

PACIFIC POSTAL CREDIT UNION ANYTIME BRANCH ONLINE BANKING & BILL PAY DISCLOSURE AND ELETTERS AGREEMENT

ONLINE BANKING & BILL PAY DISCLOSURE

The following Terms and Conditions govern the manner in which Pacific Postal Credit Union (PPCU) will provide Online Banking Services. The words "We," and "Us," and "Our" refer to Pacific Postal Credit Union ("Credit Union" or "PPCU"). The words "You" and "Your" refer to each person who signs the application for Online Banking services and each account owner or other person authorized to transact business on any Credit Union account which may be accessed through the PPCU Anytime Branch Online Banking and Bill Pay Service.

Please note that your new password will be effective for Online Banking access only. If You need to obtain a Personal Identification Number (PIN) for Zipline, our easy-to-use telephone banking system, you may do so by calling The Zipline number 800 339-4818. The password you select for Zipline will be your personal identification number for Zipline only.

Services: You authorize Pacific Postal Credit Union to utilize a third party, to provide the Service to You on Our behalf.

Multifactor Authentication: The FFIEC (Federal Financial Institutions Examination Council) requires all credit unions to implement a multi-layered verification sign-in process. When you sign-up for our Online Banking service you agree to abide by the requirement to select a confirmation image, pass phrase, and verification questions. This multifactor authentication process provides you with the assurance that you are on The Credit Union's official website. It is your responsibility to immediately notify the credit union if you have reason to believe your account, confirmation image, pass phrase, and/or verification questions have been compromised.

Limitations: We will not be liable under any circumstances, if we are unable to complete any payments or transfers initiated in a timely manner via the Services because of the existence of any one or more of the following circumstances:

1. You do not obtain a Confirmation Number at the time You initiate a payment or transfer.
2. If, through no fault of Ours, Your Account does not have sufficient funds available to complete the payment or transfer.
3. You have closed the designated Account or have been removed as a joint owner.
4. We have identified You as a credit risk and have chosen to (i) make all payments or transfers initiated by You via the Services utilizing a paper, as opposed to electronic, method or (ii) to terminate Your subscription to the Services.
5. If Your Password has been reported lost or stolen and We have taken action to prevent payments or transfers by use of the Password.
6. If Your Account is legally subject to some legal process, right of setoff, or encumbrance, or if the funds in Your Account are not immediately available for payments or transfers.
7. The Services, Your equipment, or any communications link is not working properly and You know or have been advised by Us about the malfunction before You execute the transaction.
8. You have not provided Us with the correct information for those Payees to whom You wish to direct payment or Accounts to which You wish to make a transfer.
9. Circumstances beyond Our control (such as, but not limited to, fire, flood, or interference from an outside source) prevent the proper execution of the transaction and We have taken reasonable precautions to avoid these circumstances.
10. There may be other exceptions stated in Our agreement with You.

Transaction Limitations: Some types of withdrawals are limited from all savings accounts to six (6) per month.

This limitation allows the Credit Union to comply with Federal Regulation D. During any month, You may not make more than six (6) withdrawals or transfers to another Credit Union account of Yours or to a third-party by means of a pre-authorized or automatic transfer or telephonic order of instruction. Transfers made through the Online Banking are included when computing the permissible number of monthly transfers made. If You exceed these transfer limitations during a month, Your payment or transfer may be prevented from taking place and Your account may be subject to closure. Payment transfers to your loans do not count towards the six (6) withdrawals or transfers allowed per month.

Stop Payments: You may request stop payments only on paper checks. Please go to the Online Banking link for Stop Payments and the Disclosure. Stop payment fees will apply. Please see the Fees and Charges document for details. All payments made via Online Banking will be listed on Your monthly Account statements ("Statement") that You receive from the Credit Union.

New Services: We may, from time to time, introduce new services or enhance the existing Services. We shall notify You of the existence of these new or enhanced services. By using these services when they become available, You agree to be bound by the obligations concerning these services, which may be sent to You.

Care of Your Password: You agree that You will not give Your Password or make it available to any other person. If You believe Your Password has been lost or stolen or that someone has made payments or transfers using Your Password without Your permission, notify Us IMMEDIATELY by phone anytime during Credit Union Member Service hours.

Your Liability for Unauthorized Payments or Transfers: If You believe that Your Password has been lost or stolen, notify Us IMMEDIATELY as provided above in order to minimize Your possible losses. You could lose all the money in Your Account (plus Your maximum overdraft line of credit, if any). If You believe Your Password has been lost or stolen and You notify Us within two (2) Business Days after You learn of the loss or theft, Your maximum liability will be fifty dollars (\$50.)

If You do NOT notify Us within two (2) Business Days after You learn of the loss or theft of Your Password, and We can prove that We could have prevented someone from using Your Password if You had told Us in time, Your maximum liability is five hundred dollars (\$500.)

If Your Statement contains payments or transfers that You did not make, notify Us IMMEDIATELY. If You do not notify Us within sixty (60) days after the Statement was mailed to You, You may not get back any of the money You lost if We can prove that We could have taken preventative measures if You had told Us in time. If a good reason (such as a hospital stay or an extended trip) prevented You from informing Us, We may, at Our discretion, extend the time.

Electronic Mail: Regular Electronic Mail (E-Mail) communications may not be secure. We, therefore, request that you do not send us or ask for sensitive information via any E-Mail system other than the Online Banking Message Center. Any message sent to you by The Credit Union shall be considered received on the earlier of the date you open the response or within three days of the date sent, regardless of whether you sign on to the Service within that time frame.

Errors and Questions: Contact Us as soon as possible at the address or telephone number provided below if You think that a payment or transfer listed on Your Statement is in error or if You need more information about a payment or transfer listed on the Statement. We must hear from You no later than sixty (60) days

after You received the first Statement on which the problem or error occurred. When You call or write Us, You must:

1. Provide Your name and Member Number.
2. Describe the payment or transfer You are questioning (Merchant Name, Account Information, Transaction Date, and Amount) and explain as clearly as You can why You believe it is an error or need more information. If possible, please provide Us with the Confirmation Number for the transaction.
3. Provide Us with the dollar amount of the suspected error.

If You tell Us verbally, We may require that You send Your complaint in writing within ten (10) Business Days. We will tell You the result of Our investigation within ten* (10) Business Days after We receive Your complaint and will correct any error promptly. If We need more time, We may take up to forty-five** (45) days to investigate the complaint or question. If this extended time is necessary, We will credit Your Account with a "conditional credit" within ten (10) Business Days after We hear from You, for the amount You think is in error in order that You may have use of the money during the time it takes to complete Our investigation. If We ask You to put Your question or complaint in writing and We do not receive it within ten (10) Business Days, We reserve the right not to give Your Account temporary credit.

If We determine there was no error, We will mail or transmit to You a written explanation within three (3) Business Days after We have completed the investigation, and within ten (10) Business Days of the date of such explanation, We will debit from Your account the "conditional credit" previously provided to You for use during the time that We took to complete Our investigation. You may ask for copies of documents used during Our investigation.

* If you assert an error within 30 days after you make the first deposit to your account, we will have 20 days instead of 10 business days.

** If you give notice of an error within 30 days after you make the first deposit to your accounts, or notice of an error involving a transaction initiated outside the U.S. or its possessions and territories, we will have 90 days instead of 45 days to investigate.

Pacific Postal Credit Union
1040 Leigh Ave.
San Jose, CA 95126-4129
800.696.6009

Disclosure of Account Information to Third Parties:

We will only disclose information to third parties about Your Accounts:

1. When it is necessary for completing payments or transfers
2. In order to comply with a government agency or court order
3. If You give Us Your written permission

Fee Schedule:

Anytime Branch Online Banking and Bill Payment Services are Free to all members. Refer to the Fees and Charges document for any associated fees.

Additional Terms and Conditions:

1. In addition to the preceding, You agree to be bound by and comply with the requirements of these terms and services and applicable state and federal laws and regulations. We agree to be bound by them as well. Your accounts at Pacific Postal Credit Union, which are accessed by the Online Banking, continue to be governed by the applicable Membership and Account Agreement, Electronic Fund Transfer Agreement and

Disclosures, Rate and Fee Schedule, Funds Availability Policy Disclosures and any other regulations relating to share accounts.

2. We reserve the right to terminate Your use of the Services, in whole or in part, at any time without prior notice.
3. If You wish to cancel Your subscription to the Services, You will be responsible for all payments and transfers You have requested prior to termination and for all other charges, fees, and taxes incurred. BE SURE TO CANCEL ALL OUTSTANDING PAYMENT AND TRANSFER ORDERS BEFORE YOU NOTIFY US TO TERMINATE THE SERVICE. WE WILL NOT BE LIABLE FOR PAYMENTS NOT CANCELED OR MADE DUE TO THE LACK OF PROPER NOTIFICATION BY YOU OF SERVICE TERMINATION.
4. These Terms and Conditions, and applicable Services fees and charges may be altered or amended by Us. In such event, We shall send notice to You at Your listed address or communicate notice of the alteration or amendment through the Services. Your use of the Services following receipt of such notice constitutes acceptance of such alterations or amendments.
5. In the event of a dispute regarding the Services, You and We agree to resolve this dispute by looking to these Terms and Conditions. You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account with prior notice to you. In the event either party brings a legal action to enforce the Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.
6. These Terms and Conditions shall be governed by and construed in accordance with the laws of the State of California.
7. Business Days are Monday through Friday excluding Credit Union holidays.

For assistance, call 800.696.6009.

Address mail to:

Pacific Postal Credit Union

1040 Leigh Ave.

San Jose, CA 95126-4129

ELETTERS AGREEMENT

The following provisions constitute an amendment to the agreements and disclosures contained in the Truth In Savings Agreement (referred to as "TIS Agreement") entitled "Important Account Information for Our Members" of Pacific Postal Credit Union (hereinafter referred to as "we", "our", "us", PPCU, and "Credit Union") concerning electronic delivery of Letters and notices concerning your accounts (collectively, "eLetters"), including time deposits, maintained by any individual, corporation, partnership, association, or other legal entity (herein referred to as "you", "your," and "yours"). To the extent there is any conflict between any statement made in this Supplemental Agreement (the "Agreement") and the TIS, this Agreement shall prevail.

1. CONSENT TO RECEIVE LETTERS AND NOTICES ELECTRONICALLY By clicking "Accept" below, you agree to the terms and conditions of this Agreement and consent (initially and on an ongoing basis) to receive in electronic format your account Letters ("eLetters") and notices that we are required to provide to you under applicable Federal and State statutes and their implementing regulations, as amended from time to time. If eLetter delivery is selected, all paper Letters associated with your accounts will no longer be mailed via U.S. postal service.

2. SECURITY MEASURES We will use commercially reasonable measures, consistent with industry standards, to maintain a reasonable level of security over the information contained in your eLetters. Upon your election of eLetters, we will "pre-note" your email address by sending you an email. Our security consists of 128-bit encryption of the data on the eLetters to protect it while in transit over the Internet. You understand that these industry standards are dynamic and constantly developing. By accepting the enrollment agreement for eLetters, you acknowledge and understand that there are risks to electronic delivery of eLetters, including, but not limited to, delay or failure of delivery due to technical difficulties, weather conditions (including but not limited to sun spots), matters beyond our reasonable control or interception, and/or alteration of your eLetters by third parties in spite of the Credit Union's commercially reasonable security measures. By accepting the enrollment Agreement for eLetters, you represent that you have considered our security measures and find that our security measures are commercially reasonable. In reaching this conclusion, you have considered the historical and potential future content of your e-Services, the risks associated with electronic delivery of your eLetters, and our security procedures. If you conclude that our security procedures cease to be commercially reasonable in the future, you must terminate this agreement immediately in accordance with paragraph 7 below.

3. YOUR COMPUTER'S SPECIFICATIONS You understand that it is your responsibility to maintain proper equipment/software that will enable you to view, print, and save these notices for your records. Pop-up blocking software installed on your computer may prevent your eLetters from displaying. Refer to your computer help files on how to disable your pop-up blocker or allow pop-ups for a specific website. In addition, several ISP's use spam blocking technology, therefore, we suggest adding e-services@ppcu.org to your address book to ensure delivery of the eAlerts.

4. EMAIL ADDRESS We will send your eLetter notifications to you via email to the last known email address provided and verified by you in online banking (as per the requirements of the set-up process). How to Update Your Email Address: You agree to provide a valid email address and it is your responsibility to update your email address in the online banking system. You will receive a new activation email to the new email address. Or you may activate the email address at a later time by clicking on the Activate Later button; however, if you elect to activate the new address at a later time, you will not receive any eLetters to the new address until the address is activated. If we become aware that you are not receiving your eLetters, we will send your eLetters to you via U.S. Mail to your last address known to us. THE CREDIT UNION SHALL HAVE NO OBLIGATION OR LIABILITY TO ANY OF THE PARTIES TO A MULTIPLE-PARTY ACCOUNT IF THE EMAIL ADDRESS IS CHANGED USING THE PROCEDURES SET FORTH ABOVE.

5. PROMPT REVIEW OF eLETTERS Your eLetters and notices will be dated the day the information is sent to you via email (the "Email Date"). You must promptly review your eLetters and any accompanying items and immediately notify us in writing or via telephone (within the applicable time periods specified in the Account Disclosure or applicable state/federal law) of any error, alteration or other irregularity. If you allow someone other than yourself to review your eLetters, you are still responsible for reviewing the eLetter for any errors, alterations, or other irregularities as you are responsible for the wrongful acts of your agents, and any other such third persons. Any applicable time periods within which you must notify us of any errors on your account eLetters or any other information which is provided to you electronically shall begin on the email date regardless of when you receive and/or open the eLetters.

6. DISCLAIMER OF WARRANTY, UNAUTHORIZED ACCESS AND LIABILITY INDEMNIFICATION We make no warranties of any kind, whether express or implied, with respect to the use and adequacy of the software program or the eLetters we provide under this Agreement. We disclaim any and all implied warranties, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. If you believe your eLetter is lost or that someone has obtained access to your eLetter without your permission,

contact the Credit Union immediately. Notwithstanding any provision to the contrary contained in this Agreement, we shall be responsible only for performing the eLetter service as expressly provided for in this Agreement.

WE SHALL HAVE NO LIABILITY FOR ANY CONSEQUENTIAL, SPECIAL, PUNITIVE, OR INDIRECT DAMAGES OR LOSS UNDER ANY CIRCUMSTANCES. Except to the extent that we are liable under this Agreement, you agree to indemnify and hold us and our directors, officers, employees, and agents harmless from all claims, demands, judgments, and expenses (including reasonable attorneys' fees) arising out of or in any way connected with the performance of these eLetters. You agree that this indemnification shall survive the termination of this Agreement.

7. TERMINATION/AMENDMENT This Agreement shall remain in full force and effect until it is terminated by either party upon thirty (30) days' prior written notice to the other party. We also have the right to terminate this Agreement immediately, with or without cause, or if you fail to comply with the terms of this Agreement or any other agreement which you may have with us or any applicable rule or regulation which may govern your account(s). If we terminate this Agreement for any of these reasons, such termination shall be effective on the effective date specified in a written notice mailed to you, and not on the date when the notice is mailed or received. Any amendment or revision to this Agreement must be executed in writing by an authorized party to your account and attached to our copy of the Agreement as well as noted in our account records.

8. GOVERNING LAW/JURISDICTION/SEVERABILITY This Agreement shall be governed by and interpreted in accordance with the laws of the State of California and any applicable Federal laws and regulations. You irrevocably submit to the jurisdiction of any Federal or State Court sitting in the State of California for any action that you bring and agree that, in any action brought under this Agreement, venue shall be placed in Santa Clara County. A determination that any part of this Agreement is invalid or unenforceable will not affect the remainder of this Agreement.

9. ARBITRATION This Agreement incorporates by reference the terms and provisions of an Arbitration Agreement located in the rules, which governs accounts and other agreements and services offered by the Credit Union and pursuant to which the depositor and the Credit Union agree, upon the request of the depositor or the Credit Union, to submit to mandatory binding arbitration any "dispute" as that term is defined in the rules.

Please print and retain a copy of this Agreement.

Please note that in order to use eLetters, you must ACCEPT the foregoing terms and conditions of the eLetter User Agreement in its entirety.