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www.MyFPCU.com

## Membership and Account Agreement

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This is the Agreement between you (the "member") and Financial Plus Credit Union ("Credit Union"), a Michigan State Chartered Credit Union, regarding your 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.

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 Federal Truth-in-Savings Act and various other laws along with the regulations related to those laws. The words "you" and "your" mean the member and any joint owners or co-depositors or co-borrowers. The words "we", "our", "us", and "Credit Union" mean Financial Plus Credit Union.

### USA PATRIOT ACT NOTICE

#### Important Information about Procedures for Opening a New Account

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means for you: When you open a new account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

#### I. MEMBERSHIP

- A. Generally.** Membership in Financial Plus Credit Union is open to applicants within the field of membership as described in Article III of the Credit Union's Bylaws. A copy is available on request. Membership in the Credit Union is a lifetime membership provided that you keep your membership in good standing. The Credit Union's Bylaws provide that "once a member, always a member" so that even if you retire, change jobs (outside the field of membership) or move to a new location, you may remain 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 (Member) Identification Program adopted pursuant to the USA PATRIOT Act. You understand that in the case of accounts for minors, qualification and approval is based in part upon the responsible party's information obtained. 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 and Membership Retention.** To become a member of the Credit Union, you must complete a Membership Application and Signature Card and open a Regular Share Account. The basic share deposit that you must always keep in your Regular Share Account to retain membership is \$5.00. If your Regular Share Account balance drops below the \$5.00 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.

#### II. DIVIDENDS

- A. Rate and Annual Percentage Yield ("APY").** Certain account(s) will earn what are known as dividends. Refer to Sections IV and V for information regarding the dividend bearing account(s) you have selected and 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") is 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. Dividend rates and APYs will be available each business day at our office. You may also contact us toll-free at (800) 748-0451 or www.myfpcu.com for rate information.
- B. Calculating and Compounding Dividends.** Dividends 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 dividends 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. Generally, if you close your account before dividends are paid, you will not receive the accrued dividends. Refer to Sections IV thru V for information regarding the dividend bearing account(s) you have selected.
- D. How Withdrawals Affect Dividends.** 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, and they become available the first day of the subsequent period. Therefore, if you make a withdrawal, you won't receive any further dividends on the withdrawn amount from the day you make the withdrawal until the day that dividends are credited.
- E. Bonus Dividends.** If any payment is made to you, greater than \$10.00, as an incentive for you to open any account, the incentive will be added to the dividends paid that year and subject to Internal Revenue Service (IRS) reporting requirements.

#### 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 are transferable, except on the Credit Union's books and records.
- B. Agency Designation on an Account.** An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent, but we reserve the right to deny any withdrawal request. Account owners agree to hold the Credit Union harmless for any loss resulting from any withdrawal from an account by an authorized agent.
- C. Agreement.** This Agreement shall be effective and shall govern all deposit accounts 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. Your agreement to the terms of this Agreement also binds your heirs and assigns, as applicable. 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 (i) by the laws, including applicable principles of contract law, and regulations of the State of Michigan, except as superseded by federal laws and regulations, (ii) by the Credit Union's Bylaws, and (iii) by local clearinghouse rules. Unless prohibited by applicable law, any action brought pursuant to this Agreement against the Credit Union must be brought in a court having jurisdiction over the Credit Union's main office (currently located in Genesee County, Michigan).
- 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 authority of the remaining provisions or portions hereof shall not be affected thereby.
- D. Endorsement.** 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, including any court costs and reasonable attorney fees. You cannot alter or limit your responsibility or liability to us under this Agreement by use of a restrictive endorsement or otherwise without our written consent.

- E. Fees.** Any account may be subject to fees in accordance with the 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 Fee Schedule then in effect. 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 except that only fees related to an Individual Retirement Account (IRA) or Education Savings Account (ESA) account may be deducted from an IRA or an ESA. We reserve the right to waive any fees in our sole discretion. Fees may reduce earnings on any of your accounts.
- F. 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. 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 regulations. If there are special fees for collecting your deposit, you promise to pay them (Refer to the Fee Schedule for a list of fees). We may deduct them directly from your account. At our discretion, we may refuse, limit or return any deposit. Without limiting the foregoing, 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 interest or dividends on amounts subject to garnishment, levy or other legal process; and we reserve the right not to pay interest or 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).
- G. Funds Availability.** Funds from deposits (cash or check) you make into your accounts may not always be immediately available for withdrawal. Information about our Checking Account funds availability policy is provided to you in Section IX (Funds Availability Policy) below in this Agreement. If you will need the funds from a deposit right away, you should ask us when the funds will be available, or contact us toll-free at (800) 748-0451.
- H. Inactive Accounts.** The Credit Union will consider an account inactive after one (1) year of no deposits or withdrawals on the account(s), and may assess a fee to your account(s) each month thereafter (Refer to Dormant Account fee in current Fee Schedule). Account activity excludes interest or dividends credited to your account by the Credit Union. Unclaimed Property laws, enacted by each State, require the Credit Union to turn funds in inactive accounts over to the State of residency, based on your last known address, generally after three (3) years of no activity. The Credit Union may voluntarily turn these funds over to the State after two (2) years if allowed by the laws of the State of your residency. Before turning funds from inactive accounts over to any State, the Credit Union will send notices as required by law advising you of your account rights. Balances of \$50, or less, are retained by the Credit Union (Refer to Escheatment Fee disclosed in the current Fee Schedule.)
- I. Joint Accounts.** Members should plan carefully and completely when choosing to enter into a joint account relationship. If two (2) or more parties have signed a Signature Card, you are creating, and intend to create, a "joint tenancy with rights of survivorship." That is, you as the owners of the account agree with yourselves and the Credit Union that all sums paid in shares or other deposits (as applicable), together with all accumulations, prior to now or hereafter, less set-offs as allowed by law for any sums due the Credit Union by any party, shall be owned by all of you jointly with full right of survivorship, and shall be subject to withdrawal or receipt by any of you in whole or in part. Payment to (i) any of you or (ii) the survivor(s) of you, or (iii) the personal representatives, administrators, fiduciaries, or assigns of the last survivor of you, shall be valid and discharge the Credit Union from any liability for such payment and amount. Each account owner appoints all other account owners to be his or her irrevocable attorney; to make deposits to the account; to endorse for cash or deposit any checks or other items whether payable to one of the account owners alone or with others; and to receive and receipt for all funds all without obligation to us to inquire into the source or application of funds. To induce us to act thereunder, each person signing the Signature Card jointly and singly agrees to hold the Credit Union harmless and indemnify us from loss, cost, and damage in all respects in connection with any of the foregoing, including court costs and attorneys' fees, except as may be limited by applicable law. Any or all of the account owners may pledge all or part of the shares or deposits in the account as collateral for security on a loan(s). No authority or obligation of the Credit Union may be changed or terminated by one or more of the account owners without prior written notice to the Credit Union, and no such change or termination shall affect transactions already made. Further, each account owner is subject to the terms and disclosures of this Agreement, and hereby acknowledges receipt of the Agreement. We may refuse to authorize a withdrawal

from a joint account when we have knowledge of a dispute between the joint account owners until the matter is resolved. If a deposited item in a joint account is returned unpaid, the account is overdrawn, or if the Credit Union does not receive final payment on a transaction, the owners, jointly and severally, are liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any account of an owner or all funds in the joint account regardless of who contributed them. Any owner who is a surviving owner agrees that the Credit Union to the extent allowed by law may set off any money in the account against any obligation of a deceased owner within thirty days after the Credit Union becomes aware of the deceased owner's death unless such a setoff would not have been allowed during the deceased individual's lifetime. All owners who are surviving owners also agree that their interests in the account are subject to any security interest or pledge granted by a deceased owner, even if they individually did not consent to it. Except as modified in this Agreement, joint accounts shall be subject to and governed by PA 41 of the Public Acts of 1968, as amended, being M.C.L. 490.51, and commonly known as the Credit Union Multiple-Party Accounts Act. Your agreement to the terms of this Agreement also binds your heirs and assigns, as applicable.

- J. Accounts for Minors.** We may require any account established by a minor to be a multiple party account (joint account) with an account owner who has reached the age of majority under Michigan law and who shall be jointly and severally liable to us for any unauthorized usage or fraudulent acts, returned items, overdrafts, fees or other unpaid charges, losses, obligations or amounts on such account. We may pay funds directly to a minor without regard to his or her minority. Unless a guardian, parent, or other individual is an account owner, the guardian, parent, or other individual shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority, unless authorized in writing by all account owners and such notice shall not become effective until ten (10) days after it is received by the Credit Union, and will have no effect on transactions prior to the date that the notice is effective.

**K. 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. 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. More information regarding NCUA Share Insurance is available at [www.NCUA.gov](http://www.NCUA.gov).

**3. Additional Savings Protection.** Your savings in the Credit Union is insured up to an additional \$250,000 by Excess Share Insurance (ESI), a subsidiary of American Share Insurance (ASI). Neither ASI nor ESI are affiliated with the NCUA or the federal government.

**4. Advice Concerning Share Insurance and Additional Savings Protection.** 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.

**5. 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. If you have designated on the W-9 or W-8BEN that you have applied for a TIN, you must provide the TIN within 60 days. Upon the expiration of the 60-day period, the Credit Union may begin withholding from your account. The Credit Union reserves the right to refuse to open any account until a valid TIN is received.

- L. 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.

**M. Notices.** Notices to us should be sent to: Attention: Administration, Financial Plus Credit Union, P.O. Box 7006, Flint, MI 48507-0006.

**1. Notice of Withdrawals.** All of your accounts are subject to the Credit Union's right to require advance notice of withdrawal, as provided in the Credit Union's Bylaws. To request a copy of the Credit Union's Bylaws, contact us toll-free at (800) 748-0451 or write us at the address above.

**2. Name or Address Changes.** You are responsible for notifying us of any address, e-mail address, or name change. 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. The Credit Union typically requires all notices of change in address, e-mail address, or name to be made in person, in writing, provided electronically through secure methods, or through other authentication methods acceptable to us. A name change requires a court order specifically identifying the new legal name.
- 3. Other Notices.** All notices regarding the account will be posted in our office lobbies, sent to your last known statement address or email address shown in our records, delivered on or with your statement, or appended to your electronic statement (E-Statement) if you have chosen to receive electronic notices (E-Statements or E-Notices). Refer to the Electronic Statement and Electronic Notice Access Agreement online at [www.myfpcu.com/resources/resources/disclosures](http://www.myfpcu.com/resources/resources/disclosures). In the event of joint ownership, notice by or to any one joint owner shall be deemed notice by or to all.
- 4. Effect of Notice.** Any written notice you give us is effective when received by the intended department or recipient, except for the written notice required in Subsection J regarding accounts for minors. 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 last known statement mailing address or at the time that an electronic message is sent informing you that your electronic statement or notice is available.
- N. Credit Union Lien and Security Interest.** Except for debts that are secured by your principal residence, if you owe us money as a borrower, guarantor, endorser or otherwise, we have a lien on the funds in any account in which you have an ownership interest, regardless of their source, unless the account is an IRA or ESA or the lien is 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 (except IRAs or ESAs or where the granting of such a lien is prohibited by law) 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 your residence, unless prohibited by applicable law. We will notify you if we have exercised our right of offset.
- O. Beneficiary Designation.** When opening an account or, if all owners agree, at any time thereafter, you may designate one or more persons as beneficiaries of your accounts. Upon the death of the last surviving owner of the account, the surviving beneficiaries shall become the owners of the account. If there is more than one surviving beneficiary, the account shall be divided equally between them, and each beneficiary shall be the sole owner of that beneficiary's interest in the account. In accordance with the Credit Union Beneficiary Accounts Act, there shall be no joint ownership among beneficiaries. The Credit Union is not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary /payee's interest in any account, except as otherwise provided by law. The Credit Union reserves the right to require documentation in order to confirm that an account has become properly payable to a beneficiary or beneficiaries. An account owned by a person that is not a natural person (for example, an account owned by a corporation, limited liability company, other legal entity or a trust) may not have beneficiaries. The interests of the beneficiary(ies) is subject to the right of the Credit Union, to the extent allowed by law, to set off any money in the account against any obligation of the deceased owner (or the last owner to die, if there was more than one) within thirty days after the Credit Union becomes aware of the deceased owner's death unless such a setoff would not have been allowed during the deceased individual's lifetime.
- P. 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 documentation acceptable to us.
- 2. Facsimile Signatures and Electronic Communication.** You agree (for joint accounts, all account owners agree jointly and severally) that the Credit Union may accept and 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 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, electronic request, or order.
- 3. Special Account Instructions.** You may request that we facilitate certain business, trust, will, 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, trust, will, 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.
- 4. Telephone Requests.** You agree (for joint accounts, all account owners agree jointly and severally) that funds in any of your accounts with us can be transferred and that additional accounts and services can be authorized or terminated upon the telephone request of any account owner. 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 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. 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.
- Q. 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. 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 checking account) may automatically close that account. We are not liable for any check, withdrawal or other payment 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 reporting agencies and other third parties of accounts closed for misuse, with regard to all parties named on the accounts, without regard to which account owner(s) misused the account. Please refer to Subsection S (Termination) below for information regarding termination of accounts and membership from the Credit Union.
- R. Statement and Member Responsibility.** You will receive a periodic statement (normally monthly) for your checking account. You will receive a periodic statement (normally quarterly) for your Regular Share Account or other savings/loan 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 checking account and other savings/loan accounts. Each such statement shall show the transactions on your accounts and any fees. It remains your responsibility to promptly examine each periodic statement carefully and reconcile the account. If there are any discrepancies, you should notify us immediately. Except as expressly provided for 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 sixty (60) days of the mailing date or within sixty (60) 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. The Credit Union will not be liable if items were forged or altered such that a reasonable financial institution could not detect the fraud.
- S. Termination**
- 1. Account Termination.** 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: (i) there is a change in account owners or authorized signers; (ii) there is suspected forgery or fraud or there has been a forgery or fraud reported or committed involving your account; (iii) there is a dispute as to the ownership of the account or of the funds in the account; (iv) any checks, or Cards are lost, stolen, or the personal identification number (PIN) or Code has been compromised; (v) there are excessive returned unpaid items not covered by an overdraft protection plan; (vi) there has been any misrepresentation or any other abuse of any of your accounts; or (vii) we reasonably deem it necessary to prevent a loss to us. You may terminate a single party 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 Fee Schedule). We reserve the right to require the consent of all account owners to terminate a multiple party account. An owner may give up his/her ownership rights in (remove him/herself from) a multiple party account at any time by completing a document acceptable to the Credit Union; however such an action will not relieve such an owner from any liability for which such owner had with respect to the account prior to the removal. We are not responsible for payment of any check, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.
- 2. Membership Termination.** 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 Regular Share Account balance drops below the \$5.00 minimum membership deposit required 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 our current Fee Schedule.
- T. Transaction Limitations.** 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. If you exceed the transfer limitations set forth above in any month, we may refuse to make further transfers and your account may be subject to closure by the Credit Union. This limitation does not apply to your checking account.

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

**V. Illegal Use of Card or Other "Electronic Fund Transfer" Service.** You understand and agree that Credit Union services, including but not limited to use of a check or a Card, may not be used for any illegal transaction. You further understand and agree that illegal use of a Credit Union service to complete an illegal transaction 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. The Credit Union may decline to accept or 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 Credit Union services.

**W. Cooperation in Loss Recovery Efforts.** You agree to fully co-operate in any effort we undertake to recover funds that were taken from your account without authorization. For example, you will file reports with law enforcement agencies or sign affidavits of loss or forgery that may be required by us or our insurance company. You also agree to cooperate fully in any prosecution that may be initiated by the proper authorities pursuant to us filing a complaint about unauthorized activities involving your account. If a loss is the result of our actions (we lose a check you deposited, for example) you agree to help us to recover the loss but we will be responsible for all expenses involved.

**X. Standard of Care.** Except where applicable law or this Agreement provides otherwise, we will not be liable for any acts or events not involving our intentional misconduct or gross negligence.

**Y. Verification of Ownership and Beneficiary Arrangements.** You agree to check all records related to your account periodically (within 30 days after the account is opened or any changes are made and not less than once per year thereafter) to ensure that all ownership and beneficiary arrangements are set up in the way that you desire. You agree to contact the Credit Union immediately if any ownership or beneficiary arrangement is not how you wish it to be. You further agree to hold the Credit Union harmless from any claims that any ownership or beneficiary arrangement related to your account is not set up as you desire.

**Z. Responsibility for Returned Items.** If (i) you present a check or other item to us drawn on another financial institution for deposit to your account(s), for cash over the counter, or for payment of any obligation owing to us; or (ii) we initiate an automated clearinghouse (ACH) transfer for any obligation owing to us, and the check, other item, or ACH transfer is returned to us unpaid for any reason not attributable to us, we may charge a Returned Deposit Item fee to any of your accounts (except accounts described in Subsection N above as not being subject to lien or setoff rights) or, to the extent allowed by law, charge a Returned Payment Item fee to the obligation for which payment was intended. Refer to our current Fee Schedule and/or your loan agreement(s) with us, as applicable.

**AA. Information About Your Accounts and About You.** Generally, we will not disclose information to third parties about your accounts or about you without your permission. However, we may disclose information: (i) when it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (ii) to our accountants, attorneys or other professional advisors; (iii) to Credit Union or financial institution regulators; (iv) to exchange, in the regular course of business, credit information with other financial institutions or commercial enterprises, directly or through credit reporting agencies; (v) to advise third parties of accounts closed for misuse; (vi) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; (vii) to comply with government agency or court orders, or to furnish any information required by statute; (viii) to furnish information about the existence of an account to a judgment creditor of yours who has made a written request for such information if the court rendering the judgment has jurisdiction over the Credit Union; (ix) when we are attempting to collect an obligation owed to us; or (x) as required by law. In addition, you understand and agree that we may, from time to time, request and review consumer reports and other information about you prepared by consumer reporting agencies or others.

**BB. Cash Withdrawal Limitations.** For security reasons we may limit the amount of withdrawals that may be taken in cash from an account or by any given individual. We will establish such limits in our discretion from time to time. Please contact us if you have any questions about such limits.

**CC. Security.** It is your responsibility to secure and protect the account numbers and electronic devices (e.g. an ATM or Debit Card), including Personal Identification Numbers (PIN's, Codes, and access credentials, we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) or access credentials with anyone unless you are willing to give them

full use of your money. An account number can be used by thieves to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number, or other identifying information, can also be used to electronically remove money from your account. If you provide your account information in response to a telephone, or other solicitation for the purpose of making a transfer (to purchase a service or merchandise, for example), payment can be made from your account even though you did not contact us directly and order the payment. You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

You agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented, or significantly reduced, by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss.

**DD. Our Right to Place a Hold on Your Account(s).** If at any time we believe that your account may be subject to irregular, unauthorized, fraudulent or illegal activity, we may, in our discretion, freeze the funds in the account and in other accounts you maintain with us, without any liability on the part of the Credit Union, until such time as we are able to complete our investigation of the account and transactions. If we do freeze your account funds, we will provide notice to you as soon as reasonably possible. Notice may be made by mail or verbally or provided by other means, such as online banking or text alerts as permitted by law. We may not provide this notice to you prior to freezing the account if we believe that such notice could result in a security risk to us or the owner of the funds in the accounts.

**EE. Rewards and Incentives Programs.** From time to time, we may make reward and incentive programs available to you in connection with one or more of your accounts. These programs will be governed by separate documents related to such programs. The Credit Union reserves the right to change or terminate such programs at any time. Rewards and incentives may be subject to Internal Revenue Service (IRS) reporting requirements.

**FF. Telephone Monitoring and Calling.** From time to time you agree we may monitor and record telephone calls made or received by us or our agents regarding your account to assure the quality of our service. In order for us to service the account or to collect any amounts you may owe, and subject to applicable law, you agree that we may from time to time make calls and send text messages to you using prerecorded/artificial voice messages or through the use of an automatic dialing service at any telephone number you provide to us in connection with your account, including a mobile telephone number that could result in charges to you.

**GG. Permitted Time for Filing a Lawsuit.** You must file any lawsuit or arbitration against us within one year after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This limit is in addition to limits on notice as a condition of making a claim.

**HH. Use of Recording Devices.** The Credit Union does not permit you or members of the general public to use electronic, digital or other recording devices to record in-person, telephonic or other communications or interactions of or with Credit Union personnel without the express prior consent of Credit Union management. The Credit Union expressly revokes, rescinds, and withdraws any consent or permission to such recording that might otherwise be implied by law.

**II. Powers of Attorney.** Unless it has contracted to the contrary, the Credit Union is under no obligation to honor a power of attorney. However, the Credit Union may choose to do so at its discretion. We will generally honor a power of attorney if the original document has been first presented to the Credit Union by the account owner (Principal) involved and the Credit union finds it to be in satisfactory form. Exceptions to presentation by the Principal will only be made in extenuating circumstances (such as military service) and will generally either require a representation by the attorney for the Principal of the document's continuing validity or certification by appropriate medical personnel. The Credit Union must identify the attorney-in-fact pursuant to the requirements of the USA Patriot Act in all cases before the agent will be allowed to use the power of attorney. The Credit Union may impose additional requirements or restrictions from time to time at its sole discretion.

#### **IV. SAVINGS (INCLUDING CLUB) AND MONEY MARKET ACCOUNTS**

The following subsections apply to all Savings (including Share and Club) and Money Market Accounts opened with the Credit Union, except as specifically expressly modified elsewhere in this Agreement. Savings (including Share and Club) and Money Market Accounts include:

- Regular Share Account (including Kids Club and Founders Club)
- Miscellaneous Share Accounts
- Christmas and Vacation Club Accounts
- Hi-Yield and Hi-Yield Plus Money Market Accounts
- Individual Retirement Account (IRA) and Coverdell Education Account (ESA) Savings Accounts
- Individual Retirement Account (IRA) and Coverdell Education Account (ESA) Money Market Accounts

**A. Deposits.** After you have established your Share, Savings or Money Market Account, you may make additional deposits into that account, or establish other types of accounts as described above, at any time and in any amount subject to the terms of this Agreement and any restrictions under federal law. You may make deposits to your account by any method approved by the Credit Union.

**B. Withdrawing Money.** As long as you have funds available 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, funds may be withdrawn from your account by any method approved by the Credit Union. Withdrawals will reduce earnings on your accounts. Consultation with a tax advisor is recommended before withdrawals are made from an IRA or ESA, as tax penalties may result.

**C. Rate Information and Nature of Dividends.** 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).

All rate changes are solely at the discretion of the Credit Union and there are no limitations on the amount the rate may change.

•**Regular Share Account and Miscellaneous Share Accounts** – These are tiered variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union.

•**IRA Savings, ESA Savings, and Christmas and Vacation Club Accounts** – These are variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union.

•**Hi-Yield and Hi-Yield Plus Money Market Accounts, IRA and ESA Money Market Accounts** – These are tiered variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change weekly as determined by the Credit Union.

**D. 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. If the account is closed before dividends are paid, you will not receive the accrued dividends.

•**Regular Share Account, and Miscellaneous Share Accounts** – Dividends are paid on the entire daily balance of the account at the dividend rate and APY corresponding to the applicable balance tier. 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.

•**Christmas Club Accounts** – Dividends are compounded and credited to the account on the last day of each quarter, except there is an additional dividend payment on the last day of October. Dividend payment periods are January through March, April through June, July through September, and October, and November through December.

•**Vacation Club Accounts** – Dividends are compounded and credited to the account on the last day of each quarter, except there is an additional dividend payment on the last day of May. Dividend payment periods are January through March, April through May, June, July through September, and October through December.

•**IRA Savings and ESA Savings** – 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.

•**Hi-Yield and Hi-Yield Plus Money Market Accounts, and IRA and ESA Money Market Accounts** – Dividends are paid on the daily balance of the account at the dividend rate and APY corresponding to the applicable balance tier. 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.

**E. Balance Information.** You must maintain a basic membership share of \$5.00 on deposit in your Regular Share Account to retain accounts in the Credit Union. Dividends will begin to accrue on the business day non-cash items are deposited (i.e. checks) to the account. We reserve the right to adjust minimum deposit balance requirements and account terms from time to time, or assess a fee in the future. The anticipated dividend rate and Annual Percentage Yield (APY) is stated on the Investment Rate Schedule.

•**Regular Share Account** - There is a minimum opening balance requirement of \$5.00, which must remain in the account to continue membership eligibility.

•**Miscellaneous Share, Christmas and Vacation Club, IRA Savings, and ESA Savings Accounts** - There are no requirements to maintain a minimum balance in a Miscellaneous Share, Christmas Club, Vacation Club, IRA Savings, or ESA

Savings account at this time.

•**Hi-Yield Money Market Account and IRA and ESA Money Market Accounts** - There is a minimum balance requirement of \$1,500 to earn a dividend. No dividend will be paid on daily balances below \$1,500.

**F. Hi-Yield Plus Money Market Account** - There is a minimum opening balance requirement of \$50,000. Daily balances below \$1,500 earn the declared dividend rate and APY set for the Regular Share Account with balances of \$3,000 and over. Daily balances over \$1,500 earn the declared dividend rate and APY. **Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal from any account to give written notice of such intent up to sixty (60) days before such withdrawal.

•**Regular Share Account, Miscellaneous Share, Christmas and Vacation Club Accounts, IRA and ESA Savings, Hi-Yield, Hi-Yield Plus, IRA and ESA Money Market Accounts**- Transfers and withdrawals made by telephone, by Automated Phone Banking, by Online or Mobile Banking, by transfer to an authorized third party, or to cover checking account overdrafts will be limited to six (6) such transfers per month. If the transfer limitations set forth are exceeded, we may refuse to make further transfers and the account is subject to closure.

**G. Distribution of Christmas and Vacation Club Accounts.**

•**Christmas Club Accounts** - The balance of your Christmas Club will be distributed to your checking account annually on the last day of October. If you have not established a checking account, the transfer will be made to your Regular Share Account. As an alternative, your Christmas Club may be set-up to renew, in which case, there will be no automatic distribution. Please notify us if you would like this option.

•**Vacation Club Accounts** - The balance of your Vacation Club will be distributed to your checking account annually on the last day of May. If you have not established a checking account, the transfer will be made to your Regular Share Account. As an alternative, your Vacation Club may be set-up to renew, in which case, there will be no automatic distribution. Please notify us if you would like this option.

## **V. CHECKING ACCOUNTS**

You must maintain a basic membership share of \$5.00 on deposit in your Regular Share Account to retain a checking account.

**A. Deposits.** After you have established your checking account, you may make additional deposits into that account at any time and in any amount subject to the terms of this Agreement. You may make deposits to your account by any method approved by the Credit Union.

**B. Withdrawing Money from Your Checking Account.** As long as you have funds available in your checking account, and subject to the terms of this Agreement, any applicable state or federal laws and regulations, and the Credit Union's Bylaws, you may withdraw funds 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 may 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 and applicable shipping charges, which will vary depending on the style of checks ordered. You may select checks from the current styles available. Withdrawals will reduce earnings on your checking account. You agree that we may refuse to pay a check you write if it is presented at our offices by a person (other than a bank, clearing house, or governmental unit) who is not a member unless the presenter pays us the Non-Member Check Cashing Fee set forth in our Fee Schedule.

**C. Rate Information and Nature of Dividends.** 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). Rate changes are solely at the discretion of the Credit Union and there are no limitations on the amount the rate may change.

•**Free Checking** – Account does not pay dividends.

•**Tiered-Rate Checking and Elite Checking** – These are tiered variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union.

•**E-Checking, My College Checking, and High-Rate Checking** – These are variable rate accounts on which the dividend rate and Annual Percentage Yield (APY) may change every month as determined by the Credit Union.

**D. 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. If you close your account before dividends are paid, you will not receive the accrued dividends.

•**Free Checking** – Account does not pay dividends.

•**E-Checking and My College Checking** – Dividends are paid on the daily balance of the account at the declared dividend rate and APY corresponding to the applicable balance tier. Daily balances below \$500 earn no dividends. 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.



• **Tiered-Rate Checking** – Dividends are paid on the daily balance of the account at the declared dividend rate and APY corresponding to the applicable balance tier. Daily balances below \$1,000 earn no dividends. 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.

• **High-Rate Checking** – Dividends are paid on the daily balance of the account at the declared dividend rate and APY. 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.

• **Elite Checking** – Dividends are paid on the daily balance of the account at the declared dividend rate and APY corresponding to the applicable balance tier, provided all monthly account requirements are met. 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 ends on the last day of the calendar month.

• **Balance Information.** We reserve the right to adjust minimum balance requirements and account terms from time to time. Refer to Subsection F below for important information regarding transaction requirements, fees, and limitations. Dividends will begin to accrue on the business day you deposit non-cash items (i.e. checks) to your account. The anticipated dividend rate and Annual Percentage Yield (APY) is stated on the Investment Rate Schedule.

• **Free Checking** – There are no requirements to maintain a minimum balance in the Free Checking account.

• **E-Checking and My College Checking** – There is a minimum balance requirement of \$500 to earn a dividend. No dividend will be paid on daily balances below \$500.

• **Tiered-Rate Checking** – There is a minimum balance requirement of \$1,000 to earn a dividend and to avoid a monthly fee. No dividend will be paid on daily balances below \$1,000.

• **High-Rate Checking** – There is a minimum balance requirement of \$15,000 to avoid a monthly fee.

• **Elite Checking** – There is no requirement to maintain a minimum balance in the Elite checking account at this time. However, all requirements must be met each month to earn the declared dividend and APY. No dividend will be paid on the account if all monthly account requirements are not met.

E. **Transaction Requirements, Fees, and Limitations.** Your checking account may not be used for any illegal transaction, including internet gambling transactions.

• **E-Checking and My College Checking** – Accounts require the use of Electronic Statements to avoid a monthly E-Statement fee. To enroll in Electronic Statements you must sign-in to your account using your Online Banking account information at [www.myfpcu.com](http://www.myfpcu.com). Accounts also require four (4) Visa Debit Card purchase transactions to be performed each month to avoid a monthly fee. ATM transactions are not considered debit card purchase transactions. Refer to our Fee Schedule for more information regarding the Debit Card Transaction and E-Statement fees.

• **Tiered-Rate and High-Rate Checking** – If, during any month, your daily account balance falls below the required minimum balance, your account will be subject to a fee. Refer to our Fee Schedule for more information regarding this fee.

• **Elite Checking** – Account requires (i) minimum monthly direct deposit of \$2,500, (ii) enrollment in Online Banking services, (iii) enrollment in Electronic Statements and Electronic Notices, and (iv) fifteen (15) or more debit card purchases to be performed monthly in order to earn the declared dividend. ATM transactions are not considered debit card purchase transactions. If requirements are not met in any month, no dividend will be paid for that month. If the monthly requirements are not met for a period of six (6) consecutive months, the checking account type will be changed to a Free Checking account.

F. **Payment of Checks.** The Credit Union is under no obligation to pay a check that is more than six (6) months old. Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a check. We may return all checks drawn on your checking account unpaid for any reason that checks are normally returned, such as, for example, insufficient funds, uncollected funds, or litigation.

G. **Funds Availability.** Funds from deposits you make into your checking account may not always be immediately available for withdrawal or transfer. Refer to Section IX (Funds Availability Policy) for more details.

H. **Overdraft Protection.** The Credit Union is under no obligation, unless it has contracted to the contrary, to pay a check you have written, or electronic fund transfer (Electronic Fund Transfer services are covered in Section VIII of this Agreement) if it would result in the account being overdrawn. However, the Credit Union may transfer an amount sufficient to cover a checking account deficiency caused by a check presented for payment, a preauthorized debit or Card transaction presented against your account. To the extent permitted by law, you authorize us to transfer funds from your Regular Share account to your checking account to cover any overdraft. Transfers will be made from your Regular Share

account, or, if you have designated, other account(s) or Line-of-Credit loan(s), provided you have enough funds and/or available credit. If available to you, we may then transfer from Courtesy Pay. Refer to our Fee Schedule for the fee applicable to such transfers. You agree to hold us harmless from any and all liability which might otherwise exist if a transfer does not occur.

If you have been approved for an Overdraft Protection Line-of-Credit, or other Line-of-Credit, and elected for overdraft protection from such accounts, the Credit Union may pay the check, preauthorized debit, or Card transaction and add the amount of the resulting overdraft, and applicable fee, to the balance of your Line-of-Credit loan in accordance with the terms and conditions of the Line-of-Credit loan agreement.

Subject to applicable law, the Credit Union may pay checks or other items drawn upon your checking account (including those payable to the Credit Union or on which the Credit Union may be liable) in any order determined by the Credit Union, even if paying a particular check or other item results in an insufficient balance in your checking account to pay one or more other items that otherwise could have been paid out of your checking account.

The Credit Union has the option of honoring a check, preauthorized debit, or Card transaction when your 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 check, preauthorized debit, or Card transaction and charge the amount of the resulting overdraft plus any applicable fee (refer to our Fee Schedule) against any account(s). You agree to deposit sufficient funds to cover the amount of the overdraft and fee. Failure to cover any resulting deficiency balance within thirty (30) days of the date that your account first becomes negative will result in account privilege restrictions. If this is a joint account (that is, if two or more people are parties to this account), all of the account owners are jointly and severally liable to repay the Credit Union the amount of any overdraft and fees, regardless of which of the parties creates an overdraft.

When determining whether a check or other item drawn on your checking account would, if paid, create an overdraft, both for the purpose of determining whether and how to pay the item and whether a fee related to the item being an overdraft may be charged, the Credit Union will use the "Available Balance" for your checking account at the time the item is presented. The Available Balance is the balance shown on our books ("Ledger Balance") reduced by (i) the amount of any holds in place with respect to deposited checks or other items, (ii) the amount in the account that is subject to any preauthorization requests related to the account that have been accepted by the Credit Union, (iii) amounts in the account that are subject to holds based on court, tax agency, or other governmental proceedings, and (iv) amounts that we believe are subject to a dispute over ownership or other rights. Examples of preauthorization requests are holds related to purchase or service related transactions, including transactions where the final amount is initially unknown, such as gas station purchases, restaurant charges, and hotel or car reservations, but there are other types of preauthorization requests that could affect your account as well. Note that the use of the Available Balance for these purposes may cause a fee related to an overdraft to be charged, or a line of credit advance or transfer from another account to be made, even though your periodic statement may not reflect any time when the balance (periodic statements use Ledger Balances) would be negative.

I. **Truncated Checks; Statements.** Your canceled checks will not be returned to you. They will become Credit Union property and be held by us ("truncated") for you. They also may 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. Any objection in regard to any item shown on a periodic statement, except as expressly provided for elsewhere, is waived unless made in writing to the Credit Union before the end of sixty (60) days after the statement is mailed or within sixty (60) 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 (Refer to the Fee Schedule for a list of fees).

J. **Stop Payments.**

1. **Stop Payment Order Request.** You may request a stop payment order on any check drawn on your account unless we have previously accepted and paid the check. This request may be provided orally, in writing or electronically. We may require you to confirm your oral request in writing within fourteen (14) calendar days. If requested in writing, upon the expiration of the fourteen (14) calendar days, we may disregard your request, unless we have received written confirmation. To be binding, the written confirmation must be dated, signed, and describe the account, check number, and the exact amount of the check to be stopped. 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 electronic or preauthorized transactions must be provided to the Credit Union within three (3) business days before the scheduled date of the transfer. This request may be provided orally, in writing, or electronically. We may require you to confirm your oral request in writing within fourteen (14) calendar days, subject to the requirements provided above.

**2. Duration of Order.** A written stop payment order is effective for six (6) 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 Fee Schedule. You generally may NOT stop payment on any certified check, cashier's 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 attorneys' 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.

**K. 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 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 or preauthorized debit initiated by a third party against this account is deemed authorized by the account owner(s) if any account owner voluntarily gives the third party information about the account.

**L. Payment of Checks after Death.** The Credit Union may, after the date of your death, pay checks drawn before the day of your death unless ordered to stop payment by the Personal Representative or other appropriate person claiming an interest in the account. We may choose to pay checks within ten (10) calendar days after the date of death.

## **VI. CERTIFICATES OF DEPOSIT, INCLUDING INDIVIDUAL RETIREMENT ACCOUNT (IRA) AND COVERDELL EDUCATION SAVINGS (ESA) CERTIFICATE ACCOUNTS**

**A. Deposit.** Certificates of Deposit (Certificates) are savings accounts that generally earn a higher rate of interest than other savings accounts. A member may establish a Certificate account, with terms ranging from thirty (30) days to five (5) years, which include Certificates designated as Special Rate, Start 'N Grow, and Jumbo. All Certificate types may be designated as IRA or ESA Certificates, except thirty (30) to one-hundred seventy-nine (179) day Certificates. With the exception of the Start 'N Grow Certificate, after a Certificate is opened, you may not make deposits into the Certificate until the stated maturity date. If you wish to deposit additional funds into a Certificate, you may purchase another Certificate at the then current rate. The Start 'N Grow Certificate requires an automatic deposit transfer from another Credit Union account in an amount between \$50 and \$300 each month.

**B. Rate Information.** All Certificates are fixed rate accounts on which the interest rate and Annual Percentage Yield (APY) are fixed for the term of the Certificate. Refer to our current Investment Rates Schedule for the current interest rate and Annual Percentage Yield (APY).

**C. Compounding and Crediting.** Interest is calculated by the daily balance method, which applies a daily periodic rate to the balance in the Certificate each day. Interest is compounded and credited to Certificate accounts on the last day of each quarter. Interest payment periods are from January through March, April through June, July through September, and October through December, and at maturity. If a Certificate account is closed 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 F below.

**D. Balance Information.** You must maintain a basic membership share of \$5.00 on deposit in your Regular Share Account to retain any Certificate account. Interest will begin to accrue on the business day non-cash items (i.e. checks) are deposited to a Certificate account. Minimum opening balance requirements are as follows:

- **30 Day – 179 Day Certificates** – \$10,000 minimum deposit.
- **6 Month – 60 Month Certificates** – \$500 minimum deposit.
- **Start 'N Grow Certificates** – \$300 minimum deposit, and automatic transfer between \$50 and \$300 each month.
- **Special Rate Certificates** – Minimum opening balance and other requirements may vary (Refer to terms of the Certificate offer for details).

• **Jumbo Certificates** – \$100,000 minimum deposit.

**E. 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 the Certificate will not be renewed. The interest 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, or provided electronically, to you no later than two (2) business days after maturity. Other than Special Rate Certificates, 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. The renewal term for Special Rate Certificates will be provided in the terms of the offer and at the time the Certificate is opened. There is a seven (7) day grace period for withdrawals from Certificates after maturity. If the Certificate is presented for payment on its maturity date or within seven (7) days thereafter, no penalty shall be imposed but no interest shall be earned after the maturity date. If the Certificate is not renewed, at maturity, the funds will be transferred to your Regular 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.

**F. Early Withdrawal Penalty.** A substantial penalty is imposed if Certificate funds, other than interest, 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 interest 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 interest on that amount if the current term is more than one year. In any case of early withdrawal, if accrued interest is not sufficient to cover the applicable penalty, the penalty shall be deducted from the principal of the Certificate. These penalties do not apply in these cases: (i) withdrawals after the death of any owner of the Certificate; (ii) if the Certificate is part of an Individual Retirement Account, and the withdrawal is made as required by the Internal Revenue Code after attaining age 70½, or withdrawals following the participant owner(s) death or disability; (iii) withdrawals resulting from the voluntary or involuntary liquidation of this Credit Union. Consultation with a tax advisor is recommended before withdrawals are made from IRA or ESA Certificates, as tax penalties may result.

**G. Transaction Requirements and Limitations.** The Start 'N Grow Certificate requires an automatic deposit transfer from another Credit Union account in an amount between \$50 and \$300 at least once per month to the Certificate. Deposits, other than these automatic transfers, will not be allowed, nor will catch-up transfers be allowed. Automatic transfers may be temporarily discontinued and reinstated.

Other than the Start 'N Grow Certificate, 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 the maturity date of any Certificate, the entire account balance must be withdrawn. In addition, an early withdrawal penalty will be assessed, as discussed in Subsection F above. The Credit Union reserves the right to require a member intending to make a withdrawal from a Certificate account to give written notice of such intent up to sixty (60) days before such withdrawal unless the withdrawal is made on the maturity date or within seven days thereafter. Certificates may not be pledged, transferred, or assigned to any party other than the Credit Union. If a Certificate Disclosure Statement is issued for a Certificate account, the terms and conditions set forth on that Disclosure shall in any case of conflict take precedence over the terms and conditions set forth in this Agreement.

## **VII. FIDUCIARY ACCOUNTS**

### **A. Accounts for Trusts**

**1. Generally.** Individuals may open a separate membership account for a Revocable Trust, provided that any of the settlors of the Trust are eligible for membership in the Credit Union, or if none of the settlors are living at the time of application, one or more beneficiaries are individually eligible for membership, and the person(s) opening the account has been appointed and has accepted the responsibility to act as Trustee(s).

As used herein the words "we," "us," "our," and "Credit Union" shall refer to and mean Financial Plus Credit Union, and the word "you" shall refer to and mean the Trust or Trustee(s) as the context of use so requires.

**2. Products and Services.** The following financial products and services will be available to a Trust, provided the Trust qualifies for membership:

- Regular Share Account
- Visa Debit Card
- Miscellaneous Share Account
- Online and Mobile Banking
- Hi-Yield or Hi-Yield Plus Money Market Account
- Automated Phone Banking
- Certificate of Deposit
- Bill Pay program
- Checking Account
- Electronic Statement (E-Statement)
- Automated Teller Machine (ATM) Card
- Electronic Notices (E-Notices)

To the extent applicable and not superseded by this Section, the terms and conditions governing those types of accounts for individuals, as described in this Agreement, govern accounts established for Trusts.

3. **Documentation.** In order to open an account for a Trust, you agree to provide such documentation as is required by the Credit Union with regard to the Trust, including, but not necessarily limited to, a properly executed Certificate of Trust Existence. The Credit Union reserves the right to refuse membership to a Trust when it is not drafted in accordance with and governed by the laws of the State of Michigan.
4. **Representations of Trustee(s).** Trustee(s) represent the following: (i) the Trust is in full force and effect and it has not been revoked or amended in any manner which would cause the representations made herein to be inaccurate or incorrect; (ii) the named Trustee(s) has qualified, is acting as Trustee(s), and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iii) the Trustee(s) is authorized to hold, manage, deposit, withdraw, invest and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit, share certificates, and mutual funds, to borrow money, and is authorized to grant a security interest in Trust assets, and accomplish any or all other banking transactions, including the maintenance of a safe deposit box; (iv) the Trust document contains a hold harmless provision for any third party dealing with the Trust or any Trustee and that such provision applies to the Credit Union; (v) Trustee(s) will send written notice of any change in Trustee(s), or of any amendment or modification of the Trust which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the Trust's revocability, the powers of the Trustee(s), or any other representations made to the Credit Union or notice of the revocation of the Trust; and (vi) any one Trustee has the power to authorize withdrawals or transfers from authorized accounts, or authorize new accounts or services.  
The Credit Union may rely on these representations and any instructions by the Trustee(s) and act in accordance therewith in any respect affecting the account before or after termination of the Trust, unless and until it receives a written notice of changes to the Trust, notice of changes in Trustee(s), or written notice of any events affecting the Trustee(s) powers described above or in any documents required by the Credit Union.
5. **Acknowledgement of Fiduciary Responsibility.** As Trustee(s), you acknowledge and understand your legal obligations as a fiduciary and as more fully set forth in the Michigan Estates and Protected Individuals Code. You further agree to conduct all business with the Credit Union on behalf of the Trust in accordance with state and federal laws as well as orders from any court of competent jurisdiction.
6. **Indemnification.** Trustee(s) hereby jointly and severally (if more than one) hold the Credit Union and each of its officers, directors, employees, agents, and affiliates harmless and indemnify them against any claims, judgments, settlement amounts, or other liabilities or costs of defense or settlement, including attorneys' fees arising out of or related to any alleged or actual improper or unsuitable actions taken at the instruction of Trustee(s) in connection with the account for the Trust or for any distribution of Trust assets to any person or entity. This indemnification is made by the Trustee(s) both in the capacity as Trustee and individually, and shall not be limited by any other independent documentation. If a Trustee provides instructions or an order to the Credit Union that the Credit Union reasonably believes might expose it to claims, suits, losses, expenses, liability, or damages, it may refuse to follow the instruction or order.
7. **Deposits.** The Settlor(s) has transferred funds to the Trust for the benefit of the beneficiaries, which may include the settlor(s) named in the Trust.
8. **Withdrawals.** All sums paid to the Credit Union on shares/deposits (less setoffs allowed by law and/or provided by contract) shall be paid on proper withdrawal demand. Such demand must be made by the Trustee(s), as indicated on the Signature Card for Revocable Trust Accounts. The Credit Union has no obligation to monitor the further distribution of any funds withdrawn from the account. Only methods approved by the Credit Union may be used to make withdrawals from the account.
9. **Distribution of Accounts.** If you have opened an account for a Trust, you, as Trustee(s), understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Certificate of Trust Existence on file at the Credit Union, or pursuant to the terms of a court order, and you, on behalf of the Trust, all beneficiaries of the Trust, and all Successor Trustees forever indemnify and hold the Credit Union harmless for distributions made pursuant to that Trust made in good faith reliance on that Certificate of Trust Existence. You further agree that it is your responsibility to notify the Credit Union when a Trust for which an account has been opened has been revoked, rescinded, revised, or in any way modified.
10. **Checking Accounts.** The Credit Union is authorized to pay checks signed by any Trustee and to charge any payment against the checking account. In addition to the other terms set forth in Section V (Checking Accounts) of this Agreement, it is agreed that the front side of all checks shall at a minimum contain the name of the

Trust and authorized Trustee(s).

## B. Account for Decedent's Estate or Other Fiduciary Relationships

1. **Generally.** Individuals may open a separate membership account as a Fiduciary for another named Person or Estate. As used herein, the words "we," "us," "our," and "Credit Union" shall refer to and mean Financial Plus Credit Union, and the word "you" shall refer to and mean the Conservator, Guardian, Representative Payee, VA fiduciary, or Personal Representative as the context of use so requires.

**Conservator, Guardian, Representative Payee, Veterans Affairs (VA) Fiduciary, etc.** – An account may be opened by any of the previously mentioned fiduciaries. These accounts are referred to collectively as "Fiduciary Accounts", and the individuals or Estates for whose benefit they are opened are referred to collectively as "Protected Persons". The individual opening the account will be referred to as the "Fiduciary." The Fiduciary Account will qualify for membership provided the Protected Person is a member of the Credit Union, or the Protected Person is eligible for membership, as provided in Section I of this Agreement.

**Decedent's Estate Account (Personal Representative)** – An Estate is eligible for membership provided, (i) that the Estate is subject to the jurisdiction of the State of Michigan or will be distributed in accordance with Michigan law, and (ii) the person opening the account has been appointed and accepted, or filed, a Statement of Acceptance of the position of Personal Representative of the Estate, and (iii) the decedent was a member of the Credit Union in good standing at the time of death. The individual opening the account will be referred to as the "Fiduciary".

2. **Products and Services.** The following financial products and services will be available to Fiduciary and Estate Accounts:

- Regular Share Account
- Miscellaneous Share Account
- Hi-Yield or Hi-Yield Plus Money Market Account
- Certificate of Deposit
- Checking Account
- Automated Teller Machine (ATM) Card
- Visa Debit Card
- Online and Mobile Banking
- Automated Phone Banking
- Bill Pay program
- Electronic Statement (E-Statement)
- Electronic Notices (E-Notices)

To the extent applicable and not superseded by this Section, the terms and conditions governing those types of accounts for individuals, as described in this Agreement, govern these Fiduciary and Estate Accounts.

3. **Documentation.** In order to open a Fiduciary or Estate Account, you agree to provide such documentation as is required by the Credit Union with regard to the Fiduciary relationship, including, but not necessarily limited to, (i) Valid Letters of Authority naming you as Personal Representative, (ii) Approval Letter from the Social Security Administration (Award Letter) naming you the Representative Payee, (iii) Department of Veterans Affairs Fiduciary Agreement naming you as the VA Fiduciary, (iv) Letters of Conservatorship naming you as Conservator, (v) Letters of Guardianship naming you as Guardian, (vi) Death Certificate, and (vii) evidence of a bond (if required by the court).

The Credit Union reserves the right to refuse to open a Fiduciary Account at its discretion and will generally refuse to do so when applicable documentation does not derive from the authority of the laws of the State of Michigan, Social Security Administration Rules and Regulations, Department of Veterans Affairs Rules and Regulations, or when an Estate Account is subject to a will not drafted in accordance with and governed by the laws of the State of Michigan, or is subject to an out-of-state probate proceeding.

4. **Representations of Fiduciary or Estate.** The Credit Union may rely on the representations below and any instructions by the Conservator, Guardian, Representative Payee, VA Fiduciary, or Personal Representative and act in accordance therewith in any respect affecting the account before or after termination of the Fiduciary Authority or the Estate, unless and until it receives a written notice of changes to the Letters of Authority, Letters of Conservatorship, Letters of Guardianship, Award Letter, or Department of Veterans Affairs Fiduciary Agreement or written notice of any events affecting the Fiduciary's powers described below or in any documents required by the Credit Union.

**Conservator** – If you are a Conservator, you represent the following: (i) the Letters of Conservatorship presented are in full force and effect and have not been revoked or amended in any manner which would cause the representations made herein to be inaccurate or incorrect; (ii) the named Conservator has qualified, is acting as Conservator, and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iii) the Conservator is authorized to hold, manage, deposit, withdraw, invest and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit and mutual funds, to borrow money, and is authorized to grant a security interest in assets of the Protected Person, and accomplish any or all other banking transactions, including the maintenance of a safe deposit box; and (iv) the Conservator will send written notice of any change in Conservator, or of any amendment or modification of the Letters of Conservatorship which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the powers of the Conservator,



or any other representations made to the Credit Union.

**Guardian** – If you are a Guardian, you represent the following: (i) no Conservator has been appointed with regard to the Protected Person; (ii) the Letters of Guardianship presented are in full force and effect and have not been revoked or amended in any manner which would cause the representations made herein to be inaccurate or incorrect; (iii) the named Guardian has qualified, is acting as Guardian, and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iv) the Guardian is authorized to hold, manage, deposit, withdraw, invest and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit and mutual funds, to borrow money, and is authorized to grant a security interest in assets of the Protected Person, and accomplish any or all other banking transactions, including the maintenance of a safe deposit box; and (v) the Guardian will send written notice of any change in Guardian, or any appointment of Conservator, or of any amendment or modification of the Letters of Guardianship which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the powers of the Guardian, or any other representations made to the Credit Union.

**Representative Payee** – If you are a Representative Payee, you represent the following: (i) the authority granted to you by the Social Security Administration to act as Representative Payee is in full force and effect and has not been revoked or amended in any manner which would cause the representations made herein to be inaccurate or incorrect; (ii) the named Representative Payee has qualified, is acting as Representative Payee, and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iii) the Representative Payee is authorized to hold, manage, deposit, withdraw, invest and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit and mutual funds on behalf of the Social Security Beneficiary; and (iv) the Representative Payee will send written notice of any change in Representative Payee, or of any amendment or modification of the Award Letter which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the powers of the Representative Payee, or any other representations made to the Credit Union.

**Veterans Affairs (VA) Fiduciary** – The VA Fiduciary represents the following: (i) the Department of Veterans Affairs Fiduciary Agreement presented is in full force and effect and has not been revoked in any manner which would cause the representations made herein to be inaccurate or incorrect; (ii) the named VA Fiduciary has qualified, is acting as VA Fiduciary, and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iii) the VA Fiduciary is authorized to hold, manage, deposit, withdraw, invest, and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit and mutual funds on behalf of the Department of Veterans Affairs Beneficiary; and (iv) the VA Fiduciary will send written notice of any change in VA Fiduciary, or of any amendment or modification of the Department of Veterans Affairs Fiduciary Agreement which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the powers of the VA Fiduciary, or any other representations made to the Credit Union.

**Personal Representative** – The Personal Representative represents the following: (i) the Letters of Authority presented are in full force and effect and have not been revoked or amended in any manner which would cause the representations made herein to be inaccurate or incorrect; (ii) the named Personal Representative has qualified, is acting as Personal Representative, and is authorized to open this account and complete other documents for the receipt of financial services from the Credit Union; (iii) the Personal Representative is authorized to hold, manage, deposit, withdraw, invest and reinvest funds deposited, purchase and sell investments and securities, including without limitation, certificates of deposit and mutual funds, to borrow money, and is authorized to grant a security interest in Estate assets, and accomplish any or all other banking transactions, including the maintenance of a safe deposit box; and (iv) the Personal Representative will send written notice of any change in Personal Representative, or of any amendment or modification of the Letters of Authority which would cause the representations made herein to be or become inaccurate or incorrect, or of the occurrence of any event which would affect the powers of the Personal Representative, or any other representations made to the Credit Union.

**5. Acknowledgement of Fiduciary Responsibility.** As a Fiduciary, you acknowledge and understand (i) you owe the Protected Person a legal Fiduciary responsibility and (ii) your legal obligations as a Fiduciary and as more fully set forth in the Michigan Estates and Protected Individuals Code, Social Security Administration Rules and Regulations, or the Department of Veterans Affairs Rules and Regulations, as the case may be, to care for the Protected Person's or Estate's property, including funds held on deposit in the Credit Union. You further agree to conduct all business with the Credit Union on behalf of the

Protected Person or Estate in accordance with state and federal laws as well as orders from any court of competent jurisdiction, Social Security Administration Rules and Regulations, or Department of Veterans Affairs Rules and Regulations. You understand and agree that funds in a Fiduciary Account may not be pledged as security for any purpose.

**6. Indemnification.** Fiduciary hereby holds the Credit Union and each of its officers, directors, employees, agents, and affiliates harmless and personally indemnifies them against any claims, judgments, settlement amounts, or other liabilities or costs of defense or settlement, including attorneys' fees arising out of or related to any alleged or actual improper or unsuitable actions taken at the instruction of Fiduciary in connection with the account for the Protected Person or Estate or for any distribution of the Protected Person or Estate assets from the account to any person or entity. This indemnification is made by the Fiduciary both in his or her capacity as such and individually, and shall not be limited by any other independent documentation. If a Fiduciary provides instructions or an order to the Credit Union that the Credit Union reasonably believes might expose it to claims, suits, losses, expenses, liability, or damages, the Credit Union may refuse to follow the instruction or order.

**7. Deposits.**

**Conservator, Guardian, Representative Payee, or VA Fiduciary** – The Fiduciary has transferred funds into the account for the benefit of the named Protected Person. Any funds deposited into accounts by the Fiduciary or other persons authorized to make deposits shall be conclusively presumed to be property of the Protected Person at the time of deposit.

**Personal Representative** – The Fiduciary has transferred funds to the Estate to be payable, as directed by law, to the creditors of the Estate, for applicable taxes, and to the heirs at law of the Estate. Any additional funds deposited into accounts owned by the Estate, by the Personal Representative, or other persons authorized to make deposits, shall be conclusively presumed to be property of the Estate at the time of deposit.

**8. Withdrawals.** All sums paid to the Credit Union on shares/deposits (less set-offs allowed by law and/or provided by contract) shall be paid on proper withdrawal demand by the named Fiduciary. Such demand must be made by the named Fiduciary, as indicated on the Signature Card for Accounts Opened by Fiduciaries. The Credit Union has no obligation to monitor the further distribution of any funds withdrawn from the account, unless required to do so by Court Order. We reserve the right to deny any withdrawal request. The Credit Union shall not be liable for the misappropriation of funds resulting from a withdrawal from a Fiduciary account. Only methods approved by the Credit Union may be used to make withdrawals from the account.

**9. Distribution of Accounts.**

**Conservator, Guardian, Representative Payee, or VA Fiduciary** – If you have opened an account for a Protected Person, you as Fiduciary understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Letters of Conservatorship, Letters of Guardianship, Award Letter, Department of Veterans Affairs Fiduciary Agreement, other documentation on file at the Credit Union, and you, on behalf of the Protected Person forever indemnify and hold the Credit Union harmless for distributions made in good faith reliance on those Letters of Authority or other documentation. You further agree that it is your responsibility to notify the Credit Union when your authority as a Fiduciary has been revoked, rescinded, revised, or in any way modified.

**Personal Representative** – If you have opened an account for an Estate, you, as Personal Representative, understand and agree that the Credit Union may distribute funds pursuant to the terms of your instructions, or pursuant to the terms of a Court Order, and you, on behalf of the Estate, all heirs at law of the decedent, and all successor Personal Representatives forever indemnify and hold the Credit Union harmless for distributions made in good faith reliance on that instruction and/or Court Order. You further agree that it is your responsibility to notify the Credit Union when an Estate for which an account has been opened has been closed, rescinded, revised, or in any way modified.

**10. Checking Accounts.** The Credit Union is authorized to pay checks signed by the named Fiduciary and to charge any payment against the checking account. In addition to the other terms set forth in Section V (Checking Accounts) of this Agreement, it is agreed that the front side of all checks shall at a minimum contain the name of the Protected Person and the named Fiduciary or the name of the Estate and the Personal Representative.

## **VIII. ELECTRONIC FUND TRANSFERS (EFT) DISCLOSURE**

**A. Generally.** This Electronic Fund Transfers Agreement and Disclosure (EFT Disclosure) contains additional Agreement provisions setting forth your and our rights and responsibilities concerning the electronic funds transfer (EFT) services offered to you by Financial Plus Credit Union. By signing an application for EFT services, signing any card we issue to you, by requesting a Personal Identification Number (PIN) or password to be issued, or by using any services covered by this EFT Disclosure, you agree to the terms and conditions in this EFT Disclosure and any amendments to the EFT services offered. The terms and conditions of the account agreements relating to your accounts with us remain in effect, except to the extent modified by this EFT

Disclosure.

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

- Regular Share Account
- Checking Account
- Miscellaneous Share Account
- Christmas and Vacation Club Accounts
- Certificate of Deposit
- IRA or ESA Money Market Accounts
- IRA and ESA Savings Accounts
- Hi-Yield or Hi-Yield Plus Money Market Accounts

These types of accounts are sometimes referred to in this EFT Disclosure as "account(s)."

**C. "Electronic Fund Transfers" Initiated by Third Parties.** You may authorize a third party to initiate EFTs between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payment networks. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and/or print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and credit union information. This information may be found on your check as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union and account information (whether over the phone, the internet, or via some other method) to trusted third parties whom you have authorized to initiate these EFT transactions. We reserve the right to reject any EFT transaction initiated by a third party if the name on the EFT does not match the name of the owner or a joint owner of the account.

**D. "Electronic Fund Transfer" Services Available.** The sections below set forth the types of EFT services we are capable of handling, some of which may not apply to your account. Please read this EFT Disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this EFT Disclosure for further reference. We do require you to maintain a minimum balance in your Regular Share Account of \$5.00 as a condition of using an access device (Card or Code) to accomplish a transfer. We do not require you to maintain a minimum balance in any other account as a condition of providing EFT services. At the present time, you can authorize the following types of "electronic fund transfers" to, from, or between your "account(s)" in the Credit Union:

**1. Preauthorized Transfers to Your Accounts (Credits):** You may make arrangements for certain direct deposits, or other preauthorized transfers, to be accepted into your account(s).

- Direct deposit of Social Security and pension payments;
- Direct deposit of Veterans Administration benefits and Railroad Retirement benefits;
- Deposits of net paycheck or payroll deduction from various employers who have agreed to send such deposits to us;
- Direct deposit of military active duty pay or retirement benefits;
- Transfers between your 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.

If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**2. Preauthorized Transfers from Your Accounts (Debits):** You may make arrangements to pay certain recurring or one-time debits from your account(s).

- Payments of your house mortgage, insurance premiums and utility bills, as well as other types of payments to third parties, through facilities of an automated clearing house (ACH) or other electronic network;
- Transfers between your 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.

If these regular payments may vary in amount, the payee you are going to pay should 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 will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

**3. Electronic Check Conversion and Returned Check Charge:** 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, pay bills, or other transactions. 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 EFT, 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. Automated Phone Banking Transactions:** If you are an enrolled user in our Automated Phone Banking automated response system, you may call our Automated Phone Banking program toll-free at (800) 234-5884, to use your telephone or mobile device, and Access Code to make the following electronic fund transfers:

- Withdrawals from your accounts or line-of-credit loans in the Credit Union (a check will be mailed to your address on file);
- Transfers between your accounts in the Credit Union, excluding IRA, ESA, and certificate accounts;
- Transfers between your accounts (except IRA, ESA, or certificate accounts) and line-of-credit loans in the Credit Union;
- Transfers from your accounts (excluding IRA, ESA, and certificate accounts) or line-of-credit loans to make payments on your loans at the Credit Union.
- Transfers from your accounts or line-of-credit loans in the Credit Union to another member account at the Credit Union, which you have previously authorized.

Transactions made by Automated Phone Banking, Online Banking, and Mobile Banking are aggregated and limited to \$10,000 per transaction, a maximum of six (6) transactions per day, and an aggregate maximum daily transaction limit of \$25,000.

**5. Automated Teller Machine (ATM) Transactions:** At the present time, you can use automated teller machines (ATMs) owned and operated by Financial Plus Credit Union, and ATM's in the NYCE, Co-op, and Plus networks. Other regional networks may also be available through network sharing agreements.

The number and location of ATMs is, of course, subject to change at any time. If you have an Automated Teller Machine (ATM) Card and/or Visa Debit Card (Card) and PIN, we will keep you informed from time to time of the location of our machines and the networks available. Not all transaction types may be available at all ATMs.

If you have an ATM 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 ATM. However, your Card(s) may need to be reprogrammed by our staff in order to access all of these accounts:

- Deposits to your regular share, checking, Hi-Yield/Hi-Yield Plus Money Market\* accounts. You may deposit no more than \$25,000 per day;
- Cash withdrawals from your regular share, checking, Hi-Yield/Hi-Yield Plus Money Market\* accounts. You may withdraw no more than \$305 (including surcharges) per day, per ATM Card. You may withdraw no more than \$510 per day (including surcharges), per Visa Debit Card;
- Transfers (non-cash) between regular share, checking, Hi-Yield/Hi-Yield Plus Money Market\* accounts;
- Transfers (non-cash) from your credit card or line-of-credit loan accounts with us to your regular share, checking, Hi-Yield/Hi-Yield Plus Money Market\* accounts;

\* Note that Hi-Yield and Hi-Yield Plus Money Market account access restricted to ATMs owned and operated by the Credit Union and ATMs in the Co-op Network.

ATM deposit access may not be available during the first sixty (60) days of account opening or longer for accounts with restricted access. Additionally, certain Card(s), at the option of the Credit Union, may have deposit restrictions, reduced cash withdrawal and point-of-sale authorization limits; however, if this is the case, you will be notified.

Your Option to Limit Cash Withdrawals. In addition to dollar amount limitations for withdrawals using your ATM/Visa Debit Card or PIN that we may establish, you have the option to limit the amount of cash that can be withdrawn by your Card(s) and/or PIN to \$50.

**6. Point-of-Sale Transactions:** If you have an Automated Teller Machine (ATM) Card and/or Visa Debit Card (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 Interlink or NYCE access, or other third party merchants/processors, authorized by you, with whom we are not associated. These businesses may display the Interlink or NYCE logo in their business locations. Payment may only be made from funds in your checking account. Access to other accounts is not permitted.

To protect against possible losses, your ATM Card(s) will not allow you to obtain more than \$500 in goods or services per ATM Card, or \$1,500 per Visa Debit 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. These limits are in addition to the ATM cash withdrawal limits stated above.

**7. Visa Debit Card Transactions:** If you have a Visa Debit Card, you may use your Card to purchase goods and services from merchants that have agreed to accept

Cards, subject to the limitations stated in the Point-of-Sale section above. These merchants may 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 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. Transactions may only be made from funds in your checking account. Access to other accounts is not permitted.

**8. Online Banking and Mobile Banking Transactions:** Our Online Banking and Mobile Banking allows members to process electronic fund transfers between Credit Union account(s) and make other transfer requests by use of a computer or mobile device connected to the Internet. If you are an enrolled user of our Online Banking system, you may log onto either Online Banking or Mobile Banking to process the following transactions:

- Transfers between your accounts in the Credit Union (excluding IRA, ESA, and certificate accounts);
- Transfers from your accounts to your loans in the Credit Union;
- Transfers from your line-of-credit loans (i.e. credit card or Home Equity) to your accounts;
- Transfers from your accounts or line-of-credit loans (i.e. credit card or Home Equity) to another member account at the Credit Union. Transfers to other member accounts through Mobile Banking must be preauthorized;
- Make third party payments through use of our Bill Pay program.
- Transactions made by Automated Phone Banking, Online Banking, and Mobile Banking are aggregated and limited to \$10,000 per transaction, a maximum of six (6) transactions per day, and an aggregate maximum daily transaction limit of \$25,000.

**9. Bill Pay Services:** Bill Pay is a bill payment service, which allows members to transfer funds from their checking account to make third-party payments. You must be an enrolled user of Online Banking to access the Bill Pay program. There is currently no fee for the Bill Pay program, other than the fee for applicable Stop Pay or Rush Delivery payments. We reserve the right to impose additional fees, or change fees, upon notice, in the future.

You must be logged into our Online Banking or Mobile Banking program to use the Bill Pay service. Not all services are available through Mobile Banking. The Bill Pay program offers 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.
- Bill Pay transfers can be scheduled as a One-Time payment, Recurring payment, or Rush Delivery payment. Depending on the Payee, bill payments may be processed as an electronic payment or check payment. Electronic payments will be withdrawn from your account on or after 3 p.m. on the payment processing day. Check payments will be issued by check and withdrawn from your account once the check is cashed by the recipient. Bill payments will be delivered to the Payee by the "Deliver By" date indicated at the time the payment is scheduled.
- A One-Time payment will begin processing on the day scheduled by you, or if not a business day on the next business day. One-Time payments may be scheduled up to eighteen (18) months in advance and may be edited or cancelled prior to 3:00 P.M. (Eastern Time) on the date the payment is scheduled to begin processing.
- A Recurring payment may be scheduled to occur automatically based upon a specified regular basis, beginning on the start date you have indicated and ending on the end date you have indicated. Electronic Recurring payment(s) will be withdrawn on the business day required to deliver the payment to the payee by the date you have scheduled, or if not a business day on the prior business day. Recurring payments may be edited or cancelled by you prior to 3:00 p.m. (Eastern Time) on the date the payment is scheduled to begin processing.
- A Rush Delivery payment, when available, must be scheduled on a business day prior to 4:00 p.m. (Eastern Time). Funds will be withdrawn from your checking account the same day you enter the payment information. The third-party payment will be delivered on the next business day or the second business day, as designated by you. Rush Delivery payments may be edited or cancelled by you prior to 4 p.m. (Eastern Time) of the day in which the payment is scheduled to begin processing. There is a fee for Rush Delivery payments as indicated at the time the payment is scheduled.
- The Bill Pay program is available twenty-four (24) hours per day, seven (7) days per week, and is limited to \$5,000 per payment and an aggregate of \$5,000 per day. All payments must be payable in United States Dollars and the payee address must be within the United States. We do not recommend making payments to a federal, state or local governmental or taxing unit.

**E. Mobile Payment and Digital Wallet Services.** A mobile payment and/or digital wallet service allows members to make payments using compatible devices and applications (such as ApplePay).

The storage and usage of your Credit Union Card number or account information in third party applications is subject to the terms and conditions of the applicable cardholder and account agreements with the Credit Union. Please contact the Credit Union for further information or any questions regarding your use of these services.

**F. Illegal Use of Card or Other "Electronic Fund Transfer" Service.** You agree not to use EFT services for illegal gambling or other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which you may be 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 a Credit Union Card or other EFT service.

**G. Card and Electronic Device Ownership.** All Automated Teller Machine (ATM) and/or Visa Debit cards, and their personal identification numbers (PIN's), Online or Mobile Banking passwords, and Automated Phone Banking 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 Cards and 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 interest.

If this EFT Disclosure is terminated, you agree to surrender any ATM and/or Visa Debit cards to us.

We will not be required to complete any EFT service 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, along with any applicable fees as set forth in our Fee Schedule.

**H. Personal Identification Number (PIN) and Password Secrecy and Member Responsibility.** If we have issued PIN's or passwords (Codes) for use in conjunction with your Cards or account, you agree to keep the Codes secret and you also agree that you will not write the Code on your Card(s) nor on any item you keep with your Card(s) or other account information, or store your Codes on your computer.

**I. Fees for "Electronic Fund Transfers".** We may charge you fees for EFT services as set forth in this EFT Disclosure or as set forth in our Fee Schedule.

We reserve the right to impose, or change such fees, if we deem it necessary. We will give you at least twenty-one (21) days advance written notice before imposing or increasing any such fee.

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

**J. Currency Conversion and International Transactions.** If you use your Card to make a transaction in a country outside the United States, you will be charged an International Transaction Fee, regardless if the transaction is made in foreign currency or United States (U.S.) currency (Refer to our current Fee Schedule for the applicable ATM/Debit/Credit Card 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 the Plus network from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa or Plus itself receives, or the government mandated rate in effect for the applicable central processing date. We reserve the right to change this fee, upon notice, in the future.

**K. Limitations on "Electronic Fund Transfers".** Transfers and withdrawals made by telephone, facsimile, by Automated Phone Banking, through Online or Mobile Banking, by transfer to an authorized third party, or to cover overdrafts will be limited to a total of six (6) such transfers and withdrawals per account, per month. Transfers and withdrawals made by ATM, in person or by mail, and through our Bill Pay program are not subject to this limitation nor are transfers and withdrawals made from your checking account. We may refuse to make transfers in excess of the above limits and your account(s) may be subject to closure if these limits are exceeded.

Refer to Subsection D of this EFT Disclosure regarding product/service specific limitations and restrictions.

Your accounts may be accessed twenty four (24) hours per day, seven (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 EFT services if any of your account(s) are not in good standing, such as if you are past due on your loan obligations with us or overdrawn on any of your account(s). We also reserve the right to deny any EFT service when, in our sole discretion, a transaction is deemed to subject the account or Credit Union to a high level of risk. 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.

**L. Documentation of Transfers.** You can get a transaction receipt at the time you make any transfer to, from or between your account(s) using an ATM, point-of-sale terminal, or make a Card purchase transaction. A receipt may not be available if the transaction amount is \$15 or less.

If you have arranged to have direct deposits at least once every sixty (60) days from

the same person or company:

1. In most cases, the person or company making the deposit will give you notice every time they send us the money, but
2. If that person or company does not give you such notice, you may use our Automated Phone Banking, Online Banking, Mobile Banking, or contact us toll-free at (800) 748-0451 to find out whether or not the deposit was made.

You will receive a statement every month in which you have EFT activity, and at least once per quarter for each account(s) for which you have authorized any EFT service described in Subsection D that has not had activity in a given month.

- M. Right and Procedures to Stop Payment on Preauthorized, Electronic Check Conversions, and Bill Pay Transfers.** If you have authorized payments from your account(s), or authorized an electronic check conversion, you can stop these payments. One-Time and Recurring Bill Pay transactions may be edited or cancelled through the Bill Pay program by you prior to 3 p.m. (Eastern Time) on the scheduled processing day. Rush Delivery payments may be edited or cancelled through the Bill Pay program by you prior to 4 p.m. (Eastern Time) on the scheduled processing day. To place a stop payment on a preauthorized transfer, electronic check conversion, or Bill Pay payment issued by check you must:

Call us toll-free at (800) 748-0451

Or, write us at:

Attention: Member Support Services 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 processed. 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 processed. 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 written stop payment on a Bill Pay check is valid for six (6) months. A written stop payment on a preauthorized transfer or electronic check conversion is valid indefinitely.

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 ACH, Check, and Bill Pay Stop Payment Fees in our current Fee Schedule.

If you order us to stop a preauthorized payment, check conversion, or Bill Pay payment issued by check 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. Refer to Subsection S of this EFT Disclosure, for our business days.

- N. Reversing "Electronic Fund Transfers".** If an EFT described in Subsection D was a payment of \$50 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 (i) you tell us, within four (4) calendar days after the date of the transfer, to make such a reversal, (ii) you notify us that you have made a good faith attempt to resolve your dispute with the third party involved, and (iii) 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:

Attention: Member Support Services Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

If you phone us, you MUST call us toll-free at (800) 748-0451.

If you tell us orally that you want such a transfer reversed, you MUST send us a letter 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 letter back to us within fourteen (14) calendar days after the date of your oral request for reversal. We reserve the right to impose a reasonable charge for handling such reversal requests, and to increase such charges thereafter. Refer to the ACH Reversal fee in our current Fee Schedule.

- O. 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 D under the following circumstances:

- When it is necessary to complete transactions;
- If you give us written permission;
- In order to verify the existence and condition of your account(s), for a third party, such as a credit bureau or merchant; or
- In order to comply with government agency or court orders;

- P. Your Liability for Unauthorized Transfers.** Tell us AT ONCE if you believe your Card and/or Code has been lost or stolen. Calling is the best way of keeping your possible losses down. You could lose all the money in your account and in any other associated account. If you believe your Card and/or Code has been lost or stolen and you tell us within two (2) business days after you learn of the loss or theft, you will have no liability if someone used your Card and/or Code without your permission.

If you do NOT tell us within two (2) business days after you learn of the loss or theft

of your Card and/or Code, under Regulation E, you could lose up to \$500. Also you may have unlimited liability if the unauthorized transaction(s) are not reported within sixty (60) days of when the unauthorized transaction(s) were reported on a periodic statement.

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

**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 processed through the Visa Network (excluding transactions performed at an ATM or Interlink point-of-sale merchant), unless you are negligent in the handling of the Card, or transactions are not reported within the timeframes noted above.

**Contact in event of unauthorized transfer.** If you believe your Card and/or Code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the following telephone number or address:

Telephone us toll-free at (800) 748-0451

Or write to us at:

Attention: Member Support Services Department  
Financial Plus Credit Union  
P.O. Box 7006  
Flint, Michigan 48507-0006

For lost or stolen ATM or Debit Cards call us toll-free at (800) 748-0451 anytime or (909) 941-1398, if calling from an international location.

- Q. ERROR RESOLUTION NOTICE.** In case of errors or questions about your EFT transactions, call or write us at the telephone number or address listed above, as soon as you can, if you think your statement or a transaction receipt is wrong or if you need more information about an EFT transaction 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 (if any); and
2. Describe the error or the EFT transaction 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.

We will determine whether an error occurred within ten (10) business days (twenty (20) business days if the EFT transaction involved a new account) 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 (ninety (90) days if the EFT transaction involved a new account, a point-of-sale transaction, or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (twenty (20) business days if the EFT transaction involved a new account) 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. Your account is considered a new account for the first thirty (30) days after the first deposit is made, unless you already have an established account open at least thirty (30) days with us before the account is opened.

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 by contacting us at the telephone number and address shown above.

- R. Our Liability for Failure to Make Electronic Fund Transfers.** If we do not complete an EFT transaction to or from your account(s) on time or in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions. For example, 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 ATM;
- If, through no fault of ours, you do not have enough money in your account to make the EFT;
- 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 EFT;
- If there is not enough collected or available funds in your account to make the EFT;
- 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 EFT would take the balance on your overdraft loan (if applicable) over the credit limit;
- If the EFT 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 ATM where you are making the withdrawal does not have enough cash;



- If the ATM or system where you are making the EFT was not working properly and you knew about the breakdown when you started the EFT transaction;
- If the failure was caused by a merchant, system or network not within our control;
- If you use or attempt to use EFT services after your right has been canceled;
- If circumstances beyond our control (such as fire or flood) prevent the EFT, despite reasonable precautions we have taken;
- If you operate an ATM or system improperly;
- If you fail to observe the terms and conditions of this EFT Disclosure or our account agreements (including but not limited to this Membership and Account Agreement) with you;
- If, due to suspicious activity on your account, we have temporarily suspended your privileges until the activity can be verified;
- If, using Bill Pay, 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 any of your loan accounts 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.

- S. "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, and on any day designated for their observance.
- T. Notification of Regulatory Authority.** This EFT Disclosure and the EFT services provided in this EFT Disclosure are governed by Federal law and Michigan law. You may notify the State agency noted below of any violation of law. The address of this Authority is as follows:

Credit Union Division  
Dept. of Insurance & Financial Services  
P.O. Box 30220  
Lansing, MI 48909-7720

- U. Amendments.** We reserve the right to amend this EFT Disclosure in any manner and at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances. When required by law, we will give you at least twenty-one (21) days advance written notice. You agree that we may amend or modify this EFT Disclosure without notice if an immediate change is necessary to maintain or restore the security of our account arrangements or of any account.
- V. Notices.** All notices from us will be effective when mailed or electronically delivered to your last known address, or email address, in our records. Notices from you will be effective when received by us at the address specified in this EFT Disclosure.
- W. Termination of "Electronic Fund Transfer" Services.** You may terminate this EFT Disclosure or any EFT service under this EFT Disclosure at any time by notifying us in writing and stopping your use of the service, your Card(s), or any Code. Upon termination, you agree to return all Cards to the Credit Union or destroy the Cards upon request of the Credit Union. You also agree to notify any participating merchants that the authority to make bill payment transfers has been revoked. We may also terminate this EFT Disclosure at any time by notifying you orally or in writing at your last known address, or email address, on file with us. If we terminate this EFT Disclosure, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this EFT Disclosure has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your Card(s) or access code for any EFT service. Whether you or the Credit Union terminate this EFT Disclosure, the termination will not affect your obligations under this EFT Disclosure or any EFT transaction(s) made prior to termination. The Credit Union reserves the right to terminate any electronic service due to dormancy. Thirty (30) days-notice will be given prior to services being terminated. If either you or we terminate this EFT Disclosure, we have the option of terminating all of your accounts with us that may have any sort of electronic access or restricting such accounts to in-person transactions, a written request (such as by mail), or a telephone request made directly to a Credit Union employee only. We also may exercise any other rights available to us under the Membership and Account Agreement or applicable law.

- X. Access Device Revocation.** Any Card, Code, or other device which we supply you (access device) may be revoked without notice to you in the event that any of the following conditions occur:
- Overdrafts occur as a result of insufficient or uncollected funds in the account;
  - Any transaction that occurs on your accounts which results in a monetary loss of the Credit Union;
  - Account delinquency with the Credit Union, including but not limited to, loans or credit cards;
  - Forced closure of an account with the Credit Union; or
  - Any other situation in which the Credit union deems revocation to be in its best interest.

#### **IX. FUNDS AVAILABILITY POLICY**

This policy statement applies to "transaction accounts". Transaction accounts, in general, are accounts which permit an unlimited number of payments to third parties and an unlimited number of telephone and preauthorized transfers to other accounts of yours with

us. Checking accounts are the most common transaction accounts (Refer to Section V for more information regarding checking accounts). Feel free to ask us whether any of your other accounts might also be considered transaction accounts.

Our general policy is to make funds from your check deposits available to you on the first business day after the day we receive your deposit. Once the funds 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 observed by the Credit Union. 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, and on any day designated for their observance.

If you make a deposit at one of our offices 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 to us unpaid and for any other problems involving your deposit.

#### **Same Day Availability**

Funds from the following deposits will be available on the same day we receive the deposit:

- Cash deposited in person to one of our employees;
- Funds from electronic deposits (ACH) to your account; or
- Checks drawn on the Credit Union and deposited in person to one of our employees.

#### **Next Day Availability**

Funds from the following deposits will be available on the first business day after the day of your deposit

- Wire transfers to your account;
- U.S. Treasury checks and U.S. Postal money orders that are payable to you;
- Federal Reserve Bank and Federal Home Loan Bank checks that are payable to you;
- State and local government checks that are payable to you;
- Cashier's, certified, and teller's checks that are payable to you; or
- Checks drawn on the Credit Union and deposited into our night depository receptacle.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from these deposits will be available on the second business day after the day we receive your deposit. The first \$200 of your deposits, however, will be available on the first business day after the day of your deposit.

#### **Longer Delays May Apply**

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds will generally be available on the second business day after the day of your deposit. The first \$200 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 on 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 business day after we receive your deposit. If you will need 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 on any one day;
- You/we redeposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six (6) months; or
- There is an emergency such as a natural disaster, failure of computer or communications equipment, or other situations that interrupt the processing of checks.

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.

#### **Special Rules for New Accounts**

If you are a new member, the following special rules will apply during the first thirty (30) days your account is open:

- Funds from in person deposits of cash and electronic deposits (ACH) to your account will be available on the day we receive the deposit.
- Funds from deposits of wire transfers and the first \$5,000 of a day's total deposits 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 meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit.

- If your deposit of checks noted above (other than a U.S. Treasury check), is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.
- Funds from all other check deposits will be available no later than the tenth business day after the day of your deposit, unless other exceptions listed in the "Longer Delays May Apply" section above also apply.

#### **Holds on Other Funds**

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

#### **Deposits at Proprietary ATMs**

Financial Plus Credit Union owns and operates many of its own ATMs. These are clearly identified as Financial Plus Credit Union ATMs and can be found at any of our offices and within the community. We will keep you informed of changes and additions to these locations.

Our policy is to make funds deposited (cash or check) into a Credit Union ATM (other than Treasury checks and checks drawn on the Credit Union) available to you on the second business day after the day of your deposit. Treasury checks, checks drawn on the Credit Union, and the first \$200 of your deposits, however, will be available on the next business day after the day of the deposit, unless other exceptions referred to in the "Longer Delays May Apply" and "Special Rules for New Accounts" sections also apply.

Deposits made into an ATM on a business day prior to midnight are considered received the same business day. Deposits made into an ATM on Saturdays, Sundays or holidays observed by the Credit Union will be considered received the next business day we are open.

#### **Deposits at Nonproprietary ATMs**

Funds from non deposits (cash or checks) made at an ATM we do not own or operate will not be available until the second business day after the date of your deposit.

Deposits made into an ATM on a business day prior to midnight are considered received the same business day. Deposits made into an ATM on Saturdays, Sundays or holidays observed by the Credit Union will be considered received the next business day we are open.

However, all ATM deposits are subject to the same conditions and exceptions referred to in the "Longer Delays May Apply" and "Special Rules for New Accounts" sections above.

#### **Foreign Checks**

Checks drawn on financial institutions located outside of the United States cannot be processed the same as checks drawn on United States financial institutions. Foreign checks are exempt from the policies outlined in this Agreement. Generally, the availability of funds from deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institution upon which it is drawn.

#### **X. UNIFORM COMMERCIAL CODE (UCC) FUNDS TRANSFERS AGREEMENT**

The following rules shall apply to all funds transfer services processed by the Credit Union (ACH, wire transfers, or other electronic services), except to the extent governed by the Electronic Funds Transfer Act.

We may accept on your behalf, payments to your account or transfers from your account, which will be or have been transmitted by Fedwire, or through a similar wire transfer system, that is used primarily for transfers between financial institutions or between businesses. 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 also accept on your behalf funds transfers which have been transmitted through one or more automated clearing houses (ACHs) and to the extent not governed by the Electronic Fund Transfer Act, your rights and obligations with respect to such funds transfers 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 Funds Transfers Agreement, and for outgoing 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 Fee Schedule), and produce acceptable identification. If you have provided written wire transfer instructions for recurring wire transfers, 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 Funds Transfers Agreement, provided written wire transfer instructions, and provided us with a secret personal identification number (PIN), 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 PIN 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 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 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 attorneys' 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. We accept funds transfer orders into and out of your savings and/or checking account(s). 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. We may refuse to make further transfers and your account(s) may be subject to closure if these limits are exceeded.

If, (i) you give us a funds transfer order, or (ii) we receive a funds transfer order, which identifies a beneficiary's financial institution, an intermediary financial institution, or a beneficiary, 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 provided to us identifies a different financial institution, person, or account other than the one named.

We will provide you with notification of an incoming funds transfer order as part of your periodic statement. Therefore, we will not provide a special notice every time we receive a funds transfer order into your account. Information is available regarding incoming funds transfer orders through our Online Banking, Mobile Banking, Automated Phone Banking or you may contact us at (800) 748-0451 (toll-free) if you are expecting a funds transfer order into your account.

Wire transfer requests for incoming and outgoing Domestic wires received after 4:00 p.m. Eastern Standard/Daylight Time as observed in Flint, Michigan (Eastern Time) will be sent or posted to your account the following business day. Wire transfers requests for incoming and outgoing International wires received after 2:00 p.m. (Eastern Time) will be considered received the following business day.

ACH transactions (debits and credits) received after 8:30 a.m. will be considered received the following business day, unless received by us as a "Same Day" ACH transaction. Same Day ACH transactions received on a business day by 4 p.m. will be posted to your account no later than 5 p.m. on the business day of receipt. Refer to Section VIII, Subsection S for our business days.

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 attorneys' 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. We may refuse to wire funds to foreign countries if we deem it to be a violation of 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 ACH 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. EFFECTIVE DATE**

The effective date of this Agreement is 02/01/2019.

**This Credit Union is federally insured by the National Credit Union Administration.**