



12701 Schabarum Ave.
Irwindale, CA 91706
800.866.6474
scefcu.org

ADDENDUM TO YOUR MEMBERSHIP AGREEMENT AND DISCLOSURE

Please read this Addendum completely and retain it with your personal records. All agreements and disclosures shall be construed in accordance with the provisions of the California Uniform Commercial Code (UCC). Your accounts are subject to the requirements below and such other terms and conditions as established by the Board of Directors and as contained in the account agreements. This Addendum is incorporated by this reference into and becomes a part of SCE Federal Credit Union's Membership and Agreement Disclosure. All other terms and conditions of your Membership Agreement and Disclosure, as amended, remain in force.



The following sub-section titled, "Par Value" found under section titled, "General Information About All of Our Accounts" has been amended as follows. This amendment takes effect July 1, 2021.

The par value of each share in SCE Federal Credit Union is \$5

The following sub-section titled, "Bylaw Requirements" found under section titled, "General Information About All of Our Accounts" has been amended as follows. This amendment takes effect July 1, 2021.

- The Credit Union will terminate from membership a member who fails to complete payment of one share in savings within 30 days of his admission to membership, or
- Fails to complete payment of one share in savings within 30 days from the increase in the par value of shares, or
- Reduces the share balance below the par value of one share in savings and does not increase the balance to at least the par value of one share in savings within 30 days of the reduction.

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

Savings 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 to or co-ownership of savings by nonmembers. 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.

The following sub-section titled, "Requirement to Maintain a Savings Account" found under section titled, "General Information About All of Our Accounts" has been amended as follows. This amendment takes effect July 1, 2021.

You must open a Savings Account to open any other share or loan account. You must maintain the Savings Account to avoid closure of that account and any subsequent accounts.

The following sub-section titled, “Inactive Account Fee+” found under section titled, “ General Information About All of Our Accounts” has been amended as follows. This amendment takes effect July 1, 2021.

Accounts with no activity for twelve (12) consecutive months will be assessed the Inactive Account Fee stated on the Schedule of Fees and Charges. You may avoid this fee if you meet any one of the following criteria:

- You are a member under 18 years of age;
- You maintain an aggregate balance of \$250 or more in your account.

The following sub-section titled, “Suspension of Services” found under section titled, “ General Information About All of Our Accounts” has been amended as follows. This amendment takes effect July 1, 2021.

LIMITATIONS/SUSPENSION OF SERVICES

The Credit Union reserves the right to limit, restrict or deny any credit union product(s) or service(s) in accordance with our Limitation of Services Policy to any Member who: (i) causes a loss to the Credit Union; (ii) misuses any Credit Union product or service; which may include and is not limited to attempts to structure transactions in order evade currency reporting requirements (iii) mistreats any Credit Union team member or volunteer; (iv) provides false or misleading information in connection with any transaction or Credit Union product or service; (v) is convicted of a crime or is directly involved in any type of fraudulent activity or (vi) fails to comply with the terms and conditions of any agreement with the Credit Union. Notwithstanding, all Members retain the right to maintain a basic share account and to vote in annual and special meetings. No action to limit, restrict or deny services will relieve a Member of the obligation to pay any outstanding balances, charges, or other amounts owed to the Credit Union.

Account Holder(s) agree(s) to indemnify and hold the credit union harmless from and against all claims, actions, damages, losses, and expenses, including attorneys’ fees, as a result of any action or inaction taken in relation to the matters described here.

Any limitation or restriction of services will be reasonably related to the nature of the Member’s conduct. A Member will be provided reasonable advance written notice before any restriction of services is implemented, unless circumstances warrant more immediate action.

The sub-section titled, “Savings Accounts” under the section titled, “Youth Savings Account” has been amended to change the title of “Prime Savings Account” and “Premier Money Market” to “Savings Account” and “Money Market”. These amendments take effect July 1, 2021.

The following sub-section titled, “Teen Checking Account” under the section titled, “Checking Accounts” has been amended to adjust as follows. These amendments take effect July 1, 2021.

Our Teen Checking Account is available to eligible members between 12 to 17 years of age. Upon reaching 18 years old, the Teen Checking Account will convert to a Free Checking Account

The following sub-section titled, “ATM Fees” under section titled, “Additional Disclosures Applicable to ATM Services” of your Membership and Agreement Disclosure, has been amended as follows. These amendments take effect July 1, 2021.

When you use an ATM not owned by SCE Federal Credit Union, you may be charged a fee by SCE Federal Credit Union and the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. A fee will not be imposed for use of an ATM or Debit Card issued by SCE Federal Credit Union for use of an electronic terminal operated by SCE Federal Credit Union. Refer to the Schedule of Fees and Charges for the amount charged by SCE Federal Credit Union.

The following sub-section titled, “Foreign Transactions” under section titled, “Additional Disclosures Applicable to Visa Debit Card Services” of your Membership and Agreement Disclosure, has been amended as follows. These amendments take effect July 1, 2021.

Purchases and cash advances made in foreign currencies will be billed to you in U.S. dollars. Transactions processed outside of the United States, or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transaction. Foreign transactions include transactions initiated in the U.S. authorizing access to a debit card, credit card or deposit account number using a telephone, computer or mobile device application but with a merchant who processes the transaction in a foreign country. The conversion rate in dollars will be a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.

The section titled, “Additional Disclosures Applicable to Online Banking Services” has been changed to, “Additional Disclosures Applicable to Online or Mobile Banking Services”. This title has changed throughout the section where mentioned. This is contained in the Membership and Agreement Disclosure. This amendment takes effect July 1, 2021.

The sub-section titled, “Overdraft” found under the Checking Account Agreement, under the section titled, “General Terms and Conditions of Your Credit Union Accounts”, has been amended with the following. This amendment takes effect July 1, 2021.

The Credit Union is under no obligation to pay an item (such as check, ACH, ATM and Debit Card transactions) which exceeds the available balance in an account; the Credit Union may, however, pay an item and recover or obtain a refund of the amount of the resulting overdraft plus a fee, (see Schedule of Fees and Charges) from any of the Account Holders of this account, each of whom expressly agrees that each Account Holder is jointly and severally liable for any and all overdrafts of this account and any and all associated costs created by any Account Holder. When an item is returned unpaid due to insufficient available funds and not covered by the Courtesy Pay Program (see For Checking Accounts with Courtesy Pay) or when an authorized debit card transaction is paid that exceeds your available balance, including your Courtesy Pay limit if applicable, at the time it is presented for payment, you will be charged a Returned Item or NSF (Non-Sufficient Funds) fee, as stated in the Credit Union’s Schedule of Fee and Charges.

Order of Posting: The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. We will pay checks, automated debits (ACH), ATM withdrawals, Debit Card Transactions (that may be completed with or with entering your PIN) in the order presented for payment to the Credit Union.

- Multiple checks presented for payment on the same day will be posted in the order received.
- For ACH transactions, deposits are posted first then debits are posted by settlement date, in the order received from Federal Reserve.
- For ATM Card and Debit Card transactions, items are posted in the order presented for payment, which may differ from the order the transaction was authorized. You understand that the order in which items are presented for payment can affect the total amount of fees that may be assessed against your account.

The Credit Union reserves the right to adjust the processing times for any items at its sole discretion.

Actual (Current) and Available Balances: It is also important that you understand the difference between your “actual balance” and your “available balance” to properly manage the money in your account and avoid Courtesy Pay (overdraft) and insufficient fund fees. Your “actual balance” is updated throughout the day as transactions are posted to your account. The actual balance will not reflect any pending, un-posted authorized transactions. Your “available balance” is the amount you have in your account at a particular time that is available for immediate withdrawal. Your available balance is updated throughout the day to reflect holds and pending transactions. The difference between your actual balance and your available balance is the result of pending activity that has not yet posted to the account (example, any “pending” debit card merchant withdrawals which have been authorized for payment and deposits that have a hold and are not available for immediate withdrawal). We will use the “available balance” in your account to determine if you have sufficient funds to cover your transactions. You can determine your available balance at the ATM, by phone or by accessing your account online or with mobile banking.

You understand that you may be overdrawn even when your actual balance is positive. You also understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you wish to make because your available balance will not reflect all your outstanding checks, automatic bill payments, pending ACH transactions, or recent deposits. In addition, a debit card transaction may cause your account to be overdrawn if the available balance is not sufficient at the time of posting even if the available balance was sufficient at the time it was authorized. Also note, your available balance may not reflect all of your pending debit card transactions if an authorization hold is released prior to the transaction being presented for payment. For example, if a merchant obtains your prior authorization but does not submit a one-time debit card transaction for payment within two (2) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions), we are required to release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account. You must keep careful records and practice good account management to avoid making transactions without sufficient funds available for withdrawal. For additional details on the availability of your funds for withdrawal, see the section entitled “Your Ability to Withdraw Funds.” If you have additional questions about your available or actual balance, please see a branch representative or call (800) 866-6474.

New language has been added to the sub-section titled, “Overdrafts” found under the Checking Account Agreement, under the section titled, “General Terms and Conditions of Your Credit Union Accounts”. The new language is as follows. This new language takes effect July 1, 2021.

AUTHORIZATION HOLDS FOR DEBIT CARD TRANSACTIONS

When you make a purchase with your Debit Card without entering your PIN, the merchant or other payee may seek our prior authorization and guarantee of payment for the transaction. If we authorize the transaction, we place a temporary hold for the authorized amount in the account linked to your Debit Card. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance (generally in real time as transactions are received by us throughout each day). The Credit Union will not authorize everyday Debit Card transaction amounts that exceed your current available balance unless you have asked us to do so.

The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted. Examples include, at-the-pump fuel purchases where the authorization occurs prior to fuel being pumped, restaurant purchases where the authorization occurs prior to the addition of a gratuity, or hotel or rental car transactions where the authorization is for an estimated amount prior to check-out. For those transactions, there may be no authorization hold, or the amount of the authorization hold may be different from the transaction amount. In some other cases we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance.

We place authorization holds for up to two (2) business days (or for up to thirty (30) business days for certain types of Debit Card transactions) from the time of the authorization. If the transaction is not submitted for payment by the merchant within the specified time period, we must release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and it is posted to your account. We urge you to record and track all of your transactions closely to confirm that you will not overdraw your account by spending funds that are not available to you.

Insufficient Funds - Overdrafts and Returned Items

Overdrafts and Returned Items

You are responsible for keeping track of your available balance. If you track your available balance accurately and you do not exceed this balance when a transaction is presented for payment or posted to your account, you will avoid overdrafts and the associated fees. It is imperative that you keep track of the outstanding transactions you may have authorized (such as outstanding checks or automatic bill payments for example), as your available balance will not reflect these transactions until they are paid from your account. As discussed in the "Actual and Available Balance" section, our record of your available balance may also not reflect all of your Debit Card transactions. Also remember that you should not assume that you can avoid an overdraft on your account by making a deposit before a check or other item is presented for payment because your deposit may not be immediately available for withdrawal.

Insufficient Funds

We will generally charge a fee for any debit transaction that exceeds the available balance in your account at the time the transaction is presented for payment. Subject to applicable limits on fees, you may be charged a fee each time a transaction is presented for payment, even if the same transaction is presented for payment multiple times. If we pay the transaction, we will charge an overdraft (Courtesy Pay or NSF (if the item is paid and exceeds the available balance at the time of posting) fee. If we return the transaction, we will generally charge a returned item fee. Please see our Schedule of Fees and Charges for a listing of these and other fees.

We pay overdrafts at our discretion, which means we do not guarantee that we will always, or ever, authorize and pay them. We are not obligated to pay any item presented for payment against your account if the available balance in your account is insufficient to cover the item. If we overdraw your account to pay items on one or more occasions, we are not obligated to continue paying future insufficient funds items. We may pay all, some, or none of your overdrafts, without notice to you. If we do not authorize and pay an overdraft, then we decline or return the transaction unpaid.

The following sub-section titled, "For Checking Accounts with Courtesy Pay", under the section titled, "General Terms and Conditions of Your Credit Union Accounts", has been amended as follows. This amendment takes effect July 1, 2021.

The Credit Union recognizes that sometimes you may overdraw your checking account. In such cases the Credit Union may decide to honor transactions for which there are insufficient funds. This is the Credit Union's Courtesy Pay Program. The Credit Union provides the Courtesy Pay Program as an accommodation to you and is not obligated to do so, even when it has done so in the past. You do not apply for this service.

Qualifications

To be eligible for the Courtesy Pay Program, the member must meet all of the following criteria:

- Must be a member in good standing;
- Must be age 18 and over ;
- Cannot not be delinquent on any loans with the Credit Union beyond 15 days; and
- Account must not be a Fresh Start Checking Account or a Checkless Checking Account.

DESCRIPTION OF SERVICE

When these qualifications are met, the Credit Union may automatically honor overdrafts, including checks, automated debits (ACH), debit card transactions, bill payments, and recurring debit card transactions. Transactions covered by Courtesy Pay are subject to a Courtesy Pay Fee as stated in the Schedule of Fees and Charges. Transactions not covered by Courtesy Pay that exceed your available balance are subject to a Return Item or NSF (Non-Sufficient Fund) fee.

Unless the Credit Union currently has your affirmative consent (opt-in) on file, we will not approve your overdrafts for everyday debit card transactions. You must tell us you want overdraft coverage for these transactions. To request overdraft coverage for your everyday debit card transactions, contact us at (800) 866-6474 or write to us at P.O. Box 8017, El Monte, CA 91734-2317.

When an overdraft is covered, the account will be taken negative by the dollar amount of the overdraft plus the amount of the Courtesy Pay fee as stated in the Credit Union's Fee Schedule. If we honor multiple overdrafts we may honor them in any order at the Credit Union's option or return any such items.

NOTICE REGARDING RETURN ITEM OR NSF FEES: When an item is returned unpaid due to insufficient available funds and not covered by the Courtesy Pay Program, or if the item is paid and not covered by Courtesy Pay, you will be charged a Non-Sufficient Funds (NSF) fee, as stated in the Credit Union's Fee Schedule. If multiple items are returned unpaid due to insufficient available funds on the same day, you will be charged an NSF fee for each returned item. The same item may be presented for payment more than once, and you will be charged an NSF fee each time that item is presented and returned due to insufficient available funds .

If you opted in for the Courtesy Pay Program and wish to cancel, you must inform the Credit Union by sending written notice to the Credit Union. Your notice should be directed to SCE Federal Credit Union, P.O. Box 8017, El Monte, CA 91734-2317; Attention Electronic Services.