

ADDENDUM TO TRUTH-IN-SAVINGS DISCLOSURE OF MEMBERSHIP AGREEMENT AND ACCOUNT TERMS & ELECTRONIC FUND TRANSFERS DISCLOSURE AND AGREEMENT

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). Savings accounts, Checking/Share Draft accounts and Share Certificate 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 LBS Financial Credit Union ("Credit Union")'s *Truth-in-Savings Disclosure of Membership Agreement and Account Terms* and the *Electronic Fund Transfers Disclosure and Agreement*, as applicable.

This Addendum (and all changes described within) becomes effective April 1, 2026. All other terms and conditions of the *Truth-in-Savings Disclosure of Membership Agreement and Account Terms* ("TIS Disclosure") and the *Electronic Fund Transfers Disclosure and Agreement* ("EFT Disclosure"), as amended, remain in force.



TRUTH-IN-SAVINGS DISCLOSURE OF MEMBERSHIP AGREEMENT AND ACCOUNT TERMS

The following subsection, Account Limitations, as found under Free Checking with eStatements Account within the Checking Accounts section of the TIS Disclosure has been revised to reflect the updated account limitations below.

→ *Free Checking with eStatements Account*

ACCOUNT LIMITATIONS

Upon opening the Free Checking with eStatements account, the Credit Union will automatically enroll you in eStatements. You must enroll in Online or Mobile Banking to view eStatements.

The following subsections found under Teen Checking Account of TIS Disclosure have been revised.

→ *Teen Checking Account*

The Teen Checking account is a non-dividend earning account that is totally free of monthly fees. Teens will be automatically enrolled in eStatements when they open the account. To view statements, you will need to enroll in Online and Mobile Banking.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS

There is no minimum opening deposit to open a Teen Checking account or any ongoing minimum balance requirements.

TRANSFER OF ACCOUNT AT AGE 18

On the Member's 18th birthday, Teen Checking becomes a Free Checking with eStatements account and there are no changes to the features or benefits. The parent or legal guardian may choose to remain on the account as a joint owner or can be removed from the account.

The introductory language found under the Individual Retirement Share Certificate Accounts (IRA) section of the TIS Disclosure has been revised.

→ *Individual Retirement Share Certificate Accounts (IRA)*

Our IRA Share Certificate accounts include the Traditional IRA, Roth IRA, Simplified Employee Pension (SEP), and Educational IRA Share Certificates. Our IRA Share Certificate accounts are offered with terms ranging from six (6) months to sixty (60) months.



The Arbitration and Waiver of Class Action and Jury Trial provision of the TIS Disclosure has been renamed Arbitration and Waiver of Class Action and Collective Actions and has been revised as follows.

ARBITRATION AGREEMENT AND WAIVER OF CLASS AND COLLECTIVE ACTIONS

Please read this Arbitration Agreement and Waiver of Class and Collective Actions (“Arbitration Agreement”) carefully. If you do not timely opt-out as permitted below, it affects your rights and may have a substantial impact on how legal claims and disputes between you and the Credit Union are resolved.

AGREEMENT TO ARBITRATE CLAIMS

This Arbitration Agreement is effective upon the 61st day after the first time we provide it to you (“Effective Date”) unless you opt-out in accordance with the requirements of the YOUR RIGHT TO OPT-OUT OF THIS ARBITRATION AGREEMENT provision below. We reserve the right to make changes to this Arbitration Agreement. We will provide you with notice of any change as required by law. However, if we believe we are making changes that are to your benefit or are simply providing you with additional information about arbitration and/or this Arbitration Agreement, you agree that any such changes will not provide you with any new right to opt-out, unless otherwise provided under applicable law.

You and the Credit Union agree that binding arbitration may be elected by either you or the Credit Union with respect to any past, present, or future dispute, claim, or controversy above the small claims jurisdictional limit arising out of or relating to the Truth-in-Savings Disclosure of Membership Agreement and Account Terms (“Account Agreement”) and/or any Credit Union account, product, or service governed by the Account Agreement, even if the claim, dispute, or controversy arises out of, affects, or relates to conduct that occurred prior to the Effective Date of this Arbitration Agreement, and even if the other party has already initiated a lawsuit.

HOW IS ARBITRATION ELECTED?

Arbitration is elected by one party making a written demand for arbitration to the other party, by filing a motion to compel arbitration in court, or by initiating arbitration against the other party. You and the Credit Union agree, upon such written demand, motion or initiation, to submit to, and that such claim shall be settled by, binding arbitration.

WHAT IF THE CLAIM AMOUNT FALLS WITHIN SMALL CLAIMS COURT JURISDICTION?

Neither party will demand the arbitration of an action properly filed in small claims court, or its state’s equivalent court, or for any claim or dispute within the scope of the small claims court’s jurisdiction. But if a claim is transferred, removed, or appealed to a different court, such claim shall be subject to binding arbitration.

WHAT RULES WILL GOVERN THE ARBITRATION AGREEMENT?

The arbitration will be subject to the rules of the American Arbitration Association (“AAA”) for consumer disputes in effect at the time the arbitration is initiated, or such similar rules as may be adopted by AAA (“Rules”). If there is any conflict between the Rules of the AAA and this Arbitration Agreement, then this Arbitration Agreement will control to the extent of the inconsistency. If the AAA is unavailable to resolve a claim or dispute, and if you and the Credit Union do not agree on a substitute forum, then the Credit Union can select the arbitration forum for the resolution of the claim or dispute. For more details and to obtain a copy of AAA’s Rules and arbitrator rosters, check the American Arbitration Association’s website, www.adr.org, or call the American Arbitration Association’s Customer Service telephone number at 800.778.7879.

This arbitration shall be conducted before a single arbitrator appointed by the AAA. The arbitrator shall be an attorney, retired judge, or AAA panel member, with experience and knowledge regarding financial institutions and transactions.

WHAT ARE THE BASIC DISTINCTIONS BETWEEN ARBITRATION AND COURT PROCEEDINGS?

There is no judge or jury in an arbitration proceeding, and the appellate rights of both parties are more limited than in court. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law must be followed by the arbitrator, and the commencement of an arbitration under this Arbitration Agreement shall be deemed the commencement of an action for such purposes.

Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The arbitrator's decision shall be final and binding and may be entered in any state or federal court having jurisdiction. Except as provided under applicable law, the arbitrator's award is not subject to review by a court, and it cannot be appealed. Any claims and defenses that can be asserted in court can be asserted in arbitration. The arbitrator may award any remedy provided by the substantive law that would apply if the action were pending in court, including public injunctive relief under the California Consumer Legal Remedies Act and Unfair Competition Law.

HOW ARE ARBITRATION FEES AND COSTS ALLOCATED?

The filing, administration, and arbitrator fees imposed on you and/or the parties by the AAA pursuant to this Arbitration Agreement shall be paid by the Credit Union. Each party shall be responsible for and pay their respective costs, including attorneys' fees, incurred by them in preparing and presenting their cases during the arbitration proceedings, regardless of who prevails.

WHERE WILL THE ARBITRATION BE HELD?

Arbitration hearings will be held in a location reasonably convenient to your residence, or at another location if mutually agreed, but if personal attendance is burdensome or not feasible for you, the Credit Union will not object to you choosing to have your claims handled via telephone or other medium allowing for remote access to hearings and proceedings if otherwise allowable by the AAA and/or under the Rules.

WHAT RIGHTS AND OR CLAIMS ARE NOT AFFECTED BY THIS ARBITRATION AGREEMENT?

This Arbitration Agreement does not preclude you from bringing claims regarding the Account Agreement and/or your accounts, products, or services governed thereunder to the attention of any federal, state, or local government agency or entity. Such agency or entity may be able to seek relief on your behalf.

Nothing in this Arbitration Agreement shall limit your or the Credit Union's right, whether before, during, or after the pendency of any arbitration proceeding, to exercise any self-help remedies, such as set-off or repossession and sale of collateral, or to apply to a court of competent jurisdiction to obtain provisional remedies (including, but not limited to, applying for injunctive relief, a temporary restraining order, a temporary protective order, an attachment order, or any other pre-judgment remedies) or interpleader relief. The exercise of such rights will not constitute a waiver of the right to submit to arbitration any dispute regarding the Account Agreement.

This Arbitration Agreement will not apply to any disputes involving a consumer loan secured by real estate, or a consumer loan we provide you to the extent you and/or a co-borrower are "covered borrowers" under the Military Lending Act on such loan.

WILL THIS ARBITRATION AGREEMENT SURVIVE IF YOUR RELATIONSHIP WITH THE CREDIT UNION CHANGES?

This Arbitration Agreement shall survive your death, the closing of any of your accounts, the termination of any product or service, or of your business or transaction(s) with us, or any bankruptcy filing to the extent consistent with applicable bankruptcy law and shall also survive as to any claim within the scope of the Account Agreement.

WHAT LAW WILL GOVERN THE ENFORCEABILITY OF THIS ARBITRATION AGREEMENT?

Notwithstanding anything to the contrary in the Account Agreement, this Arbitration Agreement is governed by the Federal Arbitration Act ("FAA") and shall be interpreted and enforced in accordance with the FAA to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the claim or dispute at issue. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including issues relating to the validity or enforceability of this Arbitration Agreement, shall be determined by the arbitrator. Only a court, and not an arbitrator, however, shall determine the validity and effect of the waiver of class and collective actions below.

If any term or provision of this Arbitration Agreement is held to be invalid or unenforceable, the remaining provisions shall be enforced without regard to the invalid or unenforceable term or provision.

WAIVER OF CLASS AND COLLECTIVE ACTION AND WAIVER OF JURY TRIAL FOR CLAIMS SUBMITTED TO ARBITRATION

YOU AND THE CREDIT UNION EACH EXPRESSLY INTEND AND AGREE THAT ANY AND ALL CLAIMS SUBMITTED TO ARBITRATION MUST BE BROUGHT IN THE PARTY'S INDIVIDUAL CAPACITY AND HEARD SOLELY ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CLASS ACTION OR OTHER PURPORTED CLASS OR ACTUAL COLLECTIVE ACTION OR OTHER REPRESENTATIVE ACTION OR PROCEEDING. WITH RESPECT TO ALL SUCH ARBITRABLE CLAIMS, YOU HEREBY AGREE TO WAIVE THE RIGHT TO PARTICIPATE IN A CLASS ACTION, COLLECTIVE ACTION, OR OTHER REPRESENTATIVE ACTION OR PROCEEDING OR LITIGATE ON A CLASS-WIDE BASIS OR ANY BASIS OTHER THAN AN INDIVIDUAL BASIS. YOU AND THE CREDIT UNION HEREBY VOLUNTARILY AND KNOWINGLY ACKNOWLEDGE AND AGREE THAT, WITH RESPECT TO ALL DISPUTES, CONTROVERSIES, AND CLAIMS SUBMITTED TO ARBITRATION, ALL PARTIES ARE WAIVING THE RIGHT TO TRIAL BY JURY TO THE FULLEST EXTENT ALLOWED BY LAW. THE PARTIES ANTICIPATE THAT BY ENTERING INTO THIS AGREEMENT, THEY WILL GAIN THE BENEFITS OF A SPEEDY AND LESS EXPENSIVE DISPUTE RESOLUTION PROCEDURE.

YOUR RIGHT TO OPT-OUT OF THIS ARBITRATION AGREEMENT

IF YOU DO NOT WANT THIS ARBITRATION AGREEMENT TO APPLY TO THE ACCOUNT AGREEMENT AND/OR YOUR ACCOUNTS, PRODUCTS, OR SERVICES GOVERNED THEREUNDER, YOU MAY OPT-OUT BY SENDING A WRITTEN REQUEST TO THE CREDIT UNION POSTMARKED WITHIN SIXTY (60) DAYS OF THE FIRST TIME YOU RECEIVE THIS ARBITRATION AGREEMENT. THE OPT-OUT MUST INCLUDE YOUR FULL NAME, ADDRESS, TELEPHONE NUMBER, ACCOUNT NUMBER AND PERSONAL SIGNATURE, AND MUST BE MAILED TO THE CREDIT UNION AT:

LBS FINANCIAL CREDIT UNION
P.O. BOX 4860
LONG BEACH, CA 90804.

OPTING OUT WILL NOT TERMINATE THE ACCOUNT AGREEMENT OR AFFECT ANY OTHER RIGHTS AND OBLIGATIONS YOU OR THE CREDIT UNION HAVE UNDER THE ACCOUNT AGREEMENT. IF YOU DO NOT OPT-OUT AS PROVIDED ABOVE WITHIN SIXTY (60) DAYS, YOU UNDERSTAND AND AGREE THAT THIS ARBITRATION AGREEMENT SHALL BE BINDING ON YOU AND THE CREDIT UNION.



ELECTRONIC FUND TRANSFERS DISCLOSURE AND AGREEMENT

The following subsection, ACH Monitoring and Review, has been added to the Additional Disclosures Applicable to Automated Clearing House (ACH) Services section of the EFT Disclosure.

➔ *Additional Disclosures Applicable to Automated Clearing House (ACH) Services*

ACH MONITORING AND REVIEW

We monitor account activity and electronic transactions, including Automated Clearing House ("ACH") entries, as part of our fraud prevention, security, and risk management programs.

Consistent with applicable law, network rules, and our internal procedures, we may review, delay, decline, return, or restrict the posting of an ACH credit or debit entry that we reasonably believe may be unauthorized, fraudulent, irregular, or otherwise inconsistent with expected account activity.



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