



6280 Manchester Blvd. • Suite 87, Buena Park, CA 90621
 (800) 391-8725 • (714) 690-4865 • Fax (714) 690-4863
 Camarillo Office: 916 W. Ventura Blvd., Camarillo, CA 93010
 (800) 459-6090 • (805) 484-6436 • Fax (805)484-6536

24/7 Teller Machine (877) 431-2820
 E-mail: info@calagcu.org

www.calagcu.org

TRUTH-IN-SAVINGS DISCLOSURE

PLEASE KEEP THIS
BROCHURE FOR
YOUR RECORD

Effective January 1, 2003



In the following agreement(s), the words "You", "Your", and "Yours" mean each and all of those (whether one or more persons) who are subject to the agreement(s) as a result of signing an account signature card for each respective account. The words "We", "Us", and "Our" mean CALIFORNIA AGRIBUSINESS CREDIT UNION.

This disclosure is presented for your information and is accurate as of the date shown on the cover. Furthermore, the Credit Union's Fee Schedule and Rate Sheet is incorporated herein by reference. We have the right to change its terms and conditions or amend this disclosure from time to time. However, before any fee or charge is increased or added, or terms and conditions amended, you will receive 30 days advance notice at your address of record when required by law. You may always obtain more information by calling our Member Services Department at (800) 391-8725.

TRUTH-IN-SAVINGS DISCLOSURE GENERAL INFORMATION

ACCRUAL OF DIVIDENDS ON NON-CASH DEPOSITS: Dividends begin to accrue on the business day you deposit non-cash items (e.g., checks) to your account if deposited before close of business.

NATURE OF DIVIDENDS: Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

BYLAW REQUIREMENTS: The maximum amount of shares which may be held by any one member shall be established from time to time by resolution of the board.

The Credit Union requires a one-time, non-refundable membership fee of \$2.

A member who reduces his share balance below the par value of one share and does not increase the balance to at least the par value of one share within 3 months of the reduction may be terminated from membership at the end of a dividend period.

Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. No transfer of voting rights or other membership privilege is permitted by virtue of transfer or co-ownership of shares by non-members. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than 7 days' and not more than 60 days' notice of intention to withdraw the whole or any part of the amounts so paid in by them.

No member may withdraw shareholdings that are pledged as required for security on loans without the written approval of the credit committee or a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. No member may withdraw any shareholdings below the amount of his/her primary or contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom he/she is comaker, endorser, or guarantor are delinquent, without the written consent of the credit committee or loan officer.

REQUIREMENT TO MAINTAIN A REGULAR SHARE ACCOUNT: You must open a Regular Share Account and maintain a minimum average daily balance of \$50.00 to open any subsequent accounts. You must maintain the Regular Share Account to avoid closure of that account and any subsequent accounts.

DIVIDEND COMPOUNDING AND CREDITING: Dividends will compound quarterly and will credit quarterly and the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is March 31. All other dividend periods follow this same pattern of dates. For example, the dividend declaration date typically precedes the ending date of the dividend period and may be the third Wednesday of the third month of the quarter.

If you close your account before dividends are credited, you will not receive accrued dividends.

BALANCE INFORMATION: We compute the balance in your account to determine the dividends you will be paid by using the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. We calculate the average daily balance by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

PAR VALUE/MINIMUM BALANCE REQUIREMENTS: The par value of one share in the Credit Union is \$5.00. You must purchase and maintain one (1) \$5.00 share (a \$5.00 average daily balance) in your Share Account to open and maintain any account with the Credit Union.

INFORMATION ABOUT SHARE ACCOUNTS

California Agribusiness Credit Union's Share Accounts let you deposit your money in a savings account and withdraw your money at any time. Our Share Accounts are called Regular Share Accounts and IRA Share Accounts.

TRANSFER LIMITATIONS: During any month, you may not make more than six (6) preauthorized, automatic or telephonic withdrawals or transfers from a regular share account to another account of yours or to a third party. No more than three (3) of the six (6) transfers may be made by check, share draft, debit card or similar order to third party. Except as otherwise stated herein, you may make an unlimited number of withdrawals from or transfers among your regular share accounts by mail, messenger or in person at the Credit Union or at an ATM. Transfers may be subject to a fee as disclosed in the Fee Schedule.

YOUR REGULAR SHARE ACCOUNT

RATE INFORMATION: The initial dividend rate and annual percentage yield ("APY") on your Regular Share Account are stated on the Rate Sheet accompanying this Disclosure.

Your Regular Share Account is a variable rate account. This rate and APY may change at any time at the Credit Union's discretion.

MINIMUM DEPOSIT AND BALANCE REQUIREMENTS: Your Regular Share Account has certain minimum deposit and minimum balance requirements.

The minimum deposit required to open your Regular Share Account is \$5.00. You must maintain a minimum average daily balance of \$5.00 to receive the APY and avoid account closure.

Other than as stated above under the par value/minimum balance requirements, no minimum balance requirements apply to your Regular Share Account.

TRANSACTION LIMITATIONS: The maximum number of check withdrawals you may make is 1 each calendar month. If you exceed the check withdrawal limitations, your account will be subject to the fee stated on the Rate Schedule.

YOUR IRA SHARE ACCOUNT

RATE INFORMATION: The initial dividend rate and annual percentage yield ("APY") on your IRA Share Account are stated on the Rate Sheet accompanying this Disclosure.

Your IRA Share Account is a variable rate account. This rate and APY may change at any time at the Credit Union's discretion.

MINIMUM DEPOSIT AND BALANCE REQUIREMENTS: Your IRA Share Account has certain minimum deposit and minimum balance requirements.

The minimum deposit required to open your IRA Share Account is \$100.00. You must maintain a minimum average daily balance of \$5.00 to receive the APY and avoid closure.

You must maintain a minimum average daily balance of \$50.00 in your Share Account to open an IRA Share Account.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES: All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account agreement and disclosure statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union agreement and disclosure statement will be provided to you.

YOUR CHECKING ACCOUNT

California Agribusiness Credit Union offers a Checking Account which lets you withdraw your money and write checks against your account at any time.

1. You authorize us to establish a Checking Account. We are hereby authorized to recognize any of the signatures subscribed to the Signature Card for the payment of funds or the transaction of any business for this account.
2. We are authorized to pay checks signed by you and the payments will be charged against your account.
3. The Credit Union is under no obligation to pay a check or honor any other withdrawal that exceeds the fully paid and collected balance in the Checking Account. However, if any of you write a check or makes a withdrawal by any other approved method that would exceed such balance and result in the Checking Account being overdrawn, the Credit Union may, as indicated by you on the Signature Card:
 - (1) Pay such check or withdrawal and transfer shares to the Checking Account in increments of \$100.00, sufficient to cover the amount of the resulting overdraft, plus a service charge, from your Regular Share Account. Transfers from Regular Shares are limited to two (2) per month; or
 - (2) Pay such check or withdrawal and transfer shares to the Checking Account in increments of \$100.00, sufficient to cover the amount of the resulting overdraft, plus a service charge, from any other regular share account from which any of you are eligible to withdraw shares.
4. Our authority under this agreement may not be changed or terminated by you, except by written notice to us which will not affect any prior transaction.
5. Only CALIFORNIA AGRIBUSINESS CREDIT UNION checks, or other methods approved by us, may be used to withdraw funds from the account.

6. Except for negligence, we are not liable for any action we take regarding the payment or non-payment of a check.
7. Any objection respecting any item shown on a monthly statement of the account shall be waived unless made in writing to us on or before the applicable time limits set forth in the Uniform Commercial Code ("UCC").
8. We are under no obligation to pay a check on which the date is more than six months old unless you give us notice otherwise as required under the UCC. We are under no obligation to hold a post-dated check. We reserve the right to process every item presented as if dated the same date received by us or our check processor.
9. You shall be liable for such service charge/fees as we may impose for returned items written against insufficient funds, closed accounts, returned items deposited into the account, and for other services in accordance with our Fee Schedule.
10. We are authorized to deduct any account service charge/fee from any of your Share Accounts without prior notice to you.
11. All non-cash share deposits or payments received in the account may be placed on hold in accordance with our policy of Delayed Availability of Deposited Funds.
12. All requests that payment of a check be stopped must be provided to us in such form as we may establish. A fee in an amount established by us may be charged for each stop payment request.
13. A photocopy of a paid check is available for four (4) years from the date the check was paid by us. A fee may be charged as provided in our Fee Schedule.
14. You authorize us to release information regarding the status and history of your account to others such as credit bureaus, merchants and other financial institutions.
15. We will charge the account for check printing costs at the time the charge is received from the printer. If no sufficient funds in the account, we may charge any other share account held by any of the named account owners of this account.
16. Please refer to our Fee Schedule as they apply to your checking accounts.
17. You agree and authorize us that when paid, checks become the property of the Credit Union and may be returned with the periodic statement of this account or otherwise.
18. Checking Accounts with no activity for ninety (90) days or more will be considered inactive and may be closed by us.
19. Your Checking Account may be terminated or closed by us if:
 - (1) You fail to maintain sufficient funds in your account (Regular Shares) to pay checks or other withdrawals;
 - (2) You fail to maintain all loan accounts in a current status;
 - (3) You file for bankruptcy;
 - (4) You have checks returned for reason "Not Sufficient Funds";
 - (5) You fail to conform to the terms and conditions of this Checking Account Agreement and/or the

Agreement and Disclosure issued in connection with any other access device and/or other rules and regulations as may be established by us from time to time.

(6) You fail to meet the minimum deposit and balance requirements as disclosed in Section 22 below.

20. **RATE INFORMATION:** The initial dividend rate and annual percentage yield ("APY") on your Checking Account are stated on the Rate Sheet accompanying this Disclosure.
21. Your Checking Account is a variable rate account. This rate and APY may change at any time at the Credit Union's discretion.
22. **MINIMUM DEPOSIT AND BALANCE REQUIREMENTS:** Your Checking Account has certain minimum deposit and minimum balance requirements.

The minimum deposit required for you to open your Checking Account is \$100.00.

You must maintain a minimum average daily balance of \$5.00 in your Checking Account and \$50.00 in your Regular Share Account to receive the APY and to avoid closure of your Checking Account. If during any quarter your average daily balance in either account falls below the required minimum balance, we may close your Checking Account.
23. **TRANSACTION LIMITATIONS:** No transaction limitations apply to your Checking Account.

TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS

1. You must be a member in good standing to maintain any account.
2. All accounts (except Checking Accounts) are not transferable except on the records of CALIFORNIA AGRIBUSINESS CREDIT UNION (CACU).
3. We may endorse checks for you which we receive for deposit.
4. All non-cash payments received for credit to any account are credited subject to final payment. Your right to withdraw funds represented by certain checks or other items you deposit may be delayed for several days. You will be notified if your right to withdraw will be delayed. Please refer to the Credit Union's Disclosure of Delayed Availability of Deposited Funds for further details.
5. All account statements will be mailed only to your address of record. You shall exercise reasonable care and promptness in reconciling your statement, but in all cases within the applicable time limits set forth in the Uniform Commercial Code or you are precluded from any objection against us.
6. We may pay out funds or transact business pertaining to any account with the signature of any one (1) of the account owners or the signature of any designated agent. If we receive written notice from an owner that withdrawals in accordance with the terms of the account should not be permitted, we may refuse, without liability, to pay any sums on deposit pending a determination of the rights of the owners. Further, if there is more than one owner and there is a conflict between owners, we may require the signatures of all owners.

7. You or we may terminate your account at any time. You understand, however, that your authority to us may not be changed or terminated except by written notice to us which will not affect prior transactions. You understand that it is our policy that so long as you have an outstanding loan balance, you may not close out your share account with us.
8. You understand that Individual, Joint, Trust, and Pay-on-Death accounts are subject to the Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
9. We are not responsible for items lost while not in our possession.
10. California law states that inactive balances must be turned over to the State (escheated) after a period of 3 years if you have not:
 - A. Increased or decreased the amount of any of your account(s) with us or presented an appropriate record of crediting dividends or cashed a dividend check from any of your accounts with us; or
 - B. Corresponded in writing or electronically with us concerning any of your accounts with us; or
 - C. Otherwise indicated an interest in any of your accounts with us as evidenced by a memorandum on file with us.

We may charge a fee for mailing an escheat notice. To recover funds turned over to the state, you must file a claim with the state.

11. You agree that by signing any account signature card, IRA Agreement or Share Certificate, you are also subject to the terms and conditions of the form of account (as described below and as stated on the signature card) which you have selected. The terms and conditions stated on the account signature card, share certificate, or any IRA agreement you sign are fully incorporated by reference herein.
12. Please refer to our Fee Schedule as they apply to all accounts. We shall debit such charges from any account you own (except an IRA Account), if there are insufficient funds available, the charges are payable on demand, and for checking accounts, will be treated as an overdraft.
13. Any payment made by us on your account in good faith and in reliance on the terms and conditions of this Truth-in-Savings Disclosure and Agreement and signature card shall be valid and discharge us from liability.
14. Ownership of the account will be established by the most recent account signature card or other document(s) evidencing such accounts. A different form of ownership may be established by executing a new signature card.
15. We reserve the right to close any account(s) discovered to be deliberately manipulated to the detriment of CALIFORNIA AGRIBUSINESS CREDIT UNION and its membership. "Manipulation" includes, but is not limited to, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of "float" to our detriment.
16. The law provides that under certain circumstances we may apply funds on deposit in your account to satisfy a debt you owe us which is not paid when due. If we exercise this right, we will advise you and identify the

account from which funds are transferred, the account to which they were applied and the balance after the transfer in each of these accounts.

17. You agree that we will not be responsible to you for any damages you may incur in the event you deposit an item with us which is later returned unpaid by the paying bank and that return is "late" due to markings on the back of the check caused by a prior endorser.
18. If we are served with a restraining order, garnishment, writ of execution or attachment, tax levy or other legal process with which we must by law comply, we will, to the extent permitted by law, notify you accordingly.
19. If we receive a Writ of Attachment within the first hour we are open, we must reverse any checks deposited the night before if needed to achieve full balance.
20. Our failure or delay in enforcing any of the terms and conditions of this Truth-In-Savings Disclosure shall not prohibit us from enforcing such terms and conditions at a later date.
21. The Credit Union reserves the right to refuse acceptance of any non-cash item.
22. You agree to notify us promptly of any change of address. You may notify us in person at any of our offices or by sending us a written and signed notice.
23. **STATUTORY LIEN:** If you are in default on a financial obligation to us, federal law give us the right to apply the balance of shares and dividends in your account(s) (except IRA) at the time of default to satisfy that obligation. Once you are in default, we may exercise this right without further notice to you.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS

1. If there is more than one owner, all agree with each other and with us that all sums now paid in on shares or hereafter paid in on shares by any one or all account owner(s) including all dividends thereon, if any, are and shall be owned by all account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and regardless of their net contributions shall be subject to withdrawal or receipt by any of the account owner(s) or the survivor(s) of any of the account owner(s). Any such payment shall be valid and shall discharge the Credit Union from any liability.
2. We are not obligated to inquire as to the source of funds received for deposit to a joint account or to inquire as to the proposed use of any sums withdrawn from the account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of shares.
4. You may pledge any or all of the shares on deposit in the account (except IRA's) as collateral security to any loan(s) subject to then current loan policies. Further, for a pledge of shares by any one of you shall be binding on all of you.

TERMS AND CONDITIONS APPLICABLE TO PAY-ON-DEATH (P.O.D) DESIGNATIONS

If you have made a pay-on-death (P.O.D) designation, all sums are payable on request to you during your lifetime and upon your death to your designated P.O.D. payee(s) or if the

account is jointly owned, to one or more account owner(s), during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. As between P.O.D. payees, there is no right of survivorship.

DISCLOSURE OF DELAYED AVAILABILITY OF DEPOSITED FUNDS

1. **GENERAL POLICY:** Our policy is to make funds from your cash and check deposits available to you on the next business day after we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds by check and we will use the funds 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 before 3:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 3:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.
2. **RESERVATION OF RIGHT TO HOLD:** In some cases, we will not make all of the funds that you deposit by check available to you on the next business day after we receive 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. However, the first \$100.00 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the next 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 mail you the notice by the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.
3. **HOLDS ON OTHER FUNDS:** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but relay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.
4. **LONGER DELAYS MAY APPLY:** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:
 - We have received notice that the check you deposited has been or will be dishonored.
 - We reasonably believe that the check you deposited will not be paid because of fraud, kiting, bankruptcy or insolvency.

- The check is mutilated or improperly encoded.
- The check is drawn in a face amount in excess of \$5,000.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or other circumstances beyond our control.

For our California members, under rules established by the Federal Reserve Board, we may apply any of the California state exceptions and place a hold on a deposited item only where the availability schedule for that item. In this case, the hold may extend up to the federal availability schedule limit for that type of deposit. Once the federal availability schedule limit is reached, we may further extend the hold under any of the federal exceptions that apply to the deposit. In some circumstances, we may apply the federal exceptions for our California member to place a hold on a deposited item.

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. They will generally be available no later than the eleventh business day after the day of your deposit.

5. SPECIAL RULES FOR NEW ACCOUNTS: If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

6. DEPOSITS AT NONPROPRIETARY ATMS: Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth business day after the date of your deposit.
7. FOREIGN CHECKS: Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.