on direct deposits on the effective date of the deposit, which is the business day Alaska USA receives credit for the deposit. The effective date of receipt is shown on the periodic statement of account.

#### **7.5. Changing Share Type Designations**

Changing a share type designation is limited to one (1) change per Dividend Period for Share Savings, Premium Savings, Money Market, Super Money Market, or Jumbo Money Market accounts. Share type changes must be requested and are not established automatically based upon account balance. The share type designation for checking accounts in effect at the end of the calendar month will determine the corresponding balance requirements used in dividend calculation, if applicable, as well as maintenance fee assessment. Changing the Investor Checking share type designation may result in loss of accrued dividends.

### **8. INFORMATION ABOUT FEES AND CHARGING YOUR ACCOUNT**

#### **8.1. Fees**

The “Schedule of Service Fees,” provided when you opened your account, lists the fees that apply to your account. This schedule is part of the binding contract between you and Alaska USA. By opening an account with us, you agree to pay these fees. Current information about fees for other services (such as wire transfers, cashier’s checks, and bond redemptions) is available by contacting us via one of the methods in section 1.2 “How to Contact Us” in this Agreement. We will notify you of any changes in fees as required by law.

#### **8.2. Charging an Account**

Fees, overdrafts, and other amounts you owe us may be deducted by us from your accounts, and these deductions may be made at any time without notice to you. This does not apply to any accounts

covered by the federal Truth in Lending Act.

If the funds in your account are not enough to cover the fees you owe us, we may overdraw your account, without being liable to you. You agree to immediately pay all fees, overdrafts, and other amounts you owe us. We may use deposits you or others make to your account (including deposits of payroll and government benefits) to pay fees, overdrafts, and other amounts you owe us.

To the extent allowable, you agree to waive any protections against attachment, levy, garnishment, or other legal process under federal or state law on government payments (such as Social Security, Supplemental Security Income, Veterans benefits, and other federal or state benefits) that would otherwise be protected. You agree that we may use these funds to pay fees, overdrafts, and other amounts you owe us under this Agreement.

### **9. INSUFFICIENT FUNDS – OVERDRAFTS AND RETURNED ITEMS**

#### **9.1. Determining Overdraft Status**

Alaska USA pays debits based on the account’s Available Balance as defined in section 10.2 “Available Balance” in this Agreement. If, on any day, the available funds in your account are not sufficient to pay the full amount of a check, draft, transaction, or other item (plus any applicable fee), that is posted to your account, we may return the item or pay it using any or all of the applicable overdraft programs in which you have enrolled or are qualified to receive, as described below. Our determination of an insufficient available balance may be made at any time between presentation and the midnight deadline. We do not have to notify you if your account does not have sufficient available funds prior to our determination.

#### **9.2. Overdraft Programs**

Alaska USA offers three (3) types of overdraft programs: Overdraft Protection, Debit Card Overdraft Services, and the Courtesy Overdraft Payment Program (Courtesy Pay). Fees for these programs are listed on the “Schedule of Service Fees.” A fee may be charged each time an item is presented for payment and the account lacks sufficient funds for payment—in other words, multiple insufficient funds or overdraft fees may be imposed on the same item if it is presented multiple times for payment.

You agree to immediately pay any overdrawn amounts without notice or demand and, if in default, all related collection costs and attorney’s fees.

Enrollment in one or more overdraft program(s) does not guarantee that we will always authorize and pay every transaction. The payment of overdrafts under the programs is a courtesy and is not a right or obligation. We may discontinue overdraft programs for any account at any time without prior notice and without reason or cause. Members may revoke or decline participation in any of the overdraft programs at any time by contacting us verbally or in writing (see section 1.2 “How to Contact Us” in this Agreement).

If an overdraft occurs on an account, we will notify you of the amount paid, including the fee per presentment of the transaction. You have fourteen (14) calendar days to repay outstanding balances incurred as a result of an overdraft. Failure to repay outstanding balances may result in suspension of account services.

**Overdraft Protection.** Overdraft Protection is a service that automatically transfers funds from a savings share, money market share, or credit line loan to cover overdrawn amounts in a checking share within the same account. You may enroll an account in this service by signing an "Agreement to Provide Overdraft Protection." Overdraft Protection applies to checks and ACH debits. If the account is also enrolled in Debit Card Overdraft Services (see below), then Overdraft Protection would also apply to signature-based debit card transactions.

A daily fee will apply for transfers from a savings or money market share. There is no fee for the first three (3) transfers per calendar month from a credit line loan, but there is a fee per day for additional transfers.

Transfers from a credit line loan will be rounded up to the nearest \$100 sufficient to cover the overdrawn amount. If for any reason a credit line loan is closed, overdraft protection from that source will be immediately cancelled.

**Debit Card Overdraft Services.** Debit Card Overdraft Services (Overdraft Services) allow us to pay signature-based debit card transactions when the checking share account lacks sufficient funds. You may enroll the account in this service by completing a "Consent Form for Overdraft Services" (federal regulations require us to obtain your authorization prior to providing Overdraft Services). Once consent is given, you may revoke your authorization at any time.

An Overdraft Services Fee will be charged each time we pay an item under any of the overdraft programs due to a negative available balance. The amount of the fee will be based on the total amount the account is overdrawn.

**Courtesy Overdraft Payment Program.** The Courtesy Overdraft Payment Program (Courtesy Pay) is a non-contractual overdraft program that allows us to pay checks and ACH debits if your checking share account lacks sufficient funds to pay the transaction when it is presented for payment. Courtesy Pay may be applied to checks and ACH transactions, but not to debit card transactions. Courtesy Pay is automatically applied to eligible member accounts in good standing. You may decline participation in this program by providing us with verbal or written notice (see section 1.2 "How to Contact Us" in this Agreement).

A Courtesy Overdraft Payment Fee will be charged each time we pay an item that results in a negative available balance. The amount of the fee will be based on the total amount the account is overdrawn.

The amounts that we may pay under the program vary by account and are calculated at our sole discretion.

### 9.3. Non-sufficient Funds (NSF) Activity

If available funds are not in the account when a check, ACH debit, debit card transaction, or other debit is presented for payment, and overdraft programs are not available, the item will be returned unpaid.

A fee may be charged each time an item is presented for payment and the account lacks sufficient funds for payment—in other words, multiple insufficient funds fees may be imposed on the same item if it is presented multiple times for payment.

## 10. ACTUAL BALANCE, AVAILABLE BALANCE, AND ORDER OF TRANSACTIONS

### 10.1. Actual Balance

Your actual balance is the actual amount of money in your account. This amount is updated throughout the day as transactions are posted. It does not include pending transactions or holds. You agree we may give you credit for an ACH payment before we receive final credit; however, any such payment is provisional until we receive final settlement. If we do not receive final settlement of an ACH that we have provisionally credited, we will reverse the entry and you will be liable to us for the amount of the transaction.

### 10.2. Available Balance

Your available balance is the amount of money in your account that is currently available for you to make purchases, withdrawals, etc. The available balance reflects any pending transactions and any holds placed on deposits. Your available balance is updated throughout the day as transactions are posted. It does not include any checks you have written that have not been presented for payment, bill payments that have been scheduled but not yet sent, or ACH transactions (direct withdrawals and/or direct deposits) that have not yet posted. Available balance is used to determine whether an item will be paid and to assess overdraft fees.

### 10.3. Order of Transactions

Typically, we post transactions in the order they are received. We cannot control when transactions are presented for deposit or payment. We make every attempt to post credits before debits so that members receive the maximum benefit of their funds. Both the actual and available balances of your account can be checked at an Alaska USA ATM, when reviewing your account information online, by phone, or at a branch.

## 11. PROCESSING DEPOSITS AND CASHED ITEMS

### 11.1. Cashing Items or Accepting Items for Deposit

You are responsible for all items deposited into your account—including any problems that may ensue. If you deposit one or more checks, money orders, cashier's checks, or other such items, we do not generally verify whether they are valid at the moment you deposit them or ask us to cash them. Your account may be charged for the value of an item if it is not paid for any reason which may result in

your account being overdrawn and fees being assessed. We are not required to verify or question the authority of any person making a deposit to your account. We may accept an item for deposit from any person.

We may refuse a deposited item entirely or partially. We may return an item you have deposited. Or we may accept it for collection only. If you deposit counterfeit cash, your account may be charged for the amount determined to be counterfeit.

If your account is overdrawn and you make a deposit, the funds may be applied first to fees you owe us and/or to pay any existing overdraft.

If an error was made with a deposit, we may adjust your account. This may be done regardless of whether you have withdrawn some or all of the funds. We are not responsible for any errors or delays made by others in the collection process. We are responsible only for exercising an ordinary level of care.

## **11.2. Foreign Items**

Some items may be accepted for collection only and may not be cashed upon presentment. This includes checks drawn on foreign banks or checks in foreign currencies. Our Funds Availability Policy does not apply to any foreign item, whether or not we accept it for deposit or on a collection basis. Such items are processed separately and will typically be credited to your account only when we receive payment for the item. If we credit your account before receiving payment, and then do not receive payment, or the item is returned unpaid, your account may be debited, regardless of whether this causes your account to be overdrawn, for the amount of the item at the current exchange rate, which may be different than the initial credit. Foreign currency conversion rates are determined by the processing or paying bank. Foreign items may be subject to fees imposed by Alaska USA and other financial institutions involved in processing the item. These fees are required to be paid even if the item is returned unpaid. If payment of a fee is required prior to processing the item, we may pay the fee and deduct the amount from your account, regardless of whether this causes your account to be overdrawn. Such a fee may be deducted from the amount paid to us by another financial institution.

## **11.3. Demand Drafts and Remotely Created Checks**

You guarantee that a demand draft or remotely created check that you deposit to your account is authorized by the identified drawer and in accordance with the terms on its face. If you authorize a third party to draw a remotely created check or demand draft against your account, you may not later revoke your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check or demand draft for which the third party has proof of your authorization. You indemnify us from all loss, expense, and liability in the event that such an item was not authorized.

## **11.4. Deposit Preparation and Acceptance**

Any deposits not made in person at a branch may be opened and counted by any Alaska USA employee or authorized agent. You agree not to dispute their determination of the amount of the deposit.

We determine the date of a deposit at our discretion, and this will affect the date on which the deposit is credited to your account. This may depend on the manner in which it was deposited (in-person, ATM, night depository, mail, etc.).

We reserve the right to adjust the amount that you deposit with us based on subsequent verification of deposited items by us.

## **11.5. Deposit Error Correction**

If you use a deposit slip for depositing funds, you must ensure that the amount shown on the deposit slip is correct. We may use the amount shown on the deposit slip to provisionally credit your account. If the amount shown on the deposit slip is later shown to have been incorrect, we reserve the right to either adjust your account or not adjust your account unless you notify us of the error.

## **11.6. Endorsing Checks**

We may accept items deposited to your account even if you have not endorsed them. We reserve the right to require your endorsement on deposited items. We may refuse a deposited item if individuals who are not account owners have endorsed the item.

Checks written to a signatory on the account may be accepted if they are endorsed by any other signatory on the account.

## **11.7. Identifying the Account for Your Deposit**

It is your responsibility to identify the correct account for your deposits, and you are responsible for any fees, costs, damages, or loss that may occur if you incorrectly identify the account for your deposits. We may choose to deposit funds into the account you designate regardless of whether there are discrepancies between the name or account number and your instructions.

## **11.8. Overpayments and Reversals**

If funds are transferred to your account by mistake, we may reverse the transfer without notice to you, even if it causes your account to be overdrawn. Similarly, if funds are deposited to your account by mistake, we may deduct those funds from your account, even if it causes your account to be overdrawn. We may do this without giving you prior notice.

## **11.9. Returned Items**

Our returned item procedures apply to all funds that you have deposited into your account or that we have cashed for you—collectively called “cashed or deposited items.” We may take any of the actions described in this section (including withdrawals and holds) without notice to you, even if our actions cause your account to be overdrawn or to have insufficient funds.

Funds in the amount of a returned item may be deducted from your account at any time starting with the date it is returned to us by any means or starting with the date we are notified that the item will be returned to us—whichever is earlier. We may place a hold on funds in your account while we work to resolve the returned item, even if the item has already been paid by the bank on which it is drawn, regardless of whether the payment is considered final.

For each cashed or deposited item that is returned to us, we may charge you a fee, and the fee may vary based on the type of item returned. You agree to immediately pay any fees, charges, or overdrafts incurred because of returned items in your account.

We are not obligated or required to question or investigate the circumstances behind any returned item or to take any action with regard to a returned item. We may accept a returned item, pay the claiming party, and withdraw the relevant funds from your account without regard to whether the item was paid by the other party and without regard to any midnight deadline or clearinghouse rules. We will accept (and you agree to accept) an electronic notice of return, a copy of the original check with an indemnity stamp, an image replacement document, or an image as documentation of the returned item instead of the original item.

We may choose to (but are not obligated to) resubmit the returned item for payment, and we are not obligated to notify you if we choose to do so. We may, at our discretion, notify you about some returned items.

### **11.10. Substitute Checks**

You agree not to deposit substitute checks (as defined by federal law) or image replacement documents. If you deposit such items, you agree to be responsible and liable for all costs, claims, losses, or damages we may incur, and you warrant and indemnify us against any such liabilities. For more information see section 15.2 “Substitute Checks” in this Agreement.

### **11.11. Third-Party Endorsements**

If an item you wish to cash or deposit is payable to another party or is payable to you and other parties, we may require that the item be endorsed by all parties named on the item. We may require that the parties provide documentation of their personal identification or an endorsement guarantee.

## **12. FUNDS AVAILABILITY SCHEDULE AND POLICY**

### **12.1. Your Ability to Withdraw Funds**

Typically, we make funds from your cash and check deposits available to you on the day we receive your deposit. Wire transfers and electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use them 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 at a branch or night depository on a business day during business hours, we will consider that day to be the day of your deposit. However, if you make a deposit at a branch or night depository after the branch is closed or on a day we are not open, we will consider the next business day we are open to be the day of your deposit.

### **12.2. Longer Delays May Apply**

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$225 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your 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 notify you in writing by the business day following the hold decision.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- › We believe a check you deposit will not be paid;
- › You deposit checks totaling more than \$5,525 on any one day;
- › You redeposit a check that has been returned unpaid;
- › You have overdrawn your account repeatedly in the last six months;
- › There is an emergency, such as failure of computer and/or communications 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 (generally no later than the fifth business day after the day of your deposit).

### **12.3. Special Rules for New Accounts**

The following rules will apply during the first thirty (30) days that your account is open:

- › Funds from electronic direct deposits to an account will be available on the date we receive payment for that deposit.
- › Funds from deposits of cash; checks drawn on Alaska USA; wire transfers; and the first \$5,525 of a day's total deposits of cashier, certified, teller, travelers, and government checks will be available on the day of the deposit if the checks are payable to you or a joint owner and the deposit was made in person to an

Alaska USA employee. If these conditions are not met, funds will not be available until the first business day after the day of deposit. The amount of the deposit in excess of \$5,525 will be available for withdrawal no later than nine (9) business days after the day of deposit.

- › Funds from all other check deposits may be unavailable until nine (9) business days after the day of deposit.
- › We may place longer holds on certain items for other reasons.

## 13. PROCESSING WITHDRAWALS

### 13.1. ATM Withdrawals

ATM withdrawals are transactions where you use your debit or credit card and enter your PIN to withdraw cash at an ATM. Except in rare circumstances, ATM withdrawals immediately post to your account at the time of the transaction.

### 13.2. Checks

When you write a check, it may be negotiated in one of our branches for deposit or to be cashed, or it may be negotiated at another financial institution and processed through the Federal Reserve System. Checks presented at one of our branches will generally be debited from your account as soon as they are received. Checks received from the Federal Reserve System will be processed once each day and will post in check number order.

**Post and Stale-dated Checks.** For checks drawn on Alaska USA member accounts, a check in which the date is in the future (Post- dated) or a check of which the date is at least six (6) months old (Stale- dated) may be paid upon demand unless we have been instructed to stop payment.

### 13.3. Debit Card Transactions

Debit card transactions are processed in one of two ways. When a merchant asks if you are using the card as "debit or credit," debit means the purchase will be processed as a Point-of-Sale (POS) transaction and "credit" means the purchase will be processed as a signature-based transaction. Regardless of how the transaction is processed, we will use your available balance to determine whether a transaction will be approved (authorized) or declined.

**Point-of-Sale (POS) Transactions.** To make a POS transaction, you typically use your debit card and enter your PIN at the time of purchase. Under certain dollar limits, some merchants will not require your PIN for a POS transaction. POS transactions are similar to ATM withdrawals because they usually post to your account at the time of the transaction. Sometimes merchants do not present POS transactions for immediate payment. Regardless, we will attempt to post the transaction as soon as it is received.

**Signature-Based Transactions.** To make a signature-based transaction, you typically use your debit card and sign for the transaction instead of entering your PIN. For certain transaction types, or under certain dollar limits, some merchants will not require your signature for

the transaction even though your PIN was not used. Signature-based transactions do not immediately post to your account. These transactions will post when they are presented by the merchant, generally within three (3) business days.

Debit card transactions are authorized based on your available balance. When we authorize a signature-based debit card transaction, we will place an authorization hold on the corresponding amount of funds in your checking account to cover that transaction. If we obtained your consent to receive Debit Card Overdraft Services in compliance with Regulation E, (see section 9.2 "Overdraft Programs" in this Agreement), the authorization hold will immediately expire, and the corresponding funds will become available. If you have NOT opted in to Debit Card Overdraft Services for your account(s), the authorization hold will remain in place until the transaction is posted to your account, generally within three (3) business days.

Cardholders should be aware that the amount of an authorization hold may differ from the actual amount of the transaction. This occurs most commonly with fuel purchases made at a self-service gas pump. Fuel purchase authorizations may be more than the final purchase amount. Amounts can also differ if, for example, you add a tip to a charge at a restaurant.

### 13.4. Automated Clearing House (ACH) Payments

We process transfers through the Automated Clearing House (ACH). ACH transfers, which are sometimes referred to as direct deposit or electronic payments, are subject to rules of the National Automated Clearing House Association (NACHA). You should be aware that we may not match the name on the receiving account to the name of the individual listed on the transaction. Rather, we may rely solely on the account number provided to post the transaction.

### 13.5. Outgoing Wire Transfers

We may delay the processing of a wire transfer request to verify information as required by the USA PATRIOT Act. Wire transfers may be sent through Fedwire, which is a system operated by the Federal Reserve System and governed by Regulation J. You are responsible for verifying the information you provide to us for outgoing wire transfer instructions. You should be aware that financial institutions may not match the name on the receiving account to the name of the beneficiary listed on the wire transfer request. Rather, financial institutions may rely solely on the account number provided on the wire transfer request. Therefore, it is critical to ensure the accuracy of your wire transfer instructions. Once a wire transfer has been transmitted, it may not be recovered.

A remittance transfer is a wire transfer initiated by a consumer primarily for personal, family, or household purposes to a designated recipient in a foreign country. The rights and obligations established in the Electronic Funds Transfer Act and Alaska law for remittance transfers apply to our remittance orders. Under federal law, the rights and obligations that apply to remittance transfers may differ from the rights and obligations that apply to other types of payment orders.



Your rights with respect to remittance transfers, including disclosure, error resolution, and cancellation rights, will be explained to you, either orally or in writing, concurrent with each remittance transfer you initiate. The cut-off times for receipt and processing of wire transfer requests will be communicated to you at the time of your request. Funds for an outgoing wire transfer will be withdrawn from the account the day the wire is processed. Alaska USA will not be liable for any failure to act or delay due to a lack of sufficient available funds in your account or any inaccuracy in the instructions provided.

- a. Wires in US Currency.** Wire transfers involving only US currency that are not completed on the day the instructions are received, may be processed on a proceeding business day.
- b. Wires in Foreign Currency.** Wire transfers involving a foreign currency require the instructions be received on the business day the transfer is processed. If for any reason a wire involving a foreign currency is not processed the day instructions are given, the process will have to be repeated with new instructions.

### 13.6. Facsimile Signatures

If you use a Facsimile Signature you authorize and direct us, without further inquiry and as an accommodation to you, to honor and pay checks, drafts, and other items for which a Facsimile Signature was used, and to charge and debit your account(s) for such items, regardless of how or by whom the actual or purported Facsimile Signature was affixed.

You agree to assume full responsibility for withdrawals or items we pay containing or purporting to contain a Facsimile Signature and are precluded from asserting and agree to indemnify and hold us harmless from any and all losses, claims, damages, liabilities, attorney's fees, costs, and expenses arising from or related to any use, misuse, or unauthorized or unlawful use of a Facsimile Signature or device.

## 14. PERIODIC STATEMENTS AND OTHER COMMUNICATIONS

### 14.1. Periodic Statement

A single statement is provided to you for all account activities linked to your account number with us. Statements are typically provided on a monthly basis when a checking account is linked to your account number. Statements are typically provided on a quarterly basis when a checking account is not linked to your account number. However, if you have any Electronic Funds Transfer (EFT) activity in a month, you will receive a monthly account statement. We are not obligated under the operating rules of the National Automated Clearing House Association (NACHA) or the Uniform Commercial Code (UCC) to send a separate notice or receipt of wires or electronic transfers. The statement will show all wires and EFTs that occurred, including direct deposit, preauthorized payments, online transactions, and any transactions involving the use of your ATM or Visa® Debit Card.

If your statement (and any accompanying items) is returned to us at

any of our offices or branches, we may choose to forward it to you or destroy it.

### 14.2. Contacting You

You are responsible for keeping an up-to-date address and contact information on file with us and for notifying us of any change in your address. We use the address on file to send notices and communications to you.

By providing this information, you give us permission to contact you to discuss your Alaska USA accounts. We may use a variety of methods to contact you, including but not limited to mail, phone calls, text messages, and emails.

If you do not provide us with your current address, we may continue to send statements and notices to the address we have on file for you. You agree to indemnify and hold us harmless for doing so. We may change the address on file for you if the U.S. Postal Service or one of its agents notifies us that you have changed your address. We would then use the new address to send notices and communications to you.

## 15. REPORTING ERRORS

For all communications, see section 1.2 "How to Contact Us" of this Agreement for our address and phone number.

### 15.1. Unauthorized Signatures and Alterations

You are responsible for examining each statement of account and discovering and then notifying us in writing of any errors, unauthorized transactions, alterations, unauthorized signatures, or other problems (collectively, "the error") promptly.

You must notify us on or before the sixtieth (60th) day after the first account statement containing the error was made available to you. If you do not notify us in this period, we shall not be liable for the error, any subsequent errors, any related payments made, and any related charges to your account.

### 15.2. Substitute Checks

What is a substitute check? To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks (for example, a check you deposit to your account that is returned unpaid may be returned to you as a substitute check).

**Your rights regarding substitute checks.** In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from



your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and a refund of fees that were charged as a result of the withdrawal (for example, insufficient funds check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also entitled to interest on the amount of your refund if your account is a dividend-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus dividends if your account earns dividends) within ten (10) business days after we receive your written claim and the remainder of your refund (plus dividends if your account earns dividends) not later than forty-five (45) calendar days after we receive your written claim.

We may reverse the refund (including any interest on the refund) if we demonstrate later the substitute check was correctly posted to your account.

How do I make a claim for a refund? If you believe you have suffered a loss relating to a substitute check you received and was posted to your account, contact us immediately via one of the methods in section 1.2 "How to Contact Us" of this Agreement.

You must contact us within sixty (60) calendar days of the date we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or of the date of the account statement showing the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. When contacting us to make your claim, please include the following information:

- › A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- › An estimate of the amount of your loss;
- › An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss;
- › A copy of the substitute check and/or the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, the amount of the check, and the date the check was posted to your account.

If you contact us in person or by telephone, we will require that you forward your claim to us in writing within ten (10) business days.

Please note that if we ask you to submit your claim in writing and we do not receive it within ten (10) business days of our request, we may not credit your account.

### **15.3. Unauthorized or Erroneous Electronic Transfers**

Notify us immediately at one of the telephone numbers provided in section 1.2 "How to Contact Us" in this Agreement if you think your statement or transaction receipt is incorrect or if you need more information regarding an electronic transfer listed on your statement or receipt. Electronic transfers include:

- › POS transactions;
- › ATM transactions;
- › Direct deposits;
- › Preauthorized payments;
- › Electronic check transactions;
- › Any transactions conducted using online account access.

We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared (see section 1.2 "How to Contact Us" of this agreement). Additional details and requirements in regards to Electronic Funds Transfers are provided in the "Electronic Fund Transfer Act Disclosure."

## **16. RESTRICTION OF SERVICES, DISCONTINUANCE OF SERVICES, AND ACCOUNT CLOSURES**

### **16.1. Restriction of Services**

We will not provide account services to any person or organization that:

- › Is registered as or engaged in doing business as a Principal Money Service Business;
- › Routinely engages in providing check cashing services to third parties acts as a third-party processor;
- › Engages primarily in the operation and/or servicing of more than one (1) private ATM or any ATM network;
- › Engages in the business of betting or wagering, or that knowingly accepts payments in connection with the participation of another person in unlawful Internet gambling, as defined in Regulation GG, the Unlawful Internet Gambling Enforcement Act;
- › Engages in the operation of a hemp-related business;
- › Engages in the operation of a marijuana-related business or dispensary, or any type of business that violates state or federal law.
- › We may restrict or discontinue account services to any individual or business member that:
  - › Routinely deposits and/or withdraws in aggregate more than \$150,000 in cash per calendar month;
  - › Utilizes their account in a manner inconsistent with the account type, if such activity results in the avoidance of account fees;

- › Originates transactions from known Internet gambling providers or may be coded as originating from a gambling establishment, as defined by Regulation GG.

## **16.2. Discontinuance and Suspension of Services Policy**

We may permanently discontinue or temporarily suspend account services to you for reasonable cause. Such causes include, but are not limited to, the following: misconduct, fraud or attempted fraud, engaging in restricted account activities, causing a financial loss to us, and/or account or service abuse. Account services may also be suspended to prevent us from incurring a loss.

Discontinuance and suspension of services applies to all account types, including those held by employees or officials of Alaska USA. Under certain circumstances, services may be reinstated—for example, when a member has caused us a financial loss and later reimburses us in full.

You may appeal the discontinuance or suspension of services to our Supervisory Committee. Appeals should be submitted in writing to the address in section 1.2 “How to Contact Us” in this Agreement. Unless expelled from membership, you retain the right to maintain a share savings account (while earning applicable dividends) and the right to vote in annual and special meetings.

## **16.3. Zero Balance Accounts**

Accounts left with a zero balance will be automatically closed after a reasonable period of time, generally within 32 to 92 days from the date of last account activity. Zero balance accounts will not be assessed a maintenance fee unless we determine that the account is still being used by you. You may reactivate zero balance accounts within six (6) months from the date of last activity.

## **16.4. Unclaimed Property**

Accounts Presumed Abandoned Unclaimed property laws require us to turn over abandoned accounts to the appropriate state. If no activity occurs on your account within the time period specified by applicable state law, we will consider it abandoned and your funds will be transferred to the applicable state as required by that state’s law. “State” refers to the current address listed on your account.

## **16.5. Death or Incapacity**

If we receive notice you or any joint owner, Fiduciary, Trustee or other authorized signer on your account(s) dies or is determined incapacitated by the appropriate court, we may restrict account services. We may continue to honor checks, items, and instructions until (a) we know of the death or court determination of incapacity, and (b) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or court determination of incapacity for up to ten (10) days after death or incapacity unless ordered to stop payment by someone claiming an interest in the account. We may require anyone claiming funds from an account of a deceased owner

to indemnify us for any losses resulting from our honoring that claim. You agree that we may place a hold on the account until we know the identity of the successor.

Social Security, Supplemental Security Income, pension, salary and other such payments payable to the deceased, if deposited to the account after the person is deceased, may be returned to the payer and debited from the account.

## **17. ARBITRATION AND DISPUTE RESOLUTION**

To the extent allowed by law, all claims or controversies arising between you and Alaska USA shall be subject to arbitration. ARBITRATION IS FINAL AND BINDING ON THE PARTIES AND SUBJECT TO ONLY VERY LIMITED REVIEW BY A COURT. IN ARBITRATION THE PARTIES ARE WAIVING THEIR RIGHT TO LITIGATE IN COURT, INCLUDING THEIR RIGHT TO A JURY TRIAL. IF YOU HAVE ANY QUESTIONS ABOUT ARBITRATION, CONSULT AN ATTORNEY OR THE AMERICAN ARBITRATION ASSOCIATION. YOU AGREE AND UNDERSTAND: (I) THAT YOU AND WE ARE BOTH GIVING UP THE RIGHT TO TRIAL BY JURY; AND (II) THAT YOU AND WE ARE PRECLUDED FROM PARTICIPATING IN OR BEING REPRESENTED IN ANY CLASS OR REPRESENTATIVE ACTION OR JOINING OR CONSOLIDATING THE CLAIMS OF OTHER PERSONS (THE “CLASS ACTION WAIVER”)

### **17.1. ARBITRATION PROVISIONS**

- Binding Arbitration: At the request of either you or Alaska USA, binding arbitration under the Federal Arbitration Act will be used to resolve any claim or controversy (“Dispute”) between or among us and our assigns arising out of or relating in any way to this agreement, this agreement to arbitrate (“Arbitration Clause,”) or any related agreements or instruments which cover any of your loans, products, or services you have or have had in the past with Alaska USA (“Related Documents.”) This also includes a Dispute based on a contract or arising from an alleged tort or any alleged statutory or regulatory violation, whether the Dispute arose or came to exist in the past, now exists or may arise or come to exist in the future. Notwithstanding the foregoing, please note that certain special or limited remedies may be obtained through the court system. See subsection j. Arbitration shall not be required for an action commenced in small claims court or a court of similar jurisdiction that does not provide for trial by jury or the combination or joinder of claims.
- Rules: The arbitration will be conducted in accordance with the applicable consumer arbitration rules of the American Arbitration Association (“the Administrator.”) In the event of a conflict between the rules of the Administrator and this Arbitration Clause, this Arbitration Clause shall supersede and govern to the extent of the inconsistency. A copy of the consumer arbitration rules and procedures can be obtained free of charge at [http://www.adr.org/sites/default/files/Consumer\\_Rules\\_Web.pdf](http://www.adr.org/sites/default/files/Consumer_Rules_Web.pdf). We will also mail or email you a copy of the consumer arbitration rules if you make

a request through a branch or through the Alaska USA Member Service Center which can be reached at the number in Section 1.2 "How to Contact Us." In the event the Administrator is unavailable, and if we do not agree on an alternative forum, then you can select the forum for the resolution of the Dispute provided it is consistent with the remaining terms of this Section 17.

- c. **Survival of the Arbitration Clause:** The provisions of this Arbitration Clause will survive any termination, amendment, or expiration of this agreement or Related Documents. The provisions of this Arbitration Clause take the place of any prior agreement to arbitrate between or among the parties and supersedes any other dispute mechanism contained in any Related Documents.
- d. **Severability:** Aside from the Class Action Waiver (see subsection h), if any provision of this Arbitration Clause should be determined to be invalid or unenforceable, all other provisions of this Arbitration Clause shall remain in full force and effect.
- e. **How to Initiate Arbitration:** The arbitration may be initiated even if one of us has already initiated litigation in court related to the Dispute. Arbitration can be initiated by: (1) making a written demand for arbitration on the other party; (2) filing a motion to compel arbitration in court; or (3) initiating the arbitration process through the American Arbitration Association. All Disputes shall be resolved by a single arbitrator.
- f. **Location and Timing:** The arbitration proceedings shall be conducted within fifty (50) miles of your residence at the time arbitration is initiated. If there is not an office or facility to conduct the arbitration within fifty (50) miles of your residence, then the arbitration proceedings shall be conducted at the nearest town or city with suitable facilities.
- g. **Costs and Fees:** Alaska USA shall pay for any filing, administration, and arbitrator fees imposed on you by the American Arbitration Association.
- h. **Interpretation of this Agreement and the Arbitration Clause:** The validity and effect of the Class Action Waiver may be determined only by a court and not an arbitrator. You and we both acknowledge that the Class Action Waiver is a material and essential provision to the arbitration of disputes between us and is non-severable from the agreement to arbitrate. If the Class Action Waiver is limited, voided, or found unenforceable, then this agreement to arbitrate (except for this sentence) will be null and void with respect to such proceeding, subject to the right to appeal the limitation or invalidation of the Class Action Waiver. **YOU AND WE ACKNOWLEDGE AND AGREE THAT UNDER NO CIRCUMSTANCES WILL A CLASS ACTION BE ARBITRATED. THE ARBITRATOR MAY AWARD RELIEF ONLY ON AN INDIVIDUAL (NONCLASS, NON-REPRESENTATIVE) BASIS.** Aside from the validity and effect of the Class Action Waiver, the arbitrator will have the authority to resolve any other Dispute regarding the terms of

this agreement, this Arbitration Clause or Related Documents, including any claim or controversy regarding the arbitrability of any Dispute. All limitation periods applicable to any Dispute or defense, whether by statute or agreement, will apply to any arbitration proceeding and the arbitrator will have the authority to decide if any Dispute or defense is barred by a limitations period. The legal doctrines of compulsory counterclaim, res judicata, and collateral estoppel will apply to any arbitration proceeding hereunder so that a party must state as a counterclaim in the arbitration proceeding any claim or controversy which arises out of the transaction or occurrence that is the subject matter of the Dispute. Notwithstanding the applicability of any other law to this agreement, the Arbitration Clause, or Related Documents between or among the parties, The Federal Arbitration Act, 9 U.S.C. § 1. et seq., will govern the construction and interpretation of this Arbitration Clause.

- i. **Arbitrator Selection and Remedies:** The arbitrator will be selected in accordance with the rules of the Administrator. The arbitrator will have expertise in consumer financial services and/or the subject matter of the Dispute and must be a licensed attorney in the state where the arbitration is held. The arbitrator may award to the prevailing party recovery of costs and fees (including attorneys' fees and costs, arbitration administration fees and costs, and arbitrator fees) in his/her discretion. The arbitrator, either during the arbitration proceeding or as part of the arbitration award, also may grant temporary or additional remedies including but not limited to an award of injunctive relief, foreclosure, sequestration, attachment, replevin, garnishment, or the appointment of a receiver.
- j. **Certain Remedies Available Through Court:** No provision of this Arbitration Clause, nor the exercise of any rights hereunder, will limit the right of any party to: (1) judicially or nonjudicially foreclose against any real or personal property collateral or their security; (2) exercise self-help remedies, including but not limited to repossession and set-off rights; or (3) obtain from a court having jurisdiction over any provisional or ancillary remedies including but not limited to injunctive relief, foreclosure, sequestration, attachment, replevin, garnishment, or the appointment of a receiver. Such rights can be exercised at any time, before or during initiation of an arbitration proceeding, except to the extent such action is contrary to the arbitration award.