

## Sole Proprietorship Membership and Account Agreement

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This is the Agreement between you (the "member") and FINANCIAL PLUS CREDIT UNION ("Credit Union"), a State Chartered Credit Union, of Flint, Michigan, regarding your sole proprietorship accounts with the Credit Union. By establishing a membership account with the Credit Union, you agree that this Agreement is a binding contract between you and the Credit Union.

This agreement is designed to allow businesses established as sole proprietorships to obtain various financial products and services offered by the Credit Union.

You should retain a copy of the Agreement and feel free to contact the Credit Union if you have any questions. This Agreement also includes certain disclosures required under the National Credit Union Administration and Federal Reserve Board regulations and commentary, the Electronic Fund Transfer Act (Regulation E), the Michigan Electronic Funds Transfers Act, the Funds Availability Act (Regulation CC), the Reserve Requirements of Depository Institutions Regulation D, the National Credit Union Administration (NCUA) Rules and Regulations Part 707 (Truth-In-Savings Act), Part 716 (Privacy of Consumer Financial Information), Part 717 (Fair Credit Reporting) and Part 748 (Safeguarding Member Information), and Uniform Commercial Code Article 4A. The words "you", "your" and "business" mean the sole proprietorship described in the Signature Card, the sole proprietor and all authorized signers. The words "we", "our", "us", and "Credit Union" mean the FINANCIAL PLUS CREDIT UNION.

### I. MEMBERSHIP

**A. Membership Eligibility.** Membership in Financial Plus Credit Union is open to applicants that meet the requirements of the Credit Union Membership Eligibility Policy and are within the field of membership as described in Article III of the Credit Union's Bylaws. A copy is available on request. A sole proprietorship is eligible for membership in the Credit Union if on its own it qualifies for membership or if it's sole proprietor is currently a member, or becomes a member of the Credit Union.

Only members in good standing may receive the benefits and services of the Credit Union.

#### B. Qualification for Membership

You authorize the Credit Union to verify or obtain further information about you, as it may deem necessary, including through the use of reports obtained from consumer reporting agencies and in accordance with the Credit Union's Customer Identity Program pursuant to the USA PATRIOT Act. You further authorize the Credit Union to use information obtained through use of such reports for the purpose of marketing other Credit Union products and services to you.

**C. Becoming a Member.** To become a member of the Credit Union, you must complete a Sole Proprietorship Membership Application and Signature Card, which is incorporated into this Agreement by reference, and open a Business Share Account. The basic share deposit that you must always keep in your Business Share Account to retain membership is \$25.00. If your Business Share Account balance drops below the \$25.00 minimum membership deposit requirement and is not replenished within forty-five (45) calendar days, as provided in the Credit Union's Bylaws, your account will be charged a Membership Termination Fee equal to your account balance at that time and your membership will be terminated.

**D. Documentation.** No sole proprietorship may receive services from the Credit Union unless it establishes its legal existence, to the reasonable satisfaction of the Credit Union, by providing such documentation as the Credit Union may, from time to time, require. We reserve the right to require that you provide, and you agree to provide, any such documentation at any time. The Credit Union reserves the right to refuse to provide services to a sole proprietorship when it is not properly registered with the Register of Deeds in its county of origin, or does not otherwise meet the membership eligibility requirements of the Credit Union.

You and the Credit Union will establish a Business Share Account in the name of the sole proprietorship separate and distinct from the sole proprietor's personal accounts in the Credit Union, if any. Such Business Account(s) shall

function much the same way as the personal accounts of the sole proprietor, except that if the sole proprietor already has a personal account (or establishes one in the future) no voting rights shall attach to the Business Account.

While the individuals who comprise a sole proprietorship shall not be joint owners on the account created for the sole proprietorship, each of the individuals signing the Sole Proprietorship Membership Application and Signature Card, as the sole proprietor or authorized signer, personally guarantees any obligation created by the business owing to the Credit Union as a result of the establishment of membership in the Credit Union for the sole proprietorship.

In addition to a Business Share Account, the Credit Union will make various types of financial products and services available to sole proprietorships. These products and services are subject to change at any time and you may not be eligible for all products and services offered by the Credit Union.

You understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Sole Proprietorship Membership Application and Signature Card and/or Sole Proprietorship Authorized Signatories document on file at the Credit Union, and the business and you and all persons who make any representation to the Credit Union concerning Authorized Signatories forever indemnify and hold the Credit Union harmless for distributions made in good faith pursuant to that directive. You further agree that it is your responsibility to notify the Credit Union when the Authorized Signatories have been revoked, rescinded, revised, or in any way modified.

**E. Valid Photo Identification.** The USA PATRIOT Act requires the Credit Union to safeguard your account when you open, access, transact business with, or close your account. To comply with this federal law, we will request that you present a valid, unexpired government-issued identification bearing a photograph. Failure to provide such identification may limit the services we can provide you and may delay the availability of your funds (refer to Section IX, Funds Availability Policy).

### II. DIVIDENDS/INTEREST

**A. Rate and Annual Percentage Yield ("APY").** Your account(s) may earn what are known as dividends. Refer to our current Investment Rates schedule for our current dividend rates and Annual Percentage Yield. Dividends are like interest, except that the Credit Union's Board of Directors (the "Board") are responsible for setting the rate of dividends from time to time. Dividends are not guaranteed. The Credit Union estimates a prospective dividend rate and prospective Annual Percentage Yield (APY) on your account(s) for each dividend period. The dividend rates and APYs will be available each business day at our office. You may also contact us at (810) 244-2200 or toll-free (800) 748-0451 for rate information.

**B. Calculating and Compounding Dividends and Interest.** Dividends and interest are calculated by the daily balance method, which applies a daily periodic rate to the balance in an account each day. We compound your dividends, even though the law doesn't require that. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate.

**C. Accrual and Crediting of Dividends.** Dividends on all accounts that earn them are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. Dividends will begin to accrue on the business day you deposit non-cash items (for example, checks) to your account. Dividends are not available to you until they have been credited to your account. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive the accrued dividends.

**D. How Withdrawals Affect Dividends/Interest.** Even though your account earns dividends every day, we don't actually credit them to your account until the final day of the dividend period. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

### III. ACCOUNT TERMS AND CONDITIONS

The following paragraphs apply to all accounts opened with the Credit Union, except as specifically expressly modified elsewhere in this Agreement.

**A. Accounts Not Transferable.** None of your accounts is transferable, except on the Credit Union's books and records.

**B. Agreement.** This Agreement shall be effective and shall govern all accounts of your sole proprietorship with us. By signing a signature card, making deposits or withdrawals, or leaving amounts on deposit, you agree to the terms of this Agreement, effective immediately. This Agreement shall supersede all previous agreements for such accounts.

**1. Amendment.** We may change any of the terms of this Agreement at any time without prior notice to you if the change is favorable to you. We may make changes that are adverse to you only if we provide you with any notice required by law or required in this Agreement. You may close the account if you do not agree to the changes; if you continue to use the account or keep the account open after the effective date of such change, you will be deemed to have agreed to the changes.

**2. Section Headings.** Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this Agreement.

**3. Governing Law.** This Agreement shall be governed by the laws, including applicable principles of contract law, and regulations of the State of Michigan, except as superseded by federal laws and regulations, by the Credit Union's Bylaws, and by local clearinghouse rules. Unless prohibited by applicable law, any action brought pursuant to this Agreement against the Credit Union must be brought in the local State District Court or State Circuit Court in the jurisdiction of the Credit Union's main office.

**4. Severability.** If any of this Agreement is found by any court, or regulatory body of competent jurisdiction, to be invalid or unenforceable in whole or in part for any reason whatsoever, the enforceability of the remaining provisions or portions hereof shall not be affected.

**C. Endorsement.** We may require all items presented for deposit, including items payable to cash or bearer, to be endorsed in our presence by the person depositing them. We may in our sole discretion supply any missing endorsements on items presented for deposit. All endorsements placed on the reverse side of any check or draft which you deposit to your account must be placed so that they are on the left side of the item when looking at it from the front and must be placed so they do not go beyond an area located 1½ inches from the left edge of the item when looking at it from the front. The Credit Union may refuse to accept any item that does not meet this requirement, and, if the Credit Union does accept it, you agree that you are completely responsible for any loss we incur which is premised on an endorsement not meeting this requirement or requirements of the Uniform Commercial Code as adopted in Michigan, including any court costs and reasonable attorney fees.

**D. Fees.** Any account may be subject to fees in accordance with the Business Accounts Fee Schedule adopted by the Credit Union from time to time. You agree to pay us fees in connection with your accounts in accordance with the Business Accounts Fee Schedule then in effect. These fees may be changed at our discretion. We will provide advance notice of any increase in current fees, or any new fees, as required by law. We may deduct any fees owed from any of your accounts. We reserve the right to waive any fees in our sole discretion. Fees may reduce earnings on any of your accounts.

**E. Final Credit for Deposits.** All deposits are subject to proof and verification. When you make a deposit in person at one of our offices, we agree to verify all cash in that deposit when it is made, but we may decide to accept the checks included with that deposit without adding or verifying them, and use the deposit total provided by you at the time of the deposit. Under those circumstances, you agree that we can adjust the amount of that deposit, if necessary, once the amount of the checks included with it are verified by us. If, pursuant to our verification, an adjustment is necessary, we will send you written notice of the adjustment. Any item presented to the Credit Union that is made payable to the business must be deposited into one of the accounts for the business. If you deposit a check, draft or other non-cash item, we have the right to clear it before we make the money available to you subject to applicable federal regulations. If there are special fees for collecting your deposit, you promise to pay them (see the Business Accounts Fee Schedule for a list of fees). We may deduct them directly from your account. If we feel there is a reason, we may refuse, limit or return any deposit. We reserve the right to refuse to accept any deposit and we specifically reserve the right to refuse to accept checks for deposit that have more than one endorsement. We reserve the right not to pay dividends on amounts subject to garnishment, levy or other legal process and to assess a fee for processing a garnishment, levy or other legal process; and we reserve the right not to pay dividends on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited interest or dividends). Your account will be charged for any check or other deposited item that is returned or is uncollectible for any reason. You will not receive notice before such a charge is made. We will notify you after your account has been charged either with a separate notice or on your next periodic statement.

**F. Inactive Accounts.** The Credit Union will consider an account inactive after one year of no deposits or withdrawals on the account(s), and will assess a fee

to your account(s) each month thereafter (see the Business Accounts Fee Schedule for a list of fees). This excludes dividends credited to your account by the Credit Union. The Michigan Unclaimed Property Act requires the Credit Union to turn these funds over to the State after five years of no activity. We may voluntarily turn these funds over to the State of Michigan after two years. Before turning funds from inactive accounts over to the State of Michigan, the Credit Union will send notices as required by Michigan law advising you of your rights.

#### **G. Legal Compliance and Protection**

**1. Legal Process.** If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any pay out until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. In lieu of expenses other than attorney's fees, we may charge a Legal Process Fee as set forth in the Business Accounts Fee Schedule. Any legal process against your account is subject to our statutory lien and security interest.

**2. Share Insurance.** Your savings in the Credit Union are insured by the National Credit Union Administration (NCUA), an agency of the Federal Government, in accordance with regulations promulgated by the NCUA. For more information regarding NCUA share insurance, please refer to the NCUA brochure entitled "Your Insured Funds," which can be found in any of our offices. Because we are not authorized to provide legal advice, we cannot counsel you as to how to structure your accounts in order to maximize your account insurance protection.

**3. Taxpayer Identification Numbers and Backup Withholding.** Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest and certain other payments. The Credit Union reserves the right to refuse to open any account until a valid TIN is received.

**H. Form of Negotiable Instruments.** All negotiable instruments presented for deposit must be in a format that can be processed and/or photographed. The Credit Union may refuse to accept any check or draft that does not meet this requirement. Substitute checks (as defined in the "Check 21 Act") are the legal equivalent to traditional checks when used in appropriate transactions.

**I. Notices.** Notices to us should be sent to: Financial Plus Credit Union, P.O. Box 7006, Flint, MI 48507-0006. Whenever we are required to send you notice, the Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us in writing. Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any change in terms or rates as required by law or as required in this Agreement. We reserve the right not to send notices for accounts we consider inactive, or for which we do not have a valid address.

**1. Notice of Withdrawals.** All of your accounts, except checking accounts, are subject to the Credit Union's right to require advance notice of withdrawal, as provided in the Credit Union's Bylaws.

**2. Name or Address Changes.** You are responsible for notifying us of any address, e-mail address or name change. The Credit Union requires all notices of change in address, change of e-mail address, change of business name or name change of authorized signer to be in writing. All name changes require a legal document specifically identifying the change of legal name.

**3. Other Notices.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms or rates as required by law or as required by this Agreement. All notices regarding the account will be posted in our office lobbies, sent to you at the address shown on your statement, or delivered on or with your statement or appended to your electronic statement (e-statement) if you have chosen to receive e-statements (Refer to Section XI for information and disclosures regarding Electronic Statements).

**4. Electronic Notices.** To the extent permitted by applicable law, you agree to receive any notices sent to you by us in an electronic format, such as e-mail.

**5. Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address or at the time that an electronic message is sent informing you that your electronic statement or notice is available.

**J. Offset.** If you owe us money as a borrower, guarantor, endorser or otherwise, we have a lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by an individual's residence, unless prohibited by applicable law. We will notify you if we have exercised our right of offset. All accounts are non-assignable and nontransferable to third parties.

#### **K. Requests and Special Instructions by Member**

**1. Changes Requested by You.** Account changes requested by you, such as adding or closing an account or service, may be required to be evidenced by a signed Account Change Form and accepted by us.

**2. Signatures and Electronic Communication.** We may accept for deposit all checks, drafts, notes or other instruments signed or endorsed in writing, whether by rubber stamp, or any other means. We may also rely on facsimiles of your signature(s), or authorization by electronic communication, on any deposit or withdrawal form, order or other notices, requests or instructions regarding any account under this Agreement or with the Credit Union. We may pay and charge your account for all checks, drafts or other items bearing your signature, or the facsimile signature(s) you designate, whenever they resemble the specimen furnished by you, regardless of whom or by what means the actual or purported facsimile signature may have been affixed. The Credit Union 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, except as otherwise provided by law. Furthermore, we may refuse to execute any facsimile or electronic request or order.

**3. Special Account Instructions.** You may request that we facilitate certain business or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your business or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or other protection.

Credit Union may permit you to designate, or order checks that indicate that the signatures of two or more authorized signers are required for validity. However, you agree that such transactions or checks may be, but need not be, considered properly authorized even when only one authorized signer has signed a check as drawer or otherwise authorized any transaction, and that although the Credit Union is under no obligation to allow such a transaction bearing less than the requisite number of signatures, the Credit Union will not be negligent if it allows such a transaction when only one authorized signer has authorized a transaction, or check.

**4. Telephone Requests.** You agree that funds in any of your accounts with us can be transferred and that additional accounts and services can be authorized or terminated, at the discretion of the Credit Union, upon the telephone or e-mail request of any authorized signer on the account. 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 may refuse to execute any telephone or e-mail request or order.

**5. Indemnity.** If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities or damages including actual attorneys' fees resulting from such a claim or suit. 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 we may require a bond or other protections.

You agree to deposit sufficient funds to cover any overdraft and any fees assessed upon notice of the overdraft, and to reimburse us for any costs we incur in collecting the overdraft, including, without limitation, reasonable attorney's fees and the costs of litigation, to the extent permitted by law.

You agree to indemnify and hold us harmless from any liability, loss, costs, or expenses, including reasonable attorney's fees, to the extent permitted by law, that we incur as a result of any dispute involving your account, including any loss, costs, or expenses resulting from a delay in the forward collection or return of any check you deposit caused by improper placement of endorsements or other material on the back of the check that affects the ability to endorse the items as required by federal regulation. You authorize us to deduct any such loss, costs, expenses, or attorney's fees from your account without prior notice to you.

In the event we become a party to any legal proceedings between you and any third parties or between parties involved in your business, you agree to indemnify us and hold us harmless from any liability for any loss, costs, or expenses, including reasonable attorney's fees, to the extent permitted by law, that we incur as a result of any such proceeding. We may exercise our right of offset to recover such amounts from your accounts. This obligation includes situations that cause us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

**L. Return of Deposits/Closed Accounts.** We may, at any time, in our sole discretion, refuse to accept any deposit, or close any or all of your accounts with us without prior notice to you. However, we may not terminate your membership in the Credit Union without satisfying applicable legal requirements. If we close an account, we will notify you and send you a check for any balance in your account after deducting all applicable fees. Any withdrawal that reduces the amount in an account to zero (other than a Business Checking Account) may automatically close that account. We are not liable for any check, draft, withdrawal or other order after an account is closed. Any checks, or other payment orders presented after your account has been closed will be returned unpaid. We reserve the right to advise consumer or commercial reporting agencies and other third parties of accounts closed for

misuse, with regard to all parties named on the accounts, without regard to which individual(s) misused the account. Please refer to "Termination" (subsection N) below for information regarding termination of accounts and membership from the Credit Union.

**M. Statement and Member Responsibility.** You will receive a periodic statement (normally monthly) for your Business Checking Account. You will receive a periodic statement (normally quarterly) for your Business Share Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement), or you will receive a combined statement on a monthly basis if you have a Business Checking Account and other savings accounts. Each such statement shall show the transactions on your accounts and any fees. We reserve the right not to send statements for accounts we consider inactive, or for those accounts on which we do not have a valid address on file.

You should examine each periodic statement carefully and reconcile the account. If there are any discrepancies, the Credit Union should be notified immediately. You are in the best position to detect an unauthorized signature, a forged endorsement, or an alteration. Except as expressly stated elsewhere, you have the responsibility for any fraud loss if you fail to exercise reasonable care in examining the statement or fail to report forgeries or alterations to the Credit Union within thirty (30) days of the mailing date or within thirty (30) days of the date of e-mail notification that your statement is available, if you have chosen electronic statement, of the earliest statement containing those items, unless another time period is required by state or federal law. The Credit Union will not be liable if items were forged or altered such that the fraud could not be detected by a reasonable financial institution.

#### **N. Termination**

**1. Of Account.** We may terminate your account at any time without notice to you, or we may require you to close your account and apply for a new account if: (1) there is a change in ownership or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks, whether completed or in blank, or cards are lost, stolen, or the number has been compromised; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate an account by giving written notice. There may be a fee for termination of account, processing an account number change, or replacing lost or stolen cards (refer to our current Business Accounts Fee Schedule). We are not responsible for payment of any check, draft, or withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

**2. Of Membership.** You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union. If your Business Share Account balance drops below the \$25.00 minimum membership deposit requirement and is not replenished within forty-five (45) calendar days, as provided in the Credit Union's Bylaws, your account will be charged a Membership Termination Fee equal to your account balance at that time and your membership will be terminated. Refer to the Business Accounts Fee Schedule.

**O. Transaction Limitations (Regulation D).** During any calendar month, you may not make more than six transfers or withdrawals, or a combination of such transfers and withdrawals, from any non-transaction account to another account or to a third party by means of a preauthorized or automatic transfer or telephonic agreement, order or instruction, and no more than three of the six such transfers may be initiated by check, draft, debit card, or similar order. If you exceed the transfer limitations set forth above in any month, your account may be subject to closure by the Credit Union. This limitation does not apply to your Business Checking account.

**P. Waiver.** We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. If we choose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

**Q. Information About Your Accounts.** You authorize us to share information concerning your accounts with other entities as permitted or required by law, including affiliates of the Credit Union.

#### **IV. BUSINESS SHARE ACCOUNT**

**A. Deposits.** After you have established your Business Share Account, you may make additional deposits into that account, or establish other types of accounts as described herein, at any time and in any amount, subject to minimum transaction amounts, if any. This account is not transferable except on the Credit Union's books and records. Your interest in a Business Share Account cannot be used as collateral for a loan with another financial institution unless we consent in writing and the transfer is reflected in our records. We may establish minimum amounts for deposits in your Business Share account. You may make deposits to your account by any method approved by the Credit Union.

**B. Withdrawing Money.** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union. Withdrawals will reduce earnings on your Business Share Account.

**C. Dividends.** If the Business Share Account you have chosen pays dividends, this section will apply to your account.

**1. Rate Information and Nature of Dividends.** This is a variable rate account on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union. Rate changes are solely at the discretion of the Credit Union and there are no limitations on the amount the rate may change. Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. Refer to our current Investment Rates schedule for the current anticipated dividend rate and Annual Percentage Yield (APY).

**2. Compounding and Crediting.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends are compounded and credited to your account on the last day of each quarter. Dividend payment periods are from January through March, April through June, July through September, and October through December. If you close your account before dividends are paid, you will not receive the accrued dividends.

**3. Balance Information.** There is a minimum opening balance requirement of \$25.00, which must remain in the account to continue membership eligibility. We reserve the right to adjust minimum deposit balance requirements from time to time. Dividends will begin to accrue on the business day you deposit non-cash items (i.e. checks) to your account.

**D. Transaction Limitations.** Transfers and withdrawals made by telephone, by Touch Tone Teller, by Home Financial Services, by transfer to a third party, or to cover share draft overdrafts will be limited to six (6) such transfers per month and no more than three of the six transfers may be made by check, draft, debit card, if applicable, or similar order to a third party (Regulation D). If the transfer limitations set forth are exceeded, the account is subject to closure. Credit Union Bylaws reserve the right to require a member intending to make a withdrawal from any account (except Checking accounts) to give written notice of such intent, up to sixty (60) days before such withdrawal.

**E. Funds Availability.** If you make a non-cash deposit into your Business Share Account, that money may not be immediately available to you for withdrawal. At the Credit Union's discretion, a hold of up to ten (10) business days may be placed on any check presented and accepted for deposit into a Business Share Account. We will advise you when such funds will be available at the time you make such a deposit. If your deposit is not made in person to one of our employees, or if we decide to place a hold after you have left the premises, we will mail a notice advising you when the funds will be available. We reserve the right to shorten or extend all such holds at our discretion.

If you make a deposit by authorizing us to receive funds from another account (for example, from a savings account at another credit union or bank), that deposit will not be available, nor will it earn dividends, until we actually receive the funds.

## V. BUSINESS CHECKING ACCOUNT

**A. Deposits.** After you have established your Business Checking Account, you may make additional deposits into that account at any time and in any amount subject to the terms of this Agreement. The account is not transferable except on the Credit Union's books and records. Your interest in a Business Checking Account cannot be used as collateral for a loan with another financial institution unless we consent in writing and the transfer is reflected in our records. You may make deposits to your account by any method approved by the Credit Union. There is no minimum deposit for your Business Checking Account, but we may from time to time establish minimum amounts for deposits in the account.

**B. Withdrawing Money from Your Business Checking Account.** As long as you have money in your Business Checking Account, and subject to any applicable state or federal laws and regulations, and the Credit Union's Bylaws, you may withdraw money from your account by a check or any other method approved by the Credit Union. Checks must generally be ordered through the Credit Union. If checks are not ordered through the Credit Union, the Credit Union will assess a fee whenever problems arise in automatically clearing such checks. When you order checks through the Credit Union, the Credit Union will charge your account for the costs of those checks, which will vary depending on the style of checks ordered. You may select checks from the current styles available. Withdrawals will reduce earnings on checking accounts that pay dividends.

**C. Dividends.** If the Business Checking Account that you have chosen pays dividends, this section will apply to your account.

**1. Rate Information and Nature of Dividends.** This is a variable rate account on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union. Rate changes are solely at the discretion of the Credit Union and there are no limitations on the amount the rate may change. Dividends are paid from current income and available

earnings after required transfers to reserves at the end of the dividend period. Refer to our current Investment Rates schedule for the current anticipated dividend rate and Annual Percentage Yield (APY).

**2. Compounding and Crediting.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends are compounded and credited to your account on the last day of each quarter. Dividend payment periods are from January through March, April through June, July through September, and October through December. If you close your account before dividends are paid, you will not receive the accrued dividends.

**3. Minimum Balance Information.** There are no minimum balance requirements to maintain a Business Checking Account at this time, but you may be assessed a fee based upon the type of Business Checking Account you have chosen. However, you must maintain a basic membership share of \$25.00 on deposit in your Business Share Account to retain a Business Checking Account. We reserve the right to adjust the minimum balance requirements from time to time. If you do not maintain any such minimum balance in the account, we may assess a fee. Refer to our Business Accounts Fee Schedule for more information regarding this fee. Dividends will begin to accrue on the business day you deposit non-cash items (i.e. checks) to your account.

**D. Transaction Limitations.** Except as otherwise stated in this Agreement, or in any applicable federal or state law or regulation, there are no transaction limitations on this account.

**E. Payment of Checks and Other General Checking Account Terms.** In addition to the other terms set forth in this Agreement it is agreed that:

- Only checks and other methods approved by Credit Union may be used to withdraw funds from the account.
- All non-cash deposits and payments received in this account will be credited subject to final payment.
- The front side of all checks shall at a minimum contain the legal or "doing business as" name of the business.
- Credit Union is under no obligation to pay a check that exceeds the balance in the account; however Credit Union may pay such a check in accordance with the Overdraft Protection provisions below.
- Credit Union is under no obligation to pay a check that is over six (6) months old, but may at its option pay such a check without notice to you.
- Credit Union will not be liable for refusing to pay items presented if, at any time, fees or charges leave insufficient collected funds in your account to cover the items.
- Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a check or electronic debit.
- Credit Union may permit you to designate, or order checks that indicate that the signatures of two or more authorized signers are required for validity. However, you agree that such transactions or checks may be, but need not be, considered properly authorized even when only one authorized signer has signed a check as drawer or otherwise authorized any transaction, and that although the Credit Union is under no obligation to allow such a transaction bearing less than the requisite number of signatures, the Credit Union will not be negligent if it allows such a transaction when only one authorized signer has authorized a transaction, or check.
- Any electronic debit initiated by a third party against this account is deemed authorized by any signatory if the signatory voluntarily gives the third party information about the account.
- Credit Union reserves the right to pay items drawn against the account in any order.
- We may return all checks drawn on your Business Checking Account unpaid for any reason that checks are normally returned, such as, insufficient funds, uncollected funds, or litigation.
- We will not be responsible for, and you hereby waive any losses or costs you incur as a result of, the payment by us of any check that contains any extraneous legends, for example, "void after 60 days," unless we agree otherwise.
- The use of the Business Checking Account is subject to other terms, conditions and requirements as the Credit Union may establish from time to time.

**F. Funds Availability.** Funds from deposits you make into your Business Checking Account may not always be immediately available for withdrawal or transfer. Refer to Section IX - Funds Availability for more details.

**G. Overdraft Protection.** If a check or ACH debit is presented for payment to your checking account for which there are non-sufficient funds (NSF) available, and you have selected to have Overdraft Protection available for your checking account, (1) a transfer will be made from your other accounts, as you have designated, in an amount sufficient to cover the overdraft amount and fee; or (2) an advance on your Overdraft Protection line-of-credit loan account with us will be made to cover the overdraft and you will repay that advance in accordance with the terms and conditions of your Overdraft Protection line-of-credit plan. However, if there are not sufficient funds to make a transfer according to (1) or (2) of this section, or if you have no Overdraft Protection, the check or ACH debit may be returned NSF and your account will be charged

an NSF fee. Refer to our Business Accounts Fee Schedule for the fee applicable to this transfer.

The Credit Union is under no obligation to pay a check you have written, or "electronic fund transfer" ("electronic fund transfer" services are itemized in Section VIII, Subsection E of this Agreement) if it would result in this Business Checking Account being overdrawn. The Credit Union has the option of honoring a check, ACH debit, merchant purchase, or other debit when your Business Checking Account has non-sufficient funds or may dishonor it, solely at our discretion. Honoring of past overdrafts does not obligate the Credit Union to honor them in the future. The Credit Union may pay the item and charge the amount of the resulting overdraft plus any applicable fee against any account(s). Refer to our Business Accounts Fee Schedule. The Credit Union is not required to send prior notice of checks returned NSF, and you agree to deposit sufficient funds to cover the amount of the overdraft and fee. Failure to cover any resulting deficiency balance within a reasonable period of time, to be determined at the sole discretion of the Credit Union, may result in a loss of account privileges or account termination. All individuals who are personally liable on this account are jointly and severally liable to repay the Credit Union the amount of any overdraft and fees, regardless of which of the parties initiates any transaction that creates an overdraft.

**H. Truncated Checks; Statements.** Your canceled checks will not be returned to you. They will become Credit Union property and held by us ("truncated") for you. They may also be truncated earlier in the check clearing process, such as by the bank into which the payee deposits them. This may be done either pursuant to a contractual electronic presentment process or under a federal law commonly referred to as "Check 21". Your monthly statement will itemize your canceled checks by number, date of clearing, and the amount of the check. Except as expressly stated elsewhere, any objection in regard to any item shown on a periodic statement is waived unless made in writing to the Credit Union before the end of thirty (30) days after the statement is mailed or within thirty (30) days of the date of e-mail notification that your statement is available, if you have chosen electronic statement. A copy of any check or "substitute check" (a legal check under federal law – Check 21) will be available to you as required by law. There may be a small fee to obtain a copy of a check (see the Business Accounts Fee Schedule for a list of fees).

#### **I. Stop Payments.**

**1. Stop Payment Order Request.** You and any authorized signer may request a stop payment order on any check drawn on your account. This request may be provided orally or in writing. We may require you to confirm your oral request in writing within fourteen (14) calendar days. If we request written confirmation and do not receive it within fourteen (14) calendar days, we may disregard your request. To be binding, the written confirmation must be dated, signed, and describe the account, check number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the check, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the check. If you give us incorrect or incomplete information, or only an oral notice is given to us without providing written confirmation, when requested, we will not be responsible for failing to stop payment on the check. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the check. If we re-credit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the check, and to assist us in any legal action.

Stop payments related to pre-authorized transactions must be provided to the Credit Union at least three (3) business days before the scheduled date of the transfer. This request may be provided orally or in writing. We may require you to confirm your oral request within fourteen (14) calendar days, subject to the requirements provided above.

**2. Duration of Order.** A stop payment order is effective for six months and may be renewed in writing from time to time. We will not notify you when a stop payment order expires.

**3. Liability.** Fees for stop payment orders are set forth in our Business Accounts Fee Schedule. You generally may NOT stop payment on any certified check, teller's check or any other check, or payment guaranteed by us. Even if payment of such an item is stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party, account owner, payee, or endorser in failing to stop payment of an item as a result of incorrect information provided by you.

**J. Automated Processing.** You recognize that we have implemented automated collection and payment procedures that rely primarily upon information encoded onto each item in magnetic ink. In recognition of this fact, you agree that in paying or processing an item, we may disregard all information on the item other than the identity of the drawee bank, the amount of the item, and any information encoded onto the item in magnetic ink according to general banking standards, whether or not that information is consistent with any other information on the item. You acknowledge that the Credit Union does not fail to exercise ordinary care in paying an item solely

because its procedures do not provide for sight review of items. Any electronic debit, or other debit initiated by a third party against this account is deemed authorized if you or an authorized signer on the account voluntarily gives the third party information about the account.

**K. Fees.** You agree to pay a monthly fee, when applicable, for each separate activity engaged in during the month. The Credit Union may make changes to fees at any time, and from time to time, without advance notice to you, or as required by applicable law. Applicable fees are set forth in our Business Accounts Fees Schedule.

**L. Payment of Checks after Death.** The Credit Union may, after the date of your death, pay checks drawn before death unless ordered to stop payment by an authorized signer or other appropriate person.

## **VI. BUSINESS HI-YIELD AND HI-YIELD PLUS ACCOUNT**

**A. Deposits.** After you have established your Hi-Yield or Hi-Yield Plus Account, you may make additional deposits into that account at any time and in any amount. You may make deposits to your account by any method approved by the Credit Union.

**B. Withdrawing Money from Your Hi-Yield or Hi-Yield Plus Account.** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union. Withdrawals will reduce earnings on your Hi-Yield or Hi-Yield Plus Account.

#### **C. Dividends**

**1. Rate Information and Nature of Dividends.** Hi-Yield and Hi-Yield Plus Accounts are variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change weekly as determined by the Credit Union. Rate changes are solely at the discretion of the Credit Union and there are no limitations on the amount the rate may change. Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. Refer to our current Investment Rates schedule for the current anticipated dividend rate and Annual Percentage Yield (APY).

**2. Compounding and Crediting.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends are compounded and credited to your account on the last day of each month. The dividend payment period begins on the first day of the calendar month and continues through the last day of the calendar month. If you close your account before dividends are paid, you will not receive the accrued dividends.

**3. Balance Information.** There is a minimum opening balance requirement of \$1,500.00 for the Hi-Yield account. There is a minimum opening balance requirement of \$50,000.00 for the Hi-Yield Plus account, as well as (1) the maintenance of an active checking account in good standing, with direct deposit regularly posted to the account, or (2) a minimum of \$10,000.00 new money (funds not currently on deposit with the Credit Union) at the time the account is opened. Balances below \$1,500.00 in the Hi-Yield Account earn no dividends and balances below \$50,000.00 in the Hi-Yield Plus Account earn the declared dividend rate and APY set for the Business Share Account with balances of \$3,000.00 and over. If you do not maintain any such minimum deposit balance requirement we may charge you a monthly maintenance fee (refer to the Business Accounts Fee Schedule for a list of fees). We reserve the right to adjust the minimum balance requirements from time to time. Dividends will begin to accrue on the business day non-cash items (i.e. checks) are deposited to the account.

**D. Transaction Limitations.** Transfers and withdrawals made by telephone, by Touch Tone Teller, by Home Financial Services, by transfer to an authorized third party, or to cover share draft overdrafts will be limited to six such transfers per month, and no more than three of the six such transfers may be initiated by check, draft, debit card, or similar order (Regulation D). If the transfer limitations set forth are exceeded, the account is subject to closure. Credit Union Bylaws reserve the right to require a member intending to make a withdrawal from the account to give written notice of such intent up to sixty (60) days before such withdrawal.

## **VII. TERM SHARE CERTIFICATE ACCOUNTS**

**A. Deposit.** A member may establish a Term Certificate Account, including Certificates designated as Special Rate Certificates (we will refer to these as "Certificates"). Certificates are savings accounts (also known as "Term Share Accounts") that generally earn a higher rate of interest than other savings accounts. If you wish to deposit additional funds into a Certificate, you may purchase another Certificate at the then current rate.

#### **B. Dividends**

**1. Rate Information and Nature of Dividends.** Certificates are fixed rate accounts on which the dividend rate and Annual Percentage Yield (APY) are fixed for the term of the Certificate. Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. Refer to our current Investment Rates schedule for the current anticipated dividend rate and Annual Percentage Yield (APY).

**2. Compounding and Crediting.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends are compounded and credited to your account on the last day of each quarter. Dividend payment periods are from January through March, April through June, July through September, and October through December. If you close your Certificate before interest is credited, accrued interest will be paid to date less any early withdrawal penalty, if applicable. See the discussion of early withdrawal penalties in Subsection D below.

**3. Balance Information.** There is a minimum opening balance requirement of \$500.00 for all Certificates, except Special Rate Certificates, in which the minimum opening balance requirement is \$5,000.00 new money (funds not currently on deposit with the Credit Union), as well as (1) the maintenance of an active checking account in good standing, with direct deposit regularly posted to the account, or (2) a minimum of \$10,000.00 new money (funds not currently on deposit with the Credit Union). You must also maintain a basic membership share of \$25.00 on deposit in your Business Share Account to retain a Certificate account. Dividends will begin to accrue on the business day you deposit non-cash items (i.e. checks) to your account.

**C. Renewal Policy.** All Certificate accounts will automatically be renewed on the initial or any subsequent renewal maturity date, unless otherwise directed by you, or the Credit Union shall, prior to maturity, give you written notice that it will not be renewed. The dividend rate and Annual Percentage Yield (APY) to be paid upon renewal shall be determined by the Credit Union at or before maturity, and written notice of the renewal rate shall be mailed to you no later than two (2) business days after maturity. All other terms and conditions, including the length of the term of the Certificate, shall be the same as the original Certificate unless the Credit Union shall, prior to maturity, give written notice of a change in such terms and conditions. There is a seven (7) day grace period for withdrawals from the Certificate after it matures. If the Certificate is presented for payment on its maturity date or within seven (7) days thereafter, no penalty shall be imposed but no dividends shall be earned after the maturity date. If the Certificate is not renewed, at maturity, the funds will be transferred to your Business Share Account in the Credit Union, or other account designated by you. If there is no such account at the time, the balance will be deposited to an Accounts Payable until such time as you can be reached and disposition of the Certificate is determined.

**D. Early Withdrawal Penalty.** A substantial penalty is imposed if Certificate funds, other than dividends, are withdrawn prior to the original or subsequent renewal maturity date. If an early withdrawal reduces the principal balance below the original Certificate amount or below the Certificate amount of a subsequent renewal, the Certificate will be canceled, and a forfeiture will be imposed equal to the value of ninety (90) days dividends on the entire amount evidenced by the Certificate if the current term is one year or less, or the value of one hundred eighty (180) days dividends on that amount if the current term is more than one year. In any case of early withdrawal, if accrued dividends are not sufficient to cover the applicable penalty, the penalty will result in the loss of all dividends earned. If a Certificate is withdrawn within the first six (6) days following the original deposit date, the penalty will be equal to seven (7) days interest, and shall be deducted from the principal of the Certificate if accrued dividends are insufficient to cover the penalty. These penalties do not apply in the case of withdrawals resulting from the voluntary or involuntary liquidation of this Credit Union.

**E. Transaction Limitations.** After a Certificate is purchased, you may generally not make deposits into or withdraw principal from that Certificate until the maturity date. If a withdrawal of principal must be made prior to maturity, the entire account balance must be withdrawn. In addition, an early withdrawal penalty will be assessed, as discussed in Subsection D above. Credit Union Bylaws reserve the right to require a member intending to make a withdrawal from the account to give written notice of such intent up to sixty (60) days before such withdrawal. Certificates may not be pledged, transferred, or assigned to any party other than the Credit Union.

## VIII. ELECTRONIC FUND TRANSFERS (EFT)

**A. Generally.** Financial Plus Credit Union makes available to members various "electronic fund transfer" services. We have provided, and will be providing from time to time, plastic Automated Teller Machine Cards and/or Visa Debit Cards to certain members. "Electronic fund transfers" may also be made by use of a touch-tone telephone through our audio response service (Touch Tone Teller) or by use of a personal computer through our online banking (called Home Financial Services – HFS) and BillPay Plus programs or by preauthorized debits (including electronic check conversions) and credits from third parties.

When a secret personal identification number (called a "PIN") is also provided, the Automated Teller Machine Card and/or Visa Debit Card, can be used, together with the PIN, in any of a number of automated teller machines or point of sale terminals to make "electronic fund transfers" to, from, or between one or more accounts in the Credit Union, simply by following the instructions at the machine or terminal. The Visa Debit Card can also be used along with your signature or with other electronic means at Visa merchant locations.

We will, upon request, issue personal identification numbers ("PINs") which can be used with a touch-tone telephone or personal computer to make "electronic fund transfers" to, from, or between one or more accounts in the Credit Union by following the rules and procedures of our Touch Tone Teller and/or Home Financial Services program(s) or to third parties through our BillPay Plus program.

This Agreement is being furnished to you as a member of Financial Plus Credit Union to meet the requirements of the federal and Michigan statutes relating to "electronic fund transfers," as well as the requirements of the regulation (Regulation E) issued by the Federal Reserve Board pursuant to the federal statute, whether such "electronic fund transfers" are made by use of an automated teller machine, a point of sale terminal, at a Visa merchant location, our Touch Tone Teller service, Home Financial Services program, BillPay Plus service, or in some other manner.

In this Agreement, "you", "your", "organization" and "business" mean the sole proprietorship described in the Signature Card, the sole proprietor and all authorized signers. "We," or "us," and "Credit Union" refers to Financial Plus Credit Union.

This Agreement is a contract. The terms and conditions set out here are binding on you and on us as to the making of such "electronic fund transfers," as outlined in Subsection E, in the following cases:

- If you use the account(s) covered by this Agreement after receipt of this Agreement;
- If you already have an Automated Teller Machine Card and/or Visa Debit Card and PIN provided by us and you use them to make such transactions after receipt of this Agreement;
- If you ask us to provide you with a PIN and you thereafter use it, together with your Automated Teller Machine Card and/or Visa Debit Card, to make such transactions;
- If you receive an Automated Teller Machine Card and/or Visa Debit Card from us without asking for it, but then ask us to provide you with a PIN to make such transactions or activate it according to the instructions on the card(s);
- If you already have, or if we issue a PIN at your request and you use it to make transactions through our Touch Tone Teller, Home Financial Services, or BillPay Plus program(s).
- If you have authorized other "electronic fund transfers," such as preauthorized debits (including electronic check conversion) or preauthorized credits through a third party service provider or you authorize other "electronic fund transfers" after receipt of this Agreement.

In any case, your use of the account(s) or your making of such transactions after receipt of this Agreement constitutes your acceptance of the terms and conditions set out in this Agreement.

Although your account(s) may be subject to "electronic fund transfers" and in that regard are subject to the terms and conditions of this Agreement, you may continue to use those account(s) to the same extent and in the same manner that you have in the past insofar as "over-the-counter" and other non-electronic transactions are concerned.

**B. Accounts Affected.** Each of the following types of accounts in the Credit Union can be subject to some kind of "electronic fund transfer" service:

Business Share Account	Business Checking Account
Hi-Yield or Hi-Yield Plus Account	Term Share Certificate Account

These types of accounts are sometimes referred to in this Agreement as "asset account(s)" or simply as your "account(s)."

If you have previously told us which of your account(s) you want to be subject to a particular type of "electronic fund transfer" service, you may change those instructions in the future, and we will follow your new wishes to the extent regulations allow, and our "electronic fund transfer" services permit at that time.

**C. Account Agreements.** The other terms and conditions of the Sole Proprietorship Membership/Account Agreement relating to your accounts with us remain in effect except to the extent modified by this Section VIII.

**D. Minimum Balance.** You must always maintain a minimum of \$25.00 in your Business Share account to be entitled to make "electronic fund transfers" affecting your account(s). We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least twenty-one (21) days advance written notice.

**E. "Electronic Fund Transfer" Services.** If you have previously told us which "electronic fund transfer" services you want to use, you can discontinue use of any such service whenever you wish. If you begin using a different "electronic fund transfer" service after receipt of this Agreement, we must be notified of the account(s) to be affected.

We may make additional types of "electronic fund transfer" services available in the future. We may also discontinue one or more, or all, of our "electronic fund transfer" services in the future, but if we do that we will give you at least twenty one (21) days advance notice in writing.

At the present time, you can authorize the following types of "electronic fund transfers" to, from, or between your "asset account(s)" in the Credit Union:

### 1. Preauthorized Transfers to Your Accounts (Credits):

- Transfers between your "asset accounts" or loan accounts\* in the Credit Union.
  - Automatic transfer from another person's account in the Credit Union;
  - Deposit(s) from any third party through the facilities of an automated clearing house (ACH) or other electronic network.
- \* These are not "electronic fund transfers".

### 2. Preauthorized Transfers from Your Accounts (Debits):

- Payments to third parties through facilities of an automated clearing house (ACH) or other electronic network;
  - Transfers between your "asset accounts" or loan accounts\* in the Credit Union.
  - Automatic transfers to another person's account in the Credit Union;
  - Automatic transfers from your account to make payments on another person's loan to the Credit Union.
- \* These are not "electronic fund transfers".

### 3. Electronic Checking Conversion:

You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. The check may be given to the merchant or other payee blank, partially completed, or fully completed and signed; may be presented at the point of sale or mailed to a merchant or other payee or lockbox and later converted to an "electronic fund transfer;" or may be retained by the consumer, the merchant or other payee, or the payee's financial institution. This may include the electronic payment of charges for checks returned for non-payment. Your authorization to make such types of "electronic fund transfers" may be expressed in writing or implied, for example, by the merchant or other payee posting a sign.

### 4. Touch Tone Teller Transactions:

If you authorize access to our Touch Tone Teller automated response system, you may use your touch tone telephone and PIN to make the following "electronic fund transfers:"

- Withdrawals from your "asset accounts" or line of credit loan accounts in the Credit Union, except escrow and certificate accounts (a check will be mailed to your address on file);
  - Transfers between your "asset accounts" in the Credit Union, excluding escrow and certificate accounts;
  - Transfers between your "asset accounts" and your line-of-credit loan accounts in the Credit Union, except escrow and certificate accounts;
  - Transfers from your "asset accounts" to your closed-end loan accounts in the Credit Union, except escrow, certificate accounts, and mortgages.
  - Transfers from your "asset accounts" in the Credit Union (excluding escrow and certificate accounts) or line-of-credit loan to another member account at the Credit Union, which you have previously authorized.
  - Balance inquiries and other account information on your asset and loan accounts\*.
- \*(These are not "electronic fund transfers.")

### 5. Automated Teller Machine Transactions:

If you have an Automated Teller Machine Card and/or Visa Debit Card for which we have issued a PIN, you can use your card and PIN to make the following transactions in an automated teller machine. However, your card(s) may need to be reprogrammed by our Member Service Department in order to access all of these accounts:

- Deposits to your Business Share, checking, Hi-Yield or Hi-Yield Plus\*\* account;
- Cash withdrawals from your Business Share, checking, Hi-Yield or Hi-Yield Plus \*\* account;
- Cash withdrawals from your Visa and Personal Pocketbook or Home Equity line-of-credit loan accounts with us\*;
- Transfers (non-cash) between Business share, checking, Hi-Yield and Hi-Yield Plus \*\* accounts;
- Transfers (non-cash) from your Business Share, checking, Hi-Yield or Hi-Yield Plus \*\* accounts to your loan account(s)\*\*\* with us;
- Transfers (non-cash) from your Visa and Personal Pocketbook or Home Equity line-of-credit loan accounts with us to your Business Share, checking or hi-yield\*\* account;
- Payments on loans by cash, check, draft, etc.\*/\*\*\*;
- Balance Inquiries on your Business Share, check, Hi-Yield, Hi-Yield Plus accounts\*\*, and your Visa and Personal Pocketbook or Home Equity line of credit loan accounts\*.

\* These are not "electronic fund transfers."

\*\* Hi-Yield and Hi-Yield Plus account access restricted to automated teller machines owned and operated by the Credit Union and ATMs in the Co-op Network.

\*\*\* Loan payment transfers will be processed manually within two (2) "business days" of the transaction date and are restricted to ATMs owned and operated by the Credit Union. See Subsection V for our "business days."

### 6. Point-Of-Sale Transactions:

If you have an Automated Teller Machine Card and/or Visa Debit Card for which we have issued a PIN, you may use your card and PIN to pay for goods

and services at places that have agreed to accept cards with NYCE access. These places will display the NYCE logo in their business locations. Payment may only be made from funds in your checking account. Access to other accounts is not permitted.

### 7. Visa Debit Card Transactions:

If you have a Visa Debit Card, you may use your signed card along with your signature to purchase goods and services from merchants that have agreed to accept Visa cards. These merchants will display the Visa logo in their business locations. You may also use your Visa Debit Card to order goods or services by mail, telephone, or the Internet from merchants that have agreed to accept Visa cards. Your Visa Debit Card, along with your PIN, will also perform the transactions itemized in the "Automated Teller Machine Transactions" and "Point-of-Sale Transactions" sections above. Purchase transactions at merchant locations may only be made from funds in your checking account. Access to other accounts is not permitted.

### 8. Home Financial Services (Online Banking) Transactions:

Our Home Financial Services (HFS) allows members to process "electronic fund transfers" between their account(s) and make other transfer requests by use of a personal computer connected to the Internet. If you have authorized HFS access, for which we have issued a PIN, you may log onto our HFS system to process the following transactions:

- Transfers between your "asset accounts" in the Credit Union (excluding escrow and certificate accounts);
  - Transfers from your "asset accounts" (except escrow and certificate accounts), to your loan accounts in the Credit Union (except mortgages).
  - Transfers from your line-of-credit loan accounts (i.e. Visa, Personal Pocketbook or Home Equity) to your "asset accounts" (except escrow and certificate accounts).
  - Transfers from your "asset accounts" (except escrow and certificate accounts), or line-of-credit loan accounts (i.e. Visa, Personal Pocketbook or Home Equity) to another member account at the Credit Union, which you have previously authorized.
  - Balance inquiries and other account information on your asset and loan accounts\*.
  - Download account information into certain personal financial management software packages\*.
  - Send an e-mail message to us to place an order for an additional supply of checks, place a stop payment on a check or range of checks, request a copy of a check previously written which has cleared your account, and perform certain other transactions\*. There may be a fee for these services, refer to our current Business Accounts Fee Schedule.
  - Make application for credit card and other loan accounts\*.
- \* These are not "electronic fund transfers."

### 9. BillPay Plus Services:

BillPay Plus is a bill payment service, which allows members to transfer funds from their checking account to make third-party payments. You must be a user of Home Financial Services to access the BillPay Plus program. If you have authorized access to our BillPay Plus service, and agreed to pay the monthly fee (refer to our Business Accounts Fee Schedule), you may use a personal computer, internet connection, and PIN to make the following "electronic fund transfers:"

- Withdrawals from your checking account in the Credit Union to make payments to third parties, through the facilities of an automated clearing house (ACH), other electronic network, or by check.
  - Balance inquiry on your checking account.\*
- \*These are not "electronic fund transfers."

BillPay Plus transfers can be scheduled as "Today", "Future", or "Recurring" payments.

A "Today" payment will be withdrawn from your checking account immediately upon terminating the BillPay Plus session, and the payment to the third-party payee will begin processing on the following "business day." The payment may not be stopped or cancelled once you have terminated the BillPay Plus session.

A "Future" payment will be withdrawn from your checking account and the third-party payment will begin processing on the day scheduled, or if not a "business day" on the next "business day." "Future" payments may be scheduled up to three-hundred-sixty-four (364) days in advance and may be changed or cancelled until midnight (Eastern Time) of the day prior to the scheduled payment date.

A "Recurring" payment can be scheduled to occur automatically based upon a specified regular basis, beginning on the start date indicated and ending on the end date indicated. "Recurring" payment(s) will be withdrawn from your checking account, and the third-party payment will begin processing on the day scheduled, or if not a "business day" on the next "business day." "Recurring" payments may be changed or cancelled until midnight (Eastern Time) of the day prior to the scheduled payment date.

The BillPay Plus program is available twenty-four (24) hours per day, seven (7) days per week, and is limited to \$5,000.00 per payment, and up to forty-five (45) third-party payees. Payment is expected to be made to the third-party payee on the "deliver by" date indicated online when the payment is scheduled.

All payments must be payable in United States Dollars and the payee address must be within the United States. Payments may not be made to a federal, state or local governmental or taxing unit, or other category of payees, as indicated online. Payments must be scheduled to allow a sufficient number of "business days" for the payment to be delivered, as indicated online when the payment is scheduled, to process the payment and deliver funds to the third-party payee by the payment due date, excluding any grace period. Refer to the "Payment Guarantee" online for more details. See Subsection V for our "business days."

The monthly fee for BillPay Plus will be withdrawn from your checking account on the last day of each month, and will cover all BillPay Plus transactions made during the current month. See our Business Accounts Fee Schedule for BillPay Plus fees. We reserve the right to change this fee, upon notice, in the future.

**F. Location of ATMs.** At the present time, you can use automated teller machines (ATMs) owned and operated by Financial Plus Credit Union, and machines in the NYCE, Co-op, and Cirrus networks. Other regional networks may also be available through network sharing agreements.

The number and location of automated teller machines is, of course, subject to change at any time. If you have an Automated Teller Machine Card and/or Visa Debit Card and PIN, we will keep you informed from time to time of the location of our machines and the networks available.

**G. Excluded Transactions.** Our data processing system makes it possible to offer you many electronic services, however, some of these services do not constitute "electronic fund transfers" for the purpose of this disclosure, for example, automatic transfers from your account(s) to pay your loan(s) owing to us or automatic transfers between your own "asset account(s)" in the Credit Union, nor transfers received via Fedwire or through a similar wire transfer system, such as "A2A" Money Transfer System, that is used primarily for transfers between financial institutions or between businesses. The terms and conditions of this Agreement apply only to those services and transfers, which are "electronic fund transfers" as described in Subsection E; they do not apply to other transactions which, although electronic in nature, do not constitute "electronic fund transfers" described in Subsection E.

**H. Illegal Use of Card or Other "Electronic Fund Transfer" Service.** You understand and agree that "electronic fund transfer" services, including but not limited to use of an Automated Teller Machine and/or Visa Debit Card may not be used for any illegal transaction. You further understand and agree that illegal use of an "electronic fund transfer" service will be deemed an action of default and/or breach of contract, and as a result your account and other related services may be terminated at the discretion of the Credit Union. You further agree, should illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it, and, additionally, to indemnify and hold the Credit Union harmless from any suits or other legal action or liability directly or indirectly resulting from such illegal use.

Internet gambling may be illegal in the jurisdiction in which a member is located, including the United States and elsewhere. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are legal in the jurisdiction in which the member is located. The Credit Union may decline to authorize any transaction the Credit Union believes poses an undue risk of illegality or unlawfulness. The Credit Union will immediately report and comply fully with law enforcement agencies seeking to investigate illegal use of an Automated Teller Machine and/or Visa Debit Card or other "electronic fund transfer" service.

**I. Card and Electronic Device Ownership.** All Automated Teller Machine and/or Visa Debit Cards, and its personal identification numbers (PIN's), Home Financial Services PIN's, and Touch Tone Teller PIN's remain the property of the Credit Union and may be revoked or cancelled at any time without giving you prior notice. Your use of such services is a revocable privilege. Because we retain ownership of all Automated Teller Machine and/or Visa Debit Cards, and its PIN, Home Financial Services PIN's, and Touch Tone Teller PIN's, we may, in our sole discretion, revoke your access to such privileges for repeated overdrafts, account misuse, loan delinquencies, and other activities deemed adverse to the Credit Union's interests.

If this Agreement is terminated, you agree to surrender any Automated Teller Machine and/or Visa Debit Cards to us.

We will not be required to complete any "electronic fund transfer", that would cause your account to go below zero, or after the service has been terminated, but if we do, you agree to pay us the amount of the improper withdrawal, or transfer, upon request.

**J. Personal Identification Number (PIN) Secrecy and Member Responsibility.** If we have issued PINs for use in conjunction with your Automated Teller Machine Card, Visa Debit Card, Home Financial Services, Bill Pay services, and/or our Touch Tone Teller program, you agree to keep the PIN(s) secret and you also agree that you will not write the PIN(s) on your card(s) nor on any item you keep with your card(s) or other account information, or store your PIN on your personal computer. Unless you provide evidence to the contrary, the Credit Union will attribute all PIN-based transactions made on your accounts to your own activities.

**K. Fees for "Electronic Fund Transfers."** At the present time, we make no charge to you or to your asset account(s) for the making of "electronic fund transfers" as described in Section E, or for the right to make such transfers,

except when limitations are exceeded on the number of transactions made at an automated teller machine and for BillPay Plus services. There may be a charge for additional or replacement Automated Teller Machine and/or Visa Debit Cards. There may also be transfer, overdraft, and/or non-sufficient fund fees for overdrafts created in your account(s). Refer to our Business Accounts Fee Schedule for current fee amounts. We reserve the right to impose, or change such charges, if we deem it necessary. We will give you at least twenty-one (21) days advance written notice before imposing or increasing any such charge.

If you use an automated teller machine that is not operated by us, you may be charged a fee by the operator of the machine and/or by an automated transfer network.

If you use your Automated Teller Machine Card and/or Visa Debit Card to make a transaction in a country outside the United States, you will be charged an International Transaction Fee. If the transaction is made in foreign currency, the transaction will be converted to U.S. Dollars. The currency conversion rate will be either a rate selected by Visa or Cirrus from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa or Cirrus itself receives, or the government mandated rate in effect for the applicable central processing date. All transactions made outside the United States will be charged an International Transaction Fee regardless if the transaction is made in foreign currency or U.S. currency, in each instance, plus or minus any adjustment determined by the Issuer. See our current fee schedule for ATM/Debit/Credit Card International Transaction Fee for the current fee amount. We reserve the right to change this fee, upon notice, in the future.

**L. Limitations on "Electronic Fund Transfers."** Transfers and withdrawals made by telephone\*, by Touch Tone Teller, through Home Financial Services, by transfer to an authorized third party, or to cover overdrafts\* will be limited to a total of six such transfers and withdrawals per account, per month (Regulation D). Transfers and withdrawals made by automated teller machine, in person\* or by mail\*, and through our BillPay Plus program are not subject to this limitation nor are transfers and withdrawals made from your Business Checking Account.

Your accounts may be accessed 24 hours per day, 7 days per week, except for short periods of time each day to allow for certain processing and back-up requirements. Other unanticipated outages may be experienced, although they will be kept to a minimum. We reserve the right to deny "electronic fund transfer" services if your account(s) are in derogatory status, such as if you are past due on your loan obligations with us or overdrawn on any of your account(s). These limitations may be changed in the future, however, we will give you written notice of any such change at least twenty-one (21) days in advance.

There are no limitations on the number of deposit, transfer and payment transactions you may make at an automated teller machine within the State of Michigan during a daily 24-hour operating cycle. However, deposits and transfers are limited to \$25,000.00 per transaction, and are not allowed at automated teller machines outside the State of Michigan, except within the Co-op Network. Not all transaction types may be available at all automated teller machines. Payment transactions are allowed only at automated teller machines owned and operated by Financial Plus Credit Union. Hi-Yield account transactions are allowed only at automated teller machines owned and operated by Financial Plus Credit Union and machines within the Co-op Network. To protect against possible losses, your Automated Teller Machine Card(s) will not allow you to obtain more than \$305.00 cash, including surcharges, from an automated teller machine, per card, and \$500.00 in goods or services, per card, through a point of sale terminal during a daily twenty-four (24) hour cycle. Additionally, certain card(s), at the option of the Credit Union, may have reduced cash withdrawal and point-of-sale authorization limits; however, if this is the case, you will be notified. Your Visa Debit Card will not allow you to obtain more than \$510.00 cash, including surcharges, from an automated teller machine, per card, and up to \$5,000.00, upon account review and approval, in goods or services, per card, through any combination of transactions at point-of-sale terminal(s) or purchase(s) at Visa merchant(s) during a daily twenty-four (24) hour cycle. Purchase transactions made by use of your Automated Teller Machine Card and/or Visa Debit Card may only be made from funds in your checking account. Access to other accounts is not permitted. You have the right to require us to program our system so that no more than \$50.00 can be withdrawn from your account(s) by use of your Automated Teller Machine Card or Visa Debit Card during a single day. Please contact us if you want this option. Your Automated Teller Machine card and/or Visa Debit Card may not be used for any illegal transaction, including Internet gambling transactions.

You must be a user of Home Financial Services to access BillPay Plus. BillPay Plus transfers are limited to \$5,000.00 per payment, up to forty-five (45) third-party payees, and must be made from funds in your Business Checking Account. Third-party payments must be made to United States payees and payable in United States Dollars. Payments may not be made to a federal, state or local governmental or taxing unit, or other category of restricted payees, as indicated online.

\* These are not "electronic fund transfers."



## M. Documentation of Transfers.

1. You can get a transaction receipt at the time you make any transfer to, from or between your account(s) using an automated teller machine or point-of-sale terminal. A receipt may not be available if the transaction amount is \$15.00 or less.

2. You will receive a statement every month in which you have "electronic fund transfer" activity, and at least once per quarter for each "asset account(s)" for which you have authorized any "electronic fund transfer" service described in Section E that has not had activity in a given month. Periodic statements we send you on accounts that are subject to "electronic fund transfers" described above and transaction receipts are admissible evidence in resolving a dispute.

3. If preauthorized payments from your account(s) may vary in amount, the person you are going to pay will notify you in writing ten (10) days before each payment when it will be made and how much it will be.

**N. Right and Procedures to Stop Payment on Preauthorized, Electronic Check Conversions, and BillPay Plus Transfers.** The following rules apply only to "Preauthorized Transfers from Your Account (Debits)," "Electronic Check Conversions" and "BillPay Plus Services" as described in Subsection E of this Agreement.

If you have told us in advance to make regular payments out of your account(s), or authorized an electronic check conversion, you can stop these payments. However, only BillPay Plus transfers designated as "Recurring" payments can be stopped. BillPay Plus transactions designated as "Future" and "Recurring" payments can be cancelled through the BillPay Plus program until midnight (Eastern Time) of the day before the scheduled processing day. "Today" transactions cannot be stopped or cancelled once the BillPay Plus session is terminated. To place a stop payment on a preauthorized transfer, electronic check conversion, or "Recurring" BillPay Plus transfer from your account, you must:

Call us at:

(810) 244-2200 or toll-free (800) 748-0451

Or, write us at:

Attn.: Member Service Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

This notice must be sent in time for us to receive your request three (3) or more "business days" before the payment is scheduled to be made. Give us your name and account number, the name of the party receiving the payment, the amount of the payment, and date on which it is scheduled to be made. If you call, you may be required to put your request in writing and to get it to us within fourteen (14) days after you call. A stop payment is valid for six (6) months.

We charge a fee for handling such stop-payment orders and reserve the right, upon notice, to change such fees in the future (Refer to our Business Accounts Fee Schedule).

If these regular payments may vary in amount, the party you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set; if so, you must make the necessary arrangements with the party you are going to pay.

If you order us to stop one of these preauthorized, or "Future" or "Recurring" BillPay Plus payments three (3) or more "business days" before the transfer is scheduled, and we do not do so, we will be liable for your actual losses or proven damages. In Subsection V of this Agreement, we tell you what our "business days" are.

**O. Reversing "Electronic Fund Transfers."** If an "electronic fund transfer" described in Section E was a payment of \$50.00 or more for goods or services to a third party, you have the right to require us to reverse such transfer and to credit your account with the full amount of the transfer if (1) you tell us, within four (4) calendar days after the date of the transfer, to make such a reversal, (2) you notify us that you have made a good faith attempt to resolve your dispute with the third party involved, and (3) you assure us that any returnable goods involved in the dispute will be returned.

If you do these things in writing, you MUST send the letter to:

Attn.: Member Service Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

Or call us at:

(810) 244-2200 or toll-free (800) 748-0451

If you tell us orally that you want such a transfer reversed, we will send you a form you can use to confirm your reversal request, your notice of attempted resolution of the dispute, and your assurance to return any returnable goods involved. You are required to get this confirmation form back to us properly filled out within fourteen (14) calendar days after the date of your oral request for reversal. We make a charge for handling such reversal requests and

reserve the right, upon notice, to change such fees in the future (Refer to our Business Accounts Fee Schedule).

**P. Confidentiality.** In the ordinary course of business we will only disclose information to non-affiliated third parties concerning your account(s) or "electronic fund transfers" described in Subsection E under the following circumstances:

- As necessary to complete "electronic fund transfers" or other transactions you have authorized; or
- With your oral or written consent; or
- To verify the existence of your account(s), or sufficient funds necessary to complete "electronic fund transfers" you have authorized through a third party; or
- To furnish information under the federal "Fair Credit Reporting Act;" or
- As provided by law, by court order, or governmental agency inquiry or order; or
- To investigate possible unauthorized "electronic fund transfers," or to combat fraud; or
- If the information relates to improper use of your account(s) or access devices.

**Q. In Case of Errors or Questions About Your "Electronic Fund Transfers" as Described in Section E.**

Telephone us at:

(810) 244-2200 or toll-free (800) 748-0451

Or write to us at:

Attn.: Member Service Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

as soon as you can, if you think your statement or a transaction receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we send the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number; and
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information; and
- (3) Tell us the dollar amount of the suspected error.

If you tell us orally, we will require that you send us your complaint or question in writing within ten (10) "business days." In Subsection V of this Agreement, we list our "business days."

We will determine whether an error occurred within ten\* (10) "business days" after we hear from you and will correct any error promptly. 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 credit your account within ten\* (10) "business days" for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) "business days," we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may take up to twenty (20) "business days" to credit your account for the amount you think is in error.

We will tell you the results within three (3) "business days" after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask us for copies of the documents that we used in our investigation.

If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an automated teller machine, we will credit your account within five (5) "business days" unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) "business days." If we ask you to put your complaint or question in writing and we do not receive it within ten (10) "business days," we may not credit your account.

**R. Liability for Unauthorized Use.** Except as provided in this section, the Credit Union is liable to you for funds wrongly taken from your account by an unauthorized "electronic fund transfer."

However, you will be responsible for money taken from your account through an unauthorized "electronic fund transfer" if you voluntarily give your Automated Teller Machine Card and/or Visa Debit Card, Touch Tone Teller, Home Financial Services, or BillPay Plus account information or PIN(s) to someone who takes money out of your account(s) without your permission. You will continue to be liable until you notify us that transfers by that person are no longer authorized.

Tell us AT ONCE if you believe that your Automated Teller Machine Card and/or Visa Debit Card, Touch Tone Teller, Home Financial Services, or BillPay Plus account information has been lost or stolen, if you believe that someone has learned your PIN(s), or if you believe that an electronic fund

transfer has been made using information from your check without your permission. You should also notify us immediately if you believe someone has gotten money out of your account(s) without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account(s) plus the maximum limits of your lines-of-credit (i.e. Visa credit card, Personal Pocketbook, Home Equity, or Overdraft Protection).

If you tell us within two (2) business days after you learn of the loss or theft of your Automated Teller Machine Card and/or Visa Debit Card, Touch Tone Teller, Home Financial Services, or BillPay Plus account information, or discover that someone has learned your PIN(s), you can lose no more than \$50.00 if someone used your Automated Teller Machine Card and/or Visa Debit Card or accessed your account(s) through Touch Tone Teller, Home Financial Services, or BillPay Plus without your permission.

If you do NOT tell us within two (2) "business days" after you learn of the loss or theft of your Automated Teller Machine Card and/or Visa Debit Card, or your Touch Tone Teller, Home Financial Services, or BillPay Plus PIN(s), and we can prove we could have stopped someone from accessing your account(s) without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transactions that you did not make, including those made using any card, code (PIN) or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, or within sixty (60) days of the date that the e-mail message was sent notifying you that your statement was available electronically if you have chosen e-statements, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason such as a long trip or hospital stay kept you from telling us, we may extend the time periods.

#### **S. Special Liability Protection Rules for Visa Debit Card Transactions.**

You will not be liable for any unauthorized transactions made with your lost or stolen Visa Debit Card, when used to make purchases at a Visa merchant (excluding transactions performed at an automated teller machine or NYCE point-of-sale merchant).

**T. Notice of Unauthorized Use.** If you believe your Automated Teller Machine Card and/or Visa Debit Card, Touch Tone Teller, Home Financial Services PIN(s), or BillPay Plus PIN(s) has been lost or stolen or that someone has transferred or may transfer money from your account(s) without your permission, contact us IMMEDIATELY at:

Call us at:

(810) 244-2200 or toll-free (800) 748-0451

Or, write us at:

Attn.: Member Service Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

**U. Our Liability For Failure to Make "Electronic Fund Transfers."** If we do not complete an "electronic fund transfer," as described above, to or from your account(s) on time and in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for the failure to complete a transfer under any of the following circumstances:

- For a loss of a card that is retained or destroyed by an automated teller machine;
- If, through no fault of ours, you do not have enough money in your account to make the transfer;
- If there is not enough money in your account, in excess of amounts you have pledged to us as collateral for a loan, to make the transfer;
- If there is not enough collected funds in your account to make the transfer;
- If the funds in your account are subject to garnishment or other legal process;
- If we have, because of your default on a loan, exercised our rights against the funds on deposit in an account;
- If the transfer would take the balance on your overdraft loan (if applicable) over the credit limit;
- If the transfer would go over the established limit on your account(s);
- If you used your card(s) or other access device in an incorrect, illegal or unauthorized manner;
- If the automated teller machine where you are making the withdrawal does not have enough cash;

- If the automated teller machine or system where you are making the transfer was not working properly and you knew about the breakdown when you started the transfer;
- If the failure was caused by a merchant, system or network not within our control;
- If you use or attempt to use "electronic funds transfers" as described in Section E after your right has been canceled;
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken;
- If you operate the automated teller machine or system improperly;
- If you fail to observe the terms and conditions of this Agreement or our account agreements with you;
- If, due to suspicious activity on your account, we have temporarily suspended your privileges until the activity can be verified;
- If, using BillPay Plus, you attempt to make a payment to a payee outside the U.S., or to a governmental or taxing unit, or other restricted payee;
- If your line of credit or any other obligation owing to us is delinquent, or any account with us is in derogatory status; or
- Other reasonable exceptions as established by us.

**V. Business Days.** Our "business days" are Monday through Friday, excluding New Year's Day, Martin Luther King, Jr. Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, Christmas Day, and on the last weekday preceding Christmas and New Year's Day, nor on any day designated for their observance.

If we change our "business days," we will notify you of the change in advance.

**W. Regulatory Agency.** If you believe that we may have violated federal or state laws regulating "electronic fund transfers" (Michigan Public Act No. 322 of 1978), you may contact:

Consumer Financial Protection Bureau  
P.O. Box 4503  
Iowa City, Iowa 52244

OR

State of Michigan  
Department of Insurance and Financial Services  
P.O. Box 30220  
Lansing, MI 48909-7720

**X. Amendments/Termination.** We reserve the right to amend the Agreement at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances; however, in the specific cases mentioned earlier, we will give you at least twenty-one (21) days advance written notice. We also reserve the right to terminate this Agreement by sending a notice, using either first class mail or e-mail, if you have so chosen, of such termination, which shall be effective when sent.

**Y. Responsibility for Overdraft.** If an overdraft in your account(s) is created through your use of "electronic fund transfers" as described in Subsection E, or because of fees and charges relating to those "electronic fund transfers," the overdraft amount and a non-sufficient funds or overdraft fee is due and payable the moment you get it, unless you are notified otherwise by the Credit Union. You also authorize us, in such a case, to apply from any other shares or deposits you may have in the Credit Union such amount as may be necessary to pay such overdraft amount and fee.

If a check or ACH debit is presented for authorization or payment to your Business Checking Account for which there are non-sufficient funds (NSF) available and you have selected to have Overdraft Protection available for your checking account, (1) a transfer will be made from your other share or deposit account(s), as you have designated, in an amount sufficient to cover the overdraft, or (2) an advance on your Overdraft Protection line-of-credit loan account with us will be made to cover the overdraft and you will repay that advance in accordance with the terms and conditions of your Overdraft Protection line-of-credit plan, depending upon which form of overdraft protection you have selected. But, if there are not sufficient funds to make a transfer according to (1) or (2) of this section, or if you have no Overdraft Protection for your Business Checking Account, the check or ACH debit may be denied and returned to the third-party presenter without payment, and your account will be charged a non-sufficient fund fee.

In the sole discretion of the Credit Union, a check, ACH debit, merchant purchase or other debit may be honored, creating an overdraft in your Business Checking Account and you will owe the Credit Union the amount of the overdraft, plus an overdraft fee.

If an ACH debit is presented for payment to your share account(s) for which there are non-sufficient funds available, it may be returned to the third-party presenter without payment, and your account will be charged a non-sufficient fund fee.

Refer to fees in our current Business Accounts Fee Schedule. We reserve the right to change fees, upon notice, in the future.

**Z. Crediting of Deposits, Payments and Transfers.** Deposits or payments made in an automated teller machine, whether in cash, check, draft, or money order, are subject to verification, and the funds of such deposits and payments to share, share draft checking, or loan accounts may be held until they can be

collected from the machine, verified, and entered into our accounting system. Further delay may occur if the transaction is made on or immediately prior to a Saturday, Sunday or holiday which we are closed. If you place a check, draft or money order in an automated teller machine as a deposit or payment, it is subject to collection in accordance with Section IX, Funds Availability.

BillPay Plus transactions scheduled as "Today" payments will be deducted from your Business Checking Account immediately, however payment to the payee will not begin processing until the following "business day." BillPay Plus transactions scheduled as "Future" or "Recurring" payments will be deducted and processed on the scheduled payment date. The timeframe allocated for all payments to be received by the designated payee will be two (2) to five (5) "business days," as indicated online when the payment is scheduled.

Refer to Subsection V for our "business days."

**AA. Warranty.** Except where expressly contained herein, the Credit Union makes no warranties, expressed or implied, pertaining to the use of any "electronic fund transfer" services.

## IX. FUNDS AVAILABILITY POLICY (REGULATION CC)

The following information describes the Credit Union's policy of holding deposited items in a Business Checking account (also known as a "transaction account") before funds are made available to you for withdrawal. This is what is called a Funds Availability Policy. Generally, transaction accounts are accounts, which would permit an unlimited number of payments by check, telephone, preauthorized transfer, or other order to third parties, or other accounts you may have with us. Funds availability policies for accounts that are not transaction accounts have been described elsewhere in this Agreement.

### Your Availability To Withdraw Funds

Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic funds transfer will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written and other electronic debits that are presented for payment.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and holidays. If you make a deposit before 5:00 p.m. 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 5:00 p.m. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Remember, 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 unpaid and any other problems involving your deposit.

### Longer Delays May Apply

In some cases, we may not make all of the funds that you deposit by check available to you by the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200.00 of your deposits, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available by the first 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 the notice by the first business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, 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 \$5,000.00 on any one day.
- You/we redeposit 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 computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit or re-deposit.

### Special Rules for New Accounts

If you are a new member, the following special rules may apply during the first thirty (30) days your account is open. You will be notified if this section is applicable to your account.

Funds from electronic funds transfer to your account may not be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposit of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit(s) meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000.00 will be available on 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 \$5,000.00 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available by the ninth business day after the day of your deposit, unless other exceptions listed in the "Longer Delays May Apply" section above also apply.

### Automated Teller Machines And Funds Availability

Financial Plus Credit Union owns and operates many of its own automated teller machines. These are clearly identified as Financial Plus Credit Union machines and can be found at any of our offices, in many of the General Motors facilities the Credit Union serves, and several retail sites. We will keep you informed of changes and additions to these locations.

All deposits made into an automated teller machine after 12:00 noon on weekdays and anytime on Saturdays, Sundays or holidays will be considered received the next business day we are open.

Our policy is to allow availability of funds deposited into Financial Plus Credit Union's automated teller machines by the next business day after we receive your deposit.

If you deposit funds into your Financial Plus Credit Union accounts through another automated teller machine, one not owned and operated by Financial Plus Credit Union, whether cash or check, the funds may not be available for up to five business days following the day of the deposit.

However, all automated teller machine deposits are subject to the same conditions and exceptions referred to in the "Longer Delays May Apply" and "Special Rules for New Accounts" sections of this Agreement.

Our business days are Monday through Friday, excluding New Year's Day, Martin Luther King, Jr. Day, President's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday after Thanksgiving Day, Christmas Day, and on the last weekday preceding Christmas and New Year's Day, nor on any day designated for their observance. If we change our "business days," we will notify you of the change in advance.

### Assistance

As always, should you have any questions or need assistance with this or any other policy, please contact our Member Service Department at (810) 244-2200 or (800) 748-0451.

## X. WIRE TRANSFER AGREEMENT

The following rules shall apply to all funds transfer orders (ACH, Wire Transfers, or other electronic services) processed by Financial Plus Credit Union.

Credit Union may accept on your behalf, payments to your account or transfers from your account, which will be or have been transmitted by Fedwire, one or more automated clearing houses (ACH), or through a similar wire transfer system, such as the NYCE "A2A" Money Transfer System, that is used primarily for transfers between financial institutions or between businesses and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such transfers shall be construed in accordance with and governed by Regulation J, Subpart B - Funds Transfers Through Fedwire, and the applicable Federal Reserve Bank Operating Circular. We may accept on your behalf payments to your account which have been transmitted through one or more ACH's and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of New York, unless it has otherwise specified in a separate agreement that the law of some other state shall govern. Where none of the above stated rules apply, the transactions contemplated by this Agreement shall be governed by the laws of the State of Michigan, including Article 4A of the Michigan Uniform Commercial Code.

In general, we will accept fund transfer orders only if you agree to the terms of this Wire Transfer Agreement, and for wire transfers, have signed an Authorization for Transfer form, have sufficient funds available in the appropriate account to execute the funds transfer order plus the appropriate fee (Refer to our Business Accounts Fee Schedule), and produce acceptable identification. Once you have signed a Recurring Wire Transfer Authorization, we will accept telephonic funds transfer orders from you, provided our security procedures are followed.

Once you have agreed to the terms and conditions of this Wire Transfer Agreement, signed a Recurring Wire Transfer Authorization, and provided us with a secret password, created by you, we will accept wire transfer orders from you via telephone, provided you have sufficient funds available in the appropriate account to execute the wire transfer, and you provide the secret password when you call to make your wire transfer. You hereby acknowledge that the security procedures described are commercially reasonable and that you have agreed to the security procedure offered by the Credit Union and agree to follow the security procedure when making a funds transfer order via telephone. You hereby acknowledge that you will be liable for any wire transfer or communication creating, amending or canceling a wire transfer, whether or

not authorized, that is issued in your name and accepted by the Credit Union in compliance with the agreed upon security procedure. We will charge you a fee for each wire transfer request that we process. Refer to the Wire Transfer Fee in our current Business Accounts Fee Schedule.

The Credit Union makes no warranties with respect to fees charged by other financial institutions with respect to your funds transfer orders.

We will not be liable for failure to comply with the terms of any funds transfer order (ACH, wire transfer, or other electronic service) when such failure is caused by legal constraint, interruption or failure of transmission and/or communications facilities, war, emergency, labor dispute, act of nature, or other circumstances beyond the control of the Credit Union.

You hereby indemnify the Credit Union, its agents, and employees against any loss, liability, or expense (including attorney's fees) resulting from or arising out of any claim of any person in connection with any matters subject to this Agreement, except where applicable law precludes your indemnification.

It is the policy of Financial Plus Credit Union to accept funds transfer orders into and out of your savings and/or checking account. Funds transfer orders from your account(s), other than your checking account, will be limited to a total of six (6) withdrawals or transfers to third parties, by means of a preauthorized or automatic transfer or telephonic order or instruction or similar order, per month. No more than three (3) of the six (6) transfers may be made by check, draft, debit card, if applicable, or similar order to a third party. Your account(s) may be subject to closure if these limits are exceeded.

If you give us a funds transfer order, which identifies a beneficiary's financial institution, an intermediary financial institution, or a beneficiary (the person to whom you are wiring the funds), by name and number, we and every receiving or beneficiary financial institution, may rely on the identifying number to make payment. This will be true even if the number you provided to us identifies a different financial institution, person, or account other than the one named.

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide to you. Information is available regarding incoming funds transfer orders through our Home Financial Services, Touch Tone Teller or you may contact us at (810) 244-2200 or (800) 748-0451 if you are expecting a funds transfer order into your account.

Wire transfer requests received after 1:00 p.m. will be sent the following business day. Wire transfers received for credit to your account after 4:00 p.m. will be considered received the following business day. ACH credits received after 8:30 a.m. will be considered received the following business day.

If we are obligated to pay interest to you on the amount of a funds transfer order, you shall be paid interest on a daily basis equal to the dividend rate otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a funds transfer order, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorney's fees, unless otherwise required by law or regulation. If you make a funds transfer order which instructs us to wire funds to foreign countries, we assume no liability as to the length of time necessary to complete such a transfer, provided we have acted in good faith, with ordinary care, and in compliance with applicable law.

You hereby agree to notify us in writing of any unauthorized or erroneous funds transfer order within thirty (30) days from the date you first received notification from us either that the funds transfer order was accepted or your account was debited with respect to the funds transfer order. Should you fail to so notify us of any unauthorized or erroneous funds transfer order, we will not be liable to you for any subsequent similar occurrences that we could have prevented had we received such notice.

Credit given by us to you with respect to a funds transfer order, or an automated clearing house credit entry, is provisional until we receive final

settlement for such entry through a Federal Reserve Bank, or other intermediary bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such an entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

## **XI. ELECTRONIC STATEMENT (E-Statement) AND OTHER DISCLOSURES AGREEMENT**

By choosing to receive Electronic Statements from within Home Financial Services, you request and agree that any monthly or quarterly Financial Plus Credit Union account statement and all other disclosures required by law from the Credit Union can be delivered to you electronically, at your e-mail address, or to view your statement or disclosures via the Internet upon notice from the Credit Union that such information has been posted on the Credit Union's website.

You understand and acknowledge that you presently have the right to receive such statements and disclosures in paper form, and that you may revoke this option at any time by providing Financial Plus Credit Union with written notice of such revocation, at which time you will again be entitled to receive such statements and disclosures in paper form.

You understand that, in order to receive such disclosures electronically, you must have a Personal Computer (PC) with Internet access, maintain an e-mail address, have access to a printer or available storage space on your PC to retain a copy on file, and the following software:

- Adobe Acrobat Reader 6.0 or higher (available free at <http://www.adobe.com>), and
- Netscape Communicator 4.x or higher (128 bit encrypted), or Microsoft Internet Explorer 4.x or higher (128 bit encrypted), or Mozilla Firefox 1.5 or higher (128 bit encrypted).

You hereby acknowledge that your equipment meets those technical requirements for receiving, downloading, and printing the information. You understand that in the event you experience difficulties or have questions regarding electronic statements or disclosures you can contact the Credit Union at (810) 244-2200 or toll free (800) 748-0451.

You understand that you must notify the Credit Union if your e-mail address changes by providing the Credit Union with written or electronic notice of any such change in address, and that the effective date of this new e-mail address will be no more than 30 days from the day such notice is acknowledged as received by the Credit Union.

You understand and agree that even though you have agreed to receive disclosures electronically you may contact the Credit Union by e-mail or telephone to request that the Credit Union send a paper copy of a statement, disclosure or notice that has already been sent or available electronically, and that the Credit Union may charge a fee for that service, which fee will be separately disclosed. You agree that such fee can be deducted from any account that you own at the Credit Union.

You understand and agree that the Credit Union retains the right, to the extent permitted by law, to amend this Agreement in the future by providing you with written notice of such changes sent to your last known mailing address or by providing electronic notice of such changes sent to your last known e-mail address. In the future, should the Credit Union, by law or regulation, be permitted to deliver additional notices or disclosures to which you are entitled, you hereby agree to receive such notices or disclosures in electronic format sent to your last known e-mail address.

## **XII. EFFECTIVE DATE**

The effective date of this Agreement is January 1, 2014.