

Account Agreement  
Resolving Claims  
Electronic Funds Transfers and Electronic Service Agreement  
Funds Availability Policy

## Important

**Notice:** The laws and regulations governing the financial services we provide are complex. To insure your understanding of our relationship with you, we provide this detailed agreement which explains both your responsibilities and ours. Please read this document carefully, and feel free to ask any questions regarding these terms and conditions.

**Cellular Phone Contact Policy:** By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications—including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system—from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider.

## Introduction

This Booklet and the Truth in Savings Rate and Fee Schedule (“Schedule”) explain the rules which govern your business/organization account(s) and account services with us. Please read this Booklet and the Schedule carefully and keep them in a safe and convenient place.

Your relationship with the Credit Union is also governed by state and federal laws, which may change from time to time. The body of law is too large and complex to be reproduced here. The purpose of this Booklet is to:

1. Summarize the rules applicable to common Transactions;
2. Establish rules to govern Transactions not regulated by state or federal law;
3. Establish variations that will apply to certain rules, events or Transactions as permitted by applicable law; and
4. Provide you with certain disclosures and information regarding our policies as required by law.

By signing a Business Membership and Account Services Application or your use or continued use of any business account or business account services after receiving this Booklet, notice of its availability or notification of any change in terms, you, jointly and severally, agree that you understand and agree to the terms and conditions stated in this Booklet, and the Schedule, as amended from time to time.

**PLEASE ALSO NOTE THAT THE TERMS OF THIS AGREEMENT AND THE SCHEDULE MAY CHANGE FROM TIME TO TIME AS PROVIDED FOR IN THIS AGREEMENT AND APPLICABLE LAWS.**

## Account Agreement

The terms and conditions of this Account Agreement for Business Accounts (“Agreement”) apply to all Marine Federal Credit Union business and organization accounts. You have agreed by signing the Business Membership and Account Services Application and/or by using your account on or after the opening date, to be legally bound by the terms of this Agreement. You should keep a copy of this Agreement and anything else we send to you about your account for your records. The purpose of this Agreement is to state the terms and conditions that apply to all of your accounts, account services or other relationships with us, including without limitation loan, safe deposit and other services. You understand that the agreements, terms, conditions, rules and regulations applicable to your loans, and any other applicable account(s) or service(s) remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement. Further, except as expressly stated below in regard to third party service providers, to the extent that the terms of a specific Subsection of this Agreement vary from the terms set forth in this Section, the specific terms and conditions of the Subsection will govern our relationship with you. Transactions on your account may also be governed by agreements with third parties such as the National Automated Clearing House Association’s (NACHA) Operating Rules, which agreements will also be binding upon you and the Credit Union. To the extent that the terms of any such third-party agreements provide for specific processing, reporting or other time periods, or require you to make any claims or provide any notifications or responses, then the third parties’ requirements and rules shall govern despite any other general or specific terms or conditions set forth in the entirety of this Agreement.

## Purpose of Accounts and Services

**Business Accounts:** You represent, warrant and guaranty that all accounts and/or other services, including any particular transaction shall be for commercial use, and no service or transaction shall otherwise be used for any consumer, household or family purpose whatsoever.

**Organization Accounts:** You represent, warrant and guaranty that all accounts and/or other services, including any particular transaction shall be for organization use, and no service or transaction shall otherwise be used for any consumer, household or family purpose whatsoever.

**Compliance with Laws and Inappropriate Transactions or Account Relationship:** You agree to comply with all laws, rules and regulations. You also warrant and agree that you will not use any Credit Union accounts or services, including but-not-limited-to loans, to make or facilitate any illegal or inappropriate transaction(s) as determined by applicable law as we in our discretion may deem inappropriate; and that any such use, including any such authorized use, will constitute a breach of this Agreement. Certain federal and/or state laws or Third-Party Service Providers' Rules may limit or prohibit certain transactions such as (but not limited to) those coded as possible gambling transactions. The Credit Union may decline to accept, process or pay any transaction that we believe to be illegal, improper or unenforceable (regarding your obligation to pay us or otherwise) under applicable law; or which is otherwise limited or prohibited, including but not limited to any transaction involving or relating to any gambling activity. We may also close or terminate accounts or services which we believe violate your obligations under this Section, or as otherwise provided herein. Such prohibitions or limitations may affect some otherwise proper or allowable transactions such as debits, charges or other transactions at or relating to a hotel-casino. You understand and agree such limitations/prohibitions are not within the Credit Union's control and that the Credit Union will not have any liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s); or for declining to accept, process, or pay any such transaction.

**Restrictions on Accounts:** The Credit Union may limit, refuse, close or terminate any account or service that we deem to constitute a breach of this Agreement. Unless an express exception is made by the Credit Union in its sole discretion, we do not offer services to "Money Service Businesses", "Internet Gambling Businesses" and "Cannabis Businesses", or other businesses that we determine violate the limitations in this Section. By way of illustration: "Cannabis Businesses" are defined by the Credit Union to be any person or business that (i) engages in the sale, production or storage of any form of cannabis, marijuana or hemp, and/or (ii) is required to be licensed and/or registered with a government entity due to the business engaging in an activity related to any cannabis related industry. The Credit Union may, at its sole discretion, also apply these restrictions on other businesses or individuals directly or indirectly related to a cannabis business.

**Other Restrictions:**

1. The credit union will not provide account services to entities routinely engaged in providing check cashing services to third parties or acting as a third-party processor.
2. The credit union will not provide account services to any person or organization engaged 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 (UIGEA). The credit union may also restrict electronic debit activity applicable to member accounts that originates from known Internet gambling providers or may be coded as originating from a gambling establishment, as defined by Regulation GG.
3. The credit union may restrict deposits or withdrawals by any individual or business member that routinely deposits and/or withdraws in calendar month.
4. The credit union may restrict account services to any member who utilizes their account in a manner inconsistent with the account type, if such activity results in the avoidance of account fees.

**Liability:** You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement. Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. You will be liable for our costs as well as for our reasonable attorneys' fees (including those fees allocable to our in-house counsel), to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you. We require that checks purchased or printed from sources other than the Credit Union contain security features that will prevent the check from being counterfeited. The minimum features required are an artificial watermark, "VOID" pantograph, micro-print lines, bleed-through check numbering, a warning band and a Regulation CC endorsement backer on the reverse of the check. If you use checks that do not meet these minimum required counterfeit-avoidance security standards, and your checks are counterfeited, we may refuse to honor your request for reimbursement of any losses you may suffer.

**General Definitions:** When used in this Agreement, the terms "you" and "your" refer to your business or its authorized representative; the terms "we", "our," and "Credit Union" refer to Marine Federal Credit Union. The term "Account(s)" refers to your Marine Federal Credit Union business or organization deposit account(s). When used in this Agreement, the terms "check" and "checking" refers to share drafts and share draft accounts.

**Access Device:** Any card, electronic access device and/or any codes, passwords or personal identification numbers (PIN) that we issue to allow you to access and/or use any Account or other services. With regard to online or internet transactions an access device shall also include any computer, smart-phone or other hardware used to make or process a transaction.

**Use of Biometrics/Fingerprints:** The Credit Union or various apps you may choose to use may provide access to your Accounts and services through the use of fingerprints or other biometrics. You agree to the use of such biometrics, and will cooperate with the Credit Union in implementing any new technology. Biometric technologies may be used for authentication. A biometric identifier measures an individual's unique physical characteristics and compares it to a stored digital template for authentication. A physical characteristic can be a thumbprint, fingerprint, facial recognition or iris pattern. A biometric identifier can be used as a single or multifactor process. We may require the use of biometrics and/or fingerprinting with regard to any service we offer; and any refusal to cooperate with such use shall allow us to refuse to make any transaction, including but not limited to cashing any on-us item presented by any holder.

**Important Notice on Biometrics:** When you enable biometric access, every person with an enrolled fingerprint for your Accounts, services or device will have access to your Accounts and services, and may access your Accounts, view your information, conduct transactions on your behalf, and has your authority to engage in these activities. Enrolled biometrics expands the number of persons who have access to your Account regardless of the signers listed on your account agreement with us. THE CREDIT UNION ADVISES YOU TO REVIEW AND CONFIRM THAT ALL REGISTERED BIOMETRICS BELONG TO INDIVIDUALS WITH AUTHORITY AS DESCRIBED ABOVE. BY ACTIVATING ACCESS/SERVICES REQUESTED BY YOU THE CREDIT UNION RELIES ON YOUR REPRESENTATION THAT ANYONE WITH A REGISTERED BIOMETRIC HAS PROPER AUTHORITY.

**Touch ID:** A simple, secure way for you to access your Account via our Mobile Banking App on Apple iOS devices by using built-in, fingerprint-sensor technology. Our Mobile Banking App provider has leveraged this technology to facilitate the end-user login process to your Mobile Banking Apps in lieu of traditional login credentials. The Credit Union never receives or sees your fingerprint information. It is important to know that the Mobile Banking App cannot discern between the fingerprints of individuals who are enrolled on the device. Our Mobile Banking App provider is only informed whether or not the fingerprint is valid, which means that it was successfully added to the device's fingerprint repository, and not whether that fingerprint belongs to the owner of a certain username. You will also be informed of this limitation directly within the Mobile Banking App. The security model is based on the assumption that the device's owner trusts all individuals who access their device through Touch ID. Please see the Apple's Privacy Policy and iOS security guides for more information.

**Actual Balances and Available Balances:** How do we determine your Account's available balance: Your Actual Balance is the total amount of money in your Account. The Actual Balance does not take into account outstanding transactions authorized by the accountholder. The Actual Balance may not always depict an accurate display of what you may spend without overdrawing your Account. The Available Balance is the total amount of funds in your Account less holds placed on deposits and less holds on debit card authorizations not yet presented for payment. While an Available Balance shows as immediately available for use, it may not always depict an accurate display of what you may spend without overdrawing your Account. For example: You have an Actual Balance of \$75 and an Available Balance of \$75. You then swipe your debit card at the grocery store; an authorization for your purchase is given for \$25. The \$25 transaction is now on hold. Since we are obligated to pay the merchant, even if your checking Account is negative at the time the transaction is presented to us by the merchant, we will reduce your available balance by the amount of the authorization which is \$25. Your Actual Balance would still be \$75 because this transaction has not yet posted, but your Available Balance would be \$50 because you have authorized a \$25 payment to the grocer. When the merchant submits the request for payment, your Actual Balance will be reduced by the amount of the posted transaction and both your current and available balance will be \$50, provided additional charges have not been made. If you exceed the Available Balance (even though the Actual Balance may be greater), you may overdraw your Account since transactions ARE posted against the Available Balance. This may result in Insufficient Funds transactions; Courtesy Pay fees; Returned Items and Fees; and Overdraft Protection Fees as a result of exceeding your Available Balance. To know the Available Balance, you may verify your list of outstanding transactions by calling the Credit Union's local contact center. It is important to understand the order in which your transactions are paid as explained in Transactions from Your Account(s) to avoid making transactions that exceed your Available Balance.

We use your Available Balance to determine when your Account is overdrawn prior to assessing Non-sufficient fees or Courtesy Pay Fees, if you are opted out of our Courtesy Pay Program. The following is an example: Your Actual Balance and Available Balance are both \$100. You use your debit card for a \$70 purchase, the merchant requests an authorization, and a hold is placed on the \$70. Your Available Balance is now \$30. Your Actual Balance still shows as \$100. Before the merchant sends the transaction to us for payment, a \$35 check you wrote clears your checking Account. Because you only have \$30 available when the check is presented, your Account will be overdrawn by \$5, even though your Actual Balance shows \$100. In this case, we may pay the \$35 check, but you will be charged a Courtesy Pay fee, even though your Actual Balance exceeds the amount of the transaction. The fee will be deducted from your Account, further reducing your Available Balance. When the merchant requests payment for the \$70 debit card transaction, your Available Balance no longer has sufficient funds to cover it. Assuming you have opted-in to the program, this will result in a Courtesy Pay fee for the \$70 transaction even though your Available Balance was sufficient at the time the authorization for the transaction was approved.

**YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT FUNDS TO COVER A TRANSACTION YOU WANT TO MAKE.** Your Available Balance does not reflect your outstanding checks, automatic bill payments, or any other outstanding transactions that have not been paid from your Account. These items will not be reflected in your Available Balance until presented to us and paid from your Account. Holds on deposits may not be reflected, as described in our Funds Availability Policy. In addition, your Available Balance may not reflect all of your pending debit card transactions. For example, if a merchant obtains an authorization but does not submit the debit card transaction for payment within three (3) business days after the authorization is given, we may increase your Available Balance by the

amount of that authorization. This means your Available Balance will no longer reflect the pending transaction until the transaction has been received by us and posted to your Account. Although clearing times for debit card transactions may range from 0-5 days, merchants choose the system by which they process their transactions and how frequently they do so (often a decision based on the lowest cost to them). The Credit Union has no control over how and when transactions are presented to us to be paid. Even though we may increase your Available Balance when a merchant does not submit the transaction for payment within 3 business days, the obligation to the merchant still applies. The time period for authorizations may be different for certain types of merchants.

**NOTE:** Holds placed on your Account balance for pending debit card/electronic transactions, including gasoline, hotels, car rentals, etc., may reduce your available balance for an amount that may vary from the actual purchase amount, which may or may not be presented for payment. These same holds also reduce the available funds for subsequent purchases. Failing to account for outstanding items may cause your Account to become overdrawn and fees assessed. Why is this Important to You? The order in which items are paid is important if there are not enough available funds in your Account to pay all of the items presented for payment. Our payment policy may cause your larger, more important items, (such as your rent or mortgage payment), to not be paid first, but may reduce the amount of overdraft or NSF fees you have to pay if funds are not available to pay all of the items. If an item is presented without sufficient available funds in your Account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The Credit Union does not have to notify you prior to paying an item, regardless of the availability of funds. We encourage you to keep careful records of all transactions (debits & credits) and practice good account management. This will help you avoid writing checks or share drafts without sufficient available funds and incurring overdraft fees.

**Business Day:** Indicates Monday through Friday, excluding federal holidays.

**Instrument:** A written order as defined by Articles 3 and 4 of the Uniform Commercial Code pursuant to the laws of the State set forth in this Agreement.

**Transaction or transactions and Item or items:** Any deposit, order, transfer, payment, purchase via POS transaction or otherwise, withdrawal or other instruction relating to any Account or account service provided by the Credit Union. A single transaction can be subject to multiple fees based on factors beyond our control. For instance, when you authorize a merchant to process a payment from your Account that merchant may present the transaction multiple times and in various ways when payment is declined (such as for insufficient funds). There is no way the Credit Union can identify such actions by the merchant you authorized. All instructions to us in any manner shall be given in English; and any instructions given shall be given using simple numerical methods (e.g. to request one hundred dollars you will use: "\$100" "\$100.00" or the English equivalent: "One Hundred Dollars.>"). We are not obligated to follow any other instructions.

**Automated Teller Machine and Interactive Teller Machine or ATM/ITM:** An electronic terminal that performs certain financial functions, including but not limited to: dispensing cash, accepting deposits and loan payments, making transfers between Accounts, and giving Account balances

**Deposits to Your Account(S) and Instruments Paid/Cashed:** Funds may be deposited to any Account, in any manner that is acceptable to us. Deposits may be made by mail, in person at any of our offices having facilities to accept deposits, or by direct deposit or other electronic funds transfer allowed by us. Should we accept a deposit from you by any electronically created item (example includes, but is not limited to, remotely deposited check) you will indemnify us for any claim by any subsequent third party for claim of loss for a subsequent deposit of the same item, whether such action was authorized by you or not. We may refuse to cash a check made payable to you, but instead require you to deposit the check to your Account. All deposits accepted by us are subject to verification. You should retain your copy of any receipt or other document which evidences your deposit. If you claim that a deposit was not properly credited to your Account, we may ask you to show us your receipt or other document which evidences your deposit. You should not mail cash deposits. We will not be liable for any deposit that we do not receive. We reserve the right to make adjustments to your Account upon verification of your deposit or for computation or other errors related to your Account.

**Endorsements:** The law allows and you specifically agree that we may supply any missing endorsement to a deposited check, draft, or any other instrument. However, we reserve the right to refuse to accept for deposit any item which does not bear a proper endorsement, which is payable to someone other than you or, in our sole discretion, under any other circumstances. Federal law specifies locations on checks for your and our respective endorsements. If our endorsement is illegible because you have endorsed a check in the wrong location, you will be liable for any resulting losses.

**Substitute Checks:** You agree that you shall not deposit, without our express written consent, a document that you or someone on your behalf created or printed from an image or other electronic record of an original paper check (a "substitute check document"). Our acceptance for deposit of a substitute check document from you shall not be deemed as a waiver of the foregoing prohibition on the deposit of substitute check documents. You also shall not identify us as a "reconverting bank" or "truncating bank" on a substitute check document you deposit at any other financial institution or transfer to any other person. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit or transfer of a substitute check document in violation of the limitations set forth in this paragraph. For checking Accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. We have no obligation to retain the originals of any checks or other documentation. You agree to keep a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive Account information or statements electronically.

Further, the Credit Union may charge you a fee as set forth in the Schedule for each requested item and /or for research as applicable.

**eChecks:** When you or any person with authority authorize any eCheck you agree: (1) that we may pay the item as submitted to us; (2) that you shall be solely responsible for all information transmitted regarding such item(s) including but not limited to the payee(s), the amount(s) of the item(s), and endorsements or the lack thereof; and (3) you agree to indemnify us for all losses we incur in connection with any eCheck you authorize.

**Collection of Deposits:** In handling deposits to your Account, we act only as your agent for collection and assume no responsibility beyond the exercise of ordinary care. By signing the Business Membership and Services Application or using any Accounts or services, you specifically waive your rights to notice of non-payment, dishonor or protest regarding all items presented for collection. We have the right to refuse any order, transfer or deposit, limit the amount that may be offered for deposit and to return all or any part of a deposit. Special instructions for handling an item are effective only if made in writing and accepted by us separately along with the item in question. We will not be liable for any default or negligence of correspondents or for loss in transit, and each correspondent will only be liable for its own negligence. We are authorized to pursue collection of previously dishonored items (including re-presentation), and in so doing we may permit the payor bank to hold an item beyond the midnight deadline. Items that we present or re-present may be truncated or converted to an electronic or other format. If an item is not paid you are fully responsible for any loss we may incur in seeking to collect the item for you. Items not drawn by you upon us are not overdrafts, but are Insufficient Funds Items ("NSFs") that you must pay to us if we incur any loss in seeking to collect such items for you.

**Multiple Payees:** Unless any check, share draft or other instrument expressly indicates that the item is payable to conjunctive payees, the instrument shall be deemed payable in the alternative. If there is any ambiguity, the instrument shall be deemed payable in the alternative (example: a check payable to "A and B" is a conjunctive instrument. A check payable to "A or B;" "A, B;" "A/B", where "A and B are listed on separate lines;" or otherwise, where not expressly conjunctive are payable in the alternative).

**Final Payment:** All non-cash deposits are posted to your Account subject to our receipt of "final payment" from the party on which the item is drawn. If we receive notice that an item is being returned to us unpaid, or if we do not receive final payment on a deposited item, because, for example, the drawer has placed a stop payment or the item is returned "insufficient funds" or "account closed"; or if an item is returned after final payment, we will charge your Account for the amount of the item, for any dividends carried on the item and for our applicable charges, even if the amount of the item has already been made available to you and even if we do not actually receive the returned item. If the charge-back of a returned item or a fee or other charge creates an overdraft, you agree to pay us the amount of the overdraft immediately, and we may charge your Account a service charge for the overdraft. We receive final payment for deposited items at different times depending on the location of the parties who will pay the items. In addition, our receipt of final payment may be delayed further due to circumstances beyond our reasonable control. For more information, please see our Funds Availability Policy, which is incorporated herein by reference and which may be amended from time to time. If we must pay any fees to collect an item you have deposited, we will charge the fees to your Account and we may impose a service charge for the collection. If you receive a credit to your Account through the Automated Clearing House (ACH) network, the rules of the National Automated Clearing House Association permit us to notify you of the credit on your next regular Account statement. If we credit your Account for an automated clearinghouse credit entry or for any other fund transfer or payment order ("fund transfer"), the credit we give you is provisional until we receive final settlement for the fund transfer through a Federal Reserve Bank. If we do not receive final settlement or payment, you agree that you must refund to us the amount we credited to you for the fund transfer and that we may charge your Account for such amount. In such case, the person making the payment to you will be considered not to have paid you the amount of the fund transfer. When we process incoming fund transfers, we rely on the Account numbers given to us by the financial institutions or other persons who send the fund transfers to us. We will have no duty to determine if the Account numbers provided to us is consistent with the name or other information given to us and we will not be liable to you if we credit a fund transfer intended for you to another member's account because the sender instructed us to credit an incorrect account number. We reserve the right to refuse or to return all or part of a deposit at any time.

**Transactions from Your Account(s):** Money may be withdrawn from your Account in different ways, as permitted for each type of Account. We are required to permit a withdrawal only if you have sufficient available funds in your Account to cover the entire amount of the withdrawal, and you are not in default under any obligations you owe to us. Checks or other debit items presented against insufficient or available funds are subject to a service charge.

**Transaction Authorization:** If you give your Account number, card number, or access code to a third-party person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.

**Check Presentment.** Your Account may be debited on the day an item is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your Account has been deposited for collection in another financial institution. A determination of your Account balance for purposes of making a decision to pay or return an item or debit due to insufficiency of available funds may be made at any time between the receipt of such presentment or notice and the time of payment or return of the item or debit, and no more than one such determination need be made.

**Restrictions on Withdrawals from All Accounts/Transactions:** In accordance with applicable law, we reserve the right to require you to provide written notice of any intended withdrawals from any Account(s) of not less than seven (7) but not more than 60 days before the intended date of withdrawal. Withdrawals will only be permitted if you have sufficient funds available in your Account to pay the full amount of your withdrawal orders or you have an overdraft protection plan. If there are sufficient funds to cover some but not all of your withdrawal orders, we may permit those for which there are sufficient funds in any order we choose. We may refuse to allow any transaction, and will advise when required by applicable law if; for example: (1) there is a dispute

between account owners; (2) a legal garnishment, attachment or levy is served on us; (3) the Account(s) secures any obligation owed to us; (4) any required documentation has not been provided to us; or (5) you are delinquent or fail to pay a loan or any other obligation owed to us when due. If we freeze any Account—we will only be obligated to remove the freeze upon receipt of either an agreement signed by all interested person or a legal document, which meets our requirements. In addition to the foregoing if any person should instruct the Credit Union to make a large cash withdrawal (the definition of which shall be within the Credit Union's sole discretion) in lieu of other methods of transferring funds offered by the Credit Union, the Member hereby releases the Credit Union from any and all liability, claims and demands whatsoever which arise from or in any way relate to the Member's possession of any large sums of cash from the moment possession of same is made available to the Member; and Member will execute and deliver any further releases the Credit Union may require in connection with any such withdrawal.

**Transaction Limitations for All Share Savings and Money Market Accounts:** Pursuant to Federal Regulation D, during any calendar 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 preauthorized, automatic, telephonic, home banking, or audio response transfer or instruction. A preauthorized transfer includes any arrangement with us to pay a third party from your Account upon oral or written orders, including orders received through ACH. Any minimum withdrawal requirements are set forth in the Schedule. If you exceed the transfer limitations set forth above in any statement period, we may reverse or refuse to make the transfer, and your Account may be closed. If payment is made directly to the depositor, you may make an unlimited number of withdrawals from these Accounts in person, by mail, at an ATM, or by telephone if the withdrawal is mailed to you in a check. There is also no limit on the number of transfers you may make to any loan Account(s) with us.

**Temporary Holds and Authorizations for Amounts in Excess of Transactions.** To facilitate certain transactions, you make we may place temporary holds on funds in your Accounts. The Credit Union can neither control the parties with whom you do business nor regulate the processing of transactions through the commercial networks used to facilitate your transactions. Therefore, it is your obligation to ensure that sufficient funds are on deposit at all times to cover the transactions you make – including the amount that may be subject to these holds. Pursuant to the processing networks rules, a merchant may obtain authorization for up to three (3) times the total estimated amount of the transaction amount. This is deemed to be an “authorized amount” by you and the authorized amount will not be available via your Account until after your bill is finally settled with such merchant(s), which can cause an insufficient funds situation in your Account(s). Even if your bill is satisfied with another form of payment, the merchant/retailer may continue to hold the funds as originally authorized by you for these time periods. In order to avoid problems associated with these holds and authorizations, we recommend you not use your debit/check card when checking in at hotels or renting cars (which are the primary source of such holds/authorizations).

**Checking (Share Draft) Accounts:** The Credit Union may refuse any check or other item drawn against your Account or used to withdraw funds from your Account if it is not on a form approved by us. We also reserve the right to refuse any check or other item drawn against your Account or used to withdraw funds from your Account if made in a manner not specifically authorized for your Account, if made more frequently or in a greater number than specifically permitted for your Account, or if made in an amount less than the minimum withdrawal or transfer specifically permitted for your Account. If we accept a check or other item not on a form approved by us, you will be responsible for any loss by us in handling the item. We may pay checks or other items drawn upon your Account, even if paying a particular check or item results in an insufficient balance in your Account to pay one or more other items that otherwise could have been paid out of your Account. Because of the nature of the Credit Union check program, neither the Credit Union nor any other processing entities shall be responsible for the authenticity of the checks with regard to the signature or alterations; and checks, when presented, shall be paid without verification. We may disregard all information on or any writing or memorandum attached to any check or item except for your signature, the amount and the information that is magnetically encoded. You agree that we do not fail to use ordinary care because our procedures do not provide for sight examination. You will notify us immediately if you learn or have reason to know that any of your checks have been lost or stolen. If you are negligent in safeguarding your checks or if there is a processing problem due to your use of a check printer we do not approve, we will not have any liability or responsibility for any losses you incur as a result if we act in good faith pursuant to standard commercial practices.

**Checks (Share Drafts):** Our duty is to use ordinary care in examining checks when they are presented to us for payment. UNLESS WE HAVE SPECIFICALLY AGREED WITH YOU IN WRITING, OUR DUTY WILL NOT INCLUDE MONITORING NON-STANDARD INSTRUCTIONS OR OTHER LEGENDS APPEARING ON CHECKS. We shall be deemed to have exercised ordinary care if we process your checks only by automated means or if any unauthorized signature, counterfeit check, or alteration could not be detected by a reasonably careful examination of the item. You agree that we do not have to notify you if we refuse to pay a check you have written, if we pay a check that overdraws your Account, or if we impose a fee in connection with either of these events. Notwithstanding the foregoing you understand that checks can be washed unless you use a wash preventive ink. Therefore, you acknowledge and agree that we have no responsibility or liability to you whatsoever resulting, arising or relating from/to: alterations, forgery, non-payment; returns as no Account/insufficient funds or otherwise; limitations we do not specifically agree to in writing; or any other processing/payment error with regard to any check that is not printed by our approved vendor(s) or your failure to use wash preventive ink in the writing of any check(s). If you make withdrawals by check, the check must be properly completed and signed by the person(s) whose authority is on file with us. We may refuse to honor a withdrawal if we receive conflicting instructions from two or more authorized signers or if there is reasonable doubt as to who is authorized to make a withdrawal. You are responsible for maintaining the security of all facsimile signatures, check writing equipment, and supplies. You must promptly notify us in writing of any checks that have been lost or stolen or the unauthorized use of facsimile signature equipment and the circumstances surrounding the loss, theft or unauthorized use.

**Check Cashing:** We reserve the right to refuse to cash or to impose a charge on anyone who asks us to cash a check that you have written. Even if your check is otherwise properly payable, we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal.

**Check 21:** Check processing is getting faster as financial institutions begin to process checks “electronically.” We are required by law to provide the notice in the following section (“Substitute Checks”), which explains the differences between your original check (which might not be returned) and a substitute check.

**Substitute Checks:** For each original check that you deposit, you hereby authorize us (and any collecting institution, returning institution, Reserve Bank or processor which subsequently receives the original check) to create an electronic image (“check image”) of the original check, and to process that check image for collection, payment and return. You further authorize the destruction of the original check that has been imaged. We may in our sole discretion determine the manner in which to collect or return a check image. We may: (i) present or transfer the check image to the paying bank, a Federal Reserve Bank, a check clearing house, image exchange network, or other collecting bank or returning bank; or (ii) create a substitute check and collect such substitute check (governed by the Check Collection for the 21st Century Act referred to here as the “Check 21 Act”) instead of the check image. A check image or a substitute check may be collected through one or more check clearinghouses, one or more Federal Reserve Banks, or pursuant to an exchange agreement with another depository institution. In such cases, you agree that the check image or substitute check is subject to the rules of that clearinghouse, Federal Reserve Bank, or exchange agreement. You agree that we may debit your Account for any of the following items: (i) a check image of an original check drawn on your Account and presented for payment or collection, or (ii) a returned check image of an original check that was deposited by you. In these situations, we may debit your Account without receipt of, or review of, the original check associated with the check image. In our sole discretion, we may return to a presenting bank, returning bank or paying bank or post to your Account, a paper copy or paper representation of an original check (including without limitation an image replacement document or IRD, or a photocopy) drawn on or returned to your Account that does not otherwise meet the technical or legal requirements for a substitute check. You agree that a check image that is received or created by the Credit Union in the check deposit, collection or return process shall be considered a “check” and/or an “item” for all purposes under this Agreement and applicable law. In addition, a check that you deposit with us, or that you draw on your Account, may be truncated in the check collection process and replaced with a substitute check. You authorize us to pay, process or return a substitute check in the same manner as “check” or “item” under this Agreement. Substitute checks are governed under the Check 21 Act and the terms of this Agreement, to the extent not modified by the Check 21 Act. You agree to indemnify and hold harmless us, our employees and agents from any loss, claim, damage or expense that you or any other person may incur directly or indirectly as a result of any action taken by us to process a check image or substitute check instead of the original check, including the destruction of the original check, as described above, to the extent permitted by applicable law.

**Stop Payment Order Request:** Any owner may request a stop payment order on any check or draft drawn on the owner's Account. You will be charged for each stop payment order given. Refer to the Schedule for current fees. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order, and you state the member/Account number, date and check number and its exact amount. This exact information is necessary for the Credit Union to identify the check or draft. If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. If we re-credit your Account after paying a check or draft over a valid and timely stop payment order, you agree to sign an unauthorized transfer statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check or draft to us, and to assist us in legal action taken against the person. Note: We have no obligation to accept any order to stop payment on an official check guaranteed by us.

**Duration of Order:** A stop payment order for an indefinite period of time. You acknowledge and agree that an indefinite stop payment order may affect future transactions, and agree to be fully and solely responsible and liable for any such stop payment order that you order. For instance, if you use your checks through Check Number 9999, you may re-order checks that start over at the number of the first item you drafted. Thus, you may have written Check Number 101 on which you placed a stop payment order ten years previous. When you re-order new checks after using them through Number 9999, the series starts over and in the tenth year of your Account the indefinite stop payment order will also apply to the old check number 101 as well as the new check also numbered 101 that is written this year. It is solely your obligation to release the stop payment order or to take steps not to re-use a check number or other transaction data that is the subject of any stop payment order in order to avoid application of your stop payment order to all checks that bear the same number as described herein, or other transaction types that may be subject to such a stop payment order.

**Liability:** You will be responsible to the Credit Union if any claim or demand is made against us as a result of our acting in accordance with your stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages, or claims related to our refusing payment of an item, including claims of any joint Account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you. The Credit Union will not be responsible for any loss as a result of honoring a check: (1) more than 14 days after receipt of your oral order to stop payment; (2) through inadvertence, oversight or accident, we honor any postdated check; (3) if you fail to provide us with complete or accurate information; (4) or fail to meet your obligations as noted in this section or otherwise in this Agreement. We have no obligation to accept any order to stop payment on any certified check, cashier's check, teller's check or other instrument guaranteed by us. You will be responsible to the Credit Union if any claim or demand is made against us as a result of our acting in accordance with your stop payment order.

**Postdated and Stale Dated Drafts:** We may pay any draft without regard to its date unless you notify us in writing of a postdating pursuant to applicable laws and our requirements, together with any fee set forth in the Schedule. We are not responsible if you give us an incorrect or incomplete description, or untimely notice. You agree not to deposit checks, drafts or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your Account, which is presented more than six (6) months past its date; however, we have no obligation or liability to you or any other party to the instrument or in the chain of the collection process if we do so.

**Credit Union's Right to Investigate:** It is agreed that it is critical to the Credit Union and its members that the Credit Union have full rights to investigate all transactions, methods and means of making transactions to protect its members and the Credit Union. Therefore, it is agreed that upon notification of any claim of error, unauthorized transaction(s) or other notification related to or arising from any transaction(s), methods or means of making transactions the Credit Union shall have full rights of investigation to extend to all persons, means and methods of making transactions. It is expressly agreed that this shall specifically include the right to inspect and scan a member's or users access device(s) including but not limited to computers, tablets and smartphones; and to report the Credit Union's findings of such investigation to all owners and/or users.

**Adverse Claims to Funds in Your Account:** Without any obligation or liability, we may place a hold on your Account in the amount of any funds for which there may be an adverse claim when we investigate the claim or until ownership of the funds is established to our satisfaction.

**Closing Your Account:** You or the Credit Union may close your Account at any time for any reason and without prior notice. If we close the Account, we will mail you a check for the final balance. You will still be liable to us for any service charges, returned checks or overdrafts, which may occur after the Account is closed.

**Charges to Your Account:** Your Account may be subject to various charges, including but not limited to item charges, a monthly service charge, charges for the use of certain Account services, and late payment charges as set out in the Rate and Fee Schedule, statement or other fee disclosure we provide to you, and which are made part of this Agreement. Unless otherwise agreed, these charges will be deducted from your Account balance automatically and may cause you to become overdrawn or your outstanding checks to be returned unpaid. If funds in your Account are attached, garnished, or levied against, or if we are prohibited by law from paying on your Account, we may assess a legal process charge. We will debit your Account for any expenses we may incur as a result of any such legal action. Any such legal action may reduce your Account balance and cause your outstanding checks to be returned unpaid. We reserve the right to charge a fee for cashing checks you write. This fee will be collected from the payee at the time the check is cashed. If the payee refuses to pay our check cashing fee, we may refuse to cash your check, even if your check is otherwise properly payable, and we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal. You may contact your Credit Union representative to learn the amount of the fee. We reserve the right to make changes to our fees and other charges from time to time. Where practicable, notice of such changes will be given by mail addressed to the last address that you have specified for your Account by posting in our branch offices, by making the information available to you in electronic form or otherwise as required or permitted by law.

**Transfer of Ownership:** YOUR ACCOUNT IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT ON OUR RECORDS. We must approve any pledge of your Account as security for a debt, and any pledge remains subject to our security interest and right of set off, unless we otherwise agree in writing. If you wish to transfer ownership of your Account, we may require that your Account be closed and a new one be opened by and in the name of the new owner(s).

**Death of Sole Proprietor or Single Owner LLC with same Tax Identification Number (TIN):** Following the death of a sole proprietor of an unincorporated business or and LLC with a single owner using that owner's personal TIN, the balance in the Account shall be payable in accordance with applicable law upon presentation of appropriate qualification documents and any required tax release.

**Powers of Attorney:** You agree that regardless of any laws, rules or regulations we may in our sole discretion refuse to honor or accept a power of attorney to open, close, deposit, or make Transactions on any Account or to supply endorsements on checks or any other items or to take any other action with respect to an Account, loan or other service. The Credit Union may allow a third person acting as your attorney-in-fact to make Transactions regarding your Account(s) or conduct other business on your behalf without any liability to you, pursuant to a Power of Attorney, but have no obligation to do so. You agree that we have no obligation to verify the scope, authenticity, and validity of any Power of Attorney presented to us. If we accept the Power of Attorney, the Credit Union has no duty to inquire as to the use or purpose of any transaction(s) by your attorney-in-fact, and may restrict or refuse Account access, withdrawals and Transactions. You further agree we may require that a Power of Attorney be registered with the appropriate recording authorities. We may restrict the types or amounts of Transactions we permit an attorney-in-fact to conduct. We may require a separate form for each Account or service for which you want to grant power of attorney. If your agent or attorney-in-fact does not present the original form, we may either accept or refuse to honor any power of attorney you grant and with no liability to you. If we accept a power, we may continue to recognize the authority of your agent or attorney-in-fact until we receive written notice of revocation from you and have had a reasonable time to act on it. You agree to indemnify and hold the Credit Union harmless for accepting and/or honoring any power of attorney, or copy thereof, which we accept in good faith and believe to be valid and authorized by you.

**Overdraft Protection:** This is an optional service you can add to your checking Account by linking eligible: share Accounts and lines of credits. We will use available funds in your linked Account(s) to authorize or pay your transactions if you don't have enough money in your checking Account. An Overdraft Protection Transfer and/or Advance Fee will be assessed any time a transfer/advance is made to pay your transactions.



**Your Responsibility if Your Account Has an Overdraft:** If you have an overdraft on your Account (including transactions we have paid on your behalf into overdraft, plus any fees), you must promptly make a deposit or transfer to return your Account to a positive balance. If you fail to bring your checking Account to a positive balance, we will close your Account. Also, we may report you to consumer reporting agencies and initiate collection efforts.

**General Terms:** You agree that the Credit Union may also in its sole discretion utilize any funds in any of your Accounts to pay any overdrafts as defined herein or to pay any other debts that you owe as a result of any authorized acts. Funds may be applied from any Account in which you have a beneficial interest; and may include funds regardless of the source including but not limited to deposits of funds representing the payment of Social Security, Veterans benefits, or any other funds that may be subject to limitations under federal or state laws. Any application of funds hereunder shall be deemed a voluntary transfer that you have authorized. Further, you agree that any overdraft protection plans you have now or in the future are intended to cover and be utilized for any such matter addressed herein caused by or arising from the actions of any owner or authorized users. ATM and one-time debit card transactions require member opt-in using the methods we require in order for the Credit Union to exercise its discretion under this provision to pay these particular transaction types. You may apply for and receive the benefits of a specific agreement for overdraft protection. If approved by us, you agree the terms of any such agreement(s) shall also apply.

**Disclosure Statements:** In connection with your Account, we may give to you certain disclosure statements or policies, and may revise them from time to time. All such statements, policies and revisions shall be considered to be a part of this Agreement.

**Statements:** We will make available or send a monthly statement to the last address that you have specified for your Account. This statement will list all activity that relates to your Account during the statement period and any other information required by law. Upon receipt, you should review your statement carefully. IF YOU FAIL TO NOTIFY US, WITHIN 14 DAYS OF RECEIPT OR AVAILABILITY OF THE STATEMENT OR OTHER WRITTEN OR ELECTRONIC REPORT OF YOUR ACCOUNT TRANSACTIONS, OF ANY PROBLEM OR DISCREPANCY THAT APPEARS ON THE STATEMENT OR REPORT, SUCH AS AN UNAUTHORIZED TRANSACTION OR THE FORGERY OR ALTERATION OF ANY ITEM CHARGED TO YOUR ACCOUNT, YOU MAY LOSE CERTAIN LEGAL RIGHTS. IN NO EVENT WILL WE BE LIABLE FOR ANY UNAUTHORIZED TRANSACTION OR ANY FORGERY, UNAUTHORIZED SIGNATURE OR ALTERATION OF AN ITEM ON YOUR ACCOUNT THAT IS NOT BROUGHT TO OUR ATTENTION WITHIN 90 DAYS OF THE DATE ON WHICH YOUR STATEMENT OR REPORT WAS RECEIVED OR MADE AVAILABLE TO YOU. Notwithstanding the foregoing, the time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act. Please notify us in writing of any change in your address. If your statement is returned to us, we will suspend further mailings until a current address is received. You will be deemed to have received any information we mail to you five (5) business days after the information is mailed, even if it is returned to us as undeliverable. You will be deemed to have received information we hold at your request at the time we make such information available for you to pick up. You will be deemed to have received information we make available to you electronically on the date we make the information available for access by you.

**Information:** You agree to cooperate with us in any record keeping and reporting which we believe to be necessary to fulfill government requirements. We may record conversations we have with you about your Account.

**Change in Account Information:** You should notify us immediately of any change in the officers of your business or signing authority for your Account. We may ask you to execute and deliver to us new Account resolutions and sign new forms before the change is made effective. You should also notify us in writing of any change in your address.

**Inactive or Dormant Accounts:** If your Account falls below any applicable minimum balance or you have not made any transactions within the period of time specified in the Schedule, we may classify your Account(s) as inactive. An Account is generally only considered dormant when an applicable State law requires such classification (i.e., dormant or abandoned). Although having no obligation to do so, we reserve the right to not classify a particular Account as either inactive or dormant if any owner thereof has other active Accounts or services with us. You may be charged fees as set forth in the Schedule for inactivity, which is generally the failure to transact any business on an Account for the period set for in the Schedule. Unless specifically prohibited by applicable law, we may also charge a service fee set forth on the Schedule for processing your dormant Account ("Abandoned Property/Dormancy Processing Fee"). Unless prohibited by applicable law, we further reserve the right to transfer your dormant Account funds to a general Credit Union account and to suspend any further Account statements.

**Our Standard of Care:** Our responsibility to you is limited to our exercise of ordinary care in performing the services covered by this Agreement. Substantial compliance with our standard procedures shall be deemed to be the exercise of ordinary care. We will have no liability to you for taking or not taking any action permitted but not required. We will not be liable for the action or inaction of any third party in handling items deposited to or withdrawn from your Account. NO THIRD PARTY SHALL HAVE ANY RIGHTS OR CLAIMS AGAINST US UNDER THIS AGREEMENT.

**Other Services:** If you use other Credit Union services in connection with your Account, and there is any inconsistency between the terms and conditions of the agreement for those services and this Agreement, then the terms and conditions stated in the agreement for the additional services shall control, but only to the extent necessary to avoid inconsistency with this Agreement.

**Costs, Expenses and Attorneys' Fees for All Accounts/Services:** All owners of Account(s) or service(s) with us agree, jointly and severally, to pay us for all costs and expenses, including attorneys' fees we may incur:

1. If it is necessary for us to bring any legal or other action to collect any sum you owe the Credit Union;

2. If we incur any costs or expense as a result of any order or instruction received from any owner or any owner's agent under this Agreement, any adverse claim, legal process; your failure to comply with any obligation in this Membership Agreement or otherwise;
3. If we incur any expense as a result of any dispute, adverse or inconsistent claims;
4. If we bring any action contemplated in this Agreement;
5. If we successfully defend any claim against the Credit Union brought by any owner, agent, personal representative, executor, heir or other party in interest brought via any formal or informal process (including but not limited to arbitration or mediation) involving your Accounts or services with us; or
6. If we deem it necessary to seek the advice or opinion of legal counsel or other professionals regarding the bona fides or legality of any transaction(s) to/from your Accounts or involving any services with us, or any request for information or documentation regarding any of your Accounts and/or services with us.

If you are responsible to pay us any costs of collection or legal expenses incurred in collecting any amount you owe; in enforcing or protecting our rights under this Agreement or otherwise; or as provided in this subsection, including but not limited to costs of repossession, repair, appraisal, and all other costs or expenses, you agree to pay us the actual amount of such costs and expenses together with reasonable attorneys' fees. In the case of any collection action you agree that 20% of the unpaid balance or such greater sum as may be appropriate based on the circumstances shall be a reasonable amount, unless applicable law specifically provides otherwise. Further, you agree to pay the Credit Union an additional sum for any costs, legal expenses or attorneys' fees incurred in any appellate, bankruptcy or post-judgment proceedings, except as limited or prohibited by applicable law. Any costs, expenses or fees hereunder will be paid from any of your Account(s) with the Credit Union before payment to any owner or other party. If the amounts in your Account(s) are not sufficient, then the owner(s) of the affected Account(s) or parties to any applicable services will immediately pay any difference.

**Money Owed:** Except to the extent otherwise agreed with you in writing, any loans, charges, service or analysis charges, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you may be charged in whole or in part to the Account, to any other Account(s) in your name, or to Accounts of co-owners and of certain individuals, to the extent permitted by law. You grant us a security interest in the balance in the Account and in any other Account(s) in your name, to pay all loans, charges, service or analysis charges, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you. In addition, we may exercise our right of set off without advance notice to you and without regard to any other right that we may have against you or any other party. Such set off shall be effective immediately upon the occurrence of the event giving rise to the set off rights even though we may enter the set off on our books at a later date. Our security interest and right of set off shall prevail and take priority over any adverse claim, change of ownership, pledge, attachment, garnishment, levy, court order or other legal process of any kind whatsoever. Should one of these events occur, we may take any action permitted or required by law.

**Termination or Restriction of Account(s) and Service(s) and Standards of Conduct and Behavior:** The Credit Union is committed to delivering exceptional products and services to members. To that end our employees are trained to handle interpersonal interactions effectively and to address any service issues with Credit Union members. The Credit Union's policies define the circumstances under which services may be limited for members who engage in "improper or abusive conduct;" and also address other circumstances where services may be terminated or limited. The policy is not intended to restrict the rights and freedoms of any particular group or individual, but to protect Credit Union employees and members by addressing unacceptable conduct. You also understand and expressly agree that the Credit Union is a non-profit organization and that the rights addressed in this section are necessary to protect the Credit Union for the benefit of all members. You may terminate your membership by giving us notice and complying with the policies and procedures of the Credit Union. Termination will not release you from any fees or obligations you owe us, those incurred in the process of closing your Accounts or services or your liability on outstanding items or Transactions. You may terminate a single party Account at any time by notifying us in writing. We have the right to require the written consent of all parties to a multiple party Account for termination. You further agree that we can terminate your membership, any Account or service including any rewards program for cause based on any of the circumstances defined in this Agreement; without notice or further action. We, in our sole discretion, may terminate, limit or restrict, or change the terms, as we in our sole discretion deem appropriate, any of your Account(s) or service(s), including but not limited to loan services, or place a freeze on any sums on deposit with us at any time without notice or require you to close your Account(s)/service(s) and apply for a new Account(s)/service(s) if:

1. at any time and for any reason within our discretion we determine that continuing to maintain your Account or providing any services exposes the Credit Union to any burdens or risks that we do not wish to incur; or wish to no longer incur;
2. there is a request to change the owners or authorized users;
3. there is a fraud/forgery or unauthorized use committed or reported;
4. there is a dispute as to ownership of any Account or sum on deposit;
5. there are any share drafts that are lost or stolen;
6. there are returned unpaid items-Transactions not covered by an overdraft plan agreement with us or any abuse of any such plan per our assessment thereof;
7. there is any misrepresentation regarding any Account(s) or service(s);
8. the Credit Union incurs any loss or believes it may incur any loss relating to any loan(s), Account(s) or service(s) you have with us;
9. you falsely submit any affidavit or other form claiming fraud or loss from a transaction that is determined to be legitimate.
10. we believe you have been negligent in protecting any access devices or codes;

11. we deem it necessary to protect the Credit Union from any risks or losses, or otherwise deem it to be in the best interests of the Credit Union, our members or our employees;
12. you breach any promise under this Agreement or any other agreements with us including but not limited to any default or other delinquency with regard to any loan or other agreements;
13. bankruptcy or any other insolvency proceeding is filed by or against you, or if we otherwise deem you to be insolvent or incapable of meeting your obligations to us;
14. you refuse or fail to cooperate as provided in this Agreement;
15. you have an Account that does not maintain a required par value for a membership Account or any balance as to all other Accounts;
16. you violate any Credit Union policy, procedure or standard or any law, regulation or rule;
17. you participate or facilitate any transactions for another person who is prohibited from making transactions with us pursuant to applicable laws or Credit Union policy/procedure;
18. making unauthorized posting(s), defacing or removing notices or signs on Credit Union premises and/or social media sites without management authorization;
19. misappropriating Credit Union funds, property, or other material proprietary to the Credit Union;
20. deliberately or repeatedly violating security procedures or safety rules;
21. possessing, using, or being under the influence of illicit drugs on Credit Union premises;
22. any new US or other Country's laws, rules, regulations or other requirements make it impractical or impossible for the Credit Union to meet the requirements of such laws, rules, regulations or other requirements; and or
23. using one or more credit or debit cards to obtain cash and purchasing power we do not believe appropriate, using such devices to pay credit card balances with the proceeds of other cards, or using such devices in a manner we determine is primarily intended to abuse a rewards program.

**Notice on Actions We may Take Upon Termination as Set Forth Above:** We, on our own accord, may place a stop payment on any share draft, item or Transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If you do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends. We are not responsible for any draft, withdrawal, item or Transaction after your Account is terminated. However, if we pay any item after termination, you agree to reimburse us upon demand.

**Residence Outside the U.S., Its Possessions or Territories:** We may require that all checking Accounts and related services be closed or deactivated if you move your residence to a country or place outside the U.S., its possessions or territories. The Credit Union may close your checking Account(s) and related services if you do not do so.

**Duty to Cooperate:** You have a duty to cooperate with us, and any law enforcement or government agent or agency with regard to any claim of fraud, forgery, unauthorized access or any other adverse claim(s).

**Severability:** In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement not held by the court to be invalid or unenforceable will continue in full force and effect.

**Amendment, Waiver:** We reserve the right to amend this Agreement from time to time, including the right to convert your Account from one product to another. Where practicable, we will post notice of any amendment in our branch offices, or we will mail notice of an amendment to the last address which you have specified for your Account, or notify you otherwise as required or permitted by law. Any waiver by us of any term or condition stated in this Agreement must be in writing and signed by a Credit Union officer and shall not be considered a waiver of any other or future obligation or right.

**Indemnity:** If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require a bond or other protections. An example of the kind of protection asked for would be your promise to protect the Credit Union against any claims (an indemnity).

**Governing Law:** This Agreement and your and our rights and obligations under this Agreement and any other relationships to which this Agreement applies, are governed and interpreted according to federal law and the state law where your Account is located. If you are not sure where your Account is located please contact us. Generally, your Account is located in the State of the Credit Union's principle office, which is North Carolina. If state law and federal law are inconsistent, or if state law is preempted by federal law, federal law governs in all respects. Our web site and the electronic services that we provide (excluding linked sites) are controlled by the Credit Union from its principal offices noted above. While you may choose to access our web site and electronic services from other locations, we make no representation that any information, materials, or functions included in our web site or via our electronic service are appropriate or authorized for use in other jurisdictions. Your access from other locations is made on your own initiative; and you are solely responsible for compliance with any applicable local laws and regulations. Section headings in this Agreement are for convenience of reference only. If any law or judicial ruling renders any term or condition of this Agreement unenforceable, the remaining terms and conditions shall remain in full force and effect. We reserve the right to waive enforcement of any of the terms set forth in this Agreement regarding any Transaction or series of Transactions. Any such waiver will not affect our right to enforce any of our rights with respect to any owner, user or other applicable person/party; or to enforce any of our rights with respect to other Transactions. Any such waiver shall not modify the terms and conditions of this Agreement. Further, you represent and agree that you shall perform all transactions, undertakings and all of your obligations under this Agreement in accordance with all applicable laws and regulations. This includes, but is not limited to, sanctions enforced by the Office of

Foreign Assets Control (OFAC). You shall indemnify Credit Union against any loss, liability or expense (including attorneys' fees and expenses) resulting from or arising out of any breach of any of the foregoing representations or agreements.

**Pre-Requisite to Fraud–Loss Claims:** If you carry special insurance for employee fraud/embezzlement, we can require you to file your claim with your insurance company before making any claim against us. If you have special insurance for employee fraud/embezzlement, we reserve the right to require you to file your claim with your insurance company before making any claim against us in such event, we will consider your claim only after we have reviewed your insurance company's decision, and our liability to you, if any, will be reduced by the amount your insurance company pays you.

**General Limitation of Liability:** We will be liable only for our own gross negligence or willful misconduct and will not be responsible for any loss or damage arising from or in connection with (1) any inaccuracy, act or failure to act on the part of any person not within our reasonable control or (2) any error, failure or delay in execution of any transfer resulting from circumstances beyond our reasonable control, including, but not limited to any inoperability of communications facilities or other technological failure. Provided we have complied with our obligations under this Agreement, you agree to indemnify, defend, and hold us harmless against any claim of a third party arising from or in connection with this Agreement or the service we provide hereunder. We make no warranties, express or implied, in connection with the services we provide you under this Agreement, including, without limitation, the warranties of merchantability and fitness for a particular purpose. In no event will we be liable for any consequential, incidental, special or indirect losses, damages, including dishonor of checks or other items, or expenses (including counsel fees), which you may incur or suffer by reason of this Agreement or the services we provide hereunder, whether or not the possibility or likelihood of such loss, damage or expense is known to us. We may issue you the number of Passwords, PINs or other access keys (together "passwords") for your Accounts or account services that you request. You shall have sole and exclusive responsibility for providing the passwords to those individual(s) whom you authorize to use the card(s). We shall have no liability for transactions performed using your card and a PIN issued to you regardless of whether you deem such transactions to be authorized or unauthorized. Any security procedure applicable to the card and disclosed to you is strictly confidential and should be disclosed to only your employees or agents with a need to know them. You shall instruct those individuals that they should not disclose the security procedures to anyone. You must establish and maintain procedures to insure the confidentiality of the PINs and the security procedures. We assume no responsibility to discover or audit any possible breach of security or unauthorized disclosure or use of cards or PINs by your employees, agents or representatives. You shall promptly notify us of any suspected unauthorized activity (whether or not involving your employees). We reserve the right to change our security procedures upon notice to you.

**Important Conditions that may Affect Access to Services, Credit Union Facilities and/or Limitations on Services (Natural Disasters, Pandemics or Significant Health Concerns and Other Acts of God):**

1. **Force Majeure.** Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to any of the following causes, to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, natural catastrophes, governmental declarations, acts or omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of raw materials or energy. For the avoidance of doubt, Force Majeure shall not include (a) financial distress nor the inability of either party to make a profit or avoid a financial loss, (b) changes in market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder. This clause shall continue to apply for a reasonable period of time after the cause addressed above has subsided sufficient to allow resumption of services.
2. **Official Health Guidance:** All Credit Union facilities reserve the right to follow/implement official health guidance issued by governmental entities and/or health organizations which may include but are not limited to: Closure of Credit Union facilities; Social Distancing; Requiring the use of Personal Protective Equipment (masks, gloves, clear eye coverings or other requirements). These requirements may vary from facility to facility; and may change from time to time.
3. **Face Masks:** For security reasons all face masks are prohibited unless medically required. If a mask is medically required, members/non-members, contractors and staff, will be asked to temporarily remove it before assistance may be provided and completing a transaction for proper identification. If you feel you cannot remove you mask temporarily for identification in the branch you may use the Credit Union's Drive-Thru as an alternative. We will also consider any requests for special appointments where your identity can be verified before entering a Credit Union facility.

**Dividend Rate Information:** The dividend rate and Annual Percentage Yield (APY) on your Accounts are set forth in the Schedule. The dividend rate and APY may change each dividend period as determined by the Credit Union's Board of Directors. The following provisions apply to dividend-bearing business and organization Accounts:

1. Not all business and organization Accounts pay dividends. You should refer to the Schedule, to assess current dividends (if any), costs, fees and other charges.
2. Dividends will be calculated on your dividend bearing Account and credited directly to your Account as set forth below.

**Compounding and Crediting:** Dividends will be compounded and will be credited as set forth in the Schedule. The Dividend Period ("period") for each of your Accounts is set forth in the Schedule. The dividend period begins on the first calendar day of the period and ends on the last calendar day of the period. If your Account is closed or you make a withdrawal during a dividend period before dividends are credited, you may not receive accrued but uncredited dividends.

**Balance Information:** Any minimum deposit to open an Account, and the minimum daily balance you must maintain to avoid service fees and to earn the annual percentage yield stated for your Account is set forth in the Schedule.

**Daily Balance Method:** Dividends are calculated by the daily balance method which applies a daily periodic rate to the principle balance in the Account each day.

**Accounts with Minimum Balance Requirements:** If you fail to maintain the minimum balance required to earn the dividend rate and annual percentage yield for any Account as set forth in the Fee Schedule, then you will not earn the dividend rate and annual percentage yield for the period in which you do not meet this requirement.

**Transaction Limitations for All Share and Money Market Accounts:** Limitations are set forth in the first Section of this Booklet entitled "Business and Organization Membership Booklet."

## Resolving Claims

### ARBITRATION PROVISION

**READ THIS ARBITRATION PROVISION CAREFULLY: IT WILL IMPACT HOW LEGAL CLAIMS YOU AND WE HAVE AGAINST EACH OTHER ARE RESOLVED.**

**Under the terms of this Arbitration Provision, and except as set forth below, Claims (as defined below) will be resolved by individual (and not class-wide) binding arbitration in accordance with the terms specified herein, if you or we elect it. These provisions shall apply to any claim arising or relating to any Claim existing now or in the future and shall apply to existing and future Accounts.**

### YOUR RIGHT TO OPT OUT; EFFECT OF ARBITRATION.

This Arbitration Provision will apply to you and us and to your Account as of the date your Account was opened (or, if you are an existing member, as of the date of this Arbitration Provision), unless you opt out by providing proper and timely notice as set forth below. If a Claim is arbitrated, neither you nor we will have the right to: (1) have a court or a jury decide the Claim; (2) engage in information-gathering (discovery) to the same extent as in court; (3) participate in a class action, private attorney general or other representative action in court or in arbitration; or (4) join or consolidate a Claim with those of any other person.

The terms in this Section shall not limit or constrain our right to self-help remedies, such as the right of set-off or the right to restrain funds in an Account, to collect any to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

This Arbitration Provision will survive the termination of your Membership and Account Agreement. See further details below.

### JURY and CLASS ACTION WAIVER

**AS PERMITTED BY LAW, YOU AND WE AGREE AND UNDERSTAND THAT YOU AND WE BOTH GIVE UP THE RIGHT TO TRIAL BY JURY. THIS IS A JURY TRIAL WAIVER.**

**NO CLASS ACTION OR JOINDER OF PARTIES: YOU AND WE AGREE THAT NO CLASS ACTION, PRIVATE ATTORNEY GENERAL, OR OTHER REPRESENTATIVE CLAIMS MAY BE PURSUED IN ARBITRATION, NOR MAY SUCH ACTION BE PURSUED IN COURT IF EITHER YOU OR WE ELECT ARBITRATION. UNLESS MUTUALLY AGREED TO BY YOU AND US, CLAIMS OF TWO OR MORE PERSONS MAY NOT BE JOINED, CONSOLIDATED, OR OTHERWISE BROUGHT TOGETHER IN THE SAME ARBITRATION (UNLESS THOSE PERSONS ARE JOINT ACCOUNT OWNERS, BORROWERS OR BENEFICIARIES ON YOUR ACCOUNT AND/OR RELATED ACCOUNTS, OR PARTIES TO A SINGLE TRANSACTION, LOAN OR RELATED TRANSACTION). IF THIS SPECIFIC PARAGRAPH IS DETERMINED BY TO BE UNENFORCEABLE, THEN THIS ENTIRE PROVISION SHALL BE NULL AND VOID, BUT ALL OTHER PROVISIONS HEREIN SHALL REMAIN FULLY BINDING.**

### Definitions

**"We," "Us" and "Our."** Solely as used in this Arbitration Provision, the words "you" and "yours" mean anyone who signs a Membership and Account Application, or similar document. The words "we," "us" and "our" mean the credit union and includes the credit union's employees, officers, directors, volunteers, affiliates, predecessors, acquired entities, successors and assigns.

**"Account."** For purposes of this Arbitration Provision, the word "account" means any one or more savings, checking or other Accounts you have with us and the features and services provided in connection with it or them. The word "savings" means any share or time deposit Account you have with us. The word "checking" means any share draft account you have with us. These terms include, but are not limited to: checking accounts, savings accounts, money market accounts, certificates of deposit, UTMA accounts, and accounts held for trusts. "account" also refers, collectively and separately, to any services associated with any account. Further, "account" shall include any loan or lending relationship with us as a borrower, co-borrower, guarantor, owner of collateral or third-party pledgor. A loan or lending relationship shall include any products or services obtained in connection with or arising from the lending relationship.

**"Claim."** A "Claim or claim" subject to arbitration is any demand, cause of action, complaint, claim, asserted right, or request for monetary or equitable relief, whether past, present or future, and based upon any legal theory, including contract, tort,

consumer protection law, fraud, statute, regulation, ordinance, or common law, which arises out of or relates to your Membership and Account Agreement, your deposit account(s) or loan account(s), the events leading up to your becoming an account holder or borrower (for example, advertisements or promotions), any feature or service provided in connection with your account(s), or any transaction conducted with us related to any of your accounts or services. Notwithstanding the foregoing, the term "Claim" excludes: (a) any dispute or controversy about the validity, enforceability, coverage or scope of this Arbitration Provision or any part thereof, including the Class Action Waiver below (a court will decide such disputes or controversies); and (b) any individual action brought by either party in small claims court or your state's equivalent court, unless such action is transferred, removed or appealed to a different court.

### **Arbitration Procedures**

- a. Agreement to Arbitrate Claims. Unless you opt out as provided below, you or we may elect to arbitrate any Claim.
- b. Electing arbitration. If you or we elect to arbitrate a Claim, the party electing arbitration must notify the other party in writing (the "Notice"). Your Notice to us shall be sent to: Address for Election to Arbitrate a Claim (the "Notice Address"). Our Notice to you shall be sent to the address for you currently in our files. Any arbitration hearing that you attend will take place in a venue in the county where you reside unless you and we agree otherwise. If a party files a lawsuit in court asserting a Claim and the other party elects arbitration, such Notice may be asserted in papers filed in the lawsuit (for example, a motion by the defendant to compel arbitration of Claims asserted by the plaintiff in a lawsuit filed in court). If you or we commence litigation of a Claim, neither you nor we waive our right to elect arbitration with respect to any counterclaim or other Claim that you or we may make. In the event that a court grants a motion to compel arbitration, either party may commence the arbitration proceeding in accordance with the rules and procedures of the arbitration administrator specified in this section.
- c. Arbitration costs. Each party to the Agreement will be solely responsible to pay their costs and expenses associated with any arbitration actions hereunder and/or as required by the Arbitration Rules agreed to herein.
- d. Arbitration administrator and rules. The party electing arbitration must choose between one of two administrators: (1) the American Arbitration Association ("AAA"), or (2) JAMS. The administrator chosen will apply its rules and/or codes of procedures in effect at the time arbitration is elected. You may obtain a copy of the rules and/or codes, and more information about initiating an arbitration, by: (1) contacting AAA at: 1-800-778-7879 or visiting: [www.adr.org](http://www.adr.org), or (2) contacting JAMS at: 1-800-352-5267 or visiting: [www.jamsadr.com](http://www.jamsadr.com). The arbitrator is bound by the terms of this Agreement. If neither AAA nor JAMS can serve, the parties may agree on another administrator, or a court may appoint one.
- e. What law the arbitrator will apply. The arbitrator will not be bound by judicial rules of procedure and evidence that would apply in a court, or by state or local laws that relate to arbitration proceedings. However, the arbitrator will apply the same statutes of limitation and privileges that a court would apply if the matter were pending in court. In determining liability or awarding damages or other relief, the arbitrator will follow the applicable substantive law, consistent with the Federal Arbitration Act (FAA), that would apply if the matter had been brought in court.
- f. The arbitrator's decision and award; attorney fees. At the timely request of either party, the arbitrator shall provide a brief written explanation of the grounds for the decision. The arbitrator may award any damages or other relief or remedies that would apply under applicable law, as limited in Section (e) above, to an individual action brought in court. In addition, with respect to Claims asserted by you in an individual arbitration, we will pay your reasonable attorney, witness and expert fees and costs if, and to the extent you prevail, or if applicable law requires us to do so.
- g. Effect of arbitration award; appeal. The arbitrator's award shall be final and binding on all parties, except for any right of appeal provided by the Federal Arbitration Act.

**Federal Arbitration Act.** Your Membership and Account Agreement, Other Services Agreements or Disclosures and Loan Agreements evidence transactions in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this Arbitration Provision. If a specific law expressly requires otherwise, then that law will apply in place of any of the foregoing without invalidating any other provisions in this Section.

**Conflicts; Severability; Survival.** This Arbitration Provision is intended to be broadly interpreted. In the event of a conflict between the provisions of this Arbitration Provision and the AAA or JAMS rules, or any other terms of the Membership and Account Agreement, the provisions of this Arbitration Provision shall control. If any part of this Arbitration Provision is deemed or found to be unenforceable for any reason, the remainder shall be enforceable, except as provided by the Class Action Waiver. This Arbitration Provision shall survive: (1) the closing of your account(s) and the termination of any relationship between us, including the termination of your Membership and Account Agreement, and (2) any bankruptcy to the extent consistent with applicable bankruptcy law.

**Scope Jurisdiction and Venue.** Any action or proceeding regarding this Section, your account or this Membership Account Agreement & Disclosures must be brought in the state where the Credit Union maintains your account. You submit to the personal jurisdiction of that state. Any action or proceeding will be governed by and interpreted in accordance with the Governing Law Section of this Agreement.

## **Electronic Funds Transfers and Electronic Service Agreement and Disclosures**

This section governs transactions initiated by you or your employees using a Credit Union Business Debit Card or other Credit Union card products offered to business members from time to time by the Credit Union. Your use of business debit cards is subject to the fees and terms of your checking and savings accounts as set forth elsewhere in this Agreement and in related fee schedules, which are available at any branch. Some ATM networks impose an additional transaction fee unrelated to our fees and

charges and may be assessed to your account. Other electronic transactions against your account, whether or not initiated or authorized by you will be governed by the specific Agreement between us related to such transactions and/or all applicable rules and regulations governing such transactions, including without limitation, the rules of the National Automated Clearing House Association (NACHA) as may be amended from time to time. Under NACHA rules we cannot return an unauthorized electronic transaction (ACH debit) unless you notify us no later than 5:00 p.m. Central Time on the business day following the settlement date of the transaction. Otherwise, your sole recourse is to the originator of the transaction.

**Fees:** We will charge you fees for electronic funds transfers in accordance with the information found in our Schedule. The fees may be changed at any time, subject to our giving you any notice required by law.

**Error Resolution:** You agree to examine your receipts and periodic statements using ordinary care and to report any errors or problems to us within a reasonable time. You agree that the time to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 60 days from When the statement containing the error or problem was first mailed or made available to you. If you do not report Within 60 days, we will be entitled to treat such information as correct and you will be precluded from asserting otherwise. You further agree that if you fail to report to us any errors or problems within 30 days from when the statement was first mailed or made available to you that we will not be required to pay interest on any refund to which you may be entitled. We will recredit your account for errors or problems as required by law. Call or write us immediately with errors or questions about your electronic transfers at the telephone number or address listed below. If you tell us orally, we may require your complaint or question in writing within nine (9) business days.

1. Telephone us at 800.225.3967 during normal business hours; and/or
2. Write to us at Marine Federal Credit Union, PO Box 1551, Jacksonville, NC 28541-1551

If you provide us with timely notice of an error or problem in your periodic statement, we will investigate the matter and notify you of the results as soon as reasonably possible under the circumstances.

**Account Access Via Your Debit Card:** If approved, you may use your Business Debit Card (Debit Card/Access Device) to conduct transactions at Automated Teller Machines (ATMs), Interactive Teller Machines (ITMs), and make point-of sale (POS) transactions to purchase goods and services from participating merchants. You may also receive cash back on transactions at participating merchants. If you wish to pay for goods or services over the internet, telephone, and mail. You may be required to provide card number and security information before you will be permitted to complete the transaction. You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your card purchases will be deducted from your share draft (checking) account.

**Balance Requirements:** Transactions using your business check card(s) will be completed only if sufficient funds are available in the applicable account balance, overdraft protection or other linked credit facility to fully perform the transaction. At the present time, you may use your Debit Card and Personal Identification Number (PIN) to access your checking, savings, and/or line of credit accounts (if linked to your card) to perform the following transactions at Credit Union ATMs, ITMs and/or Credit Union participating network foreign ATMs. Please note that some of the transactions listed below may not be available at all ATMs.

1. Make cash withdrawals from your checking or savings accounts.
2. Get cash advances from your line of credit account.
3. Deposit cash and/or checks to checking and savings accounts.
4. Transfer funds between your account(s) that are linked to your card.
5. Check the current balance of your checking, savings, and line of credit accounts that are linked to your card.
6. At foreign ATMs you can get balance information and make cash withdrawals from your account(s), depending on how your account is set up. Foreign ATMs are machines we do not own that allow access via the networks indicated on the back of your debit card which may change from time to time. Please refer to the Fee Schedule regarding any applicable fees related to using a foreign ATM.

**Limits on Transfers:** The terms of your deposit account may restrict the number of withdrawals you may make from your account each month. Restrictions described earlier in this brochure and in other disclosures and agreements you received at the time your account was opened or when additional products or services were accessed, will also apply to your electronic withdrawals and electronic payments unless specified otherwise.

**ATM Surcharges:** When you use an ATM that is not identified as ours with the Credit Union name, you may be charged a fee by the ATM operator or any network used to complete the transfer (and you may be charged a fee for a balance inquiry).

**General Business Debit Card Provisions:** Your card(s) may, but need not, be retained by any ATM or merchant if:

1. the PIN is wrong after repeated attempts;
2. your card was reported lost or stolen;
3. your card was closed for misuse;
4. all of your accounts linked to your card(s) have been closed;
5. your card expired or was replaced;
6. the machine is not operating properly.

We may refuse to issue a card to you or to reissue a card to you if you have previously had one. Each card issued by us remains our property, is not transferable (other than to your authorized employees) and may be canceled, revoked or limited by us at any time without prior notice to you. In the event of cancellation or revocation, your card must be surrendered to us upon demand. If

you attempt to use your card after it has been canceled or revoked it will be retained. For your protection, your card also may be retained in situations where it appears to us that there is or may be a danger of loss, theft or unauthorized use. No electronic fund transfer may be made and no transaction that you attempt to initiate will be completed if your Business Debit Card is damaged, has expired, has been canceled or revoked or is retained for any reason or your account(s) has (have) been closed. Upon receipt of a request for authorization of a transaction made with your Business Debit Card, you, (or your agent on your behalf) authorize us to deduct the amount immediately from the available balance in your account. You understand and agree that you may not place stop payment orders on any transaction originated by use of your Business Debit Card. We reserve the right at any time and without notice to eliminate any or all of the services that currently are available to you by use of your card or to add new services. We may, from time to time, limit the type, number and dollar amount of any transfers made by use of a Business Debit Card, notwithstanding the amount in your account(s), and terminate or suspend the operation of any or all cards, ATMs or merchants, without notice. Where you have authorized any other person to use your card in any manner, your authorization shall be considered by us to be unlimited in amount and manner and will be effective until you have notified us in writing that you have revoked the authorization, and have taken all other necessary steps to revoke it and we have had a reasonable opportunity to act on such notification including cancellation of your card and issuance of a replacement card.

**Security:** For security reasons, there are limitations on the transactions that you may perform with your Credit Union Debit Card per day. There are limitations on the dollar amount of cash withdrawals at ATMs and/or cash that you receive from merchants over the amount of your purchase. There are also limitations on the total dollar amount of purchases at merchants and/or cash advances you may perform during each 24-hour period beginning at 12:00am Eastern Time. For security reasons we do not disclose these limits. Transfer limits are also subject to temporary reductions to protect the security of member accounts or transfer systems.

**Debit Card Authorizations:** When you use your Debit Card for payment, the merchant requests the Credit Union to authorize the transaction amount. At the time of the request, we authorize (promise to pay) or decline the merchant's request. If we authorize (promise to pay) we will reduce your Available Balance by the amount of the merchant's authorization request. Some merchants (e.g., hotels, restaurants, gas stations, car rental agencies) request an authorization that is an estimated amount of the anticipated purchase instead of the full purchase amount. As a result, the reduction of your Available Balance may be less or greater than the final debit card transaction amount presented for payment. It is important to note that your Available Balance may change between the time a debit card transaction is authorized and when the debit card transaction is presented for payment. Debit card authorizations will be reflected as pending transactions from the time we receive the authorization until the merchant presents the item for payment, a completion message is received, or three business days, whichever occurs first. If the debit card authorization has not been presented for payment after three business days, it will be removed from your pending transactions and your Available Balance will no longer be reduced by the authorization amount. Due to prior authorization (promise to pay), if the debit card transaction is presented for payment at a later date we will pay the item regardless of your Available Balance. If any debit card transaction results in a negative Available Balance at the time it is presented for payment—even if your Available Balance was positive at the time the debit card transaction was authorized—you may be charged a Courtesy Pay Fee. For more information on Available Balance please review "Actual Balances and Available Balances" section of your General Terms and Conditions above in this Agreement. Please know, it is your responsibility to ensure your account has a sufficient Available Balance to cover all transactions you conduct. We recommend keeping a record of your balance and deducting every transaction at the time you initiate it

**Using Your Card for International Transactions:** You may use your Debit Card for retail purchases with international merchants, for international cash advances and all transactions performed at international ATMs that bear any of the network logos found on your card. Refer to the Fee Schedule for fee information. We may block transactions in certain foreign countries. Some merchant and ATM transactions, even if you and/or the merchant or ATM are located in the United States, are considered international transactions under the applicable network rules, in which case we will add International Processing Fees to those transactions. Credit Union does not control how these merchants, ATMs and transactions are classified for this purpose. If you effect a transaction with your debit card in a currency other than US Dollars, Visa® will convert the charge into a US Dollar amount. The Visa® currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by Visa®. The exchange rate Visa® uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account. Visa® charges us a Currency Conversion Assessment of 20 basis points (.2% of the transaction) for performing the currency conversion. In addition, Visa® charges us an Issuer Cross-Border Assessment of 90 basis points (.9% of the transaction) on all cross-border transactions regardless of whether there is a currency conversion. As a result, we may pass these charges to you. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the Visa® Debit Switch in which the country of the merchant is different than the country of the cardholder. If you need to contact us about your card while outside of the United States, call us at the numbers listed above or printed on the back of your debit card.

**Limitations on our Liability:** We will not be liable for our inability to perform a transfer if:

- a. you misuse an ATM or POS terminal;
- b. you do not have enough money in your account to make the transfer;
- c. your account is subject to legal process or encumbrance;
- d. you have an overdraft line and the transfer would cause you to exceed your credit limit;
- e. an ATM does not have sufficient cash;
- f. a terminal or system is not Working properly



- g. circumstances beyond our control (including, without limitation, any act of God, accident, fire, flood, equipment failure, or system failure) prevent the transfer;
- h. merchant refuses to accept your Card;
- i. ATM rejects your Card; and/or
- j. your Card or Account has been cancelled.

We shall have no liability to you other than those imposed upon us by law for our own lack of good faith or failure to act in accordance with the reasonable commercial standards of the banking business. Reasonable care in the handling of items of deposit shall be measured by the standard of the reasonableness of the banking procedures established for the transaction involved. A mere inadvertence or an honest mistake of judgment will not constitute a failure to perform such obligations or a failure to exercise reasonable care, and in no case will be deemed Wrongful. We shall not be liable for consequential, indirect, or special damages even if we have been advised of the possibility of them.

**Notifying the Credit Union of Unauthorized Use:** You agree to instruct each Authorized Cardholder to notify you immediately if a Card or PIN is lost or stolen, or if a Card or PIN or the account number for a Card or PIN may be subject to any Unauthorized Use. You agree to notify the Credit Union immediately if you or any Authorized Cardholder knows or suspects that a Card or PIN is lost, stolen or otherwise subject to Unauthorized Use. The Credit Union requires information in writing concerning the apparent or potential unauthorized Transaction.

**Unauthorized Use – Additional Risk Associated with Use of Business Purpose Cards:** You will not have the benefit of any consumer law limiting liability with respect to the unauthorized use of your Card. This means your liability for the unauthorized use of your Card could be greater than the liability in a consumer debit card transaction. You accept and agree to undertake the additional risk and greater measure of liability associated with the use of business purpose cards as described in this Agreement. If you or an Authorized Cardholder notifies the Credit Union of a lost or stolen Card or PIN or any known or suspected unauthorized Transactions, the Credit Union will respond in a commercially reasonable manner and time to reduce the risk of any Unauthorized Use. If you fail to notify the Credit Union as required in this Agreement, you shall be liable for all Unauthorized Use. **NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT, YOU AGREE THAT, WITH RESPECT TO ANY SINGLE UNAUTHORIZED TRANSACTION, THE CREDIT UNION WILL HAVE NO LIABILITY TO YOU FOR ANY UNAUTHORIZED TRANSACTIONS MADE USING YOUR CARD THAT OCCUR BEFORE YOU HAVE NOTIFIED US OF POSSIBLE UNAUTHORIZED USE AND WE HAVE HAD A REASONABLE OPPORTUNITY TO ACT ON THAT NOTICE.** The use of a Card at any time by an Authorized Cardholder, or by another person with an Authorized Cardholder's knowledge, even if the Authorized Cardholder is no longer employed or associated with You, shall not constitute Unauthorized Use, subject to expressly applicable laws. Notwithstanding the foregoing, if the unauthorized transaction was a Visa Transaction. The Credit Union will determine, in its sole discretion, the reasonableness of any particular period of time based on the circumstances.

**To Report a Lost or Stolen Card:** If your Card has been lost or stolen, or you believe an unauthorized transfer or error has occurred or may occur, please contact us AT ONCE by calling 855.633.0643 or 800.225.3967 during normal business hours.

**Other Electronic Transactions:** In addition to transactions initiated by using your Credit Union Debit Card, there are other electronic banking transactions that you may arrange through your account. These include:

1. Telephone/personal computer activated transfers of funds from your accounts with us to other accounts with us or to third parties. These include but are not limited to transfers made by telephone, text, online and mobile banking.
2. Automatic transfer of funds between checking and savings accounts
3. Automatic periodic payments to third parties or us from checking or savings accounts (for example, monthly mortgage payments, installment loan payments, insurance payments, utility payments).
4. Direct deposit to checking or savings accounts (for example, payroll checks, social security payments).
5. Electronic check conversions from your checking account using a blank, partial or fully completed personal check at merchant locations.

## Wire and ACH Transfer Requests

**General Rules:** This section covers your rights and responsibilities with regard to Wire Transfer requests you initiate or receive. The "Wire Transfer/Payment Order Agreement" is provided to you under separate cover, where applicable. We may use Fedwire to execute any Wire Transfer request; Fedwire is the Funds Transfer system of the U.S. Federal Reserve Banks. If any part of a Wire Transfer request is carried out by Fedwire, your rights and responsibilities are governed by Regulation J of the U.S. Federal Reserve Board. Without limiting the foregoing, certain provisions of the Uniform Commercial Code, Article 4A (UCC, Article 4A), may apply to Commercial credit transactions (Non-Consumer). We may, at our discretion, contact you for confirmation of your Wire Transfer request prior to processing. Failure to receive confirmation may result in your Wire Transfer request not being processed. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. Credit Union reserves the right to temporarily suspend processing of international transactions for verification which may result in a delay in settlement or crediting. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit. Using us to send or receive

funds transfers shall constitute your acceptance of these terms of agreement. To the extent that the terms contained in this Agreement are different than those in any other agreement or terms of account, this Agreement shall control and be deemed to modify such other agreements or terms of account. We may establish or change cut-off times for the receipt and processing of funds, transfer requests, amendments, or cancellations. Unless other times are posted for the various types of fund transfers, the cut-off time set forth in the Schedule is for each weekday that we are open which is not a holiday. Payment orders, cancellations, or amendments received after the applicable cut-off time may be treated as having been received on the next following funds transfer business day and processed accordingly. We may charge your account for the amount of any funds transfer initiated by you or by any person authorized by you as an owner or other authorized party with the right of access to the account from which the funds transfer is to be made. We may establish, from time to time, security procedures to verify the authenticity of a payment order. You will be notified of the procedure, if any, to be used to verify payment orders issued by you or for which your account will be liable. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify us in writing that you do not agree to that security procedure. In that event, we shall have no obligation to accept any payment order from you or other authorized parties on the account until you and us agree, in writing, on an alternate security procedure. If you give us a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's financial institution on the basis of the identifying or financial institution account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to us if the funds transfer is completed on the basis of the identification number you provided to us. If you give us a payment order which identifies an intermediary or beneficiary's financial institution by both name and an identifying number, a receiving financial institution may rely on the number as the proper identification even if it identifies a different person than the named financial institution. This means that you will be responsible for any loss or expenses incurred by a receiving financial institution which executes or attempts to execute the payment order in reliance on the identifying number you provided. We will not provide you with next day notice of receipt of ACH or wire transfers to your account. You will continue to receive notices of receipt of ACH and wire items in the periodic account statements which we provide. You may of course inquire between receipt of periodic statements whether or not a specific funds transfer has been received. If we become obligated under Article 4A to pay interest to you, you agree that the rate of interest to be paid shall be equal to the dividend rate, on a daily basis, applicable to the account at the bank to which the funds transfer should have been made or from which the funds transfer was made.

## Special Terms

**Authorized Account:** An authorized account is a deposit account you have with us that you have designated as a source of payment of payment orders you issue to us. If you have not designated an authorized account, any account you have with us is an authorized account to the extent that payment of the payment order is not inconsistent with the use of the account.

**Acceptance of Your Payment Order:** We are not obligated to accept any payment order that you give us, although we normally will accept your payment order if you have a withdrawable credit in an authorized account sufficient to cover the order. If we do not execute your payment order, but give you notice of our rejection of your payment order after the execution date or give you no notice, we are not liable to pay you as restitution any interest on a withdrawable credit in a non-interest-bearing account.

**Cutoff time:** If we do not receive your payment order or communication canceling a payment order before our cutoff time on a funds transfer day for that type of order or communication, the order or communication will be deemed to be received at the opening of our next funds transfer business day.

**Payment Processing and Settlement:** If we accept a payment order you give us, we may receive payment by automatically deducting from any authorized account the amount of the payment order plus the amount of any expenses and charges for our services in execution of your payment order. We are entitled to payment on the payment or execution date. Unless your payment order specifies otherwise, the payment or execution date is the funds transfer date we receive the payment order. The funds transfer is completed upon acceptance by the beneficiary's bank. Your obligation to pay your payment order is excused if the funds transfer is not completed, but you are still responsible to pay us any expenses and charges for our services. However, if you told us to route the funds transfer through an intermediate bank, and we are unable to obtain a refund because the intermediate bank that you designated has suspended payments, then you are still obligated to pay us for the payment order. You will not be entitled to interest on any refund you receive because the beneficiary's bank does not accept the payment order.

**Security Procedure:** As described more fully in a separate writing which is incorporated herein by reference, the authenticity of a payment order or communication canceling or amending a payment order issued in your name as sender may be verified by a security procedure. You affirm that you have no circumstances which are relevant to the determination of a commercially reasonable security procedure unless those circumstances are expressly contained in a separate writing signed by us. You may choose from one or more security procedures that we have developed, or you may develop your own security procedure if it is acceptable to us. If you refuse a commercially reasonable security procedure that we have offered you, you agree that you will be bound by any payment order issued in your name, whether or not authorized, that we accept in good faith and in compliance with the security procedure you have chosen. Furthermore, you acknowledge and agree that in the event we require additional information, but do not receive such information, we, at our discretion, may initiate or reject your Wire Transfer request. Under such circumstances, we shall not be liable to you for any actual loss or damages provided we acted in good faith.

**Reporting Unauthorized or Erroneous Payments:** You must exercise ordinary care to determine that all payment orders or amendments to payment orders that we accept that are issued in your name are authorized, enforceable, in the correct amount, to the correct beneficiary, and not otherwise erroneous. If you discover (or with reasonable care should have discovered) an unauthorized, unenforceable, or erroneously executed payment order or amendment, you must exercise ordinary care to notify us of the relevant facts. The time you have to notify us is outlined as follows:

**Wire Transfer:** We will provide you with information that sets forth the date, amount and other details which pertains to your Wire Transfer request. The information will be provided to you on the Business Day your Wire Transfer request is processed using the information we have on file for you. You must notify us within one (1) Business Day from the date such information is provided to you of any discrepancy which pertains to your Wire Transfer request by calling us. In the event you fail to notify us within the timeframe set forth herein, you acknowledge and agree that we shall be relieved of any liability in connection with the Wire Transfer request. You may access your Account details by way of our Online Banking Services. If you do not provide us with timely notice you will not be entitled to interest on any refundable amount. If we can prove that you failed to perform either of these duties with respect to an erroneous payment and that we incurred a loss as a result of the failure, you are liable to us for the amount of the loss not exceeding the amount of your order.

**Name and Number Discrepancies:** In the event you initiate a Wire Transfer for which Fedwire is used, and you identify the beneficiary by name and account number, you acknowledge and agree that the beneficiary's financial institution may make payment based solely upon the account number. Thus, if the name and account number of the Wire Transfer you initiate do not match, the beneficiary's financial institution may accept the Wire Transfer based solely on the account number unless the beneficiary's financial institution has knowledge of the discrepancy. In any event, you acknowledge and agree that the beneficiary's bank is not required to determine whether the name and account number refer to the same beneficiary. Similarly, without limiting the foregoing, in the event you initiate a Wire Transfer for which Fedwire is used, and you identify an intermediary or a beneficiary financial institution by name and identifying number, you acknowledge and agree that we and every intermediary or beneficiary financial institution may make payment based solely upon the identifying number. Thus, in the event the name and identifying number of the Wire Transfer you initiate do not match, we and every intermediary or beneficiary financial institution may rely solely on the identifying number even in the event the identifying number identifies a financial institution other than the one named.

**Record of Oral or Telephone Orders:** You agree that we may, if we choose, record any oral or telephone payment order or communication of amendment or cancellation. **Notice of credit:** If we receive a payment order to credit an account you have with us, we are not required to provide you with any notice of the payment order or the credit.

**Refund of Credit:** You agree that if we do not receive payment of an amount credited to your account, we are entitled to a refund from you in the amount credited and the party originating such payment will not be considered to have paid the amount so credited.

**Amendment of Funds Transfer Agreement:** From time to time we may amend any term of this agreement by giving you reasonable notice in writing. We may give notice to anyone who is authorized to send payment orders to us in your name, or to anyone who is authorized to accept service.

**Cancellation or Amendment of Payment Order:** You acknowledge and agree that you may not amend or cancel a Wire Transfer request after we have received it. In the event you request for us to amend or cancel a Wire Transfer that has been received by us, we may, at our discretion, make a reasonable effort to act upon your request. Under such circumstances, you acknowledge and agree that we are not liable to you in the event the Wire Transfer cannot be amended or canceled, for any reason. Furthermore, you acknowledge and agree to indemnify and reimburse us for any losses we incur which may result from your request to amend or cancel a Wire Transfer.

**Affirming Our Right to Accept or Reject a Wire Transfer:** You acknowledge and agree that we may, at our discretion, confirm the authenticity of your Wire Transfers by requiring additional information, but we are under no obligation to do so. Furthermore, you acknowledge and agree that in the event we require additional information, but do not receive such information, we, at our discretion, may initiate, post or reject your Wire Transfers. Under such circumstances, we shall not be liable to you for any actual loss or damages provided we acted upon in good faith.

**Intermediaries:** You acknowledge and agree that we may select any intermediary financial institution, system or means of transmittal to send a Wire Transfer. Furthermore, you acknowledge and agree that our selection may differ from that indicated in your payment instructions.

**Limit on Liability:** In addition to any limitation otherwise set forth herein or limitations applicable under governing laws, you waive any claim you may have against us for consequential or special damages, including loss of profit arising out of a payment order or funds transfer, unless this waiver is prohibited by law. We are not responsible for attorney fees you might incur due to erroneous execution of payment order.

**Erroneous Execution:** If we receive an order to pay you, and we erroneously pay you more than the amount of the payment order, we are entitled to recover from you the amount in excess of the amount of the payment order, regardless of whether you may have some claim to the excess amount against the originator of the order.

**Objection to Payment:** If we give you a notice that reasonably identifies a payment order issued in your name as sender that we have accepted and received payment for, you cannot claim that we are not entitled to retain the payment unless you notify us of your objection to the payment and request a return of funds to the originator within 60 calendar days of our notice to you.

**Automated Clearing House Items:** An example of NACHA's Consumer protections can best be characterized by the return timeframe allowed a Consumer in the event of an unauthorized transaction versus the same event for a Non-Consumer. For example, if a Consumer discovers an unauthorized ACH Entry(s), the Consumer has up to 60 calendar days from the Settlement Date of the respective ACH Entry(s) to return it as unauthorized. In contrast, a Business Account is limited to the next Business Day from the Settlement Date to return an unauthorized ACH Entry. Thus, when you are the owner of a Business Account, you

must practice ordinary care with managing your Account activity on a daily basis. You may access your Account details by way of our Online Banking Services. Credit given by us to you with respect to an ACH Credit Entry is provisional until we receive final settlement from the Federal Reserve Bank (UCC, Article 4A). In the event we do not receive final settlement, you acknowledge and agree that we are entitled to debit your Account in the amount of the ACH Credit Entry, and the Originator that initiated the ACH Credit Entry shall be deemed not to have made payment to you. You acknowledge and agree that we may rely on the representations and warranties contained in the NACHA Operating Rules and may credit your Account in accordance to these Rules as instructed by the Originator of the ACH Credit Entry. Furthermore, we may accept an ACH Credit Entry on your behalf which is not subject to Regulation E and your rights and responsibilities with respect to such ACH Credit Entry shall be construed in accordance with the NACHA Operating Rules and the laws of the governing State as otherwise set forth in this Agreement.

Without limiting the foregoing, you acknowledge and agree that we are not required to provide you with next day notice of an ACH Credit Entry we accept on your behalf. However, we shall continue to notify you of such receipt as reflected on your Periodic Statement we provide to you. You may access your Account details by way of our Online Banking Services. You acknowledge and agree that we may rely on the representations and warranties contained in the NACHA Operating Rules and may debit your Account in accordance to these Rules as instructed by the Originator of the ACH Debit Entry. Furthermore, your rights and responsibilities with respect to such ACH Debit Entry shall be construed in accordance with the NACHA Operating Rules and the laws of the governing State as otherwise set forth in this Agreement. Without limiting the foregoing, you acknowledge and agree that upon receipt of an ACH Debit Entry, you have until the next Business Day to determine if such ACH Debit Entry is authentic. In the event you do not recognize an ACH Debit Entry (or ACH Credit Entry), notify us AT ONCE of the relevant facts by calling the number set forth in the Schedule. You may access your Account details by way of our Online Banking Services. In the event you determine that the ACH Debit Entry is unauthorized, we will ask you to provide us with a written statement under the penalty of perjury and will return the ACH Debit Entry accordingly. You acknowledge and agree that we must receive your request to return such ACH Debit Entry by the deadline set forth in the Schedule. The Settlement Date is the date on which the ACH Debit Entry posted to your Account. Notwithstanding, you acknowledge and agree that you lose your right to return under the NACHA Operating Rules in the event you fail to notify us of your intent to return an unauthorized ACH Debit Entry by the deadline set forth in the Schedule. Under such circumstances, we may act on your behalf to request a "permissible return" from the financial institution that sent the ACH Debit Entry, but such institution is not required to comply with our request. You agree to hold us harmless from any loss you incur as a result of the unauthorized ACH Debit Entry that is not returned by the next Business Day and deadline set forth herein and in accordance to the NACHA Operating Rules.

**Returning Unauthorized ACH Entries:** Although all ACH Entries (both credit and debit) may be returned in accordance to the NACHA Operating Rules, those ACH Entries that are unauthorized may warrant the most concern. In the event you receive an ACH Entry that is unauthorized, you acknowledge and agree that you have until the next Business Day from the Settlement Date to return it. The Settlement Date is the date on which the ACH Entry posts to your Account. In the event you discover (or reasonably should have discovered) any unauthorized ACH activity on your Account, notify us AT ONCE by calling the number set forth in the Schedule. If it is determined that the ACH Entry is unauthorized, we will ask you to provide us with a written statement under the penalty of perjury and will return the ACH Entry accordingly. You must notify us of your intent to return an unauthorized ACH Entry by the next Business Day from the Settlement Date by deadline set forth in the Schedule. You acknowledge and agree to hold us harmless from any loss you incur as a result of the unauthorized ACH Entry that is not returned within the timeframe set forth herein and in accordance to the NACHA Operating Rules. Without limiting the foregoing, you acknowledge and agree to hold us harmless in the event it is later determined that the ACH Entry was authorized; thus, the Originator of such ACH Entry plans to seek retribution. We strongly recommend that you review your Account often and consider carefully those to who you provide your Account information to help minimize fraudulent activity on your Account. You may access your Account details by way of our Online Banking Services.

## Funds Availability Policy

Please read all provisions carefully in order to fully understand when funds may be available from certain deposits.

**Important Note: The amounts stated below are adjusted pursuant to applicable federal laws every five years. The amounts that can adjust are (1) the amounts that must be made available to you immediately; (2) the amounts we must make available to you immediately if we choose to delay availability for an extra day; and (3) the amounts of large deposits and the amounts subject to the special rules for new accounts as addressed below. To determine the actual amount in effect at any specific time, please refer to the Schedule.**

This disclosure describes your ability to withdraw funds at the Credit Union. It only applies to the availability of funds in transaction accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts. We reserve the right to delay the availability of funds deposited to accounts for transactions that appear to be suspicious or are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.

**General Policy:** Our policy is to make funds from your deposits available to you on the same business day that we receive your deposit. Once deposits are available, you can withdraw the funds and we will use the funds to pay checks that you have written. Please remember that even after the item has "cleared," we have made funds available to you, and you have withdrawn the funds, you are still responsible for items you deposit that are returned to us unpaid and for any other problems involving your deposit. For

determining the availability of your deposits, every day is a business day except Saturday, Sunday, and federal holidays. If you make a deposit before closing, 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 closing, or at a deposit box on a day we are not open, we will treat the deposit as made on the next business day we are open. In most instances, deposits of government checks and low-risk items and the first \$5,000.00 of personal and business checks will be available for withdrawal on the day we receive the deposit. Payroll checks from Business Affiliates received via direct deposit, mailed in or presented directly to will be available immediately in most instances. For Credit Union members who meet certain criteria and guidelines, in some instances and upon our discretion, additional funds from the item(s) you deposit may become available to you more quickly than listed. Decision criteria are risk based, linked to account history, determined by us using internal and confidential information, and are subject to change at any time without notice. At a minimum, you will receive funds availability as listed herein.

**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 same business day that we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposit, however, may be available for withdrawal on the same business day of your deposit. If we are not going to make all of the funds from your deposit available for withdrawal on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available for withdrawal. If your deposit is not made directly to one of our employees, or if we 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 for withdrawal.

**Longer Delays May Apply:** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for the following reasons:

1. we believe a check you deposit will not be paid;
2. you deposit checks totaling more than \$5,000 on any one day;
3. you redeposit a check that has been returned unpaid;
4. you have overdrawn your account repeatedly in the last six (6) months; and/or
5. there is an emergency, such as failure of computer 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 for withdrawal. They will generally be available for withdrawal no later than the seventh (7<sup>th</sup>) business day after the day of your deposit.

**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:

1. In most instances, funds from deposits of government checks and low-risk items payable to the member(s) on the account will be available for withdrawal on the day we receive the deposit.
2. Funds from the deposit of personal and certain business checks will be available for withdrawal on the ninth business day after the day of the deposit.
3. Your ability to utilize certain features of our online banking, mobile banking, automated phone banking, etc., may be limited.

**Deposits at ATMs (Automated Teller Machines) or ITMs (Interactive Teller Machines):** If you make a deposit at an ATM/ITM we own and operate, your deposit will generally be available on the second business day after the day of deposit. Also, the first \$200 of a deposit will be made available on the same day of deposit. All deposits are subject to proof and verification.

**Holds on Other Funds—Cashing Checks:** 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 cash would have been available if you had deposited it.

**Hold on Other Funds—Other Accounts:** If we accept a check for deposit that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your ability 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 until the time periods that are described in this Policy.

**Foreign Checks:** Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed in the same way 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 they are drawn. We will charge a fee (listed in the Schedule) for processing foreign checks.

**Special Rules for Time Period Adjustment for Withdrawals by Cash or Similar Means:** The Credit Union reserves the right to extend by one (1) business day the time that funds deposited will be available for withdrawal by cash or similar means. However, an additional \$400.00 will be available for withdrawal by cash or similar means on the date funds are otherwise available for withdrawal under this policy.

