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**INTRODUCTION**

This Agreement, the Truth-In-Savings Act Rate Schedule and the Fee Schedule explain the rules that govern your account(s) and account services with us. Please read these information pieces 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 Agreement is to: (1) summarize the rules applicable to common Transactions; (2) establish rules to govern Transactions not regulated by state and federal law; (3) establish variations that will apply to certain rules, events or Transactions permitted by application law; and (4) provide you with certain disclosures and information regarding our policies as required by law. By signing a Master Membership Application Signature Card or your use or continued use of any account or account services after receiving this Agreement, 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 Agreement, the Truth-In-Savings Act Rate Schedule and the Fee Schedule, as amended from time to time. If you have any questions regarding any term or condition in this Agreement, please ask us before signing the Master Membership Application, any application or using any of our services.**

**MEMBERSHIP, ACCOUNT AND ACCOUNT SERVICES AGREEMENT - GENERAL TERMS AND CONDITIONS**

**1. Terms, Conditions and Limitations of Your Relationship with the Credit Union.** The purpose of this Section 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, 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.

**2. General Definitions.** In this Agreement the words "you" or "yours" mean everyone that signs any Master Membership Application or is authorized to make Transactions regarding your account(s) as provided herein or by governing law, including any account service(s). "We", "us" or "our" means the Credit Union. "Master Membership Application" means any signature card, account change card or other form required to open or change an account or obtain an account service with us. Share drafts include checks and other instruments drawn on your account(s) or submitted for deposit or collection.

"Access Device" means 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.

"Authorized User" means any person who has actual, implied or apparent authority, or to whom any owner has at any time given any information, access device or documentation that enables such a person to access, withdraw, make transactions to or from your accounts, or to use any of your account services. If you authorize anyone to use your access devices, that authority shall continue until you specifically revoke such authority by notifying the Credit Union in writing or as required by applicable law. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate any or all of your account services immediately.

This definition is intended to be construed broadly and includes without limitation all users acting under a written document such as a power of attorney as well as any person or entity that is authorized to make deposits or debits to or from your accounts with us.

"Check" means an acceptable written "Instrument" on your account(s), and includes the term "share draft".

"Instrument" means 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.

"Member" means the person(s) who has established their "membership" with us as set forth in this Agreement and applicable law. Each person must deposit and maintain the par value of the required share to be a member.

"Owner" means the person(s) who have a present ownership interest in the sums on deposit in the multiple party (joint) accounts with the Credit Union, subject to the Credit Union's lien rights or any security interest. A person is not an "owner" unless specifically designated as such in a completed and signed Master Membership Application or Signature Card.

"Shares" for the purpose of your pledge to secure your obligations to the Credit Union, our common law right of set off, and otherwise, "share(s)" mean all deposits in any share savings, share draft, club,

share certificate, P.O.D., revocable trust or custodial account(s), whether jointly or individually held regardless of contributions, that you have on deposit now or in the future, all of which are deemed "general deposits", for the purpose of your pledge. Your pledge does not include any IRA Keogh, tax escrow, irrevocable trust or fiduciary account in which you do not have a vested ownership interest.

**3. "Transaction or transaction"** means 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.

**Your Agreement With the Credit Union.** All accounts and account services are governed by the terms and conditions of this Agreement, The Truth-In-Savings Act Rate Schedule and the Fee Schedule; your Account Card(s), account receipts, statements and certificates, any other application or agreement we require; together with the Credit Union's Bylaws, policies and procedures, which are herein collectively referred to as "Agreement". This Membership and Account Agreement governs all your accounts and services, including but not limited to loan services, whether opened now or in the future, except as otherwise specifically provided in this Agreement or other agreement(s) with us. This Agreement may be amended or revised by us at any time, and any change in the Agreement shall be effective at the earliest time allowed by law. This Agreement is binding upon all parties hereto and their heirs, successors, assigns and any other person claiming any right or interest under or through said parties.

**a. Inappropriate Transactions.** You 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 transaction(s) as determined by applicable law; 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 that we believe to be illegal 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. Such prohibition 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 an authorized user(s); or for declining to accept, process, or pay any such transaction.

You further agree to indemnify and hold the Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use of your account and/or access devices.

**b. Taxpayer Identification Numbers and Certification.** Pursuant to the Master Membership Application used to establish your membership with us, you provided a certification regarding the accuracy of your taxpayer identification number (usually your Social Security Number) and whether your account is subject to backup withholding under the Internal Revenue Code. You acknowledge and agree that this certification applies to any and all accounts you have with us now or in the future, unless you provide written notification to us that specifically provides otherwise.

**c. Transaction Limitations and the Credit Union's Business Days.** Except as may be otherwise specifically provided in our Agreements, all Transactions after our "daily cut-off time" and made on days that are not our business days will be treated, transmitted, recorded, etc., as applicable and appropriate as if received on the next business day that we are open. Deposits, orders, instructions, requests, etc., received by mail, electronically, at an unstaffed facility, or outside depository will be processed and credited only when actually received by us, and we shall have no responsibility until we actually receive the item.

**d. Your Consent To Receive Calls.** You agree if you provide or have provided any telephone number, including a cell phone number, on your membership application, other Credit Union form, or verbally, you are giving the Credit Union, its agents, employees, or third parties your consent to contact you at such telephone number(s) to discuss or communicate the status of your accounts or applications, whether these numbers are dialed manually or by means of an automatic telephone dialing system or pre-recorded message. You are not required to consent as a condition of purchasing any property, goods or service (including loans).

You may withdraw your consent at any time by contacting the credit union by phone, in person or any other reasonable means and informing us of your preferences.

**4. Membership Benefits and Obligations.** Upon approval of your application and the deposit of any required shares, you become a "member-owner" of this Credit Union. As a "member-owner" you are eligible to apply

for all Credit Union deposit, loan and other financial services; and you may vote at all annual or special meetings of the membership. You have an obligation to the Credit Union and all other member-owners to follow the rules established from time to time for the use of these services, and not to cause the Credit Union any loss. This includes, but is not limited to your obligation to repay all debts, loans, credit advances as well as other contractual, equitable and statutory obligations that may be payable by you to us.

**CROSS-COLLATERALIZATION:** To reduce the possibility of loss, members grant to the Credit Union a lien on all shares and agree that all collateral pledged to secure any loan obligation owed to us will also secure payment of your other obligations. This pledge will secure all obligations owed at the time of the pledge or which arise thereafter. This "cross-collateralization" of your obligations applies to all debts regarding your accounts, loans or otherwise, including but not limited to each closed-end loan obligation, each advance under any Line of Credit loan plan, all obligations under any credit card agreement with us, and overdrafts. Unless a contrary intent is evidenced in writing, obligations secured by a primary residence are not included in the "cross-collateralization" of your obligations to us.

**Defaults and Your Credit Reports:** The Credit Union may report information about your account(s) to third parties such as credit reporting agencies/bureaus. Late payments, missed payments, insufficient funds transactions or other defaults on your loan and share/share draft account(s) may be reflected in your credit report.

**5. Membership Eligibility and Future Services.** To open or maintain any account(s) or service(s) with us, you must qualify for membership and deposit and maintain the par value of the required shares as provided by the Credit Union's Bylaws and other applicable laws. To verify your eligibility for any account(s), service(s), or loan products, now and in the future, you authorize us to make inquiry to determine your employment history and to obtain information concerning any accounts with other institutions and your credit history, including consumer credit reports. You agree that this authority applies to any account, account-related service, loans or other financial products you request or which we may offer to make available to you. We may also report information concerning your account(s) and credit to others.

**6. Authentication and Signature (Loans and Obligations to the Credit Union).** All borrowers and owners of collateral hereby authorize the Credit Union or its agent to file, execute, sign, authenticate and take all other actions deemed necessary or proper in said parties' name(s) and stand with regard to the said parties' obligations to sign, file or obtain any lien, evidence of lien, financing statement, certificate of title of other security instrument we deem necessary for: the attachment or perfection of our lien rights in any Collateral pledged to secure the borrower's obligations to the Credit Union as well as any additional collateral we may require under the terms of this Agreement and any alternate collateral we agree to accept; or sale of such collateral in the event of default, which authority includes any modification, amendment, continuation or re-filing.

**7. Deposits to Your Account(s) and Instruments 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.

**a. Endorsements.** You authorized us, in our discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of any one or more owners on the account, whether or not endorsed by all payees. All owners are deemed to receive the benefit of all deposits and the proceeds of such deposits; and we may give cash back to any payee. You authorize us to supply missing endorsements of any owners. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be placed in the space on the back of the share draft or check between the top edge and 1½ inches from the top edge. We may accept drafts or checks with endorsements outside this space. However, if any such endorsement or any other markings you or any prior endorser has made on the draft or check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by us due to the delay or error.

**a.1. Substitute Checks.** You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses we incur in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

**a.2. E-Checks.** When you or any person with authority authorize any E-Check 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 E-Check you authorize.

**b. 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 Master Membership 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 given to 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. Items and their proceeds may be handled in accordance with applicable Federal Reserve and Clearing House rules. Without prior notice to you, we may charge back any item at any time before final payment, whether returned or not, and may also charge back any item drawn on us if, within

the normal handling period for such item, the item cannot be honored against the drawer's account. 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.

**c. Direct Deposits.** We may offer a direct deposit option allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts with us. You may be required to complete a separate authorization form for direct deposit. If applicable, you may be required to notify us at least thirty (30) days prior to any direct deposit or pre-authorized transfer if you wish to cancel or change the direct deposit or direct transfer option. You agree that you have an obligation to notify us immediately regarding the death of any person that receives any federal or state retirement, welfare, benefits or other payments via electronic or other deposit. If we are required to reimburse the federal or any state government, agency or authority for any payment deposited into your account for any reason, you agree that we may deduct the amount returned from any of your accounts, unless prohibited by law; and that you will be obligated to repay to us on demand any such sums.

**d. Direct Deposit or Transfer Authorization/Bankruptcy.** If you file bankruptcy and fail to cancel any instructions in your direct deposit or transfer authorization, then you hereby instruct your employer and us to continue to make any applicable deposits, make loan payments in order to avoid delinquency and other transfers in accordance with your authorization, until written notification is received by us to discontinue any payments or transfers.

**e. 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).

**f. Deposit At ATM and Night Deposit Facilities.** All deposits and payments made at an ATM that we own, or at one of our night deposit facilities are subject to the provisions and check collection procedures as disclosed to you in our "Funds Availability Policy". The contents of our night deposit facilities are processed once per business day.

Deposit transactions of cash and other items to your account(s) can only be accepted at specifically designated ATMs owned by us. Not all of our ATMs can process deposit transactions. If you make a deposit or payment at an ATM, you agree that the correct amount in the event of discrepancy between a written receipt or deposit slip will be the amount that the Credit Union finds in the envelope used to make the transaction. You further agree that the credit to account(s) for non-cash items will be conditional until we can collect the item. If we cannot collect the amount of a non-cash item, the amount will be deducted from your account.

**g. Final Payment.** All items, deposits, ACH (Automated Clearing House) transfers, or other transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of such items or ACH transfers or both and impose a return charge as set forth in the Fee Schedule on your account without notice. If we incur any fee collecting any item, we may charge such fee to any of your accounts with us. We reserve the right to refuse or to return all or any item or funds transfer. We also have the right to charge back against any of your accounts with us all deposits, transfers, or collection items, including checks presented for payment of cash, that are returned to us due to non-payment, as a reclamation by the United States Treasury, or if we are required to repay any amounts previously collected for any reason whatsoever. These rights apply regardless of whether the amount of the item has been available for your use, or the amount of time that has passed since the date of the deposit.

If for any reason you do not have sufficient funds in your accounts to satisfy our charge back, each owner agrees to pay us the amount charged back on demand, together with all fees and costs as set forth herein.

**8. Transactions From Your Account(s).** Generally, you may withdraw and/or transfer funds from your account(s) at any time subject to the limitations set forth in this section and the Funds Availability Disclosure in effect at the time of the deposit. Except as otherwise specifically provided in this Agreement or other written agreement(s) with us, all withdrawals shall be made in person or by written order, duly executed or by power of attorney upon a form acceptable to us and duly authenticated. Payments upon your order may be made in coin, bills, or checks at our option. You also agree that your account(s) are not assignable or transferable except to us, unless specifically authorized by the Credit Union in writing.

**a. Restrictions on Withdrawals from All Accounts.** 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 no more than sixty (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 a withdrawal, 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.

In addition to the foregoing, if you 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, you hereby release the Credit Union from any and all liability, claims and demands whatsoever which arise from or in any way relate to your possession of any large sums of cash from the moment possession of the same is made available to you; and you will execute and deliver any further releases the Credit Union may require in connection with any such withdrawal.

**b. Transaction Limitations for All Share Savings and Money Market/Money Management Accounts excluding Share Draft.** During any month, you may not make more than six withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized, automatic transfers or telephonic order or instruction, whether initiated by check, draft, debit card, if applicable, or similar order to a third party. This includes online banking account transfers and bill payment. A pre-authorized 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 in any statement period, we may reverse or refuse to make the transfer, and your account will be subject to closure by the Credit Union and a fee as stated in the Fee Schedule.

**c. Term Share Certificates.** Any term share certificate, certificate or share certificate accounts offered by the Credit Union are subject to the terms of this Agreement, Truth-In-Savings Act Rate and Fee Schedule, and any account receipt or certificate, which are incorporated herein by reference. IRA certificate accounts are also subject to the limitations imposed by federal law and regulations and to any limitations set forth in your Credit Union IRA Simplifier Agreement and Financial Disclosure Statement, the terms of which are also incorporated herein by reference.

**d. Checking 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 any 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 pay checks or other items drawn upon your account in the order presented to us.

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 agree to take precaution in safeguarding your blank checks. 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, we will not have any liability or responsibility for any losses you incur as a result of fraud or forgery if we pay any such check in good faith pursuant to standard commercial practices.

You agree that we may impose a fee as set forth in the Fee Schedule on the payee or other holder of a check or other item drawn against your account(s) that is presented for payment over the counter (in-person or otherwise) at the Credit Union rather than being deposited in an account at another institution and presented for payment through the check collection system.

**e. Checks you Request from the Credit Union.** If you request any check be issued by the Credit Union pursuant to any means we make available, then all such checks are payable to the first named owner of the account, record owner, trustee, custodian, or as otherwise indicated on your Master Membership Application with us and will be mailed to the address of record.

**f. Temporary Holds.** To facilitate certain electronic transactions we may place temporary holds on funds in your accounts. These holds may be for periods of 36-hours or more; and are generally imposed by the transaction networks that process your payment requests. 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 insure 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 (hotel, car, rental company, retailer, etc.) may obtain authorization for up to three times the total estimated amount of your actual hotel stay, car rental or purchase. This is deemed to be an "authorized amount" by you and the authorized amount will not be available via your account for 36 hours or more after your bill is finally satisfied 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 primary source of such holds/authorizations). Note: Using your debit card to settle your bill at departure should not subject you to these risks.

**9. Collection Items.** We may accept certain items on a collection basis only. We route and process collection items separately from your other deposits. We normally credit your account for collection items only after we receive payment for them. But if we do credit your account and then do not receive payment, we may debit your account for the amount of the item. We may also receive items from other financial institutions on a collection only basis. Upon presentation of a collection item, we will follow the presenting institution's

instructions and pay the item if funds are available in your account or otherwise pursuant to your agreements with us.

The financial institution on which the collection item is drawn may charge you fees. If the other financial institution requires payment of a fee before that institution will process the collection item, we may pay the fee and charge your account. Otherwise, the financial institution may subtract its fee from the amount of the payment we receive. Any fees may apply even if the collection item is returned unpaid.

**10. Account Rates and Fees.** Our payment of dividends on your account(s) is subject to the account rates, fees, compounding and crediting policies and balance requirements set forth in this Agreement and the Truth-In-Savings Act Rate Schedule. Fees applicable to all accounts and account services are set forth in the Fee Schedule. We may transfer from any of your account(s) any charges or costs in connection with the operation and maintenance of account(s) as stated in this Agreement or the Fee Schedule. You agree that we may change the Fee Schedule at any time upon proper notice as required by law.

**11. Authorized Signature.** We are authorized to recognize any signature on a Master Membership Application or document, but will not be liable for refusing any order or item if we believe in good faith that the signature on any order or item is not genuine. We are authorized to honor any Transactions initiated by a third person if you provide your access device or other information to a third person. Also, if you authorize the use of a facsimile signature, we shall not be liable for honoring any instrument that appears to bear your facsimile signature, even if made by an unauthorized person.

**12. Account Access.** You may make deposits, withdrawals, transfers and other authorized transactions from your account(s) in any manner specifically permitted by us, subject to the limitations and restrictions set forth in this Agreement or as otherwise provided for by applicable law.

**a. Authorized User(s).** You should exercise caution in providing authority, information, documentation or access devices to others. All withdrawals, transfers and transactions made by any person to who you have at any time provided authority or the means to access your accounts or other services shall be deemed authorized by you, and the Credit Union will not have any responsibility or liability whatsoever for such withdrawals, transfers or other transactions. You and the person authorized (as defined herein) shall be jointly and severally responsible to the Credit Union for all such access or use of your accounts and services with us.

**b. Access to Account Information.** You agree that all owners, borrowers and authorized users, may have access to all of the information you provide to us, or which we gather and maintain regarding our relationships with you. This includes, but is not limited to information regarding transactions, account history, your loan relationships with us, and other information relating to or arising with regard to any of your accounts, loans or other services with us. You acknowledge and agree that any owner of a joint account or service, or any co-borrower may provide authority to others, or may make transactions involving others, who will have access to all such information as to all owners and/or co-borrowers. Further, you understand that we utilize a consolidated statement for your accounts, account services, loans and other services with us. You understand and agree that we are authorized to send jointly and/or provide to any individual owner or borrower a statement that includes all of the information on the consolidated statement even though all parties receiving the statement may not be owners or borrowers as to all of the accounts or services addressed in the statement.

**c. Sharing Information with Co-Borrowers, Co-Signers, Owners of Collateral Pledged and Other Lien Holders.** You hereby consent and agree that we may share any information regarding your obligations with us or collateral pledged to secure any obligations you owe to the Credit Union with persons listed in this subsection.

**13. Powers of Attorney.** The Credit Union may allow a third person acting as your attorney-in-fact to make transactions regarding your account(s), pursuant to a Power of Attorney, but has 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 transfers.

Further, you agree to reimburse the Credit Union for all costs and expenses, including attorneys' fees, we incur and agree to indemnify us of any loss or other expense we incur from our acceptance of your Power of Attorney.

**14. Overdraft(s).** An overdraft occurs when you make or authorize any transaction that exceeds the balance in the account you access by check, electronically, or otherwise or if we impose a fee that exceeds the balance in your account(s) ("NSF Transaction"). You agree not to cause any NSF Transaction on any of your accounts with us.

The Credit Union, in its sole discretion, may pay any NSF Transaction via its Overdraft Security program or otherwise on a case-by-case basis, but has no obligation to do so, or to continue to do so. However, before the Credit Union can include ATM withdrawals or one-time (non-recurring) Debit Card purchases with the Overdraft Security program, you must enroll (opt-in) in the Credit Union's Overdraft Security Program. We may impose a fee as set forth in the Fee Schedule for any NSF Transaction, whether paid or denied. You agree to pay to us promptly the amount of the NSF Transaction as applicable together with the fee pursuant to the Credit Union's policies. The Credit Union has no obligation to notify you of any NSF Transaction or charge that creates an insufficient funds balance in your account(s).

You agree that the Credit Union may 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. Authorized acts include, but are in no way limited to any transaction on your accounts, payments on your loans and other obligations whether pre-authorized or otherwise, any default or transaction that exceeds your authorized credit limits. 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.

**Overdraft Protection Plans.** We offer two different plans to protect against account overdrafts. These plans are presented in the order that we believe to be the least costly to you. Overdraft Security is optional.

**a. Transfers from your Share (Savings) Account.** We may, but do not have to, transfer funds from your share savings to your share draft account when your share draft account contains insufficient funds to pay authorized transactions presented for payment.

This protection will apply to any Transaction presented for payment, transfer or otherwise by any authorized user of the Share Draft Account protected under this Plan.

If there are insufficient balances in the transfer Account to pay the overdraft, the Credit Union may return the item and charge the current NSF fee for each Transaction presented that is not paid.

**b. Overdraft Security.** If you choose to enroll in the Credit Union's Overdraft Security program, we may elect to pay transactions drawn on insufficient funds in your checking account. The fee you will be charged for transactions presented against insufficient funds (NSF) is the same regardless of whether we do not honor the item or if we pay the item as a courtesy and overdraw your account. Our NSF fees are disclosed in our Fee Schedule.

**15. Postdated and Stale Dated Drafts.** We may pay any draft without regard to its date. 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.**

**16. Stop Payment Orders.** If you don't want us to pay a specific written instrument such as a personal check, you can ask us to place a "Stop Payment Order" ("SPO") on the instrument. You can notify us by mail, telephone, or in person. Any such instruction must be given to an employee of the Credit Union. Your SPO will take effect when we record it on your account.

A SPO will not be valid and binding on us unless your SPO includes your account number, the number and date of the written instrument, the name(s) of the payee(s), and the exact amount of the instrument. If this is a multiple party account, we will accept a SPO from any owner regardless of who signed the instrument or otherwise authorized the Transaction.

We will charge you a service charge for any SPO as set forth in the Fee Schedule, which sum may be transferred by us from any owner's account(s) or paid directly to the Credit Union.

You may make an oral stop payment order, which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order will be effective for 6 months or until it has been stopped. A written stop payment order may be renewed by completing a new SPO request. The Credit Union is not obligated to notify you when a stop payment order expires.

The Credit Union will not be responsible for any loss as a result of honoring a check: (1) more than six (6) months after your written order to stop payment, our written confirmation, or more than six (6) months after a written extension as provided herein; (2) through inadvertence, oversight or accident, we honor any postdated check; or (3) if you fail to provide us with complete or accurate information. 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. This means that you are required to reimburse us for any loss or damages and reasonable costs, expenses or attorneys' fees that we incur in defending the Credit Union against any claims or demands made against us as a result of the following your stop payment order.

**17. Legal Process and Other Adverse Claims.** Should we receive any legal process, including any summons, order, injunction, execution, distraint, levy, or lien (hereafter called "Process"), or other adverse claim which in the Credit Union's opinion affects your account(s), we may, at our option and without liability, refuse to honor orders to pay or withdraw sums from the account(s) and withhold the balance in the subject account(s) until the Process or adverse claim is disposed of to the Credit Union's satisfaction, or pay the balance over to the source of the Process. We may also refuse to allow a withdrawal if there is a dispute between owners about the account or if the account secures any obligations owed to the Credit Union. Any Process or adverse claim is subordinate to our lien and security interest in all funds in your account(s).

**18. Statements.** If the Credit Union provides a periodic statement for your account(s), you will receive a periodic statement from us, or notice of the availability of your statement describing all activity on your account(s) during the statement period as required by law. The periodic statement will list all account and/or loan information as described in this Agreement. If you have a multiple party account we are only required to provide one periodic statement to any of the account owners identified on the Account Card. If provided electronically, statements will be (1) e-mailed to you as an attachment; or (2) you will be sent a notice via e-mail that will direct you to a

site we maintain or cause to be maintained where you may access, review, print and otherwise copy/download your periodic statements using procedures that we authorize. E-mails from us will be sent to the e-mail address provided by any owner.

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

**a. Your Duty of Examination.** You understand and agree that periodic statements are made available to you on the date mailed by us or our agent; or are otherwise made available to you. You acknowledge and agree that checks and other instruments are also made available to you for review on the date the periodic statement is mailed or made available, even though they do not accompany the statement. **You further agree that it is your duty and obligation to carefully and promptly review each periodic statement to verify that each transaction is authorized and accurate. We will have no responsibility or liability whatsoever for any forged, altered, unauthorized, unsigned, improperly endorsed, improperly encoded or inaccurate transaction or item if: (1) you do not notify us in writing within thirty (30) days of the mailing date of the earliest periodic statement containing information about or indicating any forgery, alteration, unauthorized signature or transaction, missing signature, improper or missing endorsement, encoding error or other inaccuracy; or (2) any checks or instruments are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature.**

**b. Your Duty to Notify Us.** You agree that the information in each statement will be considered correct for all purposes and we will have no liability whatsoever unless you notify us in writing within the time described in this section. If you do not receive a periodic statement, you agree to notify us in writing within fourteen (14) days of the date that the statement is usually sent or made available by us. If you do not so notify us, you will be deemed to have received the statement for all purposes.

Refer to the Electronic Funds Transfer Agreement and Disclosures section titled "In Case of Errors or Questions About Electronic Transactions" for liability and time limitations for notifying us about errors or questions regarding electronic funds transfers.

**c. Fiduciary Accounts.** Statements will be provided to the fiduciary upon any trust, custodial or other fiduciary or representative account; and the requirements of this paragraph will be binding on all parties in interest with regard to such accounts pursuant to such delivery.

**19. Change of Name or Address.** You will promptly notify us of any change of address or your name, including your e-mail or other electronic address by: writing us at the address set forth in this Agreement. In the absence of such notice, any mail, disclosure or notice to you at any address, forwarding address provided to us by the U.S. Postal Office, or e-mail address shown by our records or any communication received from you will be deemed properly addressed; and unless otherwise provided by applicable law, constitute effective delivery or any item we may be required to provide, regardless of actual receipt by you. If we receive notice that the address you provide to us is not correct, or has changed without notice to us, and we attempt to determine your new name or address; then the Credit Union may, in its discretion; (1) charge a fee as set forth in the Fee Schedule to determine your current address; and/or (2) discontinue sending any statements, notices or other items to you until verifiable information is provided to correct any deficiency under this provision.

**20. Inactive/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 Fee Schedule, we may classify your account(s) as inactive or dormant. Although having no obligation to do so, we reserve the right to not classify a particular account as dormant if any owner thereof has other active accounts or services with us. Unless specifically prohibited by applicable law, we may charge a service fee set forth on the Fee Schedule for processing your dormant account. You authorize us to transfer funds from another account of yours to cover any applicable service fees. Unless prohibited by applicable law, we reserve the right to transfer your dormant account funds to a general Credit Union account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with applicable state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

**21. Termination of Account(s) and Service(s).** We, in our sole discretion, may terminate, limit or restrict, 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) there is a request to change the owners or authorized users; (2) there is a fraud/forgery or unauthorized use committed or reported; (3) there is a dispute as to ownership of any account or sum on deposit; (4) there are any share drafts that are lost or stolen; (5) 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; (6) there is any misrepresentation regarding any account(s) or service(s); (7) the Credit Union incurs any loss relating to any loan(s), account(s) or service(s) you have with us; (8) if we believe you have been negligent in protecting any access devices or codes; (9) we deem it necessary to protect the Credit Union from any loss, or deem it to be in the best interests of the Credit Union, our members or our employees; (10) 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; (11) if 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; (12) you refuse or fail to cooperate as provided in this Agreement; or (13) you violate any Credit Union policy, procedure or standard or any law, regulation or rule. 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. 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.

We are not responsible for any draft, withdrawal, item or transaction after your account is terminated. However, if we pay any items after termination, you agree to reimburse us upon demand.

In addition to the above, we, in our sole discretion, reserve the right to restrict any individual that has caused a loss to the Credit Union from being named as a joint owner on any account or service. Furthermore, we reserve the right to require the removal of any joint owner of any existing account or service if the joint owner has caused a loss to the Credit Union. This includes, but is not limited to, removing the joint owner from any account(s) or service(s) of another member or restricting any member from adding a joint owner to a multiple party account.

**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. You will have a period of thirty (30) days from the date you move to close or deactivate your checking account(s). Thereafter, the Credit Union may close your checking account(s) and related services as set forth herein.

**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).

**Par Value Requirement.** If your membership account balance falls below the required par value for membership, then your membership may be terminated by us pursuant to the Credit Union's Bylaws.

**22. Membership Termination.** 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 further agree that we can terminate your membership for cause based on any of the circumstances defined in this Agreement; without notice or further action. Upon termination, no Transaction(s) will be allowed.

**23. Death of Account Owner.** We may continue to honor all Transactions on your account(s) until we receive actual notice of your death. After receiving actual notice, we may honor all Transactions you authorized unless we are ordered not to do so by a person claiming an interest in your account(s). We can require any person claiming the funds in your account(s) to indemnify us for any losses we may incur as a result of honoring their order. Upon the death of an individual account holder, all funds on deposit shall be paid according to the express instructions in the Master Membership Application (i.e., Payable on Death Beneficiary). If no express beneficiary(ies) is provided, survives the death of the last account owner, or can be located via the information provided to the Credit Union by the owners, then all funds on deposit will be paid to the estate of the account holder. If there is no estate, then the Credit Union may, but has no obligation to do so, pay the funds to any heir, who will be solely responsible for any further distribution of said funds.

The Credit Union may require documentation satisfactory to it be provided regarding any right, claim or fact regarding any matter related or arising from the payment of funds hereunder. The Credit Union will have no further obligation or responsibility and you agree that we shall have no liability to you, your estate or any heir, successor or assign relating to the distribution of such funds pursuant to this Agreement. The payment of any funds is subject to our lien or other security interest; and all debts you owe to the Credit Union will be paid from the funds in your accounts before any payment is made. In case of death of a joint account owner, the deposits will be subject to additional provisions of this Agreement.

**24. Statutory and Consensual Liens on Shares.** By signing a Master Membership Application or other agreement conveying a pledge or security interest in shares, or your use of any accounts or services, you grant us and we impress a lien on any and all funds ("shares") in all joint and individual share accounts, together with all dividends, regardless of the source of the shares or any owner's contributions. This lien secures any account owner's joint and individual obligations to us now or in the future, whether direct, indirect, contingent or secondary. Payment of any sums to a joint owner, beneficiary or other party will be subject to payment of all outstanding obligations owed to us.

You agree that this lien is impressed as of the first date that any applicable account is opened with us. This lien secures all debts you owe us, including but not limited to those arising pursuant to any loan agreements; under this Agreement; arising from any insufficient funds item; fees; costs; expenses; or otherwise. You authorize us to apply shares to any obligations owed to us if you default or fail to pay or satisfy any obligation to us without any notice to any account owner or other party.

**25. Right of Set Off.** You agree that the Credit Union at all times retains the common law equitable right of set off against shares with regard to any debt or obligation owed to us individually or otherwise, which right may be exercised by us without legal process or notice to any account owner.

**26. Administrative Freeze.** You specifically agree that all shares on deposit constitute collateral for all obligations owed to the Credit Union. You agree that the Credit Union has the right to preserve this collateral, and may use appropriate administrative procedures (including but not limited to placing a temporary hold or "freeze" on such funds) to safeguard such funds if the Credit Union at any time has reason to believe such collateral may be impaired or at risk due to any default, bankruptcy, breach of any agreement or promise, or as otherwise provided for by our agreements or applicable law, without notice to any owner. In the case of any bankruptcy proceeding, the Credit Union has the right to preserve such collateral as set forth herein as cash collateral; and is not required to surrender or turnover such collateral absent the owner's filing any appropriate motions and the entry of any order either providing for adequate protection of the Credit Union's rights in such collateral, or modifying or terminating the automatic stay as to such collateral. You further agree that the Credit Union's exercise of this right to safeguard or "freeze" funds on deposit shall not constitute a violation of the automatic stay afforded by the Bankruptcy Code.

**27. General Limitation on Credit Union Liability.** If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: through no fault of ours, your account does not contain enough money to make the transaction; circumstances beyond our control prevent the transaction; your loss is caused by your negligence or another financial institution; or the money in your account is subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. Our actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable state law, federal reserve and operating letters, clearinghouse rules, and general banking practices followed in the area served by us. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form. You agree that the person(s) establishing any account with us are solely responsible for the structure and information provided for the account (e.g., owner(s) name(s), Social Security or other Tax ID Number, trustee(s), custodian(s), etc; and we provide no advice and make no representations regarding the structure of any account(s) or other services. The Credit Union will not have any responsibility or liability to you or others relating to the dishonor or other return of any check, draft, ACH transaction or other order occurring as a result of our exercising our lien rights or freezing any accounts in order to protect or preserve such rights; insufficiency of funds; or otherwise.

**28. Telephone Requests.** You agree that funds in any account(s) with us can be transferred, upon the telephone request of any signer on the account, to another account with us or to any other financial institution. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we reserve the right to refuse to execute any telephone request or order.

**29. Recording Conversations.** You understand and agree that for our mutual protection we may record any of our telephone conversations.

**30. Information About Your Accounts and About You.** Generally, we will not disclose information to third parties about your account(s) or about you without your permission. However, we may disclose information: (1) when it is necessary to complete transfers or Transactions; or to send notice of dishonor or nonpayment; (2) to our accountants; (3) to state or federal government regulators; (4) to exchange, in the regular course of business, credit information with other banks, financial institutions, or commercial enterprises, directly or through credit reporting agencies; (5) to advise third parties of accounts closed for misuse; (6) to furnish information to appropriate law enforcement authorities when we reasonably believe we have been the victim of a crime; (7) to comply with government agency or court orders, subpoenas or other legal process or to furnish any information required by statute; (8) to furnish information about the existence of an account to any judgment creditor of yours who has made a written request for such information; or (9) when we are attempting to collect an obligation owed to us. In addition, you understand and agree that we may, from time to time, request and review consumer credit reports and other information about you prepared by credit reporting agencies or others. You will be responsible to pay all legal, copying and other expenses incurred by us or payable pursuant to the Fee Schedule regarding any subpoena or other legal process.

You may apply for additional financial services, or seek to refinance your loan and other obligations from time to time with other lenders or financial service providers. You may also seek to sell, trade, transfer or exchange collateral pledged to secure your obligations to us. You authorize and specifically grant us permission to provide orally, electronically or in writing "payoff" and other information including the amounts you owe on all obligations to us, if we receive a request which we in good faith believe to be related to any such application, refinancing, sale, trade, transfer or exchange. To expedite such transactions for your benefit, you agree that we can rely on the representations made to us by a third party, and our duties to you hereunder do not require us to investigate or document a request for such information.

**31. Cost, Expense and Attorneys' Fees.** All owners of account(s) or service(s) with us agree, jointly and severally to pay us for all costs and expenses, including attorneys' fee 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 expenses 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 fide 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.

**32. 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).

**33. Miscellaneous.** In this Agreement, except as otherwise indicated, the singular includes the plural and the masculine includes the feminine and the neuter. Further, this Agreement or any claim or dispute arising hereunder shall be construed in accordance with and governed by the Laws of the State of Tennessee; unless specifically applicable law expressly requires otherwise. The terms and conditions of any account, including the method of determining dividends, may be changed by the Credit Union upon written notice, or as required by applicable law. Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any provision of this Agreement. 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 with you. Any such waiver is not sufficient to modify the terms and conditions of this Agreement.

Transactions involving a loan will not alter the terms or conditions of the loan agreement(s), but will remain subject to the terms and conditions of this Agreement where not inconsistent with the loan agreement. In the case of any conflict, the loan agreement will govern.

If there is a dispute between owners or any other parties claiming an interest in any account(s) or transaction(s); if there is any dispute regarding ownership, entitlement, payment, an owner's intent or instructions, or otherwise with regard to any account or any transaction; or if we receive inconsistent instructions or claims, we can in our sole discretion: (1) suspend or terminate the account(s) and require a court order; (2) require an agreement in writing that we deem sufficient; (3) file an interpleader entity; or (4) take such other action as we deem appropriate.

**34. Amendments and Changes.** Changes to any account or account service requested by any member or account owner can only be made with the express consent of the Credit Union. If a change to a multiple account or service is requested, we may require that all multiple owners indicate their consent by signing our document evidencing the change. As set forth herein, the Credit Union, in its sole discretion, may change any term or condition of this Agreement, including the method for determining dividends, at any time without notice except as expressly required by applicable law, and any change in the Agreement shall be effective at the earliest time allowed by applicable law.

**35. Multiple Party Accounts (Joint Owners).** Any or all owners can make deposits or withdrawals regardless of contributions. To make withdrawals, an owner must have his or her signature on file with us. If only one owner has signed a Master Membership Application, the account may be treated as an individual account. Each owner guarantees the signature of all other owners. We may accept orders, instructions, and requests for future services from any account owner. We have no obligation to notify the other account owner(s) of any pledge or other actions, orders or instructions by any owner. If there is a dispute between owners, if there is any dispute regarding ownership of an account or any deposit to an account by an owner or a party who we in good faith believe has a right to assert a claim or dispute (such as a personal representative of an owner), or if we receive inconsistent instructions, we can suspend or terminate the account(s) and require a court order or require an agreement in writing concerning any transaction on the account(s). Each owner is jointly and severally liable for all returned items, overdrafts or any other obligations owed to the Credit Union as a result of any transaction(s) on a multiple party account, regardless of the drawer, user or authorized user who orders or causes said transaction(s).

We have the right to endorse any drafts, checks, or other orders for the payment of money made out to any of the owners. Once endorsed, we can deposit them in the multiple party account, or we can endorse them for deposit by using a stamp to show a general endorsement for the account. Each owner appoints the others as his or her agent to endorse, deposit, withdraw, cash and conduct business for the account. Acting as an agent, any owner or owners can endorse a draft, check, or other payment order made out to any other owners of the account and any owner may pledge to use the funds in any account to secure any joint or individual obligation to us. Once endorsed, the money can be taken in cash or deposited into the multiple party account. You agree that any money in this account can be paid to any one or more of the owners. This payment can be made on the orders or instructions of any of the owners, whether or not the other owners are alive at the time of the payment. If we make a payment following these rules, you release us from liability.

**36. Rights of Survivorship.** Unless your Master Membership Application specifically indicates otherwise, you agree that it is your intention to create a joint tenancy with the right of survivorship (a form of ownership) in any multiple party account and if one or more of the multiple party owners dies, his or her interest in the account passes to the remaining owners; unless subject to our right to set-off or a pledge of the funds in the account(s), in which case all sums in the account(s) will belong to us regardless of contributions, up to the amount of the obligation(s) owed. We may not release any funds to a survivor until all required legal documents are delivered to us. Once a multiple party account is opened, the primary owner may close the account but may not remove another party from the account. A joint owner may remove him/herself from the account, but may not close the account. Further, the Credit Union reserves the right to require any changes to the account be made in writing signed by all account owners.

**37. Payable on Death.** Payable on Death ("POD") accounts are governed by your agreements with the Credit Union and applicable state law. A POD account instructs us that the designated account is payable to the owner(s) during their lifetimes, and upon death of the last account owner, is payable to the beneficiary(ies) designated by your Master Membership Application. This means that the sums in the account will be owned in equal shares, without right of survivorship. No amount will be paid to any beneficiary, their heirs or successors, who are not living at the time the account becomes payable to beneficiaries. POD beneficiary designations do not apply to IRA accounts, but instead, are subject to your IRA Agreement/Certificate. The Credit Union has no obligation to notify any beneficiary of any POD account or the vesting of his or her interest. Further, the Credit Union is also entitled to all additional protections provided by applicable law regarding the payment of sums on deposit in POD accounts.

**38. Minor Accounts.** For any account established by or for a minor, we reserve the right to require the minor account to be a multiple party account with an owner who has reached the age of majority under state law who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may require that a minor sign the Master Membership Application if the minor can sign his or her own name, but may accept the representative signature of the adult joint account owner.

**39. Custodial and Other Fiduciary Accounts.** The Credit Union may open other accounts pursuant to a court order or to facilitate your request for a trust, custodial, probate or other acceptable purposes. We make no representations and give no advice concerning any such accounts and may refuse to open any account or refuse to follow any instruction that may expose us to any expense or liability.

Any individual acting as an agent, guardian, personal representative, trustee, custodian or in some other fiduciary capacity must be designated to us as such on the Master Membership Application, as well as any other documentation we may require. We are authorized to follow the directions of any such agent/fiduciary until we receive written notice that the agency is terminated and have had a reasonable time to act upon the notice. Such authorization for us to act extends to authorized signers. Further, you specifically agree that we are not liable for the misapplication of funds by your agent/fiduciary.

## **TERMS AND CONSENT APPLICABLE TO ELECTRONIC SIGNATURES, ELECTRONIC CONTRACTS, ELECTRONIC RECORDS, ELECTRONIC MAIL ("E-MAIL"), FACSIMILE AND OTHER ELECTRONIC SERVICES AND COMMUNICATIONS**

**Agreement.** You specifically consent and agree that we may provide all disclosures, agreements, contracts, periodic statements, receipts, notices, modifications, amendments, and all other evidence of our transactions with you on your behalf electronically (hereinafter all such documentation is referred to as "electronic record(s)"). You have a right to receive a paper copy of any of these electronic records if applicable law specifically requires us to provide such documentation. Also, you may withdraw your consent and revoke your agreement to receive records electronically. To request a paper copy or to withdraw your consent and agreement to receive electronic records call or write us as set forth in this Agreement. The Credit Union uses the e-mail address you have provided to send your e-statement notifications. You are responsible for notifying the Credit Union of any changes to your e-mail address. If our e-statement alert is returned as undeliverable, we will make a reasonable attempt to redeliver your e-mail notice electronically. If you do not provide us with an updated e-mail address, you may continue to access your e-statements through the electronic banking service. However, we may discontinue sending e-statement notifications and we reserve the right to terminate your e-statement services.

Upon receipt of your consent, we will provide all electronic records to you as applicable, to the e-mail address that you provide. You may be required to enter a logon together with a PIN and/or password, created by you, to access the electronic records. It is your sole responsibility to protect your logon and PIN/password from unauthorized persons. You understand that you have no expectation of privacy if electronic records are transmitted to an e-mail address owned by your employer or any other persons that are not owners, borrowers, authorized users, etc. You further agree to release the Credit Union from any liability if the information is intercepted or viewed by an unauthorized party to the e-mail address in your Master Membership Application selected by you, or any updates thereto that are provided to the Credit Union.

## **ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE**

**1. Purpose of This Agreement.** This Agreement defines your and the Credit Union's rights and responsibilities with respect to transactions. You understand that all agreements and rules and regulations applicable to your accounts and account services, as set forth in this Disclosure and otherwise, remain in effect and apply to this Agreement, except as specifically modified in this Section. You agree to abide by this Agreement, and all rules, regulations and instructions of the Credit Union and the networks relating to the use of any Card and/or Access Device, as amended, modified or revoked. The Credit Union may not offer all services discussed in this Agreement at this time.

**2. Types of Electronic Funds Transactions.** The Electronic Funds Transactions we are or may be capable of handling in the future are indicated below. Some of these services may not apply to your account(s) and/or some of these services may not be available at all terminals.

**a. Automatic Teller Machines (ATMs).** The Credit Union may issue to you an ATM card and Personal Identification Number ("PIN") to be used to make transactions. You can use your ATM card at the Credit Union's ATMs to:

- Withdraw cash from available account(s) provided the funds are available;
- Check the balances in available account(s) (inquiry);
- Transfer funds between available account(s); and
- Make deposits at designated ATMs that we own.

**b. Debit/Point of Sale Transactions.** If we approve your Application for a Debit MasterCard or other electronic Access Device, you may use your Card/Access Device to purchase goods and services at point of sale (POS) terminals designated by the Credit Union and anywhere participating merchants honor your Card/Access Device. Transactions hereunder will be covered by funds deducted from your primary share draft account. Subject to the limitations set forth in the Fee Schedule, you may pay for goods and services (or make certain other transfers if the merchant is a financial institution) at applicable terminals up to the available balance in your designated checking account. Your available balance in that account may be reduced by the amount of any transaction as soon as the merchant has received authorization from us, even if the documentation evidencing the transaction has not yet been received and processed by us. A merchant is not required to receive prior authorization from us on every transaction. When the documentation has cleared through us, any hold placed on your account from the amount of the purchase or other transaction will be released and your account debited for that amount.

**c. Pre-authorized Transfer Services.** You can authorize the following transactions without the use of any access device issued by the Credit Union: (1) Payments: You can make payments on your loans with the Credit Union directly from your available accounts; (2) Within Credit Union Transfers: You can arrange to transfer funds between your available accounts. By separate application, you can arrange to transfer funds from your accounts to the account(s) of other members; (3) Direct Deposits and Payments: You can authorize persons or companies to make direct deposits or withdrawals to or from your share or checking accounts for payroll, pension, social security and other types of deposits or payments. You may give other persons or companies written or oral permission to transfer payments from your Credit Union accounts through "ACH" or other electronic means. Such agreements or arrangements are solely between you and the other person or company. The Credit Union shall have no responsibility or liability to you for any such transactions. Thus, you should exercise caution in providing such authority and/or information to access your accounts to others. The authority or information you give to others hereunder applies to all "ACH" or other electronic transactions, whether evidenced by any type or writing or converted to a written instrument by the other person (and/or their agents). All such transactions are deemed to be authorized by you.

**d. Electronic Check Conversion (Types of Transfers).** Your check or information you convey to a third party can result in an electronic funds transfer. This can happen in several ways. For example:

- You can purchase goods or pay for services and authorize a merchant or service provider to convert your check into an electronic funds transfer.
- At the time you offer a check to a merchant or service provider, you may be asked to authorize the merchant or service provider to electronically collect a charge in the event that the check is returned for insufficient funds. Paying such a fee electronically is an electronic funds transfer.
- Your authorization to make these types of electronic funds transfers may be expressed in writing or implied through the posting of a sign or your participation in the initiation of the processing of the transaction.
- This can also happen when you provide information from your check or an account to another by telephone, Internet or otherwise, who then converts the information given to an electronic transaction, ACH or otherwise.
- You agree that any such transaction is subject to all applicable terms and conditions set forth in this Electronic Transfers Section of your Membership Agreement.

**e. Insufficient Funds Transaction.** If your Account balance is insufficient to cover any transaction(s), including POS debit transactions, we may treat these transactions as insufficient funds transactions. The Credit Union reserves the right to refuse any transaction which decision shall be in the Credit Union's sole discretion.

**f. Electronic Processing and Transactions.** Due to the processing systems for electronic transactions used in the United States and by us, a payment or other transaction may be effective/posted before we are open for business on the date scheduled for the payment or other transaction. Therefore, you are responsible for insuring that your account(s) have sufficient balances as applicable for the scheduled payment/transaction one business day prior to the date scheduled. If a payment is scheduled on a Saturday, Sunday or Federal holiday, the payment will occur on the first business day after the scheduled date. In these cases, you should plan to have the payment initiated on the last business day before any of these dates in order to ensure your payment is made on time.

**3. General Rules for Using Your Access Devices.** You acknowledge and agree to the following:

**a.** Your Access Devices are for personal use only. You agree not to allow another person to use your Access Devices.

**b.** You agree not to reveal your PIN/Password(s) to another person and WILL NOT write your PIN/Password(s) on any Access Device. You are responsible for all transactions made by you or anyone else who used your Access Devices with your knowledge and consent. You are also responsible for unauthorized use of your Access Devices to the full extent

allowed by applicable law. In addition, any person other than yourself who uses your Access Devices is responsible for all transactions they make and for all transactions made by others with their permission. This does not limit your own responsibility. You agree to be responsible to maintain your Access Devices with maximum security.

**c.** You authorize the Credit Union to debit/credit your accounts for all transactions as if each transaction were signed by you. Further, you agree that by acceptance or use of your Access Devices the Credit Union is authorized to pay from any account necessary to satisfy any transaction, fee or service charge that results from the use or misuse of your Access Devices.

**d.** You acknowledge that your Access Devices remain the Credit Union's property and agree to surrender your Access Devices to the Credit Union or its agents upon demand or through retrieval by any other method.

**e.** You agree to use caution when using any ATM or other electronic terminal or device to complete any Transaction contemplated by this Agreement. You further agree that the Credit Union shall have no responsibility to you or any user, or be liable for any personal injury or property damage, which may occur as a result of any act before, during or after a Transaction or other visit to any ATM or other electronic terminal location. You or any user assume the risk of night time use of any ATM or other electronic terminal location or other electronic banking device.

**f.** An Access Device may be issued to any member or joint owner when qualified under the rules, regulations, and by-laws of the Credit Union. Only one Access Device may be issued to each member or joint owner.

**g.** If your Access Device is lost or stolen, you agree to notify the Credit Union immediately upon discovery of such loss or theft. Replacement of an Access Device may be issued by us at the cost set forth in the Fee Schedule. You agree to pay the Credit Union the fee in effect at the time of all copies that you request from us.

**h.** The Credit Union shall not be responsible for the use or condition of any ATM or other electronic banking terminal or device it does not own. Further, the Credit Union will not be responsible for any failure of an ATM or other electronic banking terminal or device to function except as specifically provided for by law.

**i.** The Credit Union reserves the right to add or delete ATM or other electronic terminal location or other electronic banking devices as it deems necessary.

**j.** You agree to hold the Credit Union harmless in its pursuit to locate, apprehend, and prosecute unauthorized use of any Access Device issued by the Credit Union, and you agree to assist the Credit Union in these efforts.

**k.** The Credit Union reserves the right to make any changes in the daily withdrawal limits it deems necessary.

**l.** The Credit Union is not liable for any claims you may have against a merchant, company or other financial institution arising from use of your Access Device.

**m.** The Credit Union cannot stop payment on any point-of-sale or debit card transaction.

**n.** If you incur a charge in a foreign currency or pursuant to or arising from any international transaction, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by MasterCard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard itself receives, or the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date. MasterCard USA charges us a .8% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, the International Service Assessment is 1% of the transaction. As a result, we charge you a 1% international transaction fee on all international transactions regardless of whether there is a currency conversion. An international transaction is a transaction where the country of the merchant is outside the USA.

A rate selected by MasterCard from the range of rates available in wholesale currency markets for applicable central processing date, which rate may vary from the rate MasterCard receives, or the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by the Issue, which rules are incorporated herein by reference.

**o.** You agree that by acceptance or use of an Access Device, or other Electronic Funds Transfer Services the Credit Union is authorized to pay from any account you have, jointly or otherwise, with the Credit Union any amount necessary to satisfy any transaction, fee or service charge that results from your use or misuse of such services.

**p.** You will not obtain any Access Device(s) to make transactions on your accounts with us that is not issued or approved by us.

**q.** Merchants and others who honor the Debit Card or related Access Device(s) may give credit for returns and adjustments, and they will do so by initiating a credit with us, and we will credit that amount to your account.

**r.** You understand that you must keep your share and share draft checking account open in order for your applicable electronic services to remain valid. You agree to return all Access Devices if you close your account(s), or upon our request.

**4. Making ATM Transactions.** Your PIN will allow you to identify yourself when making an ATM transaction. The presentation of your ATM card

together with the input of your PIN constitutes your authorization to the Credit Union to make transactions. You agree to follow all instructions for use of ATMs accessible by your ATM card. Difficulties or complaints concerning the use or condition of any ATM should be reported directly to the Credit Union.

**5. Termination and Amendment.** The Credit Union reserves the right at any time to terminate your right to make transactions and to retrieve or ask for the immediate return of any Access Device it deems necessary without prior notice to you. If notification is required by law, notice will be mailed to you at the address shown on the Credit Union's share account records. It is the obligation of each member to provide new addresses to the Credit Union.

**6. Access Device Revocation.** Any Access Device issued by the Credit Union may be revoked without notice to you in the event that any of the following conditions occur:

- a. Overdrafts occur as a result of insufficient or uncollected funds on an account.
- b. Any transaction that occurs on your account(s) which results in a monetary loss to the Credit Union.
- c. Loan or other delinquency with the Credit Union.
- d. Forced closure of a share savings or share draft account at the Credit Union due to misuse.
- e. Special balance requirements, if any, are not maintained by you.
- f. Any other situation in which the Credit Union deems revocation to be in its best interest.

**7. Transaction Fees.** You are allowed to initiate transactions at any terminal, ATM or other access means owned by the Credit Union or any Network indicated in the Fee Schedule. You may be charged certain transaction and other fees as set forth in the Fee Schedule, which will be automatically debited from your share or checking account(s). The Credit Union reserves the right to establish and maintain transaction fees and charges, which may be modified from time to time.

**Note: Owners of non-Credit Union ATMs may charge fees in addition to any fees disclosed in the Fee Schedule. These fees are generally called a "surcharge". This is not a fee charged by your Credit Union; however, any such fee will be paid from your account(s).**

**8. Limitations on Frequency and Dollar Amounts of Transactions, Transfer Limitations.** General limitations governing the amount and number of transactions are set forth in the Fee Schedule. Further, we may reduce the limit for "point-of-sale" transactions during any interruption in the electronic connection between the Credit Union and the retail outlet. Further, we may at any time limit or reduce the number or dollar amount of transactions when we, in our sole discretion, deem it in the best interest of the Credit Union.

**a. Card/Access Device Acceptance.** We do not promise everyone will honor your Card or other Access Device, and we have no obligation to you if anyone refuses to accept your Card/Access Device. We are not liable if any merchant, bank, financial institution or other party refuses to honor your Card/Access Device, or otherwise fails to provide any services made available to you by the Credit Union.

**b. POS/MasterCard Debit Card Purchases/ATM.** Individual accounts may have lower offline limits at the Credit Union's discretion. You may not exceed your available balance in transactions per day or \$1,500.00, whichever is lower.

**c. ATM Transactions.** Because of the servicing schedule and processing time required in ATM operations, there is a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. You should review the Credit Union's Funds Availability Policy to determine the availability of funds deposited at ATMs. (Deposit services may not be available at all terminals.) You may not exceed \$450.00 in transactions per day or available balance, whichever is lower.

**THE CREDIT UNION MAY SET OTHER LIMITS ON THE AMOUNT OF ANY TRANSACTION(S), AND YOU WILL BE NOTIFIED OF THOSE LIMITS.**

## 9. Your Stop Payment Rights.

**Pre-authorized Transactions.** If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of pre-authorized transfers from your account. You must notify the Credit Union orally or in writing in time for us to receive your request three (3) business days or more before the scheduled date of the transfer. The Credit Union may require written confirmation of the stop payment order to be made within 14 days after you call.

If you order us to stop a pre-authorized transfer three business days or more before the transfer is scheduled, and the stop payment order is made according to the terms and conditions of the account and this Agreement, including the requirement that you give us the exact amount of the debit, the next date of the debit and the exact name of the payee, and we do not do so, we will be liable for your losses or damages immediately caused by our failure.

**E-Check.** When any party converts any check, using the information on the paper via any means to send an electronic message to us, such message is an order by you to immediately take the money from your account. You cannot stop payment of an E-Check transaction, because it is already done.

**Other Transactions.** Other transactions hereunder are considered contemporaneous. Therefore, you have no right and we have no obligation to stop or to attempt to stop any other transactions.

## 10. Right to Documentation.

**a. Terminal Transactions.** You can get a receipt at the time you make a transfer to or from your account using an automatic teller machine or a point-of-sale terminal. For transactions \$15 or less, you may not be provided a receipt at the time of the transaction.

**b. Direct Deposits.** If you have arranged to have direct deposits made to your accounts at least once every sixty (60) days from the same person or company, the person or company making the deposit will tell you every time they send us the money. You can call or write us at the telephone number or address listed in the Fee Schedule to find out whether a deposit has been made.

**c. Periodic Statements.** You will get a monthly statement from us for your share draft accounts. You will get a monthly statement from us for your share savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

**11. Notice When Amount of Pre-authorized Payment(s) Vary.** If you preauthorize the Credit Union to make payments to persons or companies other than the Credit Union that vary in amount, then the person or company you are going to pay has the obligation to notify you ten (10) days before each such payment is due and how much it will be. (When required, you must fill out an appropriate agreement with the Credit Union authorizing such payments, the terms of which are incorporate herein). You may choose instead to get this notice only when the payment differs by more than a certain amount from the previous payment, or the amount falls outside certain limits that you set.

**12. Liability For Failure to Make a Transaction.** If the Credit Union does not complete a transaction to or from your account on time or in the correct amount according to our agreement with you, the Credit Union may be liable for your losses or damages. However, there are some exceptions to this, which include the following:

1. You do not have enough money in your account to make the transaction through no fault of ours.
2. The terminal where you were making the transaction does not have enough cash.
3. The terminal or other system was not working properly and you knew about the breakdown when you started the transaction.
4. Circumstances beyond our control (such as fire, flood electrical failure) prevent the transaction, despite reasonable precautions that we have taken.
5. You have not properly followed instructions for operation of the ATM or system.
6. The funds in your account are subject to legal process or other similar encumbrance.
7. The transaction would exceed one of the established limits contained in this Agreement or by other Credit Union agreements.
8. Access to your account has been blocked after you have reported your Access Device lost or stolen or you use a damaged or expired Access Device.

**13. Information Disclosure.** We will disclose information to third parties about your account or the transaction you make: (1) when it is necessary for completing transactions, or (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (3) in order to comply with government agency or court orders, or (4) if you give us your written permission.

**14. Business Day Disclosure.** Every day is a business day except Saturdays, Sundays, and Federal Holidays.

**15. In Case of Errors or Questions About Electronic Transactions.** In the case of errors or questions about your electronic transfers, telephone us at 901-452-7900 or 800-633-4128 or write us at P.O. Box 310, Collierville, TN 38027 as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears. You should provide the following information:

1. Tell us your name and account number.
  2. Describe the transfer you are unsure about, and include to the extent possible the type, date and explain as clearly as you can why you believe it is an error or why you need more information.
  3. Tell us the dollar amount of the suspected error.
- If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days, at the address listed in this Agreement and Disclosure.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct the error within one (1) business day after determining that an error occurred.

If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question.

If we decide to do this, we will re-credit your account within ten (10) business days of receiving the error notice, and will inform you, within two (2) business days, after providing the provisional credit, with the amount you think is in error, and the date, so that you will have the use of the money during the time it takes us to complete our investigation. We will correct the error, if any, within one (1) business day after determining that an error occurred. A report of our results will be delivered or mailed to you within three (3) business days after the conclusion of the investigation (including, if applicable, notice that a provisional credit has been made final).

For transactions initiated outside the United States, or resulting from a point-of-sale debit card transaction, we will have ninety (90) calendar days instead of forty-five (45) business days, unless otherwise required by law, to investigate your complaint or question. For transactions on accounts that have been opened less than thirty (30) calendar days, we will have twenty (20) business days instead of ten (10) business days to credit your account, and ninety (90) calendar days instead of forty-five (45) business days, unless otherwise required by law, to investigate your complaint or question.

**16. Your Liability for Unauthorized Transaction.** Tell us AT ONCE if you believe your Access Device has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You are responsible for all transfers you authorize using an EFT service under this Agreement. If you permit other persons to use an EFT service or your Access Device, you are responsible for any transactions they authorize or conduct on any of your accounts. You can call us at the telephone number located on the last page of this Agreement.

**Special Notice To Debit MasterCard Cardholders**

If there is an unauthorized use of your Debit MasterCard then your liability will be zero (\$0.00) so long as:

1. You exercised reasonable care in safeguarding your card from risk of loss or theft;
2. You have not reported two or more incidents of unauthorized use within the preceding twelve (12) months; and
3. Your account is in good standing.

If you cannot meet these requirements then your liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law. In any case, to minimize your potential liability you should notify us of any unauthorized use no later than 60 days after your statement was mailed to you. This provision limiting your liability does not apply to either MasterCard commercial cards or ATM cash disbursements.

For all other EFT transactions that require the use of a PIN or Access Code, if you tell us within two (2) business days, you can lose no more than \$50 if someone else uses your card and PIN or Access Code without your permission. If you do not tell us within two (2) business days after you learn of the loss or theft of your Card, PIN or Access Code, and we can prove that we could have prevented the unauthorized transaction if you had told us in time, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we may extend the time periods. If you believe that your Card or Access Code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, you must call or write us at the telephone number and address set forth in the Schedule or on the last page of this Agreement.

**17. Reporting A Lost Card, Access Device, or PIN.** If you believe that any Access Device has been lost or stolen or that someone has withdrawn or may withdraw money from your account without your permission, you agree to immediately notify us. You can call the Credit Union or write us at the telephone number or address shown in this Agreement or the Fee Schedule. If you recover your Card/Access Device after you have notified us, DO NOT USE IT.

**FUNDS AVAILABILITY DISCLOSURE - WHEN YOUR FUNDS ARE AVAILABLE FOR WITHDRAWAL**

**This Disclosure applies to all "transaction" accounts. Transaction accounts, in general, are accounts that permit an unlimited number of payments to third persons and an unlimited number of telephone and pre-authorized 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 that are not transaction accounts for periods longer than those disclosed in this policy. Feel free to ask us whether any of your accounts are covered by these rules.**

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

Our policy is to make funds from most of your deposits to your checking accounts available to you on the same day we receive your deposit. At that

time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Federal Holidays. If you make a deposit before 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 on a day we are not open, we will consider that deposit made on the next business day we are open.

**Reservation of Right to Hold.** In some cases, we will not make all 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. Generally, the first \$200 of your deposit will be available on the first business day after the day of your deposit.

If we are not going to make all of the funds from your deposit available on the 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. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you a notice by the 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.

**Longer Delays May Apply.** Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer 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. They will generally be available no later than the seventh business day after the day of your deposit.

The Credit Union reserves the right to not accept particular instruments for any reason.

**Special Rules for New Accounts.** If you are a new member, or have just opened a checking account, the following special rules will apply during the first thirty (30) days your account is open.

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

Funds from all other check deposits will be available on the eighth business day after the day of your deposit.

**Holds on Other Funds.** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this Disclosure for the type of check that you deposited.

**Foreign Checks.** Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposit of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn. Foreign checks with no routing numbers and payable in foreign currency are not accepted for deposit. These items must be sent as a collection item. Only foreign checks payable through a U.S. bank with routing numbers and payable in U.S. dollars may be available the next day.

