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## Contract Terms and Disclosures

### 1. This is a Contract Between You and Your Credit Union

#### a. Contract for Accounts and Services.

You understand that Parts 1 and 2 create a legally binding Deposit Account Contract (“Contract”) that governs your accounts and services with our Credit Union. This Part 2 explains the specific Contract terms, disclosures, responsibilities and liabilities of membership, account ownership, and related services for your accounts with us. By applying for membership, opening or using an account, requesting or using a service and signing or otherwise validating Part 1 of this Contract, you are agreeing to the terms, responsibilities, and accompanying liabilities of this Contract, which also includes our Electronic Fund Transfer disclosures, Funds Availability disclosures, Rate and Fee disclosures and Privacy Policy. You promise that all the information provided by you to us in Part 1 of this Contract is complete and true, and has been completed according to your instructions, as confirmed by your signature on or validation of Part 1 of this Contract, and/or through your use of an account or a service. You agree that we may rely exclusively on the terms of Parts 1 and 2 of your and our Contract, and further agree that we have no obligation to rely on any other documents, unless otherwise required. It is the essential purpose of this Contract to fairly apportion the responsibilities and liabilities of membership, account ownership, and services used by each member between that member and the Credit Union, which in turn enables us to provide the best products and services possible, in the most cost effective manner, for the benefit of all members of the Credit Union.

#### b. Questions? Please Ask Us.

Please read and keep this Contract so that you can refer to it anytime that you have a question about your membership, an account, or a service. You understand and acknowledge that you may contact us anytime we are open for business to obtain additional copies of this Contract, and that you can also access Part 2 of this Contract and all our disclosures anytime on our website at [www.financialedgeccu.org](http://www.financialedgeccu.org). As an owner of this Credit Union, it is particularly important that you read and follow the terms of this Contract so that we can meet your account and account related service needs, and in order for you to carry out your responsibilities and avoid any losses or liability. You further understand that this Contract is written in English, and that it is your responsibility to get help from us and persons of your own choosing (such as family, friends, employers, etc.) should you have any language difficulties in reading and understanding this Contract. Should you have any questions about a matter addressed in this Contract (Parts 1 and 2), please contact us at (989) 892-6088 and/or [info@financialedgeccu.org](mailto:info@financialedgeccu.org) during business hours, and we will be happy to answer your questions about and/or explain any matter addressed in our Contract.

#### c. Important Definitions for Your and Our Contract.

In this Contract the words “we,” “our,” and “us” mean the Credit Union and the words “you” and “your” mean you the account owner (“member” or “owner”), and any “agent” appointed by or on behalf of you to conduct transactions on the account.

The words “people” or “person” mean human beings.

The word “trustee” means a person serving as a fiduciary of a trust relationship, and the word “successor trustee” means a person named to succeed the trustee, as a fiduciary of a trust relationship.

An “account” means any savings or share, checking or share draft, or certificate or share certificate account that you own at the Credit Union.

The word “transaction” means (1) any action, instruction, order, or request that would increase or decrease the balance in an account, or would impose a lien or security interest on funds in the account, and (2) any other request for services or information in connection with the account. The term “transaction” does not include changing the ownership, beneficiary/POD payee designations, or closing an account. You may conduct a transaction by any means that we allow, such as in person, by phone, at an Automated Teller Machine (ATM), our services that can be accessed through the internet, or by card or mail.

#### d. Right to Rely on this Contract.

You acknowledge the receipt of and agree to the terms, responsibilities, and liabilities of this Contract given to you in person and/or emailed to you at the address in Part 1 if provided, which includes the Funds Availability disclosures, Electronic Fund Transfer disclosures, Rate and Fee disclosures, Privacy Policy, our Bylaws and policies, and to any changes that we make to them from time to time. You understand and agree that we may optically scan, image, or film your original Part 1, and agree that the electronic copy of Part 1 is binding on you and us. You further understand and agree that you may change, close, or terminate your accounts, services, or membership with us at any time according to terms of this Contract.

For all transactions on an account, and for any changes to, distributions from, or closure or termination of any account or service, you agree that we may rely exclusively on the terms of Parts 1 and 2 of this Contract, our Bylaws, and any changes we make to these documents from time to time. Further, you agree that any additional accounts or services that you request will also be governed by Parts 1 and 2 of this Contract, our Bylaws and policies, and any changes we make to them from time to time.

#### e. How Accounts are Titled.

Accounts are generally titled so that the name used on the account matches the Social Security Number or Employer Identification Number you have provided for the account in order to satisfy legal and data processing requirements. Upon your request, we can include a full description, explanation, or any legal title you need in Part 1 of the Contract to explain the purpose of the account and/or the ownership of the funds held in the account.

### 2. Organization of Your and Our Contract

In Part 1 of your and our Contract, you have provided us with your information to apply for membership, selected the ownership and survivorship features for your account(s), selected services, and certified to the Internal Revenue Service (IRS) that the name, Social Security Number (SSN), or Employer Identification Number (EIN) and address that you have provided are correct (or that you are exempt or that a number is not required), that you are a U.S. citizen or U.S. person, and whether or not you are subject to backup withholding.

This Part 2 of this Contract explains the specific terms, responsibilities and liabilities of membership, account ownership, and related services with us. It is organized chronologically, starting with important terms that you should know about this Contract, followed by membership, creation of accounts and related services, account and service maintenance issues, and finally addresses a number of account and service termination issues. Part 2 concludes with four (4) important disclosures that also affect your account and services: the Funds Availability disclosures, Electronic Fund Transfer disclosures, Privacy Policy, and Rate and Fee disclosures. Again, should you have any questions about a matter addressed in this Contract (Parts 1 and 2) please contact us at (989) 892-6088 and/or [info@financialedgeccu.org](mailto:info@financialedgeccu.org) during business hours, and we will be happy to answer your questions about and explain any matter addressed in our Contract.

### 3. Membership in the Credit Union

#### a. Requirements of Membership.

To become a member of our Credit Union you must be in our field of membership as described in our Bylaws or Charter and open and maintain at least one share or savings account with the minimum required membership share or savings amount, as described in the Bylaws.

#### b. Identification, Social Security Number, and Backup Withholding.

To join our Credit Union, open, own, be on an account, and apply for or use a service, in addition to providing us with your current name, residential, or business street (or physical) address (and, if different, your mailing address), phone number, and birth date, we will require you to provide us with current government issued picture identification and a Social Security Number or Employer Identification Number, certify for IRS reporting purposes that the number matches the name and address, and indicate whether you are currently subject to backup withholding and whether you are a U.S. citizen or U.S. person. For your and our protection, you agree that we may retain a copy or image of your current government issued picture identification for identity verification for any and all transactions or matters related to your account or services. If the IRS indicates that there is a problem with the name and number provided by you for the account on Part 1 of this Contract or otherwise notifies us, your account may become subject to backup withholding, which will require us to withhold and pay a portion of the dividends, interest, or other payments to the IRS.

#### c. Authorization to Obtain Information.

You agree that we may check your account, employment, and credit history, which includes obtaining reports from third parties and credit reporting agencies, to confirm your eligibility for accounts and services we may offer.

### 4. Account Ownership and Survivorship Features

Upon opening an account, you acknowledge that we have explained and that you have indicated your choice for the ownership and survivorship features for that account in Part 1 of this Contract. You may open an account either by yourself referred to as a "one owner account," or with another person or persons referred to as a "multiple owner account."

#### a. One Owner Accounts.

A one owner account is an account owned by you alone, which you as the account owner use during your lifetime. Upon your death, the funds in the account will go to your legal representative or claimant subject to the terms of this Contract. Alternatively, you can designate a specific person or persons or organization(s) as a beneficiary(s)/Payable on Death payee(s) (POD payees) on your one owner account in Part 1 of this Contract. Upon your death, the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this Contract) upon proof of your death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, each will be entitled to his or her (or its) equal share of the funds in the account, which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account), and will own those funds without right of survivorship. If a beneficiary/POD payee on the account dies before you, it is your responsibility to notify us and change the account accordingly. Please be aware that your beneficiary/POD payee designations made on Part 1 of this Contract do not apply to Individual Retirement Accounts (IRAs) or any account life savings insurance, which have separate beneficiary designations.

#### b. Multiple Owner Accounts.

A multiple owner account is an account owned by two or more persons who possess equal rights to conduct transactions on the account. Each account owner owns the multiple owner account with right of survivorship. This means that when one owner dies, his or her interest in the account and the funds in the account are owned by the surviving owner or owners of the account, subject to the terms of this Contract. Upon the death of the final owner the funds in the account belong to that owner's legal representative or claimant subject to the terms of this Contract. Alternatively, you can designate a specific person or persons or organization(s) as a beneficiary(s)/Payable on Death payee(s) (POD payees) on your multiple owner account in Part 1 of this Contract. Upon the final owner's death, the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this Contract) upon proof of death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, each will be entitled to his or her (or its) equal share of the funds in the account, which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account, and will own those funds without right of survivorship. If a beneficiary/POD payee on the account dies before you, it is your responsibility to notify us and make any changes to the account. Please be aware that your beneficiary/POD payee designations made on Part 1 of this Contract do not apply to Individual Retirement Accounts (IRAs) or any account life savings insurance, which have separate beneficiary designations.

Any owner acting alone may conduct transactions on the account, and each owner is authorized to act for all other owners on the account for all transactions on the account, or request future services. Any owner may sign and guarantees the signature of any and all other owners on the account for all transactions. Each owner understands that any owner acting alone may change or close the account, and that his or her signature on Part 1 of this Contract or continued use of an account or service confirms his or

her agreement to any later change made to, or closure of, the account by any other owner on the account. While any owner may change or close the account acting alone, we may require all owners to consent in writing to the addition or removal of any owner on the account, or the addition or removal of any agent to the account. All owners agree that we have no duty to notify the owners of the account of any transactions engaged in, or changes to or closure of the account, by any owner acting alone.

All owners, both alone and together, are liable for all transactions on, changes to and closure of the account, and for any charges, fees, losses or liabilities incurred for any transaction on, changes to or closure of the account regardless of which owner conducted or benefited from the transaction, change, or closure. If any owner owes us money for any reason, we may enforce our rights against all funds in any account on which that person is an owner, regardless of which owner deposited the funds in the account.

**c. Accounts Owned by or for People under 18 Years of Age.**

Any person under eighteen (18) years of age may open and own an account with us, may conduct transactions on the account, and agrees to the terms, responsibilities, and liabilities of this Contract. You agree that we may require any person under eighteen (18) years of age who wishes to own an account with us, to have an owner on the account who is at least eighteen (18) years of age or older who will be jointly and individually liable to us for any and all transactions on the account, and who agrees to the terms, responsibilities, and liabilities of this Contract.

**d. Accounts Owned by Custodians for Minors Under the Uniform Transfers to Minors Act.**

You may open and own an account to hold the funds of a minor (a person less than eighteen (18) years of age) under the state's Uniform Transfers to Minors Act. The account is a one owner account owned by you as a custodian, in which you as the account owner-custodian hold funds for the exclusive right and benefit of a minor, unless otherwise allowed by state law. Though dividends/interest paid to the account are/is reported under the minor's name and Social Security Number, you as the custodian are the owner of the account on behalf of the minor, and barring a court order are the only person who is entitled to conduct transactions on the account, change, and close the account. If you wish to designate a successor custodian on the account, you may ask us to include that person's name as a beneficiary/POD payee on the account, and that person can claim the funds in the account as a successor custodian in the event of your death. When the minor reaches eighteen (18) years of age, it is your responsibility and not our responsibility to pay the funds in the account to the minor. You, as custodian, will still be the only owner of the account.

**e. Accounts Owned by Representative Payees for Social Security Beneficiaries.**

You may open and own an account as a "representative payee" for a "social security beneficiary." You agree that we may require you to prove both your authority to act as a representative payee for the social security beneficiary and your identity as a representative payee before opening the account. The account is a one owner account owned by you as a representative payee, in which you as the account owner-representative payee hold funds for the exclusive right and benefit of the social security beneficiary. While dividends/interest paid to the account are/is reported under the

beneficiary's name and Social Security Number, you as the representative payee are the owner of the account and, barring a court order, are the only person who is entitled to conduct transactions on the account, change, and/or close the account.

**f. Agent Designations and Powers of Attorney.**

**i. Agent Designations.** An owner on a one owner account, and the owners together on a multiple owner account, may designate a person or persons to be an agent on the account who will be authorized to conduct transactions on the account. We will require you and your agent(s) to provide information about the agent(s) and will also require each agent to sign Part 1 of this Contract. An agent only has the right to conduct transactions on the account, and has no ownership or survivorship rights in the account or to the funds held in the account, and cannot make changes to or close the account. Once you have designated an agent on your account, it is your sole responsibility and not our responsibility to monitor an agent's transactions on the account, and you agree that we have no duty or responsibility to monitor, inquire about, or notify you of the use and purpose of any transaction conducted by your agent on the account, or assure that any transaction is for your benefit. The agent's authority to conduct transactions will continue until we receive written notice that you have terminated the agent's authority or until we receive written notice of your death and have a reasonable opportunity to act on that notice. If you wish to terminate an agent's authority to conduct transactions on the account, you must notify us and change Part 1 of this Contract. We have no duty to prevent an agent from conducting transactions on the account until you have made this change. Upon your death on a one owner account or the final surviving owner's death on a multiple owner account, any funds in the account will be disbursed according to this Contract.

**ii. Powers of Attorney.** If you give a person power of attorney, you agree that we may require that person to prove the authenticity of the power of attorney, and both his or her authority to act as your attorney-in-fact and his or her identity as your attorney-in-fact before allowing the attorney-in-fact to open, conduct transactions on, or change or close an account. Additionally, if we choose to rely on your power of attorney, both you and your attorney-in-fact agree to indemnify, defend, and hold us harmless for any loss, damage, claim, or liability that occurs as a result of our reliance on the power of attorney. You agree that we may require the attorney-in-fact to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the attorney-in-fact's agreement to this Contract. Alternatively, you agree that we may require that an attorney-in-fact be designated as an agent on your account in a revised Part 1 of this Contract. If we need to seek professional advice to review your power of attorney for opening, maintenance, or closing the account, or for any transaction on the account, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of your power of attorney. Alternatively, you agree that we may refuse to recognize the authority of a person with a power of attorney, if we determine that we cannot reasonably rely on the power of attorney and the person claiming to be your attorney-in-fact, unless otherwise required.

**g. Accounts Owned by Trusts.**

You may open an account to hold the funds of your trust on our Account Contract for Trust Part 1. You understand that for IRS reporting purposes, the name that appears first on Part 1 of the

Contract must match the Social Security Number or Employer Identification Number provided by you to open the account (though, we will be able to write the full legal name of the trust in the specially designated area of Part 1 of the Contract should you so desire). If you wish to place a successor trustee or successor trustees on the account, we can include that person's name as a successor trustee on the account, and any successor trustee may claim the funds in the account upon satisfactory proof of his, her, or their authority and succession to act as the current trustee(s) of the trust. You understand and agree that you and any person designated by you on Part 1 of this Contract are fully responsible for fulfilling the duties and responsibilities of the trust, and that we may rely exclusively on the terms of Parts 1 and 2 of this Contract. All persons or organizations associated in any way with the trust (i.e., all grantors, trustees, successor trustees, and/or beneficiaries) agree to indemnify, defend, and hold us harmless for any loss, damage, claim, or liability that occurs as a result of opening, using, conducting transactions on, and closing this account. You agree that we may require any person or organization associated in any way with the trust to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the person's or organization's agreement to this Contract. If we need to seek professional advice to review your trust agreement for opening, maintenance, any transaction on or closing the account, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of your trust agreement. For your and our protection, we may require you to prove your authority to negotiate a check payable to a trust before accepting any check for deposit, and may require you to deposit the check into an account for the trust.

**h. Accounts for Fiduciary Purposes (Accounts for Estates, Guardianships, or Conservatorships).**

When you open an account to hold the funds of an estate, guardianship, conservatorship, or other court ordered purpose, you understand and agree that we are only providing you with an account to hold funds for that estate, guardianship, conservatorship, or court ordered purpose. Further, you understand and agree that you, as the owner or as the fiduciary, are fully responsible for fulfilling the duties and responsibilities of that estate, guardianship, conservatorship, or court ordered purpose, and that we may rely exclusively on the terms of Parts 1 and 2 of this Contract. Your authority to transact business with us as the account owner or as a fiduciary will remain in full force until we receive a court order or notice from government authority indicating otherwise. Any notice will not affect any checks, drafts, or items in process at the time notice is given. You, as the owner or the fiduciary, will notify us of any change that affects the account. You warrant that all actions you take regarding the account will be for the sole benefit of the person or purpose you are acting on behalf of. You agree we may rely upon these representations and will have no duty to examine such authorizing documents for compliance or inquire as to the powers and duties of you or any fiduciary, and have no notice of any breach of fiduciary duties by you or any other fiduciary unless we have actual notice of wrongdoing. You agree that we will not be liable for any losses due to your failure to notify us of any unauthorized acts of any fiduciary or changes to the relationship between a fiduciary and the person or purpose he or she is acting on behalf of. You and any fiduciary agree to indemnify and hold us harmless from any claim or liability as a result of unauthorized acts of a fiduciary upon which we

rely prior to any actual notice of any change that affects this account. You agree that we may require any person associated with the estate, guardianship, conservatorship, or court ordered purpose to sign a statement acknowledging the obligation to indemnify, defend, and hold us harmless as well as the person's agreement to this Contract. If we need to seek professional advice to review any documentation for the opening, maintenance, any transaction on or closing of the account that holds funds for fiduciary or court ordered purposes, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of that documentation.

**5. Account Access and Transactions**

**a. Authorized Signatures.**

You understand that the signature that you provide to us on Part 1 of this Contract is essential to us in identifying you and allowing you to conduct authorized transactions on the account or otherwise, and that we may require you to provide us with your signature and current government issued picture identification to conduct a transaction. Any person who signs Part 1 of this Contract as an owner or agent may conduct transactions on the account or use the services provided with the account.

If you authorize the use of any stamp, thumbprint, code, or facsimile signature device, you agree that we may pay or honor any check, draft, order or item, or conduct any transaction, that contains what appears to be your authorized stamp, thumbprint, code or facsimile signature, even if the stamp, thumbprint, code, or signature is not authorized. If more than one signature or endorsement is required on a check, draft, order, or item drawn on or deposited to your account, you agree that we may pay or accept that check, draft, order, or item regardless of the number of signatures on it if the check, draft, order, or item is issued or deposited by a person authorized by you under this Contract, or otherwise authorized to issue or deposit checks, drafts, orders, or items drawn on or deposited to your account. If you provide your account information, code, or Personal Identification Number (PIN) to any person or organization to conduct transactions, you agree that until you provide us with notice revoking your authorization, all transactions conducted by that person or organization are authorized and genuine, even if they are not conducted for your benefit or according to your instructions. You agree that we may disregard all information on a check, including notes and legends except for your signature, the amount of the check and the information contained in the Magnetic Ink Character Recognition (MICR) line at the bottom of the check, which contains your account number, amount of check, and check number.

**b. Transaction Options.**

You may conduct transactions on your account by any means we permit, including in person, by check or debit card, telephone, automated teller machines (ATMs), the mail, automatic transfer, or our services that can be access through the internet. If we require you to use a specific form to conduct and complete a transaction, and you do not use that form, for both your and our protection you agree that we may refuse to honor, perform, or complete the transaction. Whether a transaction is honored, performed, or completed or not, you are responsible for any loss or liability incurred by us as a result of your failure to use a required form or adhering to the terms and responsibilities of this Contract.

**c. Account Transfers by Wire or ACH.**

We offer wire transfers or Automated Clearing House (ACH) transfers that allow you to send or receive debits or credits to your account. Should you use these services and receive funds by wire or ACH transfer, you agree to confirm the transfers by reviewing your periodic statement, and agree that we have no duty to notify you when the funds are received. While we may conditionally and provisionally credit your account for an ACH transfer, if we are not finally and ultimately paid (do not receive final settlement) for the transfer we may reverse the credit to your account or alternatively you agree to reimburse us for the amount of the reversed transfer. We may require that wire transfers be authorized in writing. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. We (and other institutions) may rely on the account or other identifying number you give as the proper identification number, even if it identifies a different person or institution. You agree that we may confirm the information on all wire requests before sending the wire. Once we have sent an outgoing wire, the transfer is final and cannot be stopped. If you provide incomplete or inaccurate written or oral transfer instructions, we will not be responsible for any resulting wire transfer losses, delays, or failed transactions. You understand international wire transfers may not be completed for up to four weeks or longer. Wire transfers are governed by Federal Reserve Regulation J if the transfer is cleared through the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association.

**d. Limitations on Account Transactions.**

**i. Account Withdrawal Limitations.** You must have sufficient funds available in your account (or have or be eligible for one of our overdraft programs) to withdraw funds from your account. If a check, draft, item, or other transfer or payment order is presented against insufficient funds in your account, you will be charged a fee as stated in the Rate and Fee disclosures. If there are sufficient funds to pay some but not all checks, drafts, items, or other transfer or payment orders drawn or presented against the account, we may pay or allow withdrawals for those checks, drafts, items, or other transfer or payment orders for which there are sufficient funds in any order we choose.

There are a number of circumstances where you may not be able to withdraw funds from your account, including but not limited to the following: (1) you try to withdraw or make a transfer request by any method we do not permit; (2) you, an agent, or any person fails to present authoritative documentation or identification that we require to access the account or make a withdrawal; (3) disputes or uncertainty occur over who owns the account or the funds held in the account (see Section 20); (4) funds from deposited checks are not yet available for withdrawal or deposited checks have been returned unpaid and we have charged them back against the account; (5) the funds held in the account are held as security (collateral) for an obligation to us; (6) the funds are held or offset under our contractual security interest or statutory lien rights (see Section 18) because you or another owner owes money to us; (7) we have been served with a garnishment, levy, or other similar legal process or notice affecting the account; or (8) for your own protection, should you appear to lack the capacity to conduct a transaction.

Additionally, for the protection of all members and the Credit Union, you agree that we may require you to provide us with written notice of your intent to make a withdrawal from your account at least seven (7) days and up to sixty (60) days before the time that you would like to make the withdrawal.

**ii. Account Transfer Limitations.** On all savings, share, or money market accounts (all non-transaction accounts), we will allow you to make up to six (6) preauthorized, automatic, telephonic, audio response, or internet transfers to another of your accounts or to the account of any other person or organization during each calendar month. Only three (3) of these six (6) transfers can be made by check or debit card purchase to another person or organization. Your limit of six (6) preauthorized transfers includes those transactions where you order us to pay a person or organization from your account including Automated Clearing House (ACH) transactions. The date we use to determine the number of transactions is the date a transaction is posted to your account, rather than the date you initiate the transaction. If you exceed these limitations in any calendar month, we can refuse or reverse the transfer, close your account, and charge a fee as stated in the Rate and Fee disclosures. Transactions that are not covered by these limitations include (1) transfers from your account to pay a loan with us, and (2) transfers to your other accounts with us or withdrawals by check mailed directly to you, if the transfer or withdrawal is conducted in person, by mail or at an automated teller machine.

**iii. Account Transaction Volume Limitations.** We may limit the number of items deposited and the frequency of deposits and other transactions that you can make each day to your account(s). The date we use to determine the number of transactions is the date a transaction is completed by us, rather than the date you initiate the transaction. Should the transactions on your account exceed the limitations we establish, we may limit your account transaction activity, charge a fee as stated in the Rate and Fee disclosures, or close your account. You agree that if we allow or honor a transaction that exceeds these restrictions (a nonconforming transaction), we are not required to allow or honor any future transaction that exceeds these restrictions.

**iv. Limits on ATM Transactions.** For your and our protection, we may limit the amount of cash withdrawals at automated teller machines (ATMs).

**6. Your Checking Account**

**a. Checks You Write on Your Account, Completion of Checks, and Your Check Register.**

When you write a check drawn on your account, in addition to writing in your payee's name and completing the numerical and written amount sections of the check and signing your name, it is also important that you draw a line after both the payee's name and after the written amount sections of the check to protect yourself against alterations or forged endorsements. Also, when completing the date, payee, and amount lines on your check, always begin by writing the information at the start of the far left side of these lines to avoid leaving any spaces; this will protect you from your check being altered. Once you have completed a check, you should write the check number, amount, date, and payee's name and purpose for writing the check in your check register, and deduct the amount of the check from the balance in your account. This helps you to keep track of the current balance

that you have in your account, and allows you to detect and report checks with alterations and forged drawer's signatures. Please use dark permanent ink (preferably black ink) to complete your checks. You agree that you are responsible for any losses incurred for your checks because you do not use a dark permanent ink when writing your checks. You should also keep your checks in a secure location and separate from your picture identification. If the account is a multiple owner account, each owner may sign, issue, and endorse checks in the other owner's name. You agree that if you write a check, you are ordering us to pay that check and that such payment is proper, regardless of whether you completed or signed your check.

You understand and agree that it is your obligation to review your periodic statement and report any unauthorized amounts or unauthorized checks or other transactions on your account. You can determine an unauthorized amount, because the amount on the statement does not match the amount you recorded on your check register. Similarly, you can detect forged drawer's signatures on checks, counterfeit checks, and unauthorized remotely created checks or drafts, because there is a check number on your statement for a check that you did not write. You understand and agree that you only have thirty (30) calendar days from the mailing date of your statement to notify us of alterations to the amount of a check, checks with forged drawer's signatures, counterfeit checks, or unauthorized remotely created checks, or we will not be able to credit your account for the unauthorized amount of the check.

#### **b. Use of Our Check Forms.**

You agree to use check forms we offer through an authorized vendor. If you use a check form not provided by an authorized vendor, you understand that we may not pay the check and agree that such nonpayment is not wrongful. Alternatively, if we pay a check or draft drawn on your account that is not our check form, you agree to be responsible for any loss and fees incurred as a result of using that check form.

#### **c. Lost or Stolen Checks?**

**Notify Us Immediately!** If your checkbook, or a box of checks or any individual check, is lost or stolen, contact us immediately at (989) 892-6088 and/or [info@financialedgeccu.org](mailto:info@financialedgeccu.org). The sooner you contact us, the less liability you will have for unauthorized checks, drafts, orders, or other items on your account, and the sooner we can provide you with a new account and new checks for that account.

#### **d. Our Use of Automated Collection and Payment Processes.**

You understand that we use automated collection and payment processes and procedures, so that we can process the greatest volume of checks, drafts, and items in the most cost effective manner for the benefit of all members. These automated processes and procedures rely on and can only recognize information that is written (encoded) in the Magnetic Ink Character Recognition (MICR) line at the bottom of the check, draft, or item which contains your account number, amount of check, and check number. So that we may achieve these cost efficiencies for all members, you agree that when we pay or take a check, draft, or item for deposit and collection, we may disregard all information on the check, draft, or item other than the drawer's signature, the identity of the payor-drawee financial institution, the amount of the check,

draft, or item and the information encoded in the MICR line, whether or not that information is consistent with other information on the check, draft, or item. You also agree that we do not fail to use ordinary care in paying any check, draft, or item without physically or visually examining checks, drafts, or items.

#### **e. Signatures by Family Members, Friends and Employees.**

If a family member, friend, or employee writes a check drawn on your account payable to any person or organization, you authorize the signature, completion, and payment of that check, and agree that you will address the matter to recover any loss for payment of the check with the family member, friend, or employee. You understand and agree that you, like each member of our Credit Union, are in the best position to address the signature with your family member, friend, or employee, rather than imposing the expense of resolving the matter on all members of the Credit Union.

#### **f. Conversion of Checks to Electronic Fund Transfers.**

In some circumstances, a person, merchant, or other organization can convert your check and check information (your checking account, check routing, and serial number) to an electronic fund transfer (EFT) and debit your account. The conversion of your check to an EFT is covered by this Contract and our Electronic Fund Transfer disclosures. You agree that we may honor the EFT and debit your account just as if the original check were presented for payment. Should a person, merchant, or other organization convert your check to an EFT, you will have to contact that person, merchant, or organization about obtaining a copy of your check. You understand that if we dishonor and return your check to a merchant for insufficient funds, a merchant may try to represent the check electronically as an EFT. The EFT that represents the dishonored check, will be treated as a re-presented check under this Contract.

#### **g. Dates on Checks.**

When you write a check, you agree that we may pay the check regardless of the date or legends restricting payment to certain periods of time ("stale dated" or "void" check). However, you agree that we are under no obligation to pay a check presented for payment before its date or more than six (6) months after its date. You understand that the reason dates or legends are ineffective is because you are generally obligated to pay dishonored checks up to three (3) years or more from the date the check is dishonored, and our processing equipment and systems may not include examination of the check for the date. If you do not want us to pay your outstanding check you may stop payment on that check as addressed in Section 6.h. If you notify us not to pay a check before its date (often referred to as a "postdated check") by phone, mail, or in person, that notice will only be effective if it allows us a reasonable amount of time to act on the notice to not pay and return the check, and you provide us with your name and account number, the check number, the date of the check, the name of the payee, and the amount of the check. You understand that failure to provide us with either timely notice (that allows us a reasonable amount of time to not pay the check) or the complete and accurate information about the check and the account as required, may result in payment of the check. If you provide us with timely notice and complete and accurate information about the check and the account as required, we will not pay and return the check as postdated and charge you a fee as stated in the Rate

and Fee disclosures. You may provide us with oral notice of the postdated check that will expire after fourteen (14) days unless you confirm that notice in writing, in which case the notice will be effective for six (6) months, and can be renewed for an additional six (6) months for the fee as stated in the Rate and Fee disclosures. You understand and agree that we have no duty to notify you when your notice will or has expired.

#### **h. Stop Payment Orders on Your Checks.**

You may request us to stop payment on any check drawn on, or ACH debit scheduled from, your checking account. If you notify us to stop payment on a check, that order will be effective only if it allows us a reasonable amount of time to act on the order to not pay and return the check or ACH, and you provide us with your name and account number, the check or ACH number, the date of the check or ACH, the name of the payee and the amount of the check or ACH. You understand that failure to provide us with either a timely stop payment order that allows us a reasonable amount of time to not pay the check or ACH or the complete and accurate information about the check or ACH and the account as required, may result in payment of the check or ACH. If you provide us with a timely stop payment order and complete and accurate information about the check or ACH and the account, we will stop payment on and return the check or ACH, and charge you a fee as stated in the Rate and Fee disclosures. You may provide us with an oral stop payment order that will expire after fourteen (14) days unless you confirm that order in writing, in which case the notice will be effective for six (6) months, and can be renewed for an additional six (6) months for a fee as stated in the Rate and Fee disclosures. You understand and agree that we have no duty to notify you when your stop order will or has expired. You understand that although payment of the check may be stopped, you may be subject to legal action brought by any and all persons who, and organizations that, have possession of your returned check. In the unlikely event we pay a check or ACH over a timely, accurate, and complete stop payment order and are required to credit your account, you agree to sign a statement explaining the dispute with your payee, and assist us in taking legal action against any and all persons or organizations to recover our loss. You understand that if you repeatedly place stop payment orders on your checks that would otherwise be returned for insufficient funds, we may consider that account abuse and may close your account under this Contract.

#### **i. Stopping Payment On, Unused, and Lost or Stolen Credit Union Checks.**

If we issue to you one of our checks and you endorse that check over to another person, or give that check to the payee that you requested us to make the check payable to, and afterwards do not want that person to receive payment for the check because you are displeased with the person or the transaction the check was issued for, we will not be able to stop payment on the check. It is your sole responsibility to ensure that you want the person or the payee to receive payment for the check before you endorse the check over to that person or give the payee the check. If you have any doubt about the person or payee or the transaction, do not endorse the check over to that person or give the payee the check, since we will not be able to refuse to pay the check. If you do not use or negotiate one of our checks, you may return it to us and ask us for a refund for the amount of the check.

If one of our checks in your possession is purportedly lost, stolen, or destroyed, you agree to sign a statement or notice and either post a bond, provide us with collateral or a security interest in collateral, or wait ninety-one (91) days from the date of the check, to receive a replacement check for our check that was lost, stolen, or destroyed. If you purportedly do not receive one of our checks that was sent or mailed to you, you agree to sign a statement or notice and, at our discretion, either post a bond or provide us with collateral or a security interest in collateral to obtain a replacement check for our check that you claim you did not receive.

#### **j. Payment of Checks that Overdraw Your Account.**

**i. Account and Lending Overdraft Payment Programs.** We may provide check overdraft payment protection programs. If you qualify for one or more of these programs and we agree to provide the service to you, we will pay checks drawn on your account with insufficient funds by transferring funds from another account or pursuant to a loan agreement to your checking account, and charge you a fee as stated in the Rate and Fee disclosures. Transfers from your account(s) to your checking account are covered by this Contract, whereas transfers from a loan to your checking account are governed by a separate loan agreement. You agree that we may apply funds deposited to your account(s) to your outstanding overdrafts and fees, regardless of the source, which specifically includes directly deposited government entitlements or benefits such as social security deposits.

**ii. General Overdraft Payment Program.** If you own a checking account and are in good standing, you may qualify for our courtesy overdraft program which allows you to overdraft your account up to a set limit. For more information on this program, please contact us at (989) 892-6088 and/or [info@financialedgeccu.org](mailto:info@financialedgeccu.org).

#### **k. Checks are Paid in Any Order.**

You understand that when you write or order checks, drafts, or items drawn on your account, we may pay those checks, drafts, or items in any order. If you write or otherwise order multiple checks, drafts, or items drawn on your account, you should be certain there are enough funds in your account at all times to pay those checks, drafts, or items or those checks, drafts, or items will be handled according to the overdraft and insufficient funds terms of this Contract, or paid under one of our check overdraft programs if applicable.

#### **l. Insufficient Funds to Pay a Check.**

If the funds in your checking account are not sufficient to pay checks, drafts, or other items presented and drawn on your account, those checks, drafts, and items will be covered by our overdraft procedures and any overdraft service or agreement you have with us. You understand and agree that we have no duty to notify you, if there are insufficient funds to pay your check, draft, or item. If we pay a check, draft, item, or transfer that would overdraw your account beyond an agreement or service we have agreed to provide you, it does not mean that we will pay a check, draft, item, or transfer that will overdraw your account in the future. If we pay a check, draft, item, or transfer that would overdraw your account, you agree to repay us the amount of that paid check, draft, item, or transfer and any fee for that service immediately or at the latest pursuant to any agreement or service we have agreed to provide you. Should we dishonor and return a check, draft, or item drawn on an account with insufficient funds, your account will be charged a fee for the dishonored and re-

turned check, draft, or item as stated in the Rate and Fee disclosures. You also understand and agree that we are not liable if we refuse to pay a check, draft, or item drawn on your account and return it when nonpayment occurs as result of our charging your account for any obligation you owe us. Finally, if we are repeatedly presented with checks drawn on your account for insufficient funds, we may consider that account abuse and may close your account under this Contract.

#### **m. Non-Member Presenters of Checks.**

For both your and our protection and to cover costs incurred by all members for the presentment of checks over-the-counter, you understand that we may require any non-member presenting a check drawn on your account to provide both his or her current government issued picture identification and, at our option, sign a statement of receipt and/or place his or her thumbprint on your check, and to pay a fee as disclosed in the Rate and Fee Disclosures. You agree that if a non-member presenting your check fails to carry out these presentment requirements, we are not liable for refusing to pay the check and that such nonpayment is not wrongful. Checks presented after we close may be treated as if presented on the next business day that we are open.

#### **n. Right to Refuse Payment for Fraud or Illegibility.**

For your and our protection, you agree that we may refuse to honor any check, draft, order, item, or instruction if we believe any signature, instruction, provision, term, or the form itself is not genuine or is altered or that is illegible or written in a language other than English. You agree that our nonpayment or nonaction under any of these circumstances is not wrongful.

## **7. Deposits to Your Account**

### **a. Summary of Our Service.**

You understand that when we take checks, drafts, or items that you wish to deposit that are not drawn on us, we are providing you a service in that we are saving you the time and expense of having to present the checks, drafts, or items to the institution they are drawn on in person. In return for this service, you understand and agree that we may hold the funds represented by your deposit for a period of time, as explained in our Funds Availability disclosures in this Contract. Additionally, if the hold on your deposited funds is for an extensive period of time, we will provide you with notice of the status of your deposit and when the funds' availability will be determined. While we want to provide you with the service of taking deposits, you understand that we place holds on funds represented by your deposit so that you do not become indebted to us for the amount of the deposit if a check, draft, or item is dishonored, returned, or claim is made on the deposited funds. If you do not want us to provide this service and place a hold on the funds represented by your deposit, please tell us before we have processed the check, draft, or item and we will return it to you so that you can obtain payment elsewhere. Further, you agree for your and our protection that, following your deposit and before processing the check, we may return the deposited check, draft, or item to you so that you can obtain or recover payment elsewhere. Finally, you understand that whenever you make a deposit with us and the deposit is dishonored, returned, or claim is made on the deposited funds, you are obligated to reimburse us for the amount of the deposit and any costs and fees

as stated in this Contract in general and the Rate and Fee Disclosures specifically.

### **b. How You Can Deposit Funds.**

You may deposit funds to your account by any means we permit, including in person, by check, telephone, automated teller machines (ATMs), the mail, automatic transfer, or our services that can be accessed through the internet.

### **c. Our Rights Upon Your Deposit.**

You understand that by offering to accept your deposits, we are providing a service to you and that we may accept, provide credit for, hold funds related to the amount of the deposit, refuse, reject, or return the deposit as we believe necessary for your and our protection. The availability of funds from your deposit may be held for a period of time depending on the type of deposit (cash, check, wire, etc.) and circumstances surrounding the deposit (the amount of the deposit, the source of the funds, etc.) (please see our Funds Availability disclosures in this Contract for information about our hold policy for checking accounts). Following your deposit and before processing the check, draft, or item for collection and payment, should we believe that the deposited check, draft, or item may be dishonored, returned, or subject to a claim, you agree that we may return the deposited check, draft, or item to you so that you can obtain or recover payment elsewhere. If we choose to hold the funds from your deposit beyond any applicable hold period stated in the Funds Availability Disclosures, we will notify you about the reason for and the length of time of the hold. If you do not want a hold placed on the funds from a deposited check, draft or item, please tell us before we have processed the check, draft, or item and we will return the check, draft, or item to you so that you can obtain or recover payment elsewhere.

### **d. Authority to Negotiate Checks and Endorsements.**

We may accept checks, drafts, and other items for deposit into any of your accounts. Checks deposited should be endorsed by you for your protection, though we may allow you to deposit them without your endorsement. If the account is a multiple owner account each owner may endorse checks for one another. For your and our protection, you agree that we may confirm the endorsement on any check that we take for deposit, and may require you to carry out specific endorsement requirements for business, insurance, or government checks before taking those checks for deposit. We may require proof of your authority to endorse any check on behalf of another person or organization before taking the check for deposit.

### **e. How to Endorse Your Check.**

When you receive a check made payable to you and wish to deposit that check in your account with us, we recommend that you endorse (sign) the back of check with the words "For Deposit" and then sign your name beneath that language and, beneath your signature, write your account number. Endorsing the check in any other manner may risk your account not being credited for the check. You agree not to deposit any substitute check or similar item that you have created or for which no financial institution has provided the substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses that we incur in connection with the substitute check or item. You further agree not to deposit any substitute check without our consent.

Your endorsement must go on the back of the check at the top edge (and be no more than one and one-half (1½) inches from the back top edge of the check). You understand and agree that we may ignore any other language or markings within or outside of your endorsement space on the check or draft, and that you will be responsible for any loss that results due to a delay or error in processing the check or draft for payment caused by endorsements, language, or markings inside or outside of the designated endorsement space. Please use dark permanent ink (preferable black ink) to endorse your checks. You should also write your account number below the endorsement. You agree that you are responsible for any losses for a check you deposit if you do not use a dark permanent ink when endorsing the check.

**f. Acceptance of Checks for Deposit Is a Service to You.**

In handling checks, drafts, items, or money for deposit or collection, we are providing you a service (assisting you in collecting payment for the deposit) and act only as your agent, and assume no responsibility for the check, draft, or item beyond that of the use of ordinary care. We are not responsible for any deposit sent by mail or made at an unstaffed facility (for example, an automated teller machine that is not at a branch) until we actually receive the deposited item or money. We are not liable for the negligence or default of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. You understand and agree that we have the right to send any deposited check, draft, or item for collection, which means we will hold the funds represented by the check, draft, or item until the check, draft or item is finally paid. You further understand and agree that we have the right to charge your account for any check, draft, or item taken for deposit should it become lost in the collection process.

**g. Your Options for Direct Deposit.**

We offer direct deposit options that allow you to preauthorize deposits to your accounts (such as payroll, Social Security, retirement, or other government deposits) or preauthorize transfers from your accounts with us. You must initiate direct deposits on a direct deposit authorization form acceptable to the initiator of the deposit. You agree that we may refuse and return any or all funds transfers. Should we be required to reimburse the federal or state government for any benefit payment directly deposited into your account, unless otherwise prohibited, you agree that we may deduct the reimbursed amount from your account, and may recover any amount owed according to the terms of this Contract. If you file for bankruptcy and do not cancel any direct deposit authorization to your accounts, you agree that your employer should continue to make and that we should continue to apply your direct deposits according to the instructions you have given us.

**h. When Your Deposits Will be Credited to Your Account.**

Deposits to your account will generally be credited on the business day of the deposit, unless the deposit is made after our 2 p.m. cut off hour or on a Saturday, Sunday, or holiday, in which case your deposit will be credited to your account on the next business day. Deposits made by you at unstaffed facilities (for example, an automated teller machine that is not at a branch) will be credited to your account on the day funds are removed and processed by us. Deposits of coin or currency will not be finally credited until we have counted the deposit and confirmed the amount. If there is a discrepancy between the amount shown on

the deposit slip and the amount we count, we will send a notice of the discrepancy to you in the mail. Credit to your account for funds deposited is conditional (provisional) until we are finally and ultimately paid (i.e., when we receive final payment). Checks, drafts, or items drawn on an institution or organization located outside the United States are handled on a collection basis only and, if accepted for deposit, the deposited funds will likely be held for an extended period of time.

Additionally you should be aware that all deposits received on a Sunday, federal holiday, or any day that we are not open for business will be treated as if received on the next following business day that we are open.

**i. Deposits Made at a Night Depository.**

If you make deposits at a night depository, you agree to use the special bag or container that we provide. You will be liable for any damage to the night depository or delay in crediting deposits due to the use of containers other than those we supply. You understand and agree that we access night depositories only once on each business day that we are open for business. Bags or envelopes placed into the night depository before we access it are processed on that business day. Bags or envelopes placed into the night depository after we access it are processed on the next business day. Night depositories are opened and items placed in the depository are removed and logged in the presence of two (2) of our representatives. The contents of each envelope or bag are counted, and we issue a credit to the account specified on the deposit ticket accompanying the deposit for the amount of the deposit as indicated by our count. You agree that we are a bailee of items placed in the night depository (i.e., we are simply in possession of the container) until we have opened the containers, verified the contents, and credited the contents to your account or returned the bag and contents to you. You agree that our count of any deposit placed into the night depository is the final determination of the contents of a bag or envelope placed in the depository. We will use reasonable efforts to notify you of any difference in the amount of the deposit as we counted it and the amount shown on the deposit ticket. However, we will not be liable for any delay or failure to notify you of any difference in the amount counted and that shown on the deposit ticket. No deposit is considered to have been made until we have removed it and processed it as explained in this Contract, and a credit has been issued to your account. You understand and agree that the procedures explained in this Contract are commercially reasonable, and that if we follow these procedures, we are not negligent in handling items placed into the night depository.

**j. Erroneous Deposits to Your Account.**

If a deposit or other credit is made in error to your account that you are not entitled to (whether by check, cash, automated clearing house transfer, wire transfer, or otherwise), you understand and agree that we may debit your account for the amount of the erroneous deposit, and may do so without notice to you, regardless of when the original deposit took place. If you withdraw any or all of the funds erroneously deposited to your account, you further understand and agree that you are obligated to reimburse us for the amount of the erroneous deposit or credit, and any costs and fees as stated in this Contract and its Rate and Fee disclosures.

**k. Deposits Not Paid and Returned, and Claims on Deposits.**

All deposits or other credits (including checks, drafts items, Automated Clearing House (“ACH”) transfers, wire transfers, etc.) credited to your account are conditioned on being paid (provisional), which means that if we do not receive final payment on any deposit, we will charge your account for the amount of the item and a return fee as stated in the Rate and Fee disclosures. Additionally, if we incur a fee or any expense to collect any item, we may charge that fee or expense to your account. After we have received final payment, we refer to these deposits as collected items. If any check, draft, or item deposited to your account is returned to us unpaid, we have the right to charge back against your account the amount of the unpaid check, draft, or item in addition to any fee incurred as stated in the Rate and Fee disclosures, whether the amount of the check, draft, or item was available for your use or not. If any check, draft, or item you deposit in your account is returned to us for any reason, you waive your right to any notice of nonpayment or dishonor for the check, draft, or item. You agree that we may pursue collection of a previously dishonored or not paid check, draft, or item at any time, including giving a payor-drawee financial institution extra time beyond any midnight deadline limits.

Additionally, if anyone else makes a claim against us based on a check, draft, or item you have deposited (including but not limited to, claims for breach of warranty based on forged or missing endorsements, for alteration, or for conversion), we may charge your account for the amount of the check, draft, or item even if you have already received final credit and have already withdrawn the funds.

**l. Endorsements by Family Members, Friends, or Employees.**

If a family member, friend, or employee endorses a check made payable to you, any person, or organization, you authorize the endorsement of the check as your endorsement and agree that you will address the matter to recover any loss for the endorsement of the check with the family member, friend, or employee. You understand and agree that you, like each member of our Credit Union, are in the best position to address the endorsement with your family member, friend, or employee, rather than imposing the expense of resolving the matter on all members of the Credit Union.

**8. Dividends/Interest and Rates**

The dividends/interest earned on your account(s), the dividend/interest rates, balance requirements, annual percentage yields, compounding, crediting, and terms are provided to you in this Contract in the Rate and Fee disclosures and your periodic statement. You understand and agree that we may change the account dividend/interest rates and annual percentage yields from time to time as addressed in the Rate and Fee disclosures.

**9. Services and Fees**

All fees charged against you or your account are for services we provide to you, or as a result of actions you take or transactions you conduct under this Contract, or a third person’s or organization’s actions against you or your account(s) with us. The purpose and amount of each fee is provided to you in the Rate and Fee disclosures and noted in your periodic statement. We charge fees

so that each member is responsible for the expense of each service or transaction used or incurred by that member, rather than imposing that cost on all members of the Credit Union. You understand and agree that we may change account fees from time to time and that we will notify you of such changes as required.

**10. Account Insurance Coverage**

We are committed to providing a safe and sound capital structure through the retention of earnings to assure the protection of our members’ savings and deposits. In addition to the strength of our capital, members’ funds are insured at a minimum of \$100,000 per member-depositor by the National Credit Union Share Insurance Fund (NCUSIF). Our staff is available to discuss your federal account insurance needs, and quite often we can assist you in establishing your accounts to obtain hundreds of thousands (if not millions) of dollars in National Credit Union Share Insurance Fund account insurance coverage through the use of one owner and multiple owner accounts, family member beneficiary/POD payee designations, and other fiduciary relationship accounts.

**11. Lost Checks, Drafts, and Cards**

If a check, one of our checks, your checkbook, a box of checks, credit card, debit card, ATM card, or your personal identification number (PIN) is lost or stolen call us immediately at (989) 892-6088. The sooner you contact us, the less liability you will have for unauthorized transactions on your account, and the sooner we can provide you with new checks, accounts, cards, and PINs.

**12. Membership, Account, Service, and Transaction Information**

Only an owner or agent specifically named on an account is entitled to and can access information concerning membership, the account, a service, or a transaction related to the account. If there are multiple owners or agents on an account, any owner or agent may obtain or consent to the release of all information about membership, the account, a service or a transaction pertaining to that account. You understand and agree that you will be charged an hourly research fee for any time spent by us addressing your information requests, as stated in the Rate and Fee disclosures. We will not release your information to anyone without your consent unless they present us with a valid subpoena, summons, search warrant, or court order (and potentially for the federal Government a certificate of compliance), or can satisfactorily prove to us that the disclosure of your information is permissible under federal and state law. You understand and agree that you may be charged an hourly research fee for any time spent by us addressing an authorized third party’s demand or request for your information, as stated in the Rate and Fee disclosures, rather than imposing that cost on all members of the Credit Union.

**13. All Accounts Are Non-Transferable, Non-Assignable, and Non-Negotiable**

Your accounts with us are nonnegotiable, nonassignable, and nontransferable to another person or organization, which means that you may not endorse, negotiate, transfer, secure, or pledge any of your accounts to a person or organization other than us for any reason. Unless a person’s name appears on Part 1 of this

Contract, he or she will be denied access to the account unless otherwise required.

#### 14. Notice by Us to You and Notice by You to Us

For the benefit of all our members and the Credit Union in general, you understand and agree that the terms of this Contract may be changed from time to time, and we will notify you of any changes to terms, rates, and fees that affect your accounts and services as required. Written notice that we provide to you is effective when sent to you at the address provided by you in Part 1, Section 1, of the Contract (or any updated address reflected in our records), or any electronic notice to which you have consented. We rely on the information that you provide to us in Part 1 of this Contract for all your transactions and actions taken on your account, and you agree that we may communicate with you and contact you at all addresses, phone numbers, and email addresses provided by you in Part 1 of this Contract or as updated in our records. It is your responsibility to notify us of any changes to this information, and if accepted those changes are incorporated into this Contract by reference. If we try to locate or contact you, we may charge you a fee as stated in the Rate and Fee disclosures. For multiple owner accounts, you agree that notice to one owner is notice to all owners. Any notice that you provide to us is effective only when actually received and confirmed in writing by us at FinancialEdge Community Credit Union, P.O. Box 446, Bay City, Michigan 48707.

#### 15. Your Statement About Your Account(s), Services, and Obligations

##### a. Purpose and Receipt of Statement and Copies of Checks.

We will provide you with a periodic statement that shows all transactions and activity on your account(s) during the statement period. For multiple owner accounts you agree that providing one statement mailed to an owner is sufficient for all owners of the account. If you do not receive your periodic statement, you agree to notify us within fourteen (14) days of the time you regularly receive your statement to allow both you and us to avoid and reduce losses on your account(s). You further agree that your statement is correct for all purposes and that we have no liability to you for any transaction on your account(s) unless you notify us within the time periods for unauthorized transactions, errors, or irregularities as explained in this Contract.

When you write a check drawn on your account and the check is paid, we own and retain the original of the check, though we will make a copy of the check available to you upon request for a fee as stated in the Rate and Fee disclosures. You agree that both your statements and copies of your checks are made available to you on the date the statement is mailed to you or, if you have so requested, when we make the statement available to you electronically. You agree to keep a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy, if you have agreed to receive account information or statements electronically.

##### b. Your Responsibility to Look at Your Statement for Errors and Fraud.

It is your responsibility to look at every statement and notify us of any and all unauthorized transactions, errors, or irregularities as soon as possible. We may require you to confirm your notification in writing and assist us in addressing the transaction, error, or problem. You are liable for any altered, forged, unauthorized, or unsigned check, draft, or item drawn on your account if : (1) you do not notify us within thirty (30) calendar days of the mailing or electronically sending or posting of the statement containing the notice of any altered, forged, unauthorized, or unsigned check, draft or item; or (2) the alteration or forgery has occurred in such a manner that it would be undetectable by an ordinary person, which includes the unauthorized use of facsimile signatures. You assume this liability because you, as the owner of the account and drawer of the check, draft, or item, are in the best position to detect any altered, forged, unauthorized signature, or unsigned check, draft, or item drawn on your account. As explained in Section 6.a., you can identify an unauthorized amount because the amount on the statement does not match the amount you recorded on your check register. Similarly, you can identify forged drawer's signature on checks, counterfeit checks, or unauthorized remotely created checks, because there is a check number on your statement for a check that you did not write. Only you will know the checks, drafts, or items that you have authorized as well as the amount you authorized and can compare the information provided on your statement with your register or own records. You further agree that our retention of your checks, drafts, or items does not affect your responsibility to look at your statements and notify us of any and all unauthorized transactions, errors, or irregularities within the time limits explained in this Contract or as otherwise required.

Additionally, as explained in our Electronic Funds Transfer disclosures, if your statement shows electronic funds transfers (EFTs) that you did not make, you must notify us within sixty (60) days after the statement was mailed to you to avoid responsibility for unauthorized EFTs.

#### 16. Changes to this Contract

For the benefit of all our members and the Credit Union in general, you understand and agree that we may change the terms of this Contract from time to time, and that we will notify you of any changes we make to terms, disclosures, rates, and fees that affect your accounts and services with us, as required. You agree that such changes are binding on you, your accounts, and services, and understand that you may obtain additional copies of this Contract by contacting us during business hours, and that you can access Part 2 of this Contract including all disclosures anytime on our website at [www.financialedgeccu.org](http://www.financialedgeccu.org). You may change your one owner at any time by contacting us and completing a new Part 1 of this Contract. You may change your multiple owner account at any time by contacting us and completing a new Part 1 of this Contract, with the exception of adding or removing an owner or adding and removing an agent, in which case all owners must sign a new Part 1 of this Contract agreeing to the change. For multiple owner accounts, each owner understands that any owner acting alone may change or close the account, and that his or her signature on Part 1 of this Contract confirms his or her agreement to any later change made to, or closure of, the account by any other owner on the account.

## 17. Exceptions to this Contract

To provide you with the best service possible, and for your and our protection, you agree that we may make exceptions to waive any term of this Contract, though such exceptions do not affect our right to enforce any term of this Contract in the future.

## 18. Lien and Security Interest in Account Funds

You understand and agree that if you owe us money as a member, owner, drawer, endorser, borrower, guarantor, or any other capacity, we may have a lien on your account as permitted by applicable law and you grant us a contractual security interest in any and all funds in all accounts that you are an owner of or have an ownership interest in no matter what the source of funds in the account, including directly deposited government entitlements or benefits such as social security deposits. However, our security interest, any right of set off, and any lien rights do not apply to retirement accounts or real estate loans. At our discretion, we may apply the funds from any account you are an owner of or have any ownership interest in to pay off your obligations to us without notice to you at any time. If we choose not to enforce our lien or contractual security interest our nonaction is not a waiver of our rights to enforce our rights at a later time. You understand and agree that a security interest granted by one owner of an account will continue to secure that owner's obligation to us even after that owner dies.

## 19. Full Payment Checks

If you are repaying or making a payment on a loan or other obligation that you owe to us, please direct that payment according to our loan agreement or to the person at the Credit Union who contacted you about the obligation. You agree that any check that you try to write or negotiate to us that has a "full payment" legend (such as "Paid in Full") or other language intended to repay in full any of your outstanding obligations to us must be presented by you in person to an officer of our Credit Union (and must be for the full balance you are obligated to repay us, including principle, interest, fees, costs, and expenses). Otherwise, any payment is accepted with full reservation of rights against you to recover any and all outstanding obligations or indebtedness owed to us.

## 20. Legal Action Against Your Account for Funds or Information

If your account(s) is/are subject to legal action, such as levy, garnishment, attachment, or other court order, we may pay out funds from your account(s) according to that legal action, or alternatively place a hold on the funds in the account until the matter is resolved. Unless otherwise prohibited, all legal actions are secondary to our contractual security interest and statutory lien rights. You understand and agree that you will be charged an hourly research fee for any time spent by our staff addressing: (1) any legal, regulatory, or governmental action initiated by any person or organization against you or your account(s), or for information concerning you or the account(s); or (2) any claim made by you for any transaction that is determined to be authorized, as stated in the Rate and Fee disclosures. If we need to seek professional advice to review a levy, garnishment, attachment, or other court order that affects your account, you agree to pay all

costs and expenses, including reasonable attorney fees, incurred for the review of that levy, garnishment, attachment, or court order.

### a. Disputes Over or Uncertainty About an Account or Funds in an Account.

If there is a dispute between any person or organization over an account or the funds in an account, or we are uncertain who is entitled to access an account or the funds in an account, you agree that we may hold the funds in the account and may not release the funds in the account until all persons or organizations affected by the dispute or uncertainty agree in writing what should be done with the account and/or the funds in the account or until we receive a court order instructing us what to do. You understand and agree that such a hold is beneficial to both you and us to assure that only a person who or organization that is entitled to the access the account and/or the funds in the account actually obtains access to the account and/or the funds held in an account. If we need to seek professional advice to review a written agreement or court order that affects your account, you agree to pay all costs and expenses, including reasonable attorney fees, incurred for the review of that agreement or court order. At our discretion, we may deposit the funds in an account with a court and ask the court to resolve the dispute or uncertainty over who is entitled to the funds. In such instances, we may deduct our attorney fees and court costs from the funds to be deposited with the court.

## 21. Your Obligations to Us

If we incur any loss, related expenses, fees, charges, and liability on an account, or as a result of any transaction, dispute, uncertainty, or membership matter concerning you, any owner on the account, agent, or fiduciary, you agree that you are jointly and individually liable to us for the full repayment of that loss, and related expenses, fees, charges, and liability. You agree that we may contact you about that loss, related expenses, fees reasonable attorney fees, charges, liability, or any obligation that you owe to us at all addresses, phone numbers, and email addresses provided in Part 1 of this Contract or any updated address reflected in our records. You understand and agree that we may deduct any loss, related expenses, fees, charges, and liability from your account(s) without notice to you regardless of the source of those funds, including directly deposited government entitlements or benefits such as social security deposits. However, our security interest, any right of set off and any lien rights do not apply to retirement accounts. Additionally, you also agree to pay any other reasonable charges, fees, or expenses we may incur in providing you membership, an account, or any transaction or related service that are not covered by this Contract. If either you or the Credit Union is required to initiate legal action to enforce or interpret any of the terms, responsibilities, or liabilities of this Contract, you and the Credit Union agree that the successful party is entitled to payment by the losing party for any collection costs incurred by either party or collection agency, and to reasonable attorney fees and costs, including those incurred on any appeal, bankruptcy proceeding, and post-judgment action, unless otherwise limited or prohibited. You and your estate agree to hold us harmless from and agree to indemnify and defend us against any claim or legal action arising from our right to recover for any loss, expense, fees, charges, and liability we incur as a result of your account and any transaction on your account. If you cause

us a loss, you understand and agree that we may deny you services, close your accounts, and even expel you from membership, as addressed in this Contract, our policies, or as otherwise allowed.

## 22. Our Responsibility for Errors

If we do not properly perform a transaction according to the terms of this Contract, we may be liable to you for losses up to the amount of the transaction (unless otherwise required). We will not be liable for: (1) your account having insufficient funds to complete a transaction; (2) losses that result from your negligence or the negligence of others; (3) your failure to follow any time limits as explained in this Contract; (4) circumstances beyond our control that prevent us from performing the transaction (such as power failures, closures due to storms, or other emergencies); or (5) any losses caused by your failure to follow any term of this Contract. Our actions will constitute the use of ordinary care if such actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by us. As a result of a request or an order by you, should we ever disburse a greater amount of funds based on your request to any person or organization that you know (e.g., relative, friend, employee, business associate, etc.), you agree to assist us in recovering our funds, including participation in litigation and prosecution.

## 23. Accounts Determined Inactive

Should any of your accounts have a balance less than the minimum balance required by this Contract and specifically addressed in the Rate and Fee disclosures, and you have not used our products or services that would exempt your account from our inactive account policy, we may consider your account to be inactive. Should we consider your account inactive, we may charge an account inactivity fee as stated in the Rate and Fee disclosures. We charge fees on a member's inactive account because of the expense incurred by all members in maintaining accounts that are not being used by a particular member who additionally is not using our products or services that would otherwise justify us incurring the expense of maintaining the account.

## 24. Funds Presumed Unclaimed Property

If there has been no activity on your account(s) such as deposits and withdrawals and we have not been able to contact you for a number of years, the state requires that the funds in your account(s) be presumed abandoned and sent to the state as unclaimed property. Upon remittance of the funds in your account(s) to the state, your accounts will be closed and you will need to reclaim the funds by contacting the appropriate state agency.

## 25. Closing Your Account

You may close your one owner account, and any owner alone may close a multiple owner account, at any time by notifying us in writing, according to the terms of this Contract. We are not responsible for any transactions that were initiated by you or other owners or agents or that occur on your account until the account is closed by us. You agree that if we pay any check, draft, item, or transfer on your account after the account is closed, you will reimburse us for the amount of the check, draft, item, or transfer

including any fee as stated in the Rate and Fee disclosures. If you ask us to make a change to an existing account, you agree that we may require you to close your account and open a new account.

We may close your account at any time and without notice if: (1) we are dishonoring a number of checks, drafts, or items for insufficient funds, if a number of checks, drafts, or items taken for deposit are returned unpaid or you stop payment on a check, draft, or item that would otherwise be returned for insufficient funds; (2) a number of checks have been lost or stolen; (3) any alteration, forgery, or other fraud has occurred involving you or your account; (4) there has been any falsification, misrepresentation, or any other abuse by you or involving any of your accounts; (5) the balance of the account does not meet our minimum balance requirements for thirty (30) days; (6) we determine it is necessary either to stop or prevent a loss to us; or (7) if you ever become abusive with, or threaten the safety of, any employee, volunteer, director, member, owner, or third party affiliated with us.

You understand that whether your account is closed by you or us that all transactions on the account will be dishonored, not paid or rejected and returned because the account is closed. You further understand and agree that whether your account is closed by you or us, that closure does not release you or any owner or agent from any fees, obligations, or other liabilities incurred on the account before, in the process of, or after the account closed.

## 26. Termination of Your Membership at the Credit Union

Membership at our Credit Union is a privilege granted to you by our members under state and/or federal law. However, you may end your membership with the Credit Union at any time by providing us with written notice of your desire to end your membership, according to the terms of this Contract. You understand that ending your membership does not release you of your responsibilities, obligations, and liabilities to us under this Contract.

In the interest of all members and to protect the Credit Union, to the extent permitted by law, you agree that we may expel any member for cause, which includes but is not limited to: (1) abuse of our employees, services, or privileges or other members; (2) failure to use our products or services to justify your continued participation in Credit Union membership; or (3) causing us a loss. Copies of this policy are available upon request. You understand and agree that for the protection and safety of our employees, volunteers, or any third party affiliated with us, if you ever become abusive with, or threaten the safety of, any of our employees, volunteers, members, owners, or any third party affiliated with us, we may terminate your membership immediately and without notice.

## 27. Deceased Account Owners, Claims and Transactions

### a. Disbursal of Funds to Representative or Claimant.

If you own a one owner account and have not designated any beneficiaries/POD payees on the account, upon your death, the funds in the account will go to your legal representative or claimant subject to the terms of this Contract. If you own a multiple owner account and have not designated any beneficiaries/POD payees on the account, upon your death, your interest in the ac-

count and the funds in the account are owned by any surviving owner or owners of the account (subject to the terms of this Contract), and upon the death of the final owner the funds in the account belong to that owner's legal representative or claimant subject to the terms of this Contract. You agree that any representative or claimant of your estate is bound by the terms of this Contract. Upon an owner's death, we may require any estate representative or other claimant of the funds held in a deceased owner's account(s) to prove his or her authority as the representative or claimant of the estate and identification as the estate representative or claimant before we will release any funds held in any account. We may require an estate representative or claimant or anyone who claims an interest in funds held in a deceased owner's account to indemnify us for any losses resulting from the claim before we will release the funds to the estate representative or claimant or other person. We may continue to honor all deposits, withdrawals, transfers, and transactions on the account until we receive a certified copy of an owner's death certificate, along with proof of the representative's, claimant's, or third person's authority as the representative, claimant, or creditor of the estate and identification as the estate representative claimant or creditor. If we need to seek professional advice to review any documentation provided by a representative or claimant that affects your account, you agree that we may deduct all costs and expenses, including reasonable attorney fees, incurred for the review of that documentation from your account.

#### **b. Disbursal of Funds to Beneficiary(s)/POD Payee(s).**

If you own a one owner account and have designated a Beneficiary(s)/POD payee(s) in Part 1 of this Contract on the account, upon your death the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this Contract) upon proof of your death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, upon your death each beneficiary/POD payee will be entitled to his or her (or its) equal share of the funds in the account, which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account, and will own those funds without right of survivorship. If a beneficiary/POD payee on the account dies before you, it is your responsibility to notify us and change the account accordingly.

If you own a multiple owner account and have designated a beneficiary(s)/POD payee(s) in Part 1 of this Contract on the account, upon your death, your interest in the account and the funds in the account are owned by any surviving owner or owners of the account (subject to the terms of this Contract), and upon the death of the final owner the beneficiary(s)/POD payee(s) will be entitled to the funds in the account (subject to the terms of this Contract) upon proof of death and the beneficiary's/POD payee's identification. If you designate more than one beneficiary/POD payee on the account, upon the death of the final owner on the account each beneficiary/POD payee will be entitled to his or her (or its) equal share of the funds in the account, which will be determined by dividing the amount of the funds in the account by the number of beneficiaries/POD payees designated on the account, and will own those funds without right of survivorship. If a beneficiary/POD payee on the account dies before you, it is your responsibility to notify us and make any changes to the account.

## **28. Your Irrevocable Waiver of Your Rights to Make Testamentary Dispositions from Any of Your Accounts**

You understand and agree that it is your sole responsibility and not our responsibility to assure that the ownership and survivorship features of your accounts, as designated by you in Part 1 of this Contract, accurately reflect and take into account your personal, domestic, and business circumstances (such as, but not limited to, those created, changed, or terminated by marriage, separation, divorce, children, death, or as a result of any agency, guardianship, conservatorship, trusts, wills, incorporations, partnership agreements, contracts, indebtedness, etc.). If permitted by applicable state law, you irrevocably waive your rights to make testamentary dispositions from any account, and would do so with the understanding that account ownership and survivorship features such as "multiple/joint account ownership with right of survivorship" and "beneficiary/POD payee" designations, control and supersede any inconsistent testamentary disposition. Because it is your responsibility to assure that ownership and survivorship features of your account(s) accurately reflect and take into account your personal, domestic, and business circumstances, and because you can change or close the account at any time, you irrevocably waive your right to make a testamentary disposition from any account at the Credit Union, both now and in the future. Pursuant to your wishes that we rely exclusively on the terms of Parts 1 and 2 of this Contract, upon your death you agree that we may rely exclusively on the terms of Parts 1 and 2 of this Contract for all transactions on your account(s), and for any changes to, distributions from or closure of your account(s).

## **29. This Contract and State and Federal Law**

While your membership, accounts, and services are primarily governed by Parts 1 and 2 of this Contract, they are also governed by the applicable law of the state in which the branch or service center where you opened your account is located, or if you opened your account by mail, telephone, or our services that can be accessed through the internet, the law of the State of Michigan, federal law, federal reserve regulations, and operating letters, clearing house rules, and the recognized financial institution practices used in the areas our Credit Union serves, as amended from time to time. If any term of this Contract is in conflict with the applicable law, that term will be nullified to the extent that it is inconsistent with the law, and the law will govern. Should any term of this Contract be declared invalid, unenforceable, or unlawful by a court, that term will not affect the validity of any other terms of this Contract, which will continue in full force and effect.

## Funds Availability Disclosures

This policy applies to checking accounts. Deposits to other accounts may be subject to longer holds in our sole discretion.

### 1. General Policy

Our policy is to make funds from your deposits available to you on the day that we receive your deposit. Funds from cash or electronic deposits may be available immediately. Funds from deposits made at automated teller machines (“ATMs”) we do not own or operate will not be available until the third (3<sup>rd</sup>) business day after the day of your deposit. Funds from deposits made at automated teller machines (“ATMs”) that we own or operate will be available on the second (2<sup>nd</sup>) business day after the day of your deposit. ATMs that we own or operate are identifiable by our name displayed on the ATM. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Federal Holidays. If you make a deposit before closing at any credit union branch, 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 our closing (or after noon at an ATM) or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### 2. Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the business day after we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth (5<sup>th</sup>) business day after the day of your deposit. However, the first \$100 of your deposit will be available on the first (1<sup>st</sup>) business day. If we are not going to make all of the funds from your deposit available on the first (1<sup>st</sup>) 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 day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

### 3. Holds on Other Funds

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

### 4. Longer Delays May Apply

We may delay your ability to withdraw funds deposited by check into your account an additional number of days under certain circumstances. Federal law provides for exception to the federal funds availability schedules when:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the eleventh (11<sup>th</sup>) business day after the day of your deposit.

### 5. Special Rules for New Accounts

The following rules may apply during the first thirty (30) days your account is open:

- a. Funds from electronic direct deposits will be available on the day we receive the deposit.
- b. 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 (1<sup>st</sup>) business day of the deposit if the deposit meets certain criteria (for example, the check must be payable to you). The excess over \$5,000 may not be available until the ninth (9<sup>th</sup>) business day after the day of your deposit.
- c. Funds from all other check deposits may not be available until the eleventh (11<sup>th</sup>) business day after the day of your deposit.

## Electronic Fund Transfer Disclosures

The following disclosures set forth your and our rights and responsibilities concerning electronic funds transfers. Electronic funds transfers ("EFTs") are electronically initiated transfers of money involving a deposit account at the credit union and multiple access options including online account access, direct deposits, automated teller machines (ATMs), Debit Card ("Card"), and Audio Response System (AudioEdge) services.

### 1. EFT Services

#### a. Automated Teller Machines ("ATMs").

You may use your Card and personal identification number (PIN) in ATMs of the credit union, Co-op, NYCE, and PLUS networks, and such other machines or facilities as the credit union may designate. At the present time, you may use your Card to:

- Withdraw cash from your savings and checking accounts.
- Make deposits to your savings and checking accounts.
- Transfer funds between your accounts.
- Make payments on your loan accounts with us from your savings, checking, or money market accounts.
- Make inquiries on your savings and checking accounts, including current balance, recent deposits and recent withdrawals.

#### b. Direct Deposit.

Upon instruction of (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the credit union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your savings or checking account. You may also receive preauthorized transfers from another member's account with the credit union.

#### c. Pre-authorized Debits.

You may make periodic direct withdrawals from your savings or checking account to a particular person or company at least periodically which you have arranged with that person or company, provided you have enough funds in your account to cover the payment.

#### d. AudioEdge.

If we approve your application for telephone access to your accounts under the AudioEdge service, you may use a telephone to access your account by calling (989) 892-6088 or (800) 610-2764. You must use your PIN along with your account number to access your accounts. At the present time you may use the AudioEdge service to:

- Transfer funds between savings, checking, and High Yield accounts.
- Obtain loan advances for credit to your savings or checking account.
- Make loan payments from your savings, checking, or High Yield account.

#### e. ElectronicEdge.

If we approve your application for the online account access, you may use a personal computer to access your accounts. For this service, you will need a personal computer with access to the Internet (World Wide Web). The online address for online access

services is [www.financialedgeccu.org](http://www.financialedgeccu.org). You may select a PIN. You must use your PIN along with your account number to access your accounts. You are responsible for the installation, maintenance and operation of your computer and software. The credit union will not be responsible for any errors or failures involving any telephone service, Internet service provider, your software installation, or your computer. At the present time, you may use the online service to:

- Transfer funds between your savings, checking, High Yield and loan accounts.
- Obtain account information related to your savings, checking, and High Yield accounts, regarding current balance, history, interest, rates, payroll and automatic deductions.
- Make loan payments from any savings or checking account to a loan account of yours.

Transactions involving your savings, checking, or share accounts will be subject to your Membership and Account Agreement and transactions involving a loan account will be subject to the loan agreement(s) for the applicable loan.

#### f. Debit Card Purchases.

You may use your Debit Card to purchase goods and services any place VISA is honored by participating merchants and merchants accepting the Card and PIN at point of sale (POS) terminals. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the credit union may treat the transaction as an overdraft request pursuant to any overdraft protection plan, or may terminate all services under this Agreement.

#### g. Electronic Check Transaction.

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 pay other obligations ("electronic check transactions"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any required notice regarding the merchant's right to process the transaction or payment, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions, except the \$50 and \$500 limits of liability for unauthorized transactions in Section 4. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

## 2. Service Limitations

#### a. Automated Teller Machines.

Cash withdrawals from ATMs can be made as often as you like. You may withdraw (or transfer to another account) up to \$500 (if there are sufficient funds in your account) per business day. For purposes of determining whether you have reached the daily limit, a day ends at midnight. Each day is treated individually for the purpose of this limit.

#### b. AudioEdge.

Your accounts can be accessed under AudioEdge via a touch-tone telephone only. Not all push button phones are touchtone. Converters may be purchased for pulse and rotary dial phones.

AudioEdge will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. If you call during this time you will hear a message directing you to call back. While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, transfers from savings accounts will be limited to six (6) in any one month. No transfer or withdrawal may exceed the available funds in your account. The credit union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

### c. ElectronicEdge Service.

**i. Transfers.** You may make funds transfers to your accounts or other accounts you authorize as often as you like. However, transfers from a savings account will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or available credit line at the time of the transfer, except as limited under other agreements. The credit union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

**ii. Account Information.** The account balance and transaction history information may be limited to recent account information. The availability of funds for transfer or withdrawal may be limited due to the processing time for ATM transactions and our Funds Availability Policy.

**iii. Email and Stop Payment Requests.** The credit union may not immediately receive email communications that you send and the credit union will not take action based on email requests until the credit union actually receives your message and has a reasonable opportunity to act. Any stop payment request you transmit electronically is deemed to be an oral request and will expire in fourteen (14) days unless confirmed in writing in accordance with your Membership and Account Agreement. Contact the credit union immediately regarding an unauthorized transaction or stop payment request.

### d. Debit Card.

There is no limit on the number of Debit Card purchase transactions you may make during a statement period. VISA purchases are limited to the balance available in your account or \$3,000, whichever is less, and to a maximum of \$5,000 per day. The credit union reserves the right to refuse any transaction which would draw upon insufficient funds or require us to increase our required reserve on the account. The credit union may set other limits on the amount of any transaction, and you will be notified of those limits. You are solely responsible for any disputes you may have with merchandise or services received using the Debit Card. We are not responsible for any damages, liability, or settlement resolution as a result of the misrepresentation of quality, price, or warranty of goods or services by a merchant.

The use of your Card and Account are subject to the following conditions:

**i. Ownership of Cards.** Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to

instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.

**ii. Honoring the Card.** Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund. You may not use the Card for any illegal or unlawful transaction. We may refuse to authorize any transaction that we believe may be illegal or unlawful.

**iii. Currency Conversion; International Transaction Fee.** Purchases and withdrawals made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by VISA International, Inc. is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date. In addition, you may be charged an International Transaction Fee of up to 1% of the transaction amount for any card transaction made in a foreign country.

## 3. Security of Personal Identification Number

The personal identification number or PIN is established for your security purposes. The PIN is confidential and should not be disclosed to third parties or recorded. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your PIN, that authority shall continue until you specifically revoke such authority by notifying the credit union. You understand that person may use the AudioEdge online services, or check card to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your PIN and you agree that the use of your PIN will have the same effect as your signature authorizing transactions.

If you authorize anyone to use your PIN in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the credit union and changing your PIN immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your PIN is changed. If you fail to maintain or change the security of these PINs and the credit union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

## 4. Member Liability

You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or PIN, you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe anyone has used your Account, Card or PIN and accessed your accounts without your authority, or if you believe that an electronic funds transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. For Debit Card purchase transactions, if you notify us of your lost

or stolen card you will not be liable for any losses provided that you were not grossly negligent or fraudulent in handling your Card and you provide us with a written statement regarding your unauthorized Card claim, otherwise the following liability limits will apply. For all other EFT transactions except electronic check transactions, if you tell us within two (2) business days, you can lose no more than \$50 if someone accessed your account without your permission. If you do not tell us within two (2) business days after you learn of the unauthorized use of your account or EFT service, and we can prove that we could have stopped someone from accessing your account without your permission if you had told us, you could lose as much as \$500. In no event will you be liable for more than \$50 for unauthorized withdrawals from a line of credit account.

Also, if your statement shows EFTs that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods. If you believe that someone has used your Card or PIN without your permission or you have lost your Card, call: (989) 892-6088, or write:

P.O. Box 446  
Bay City, MI 48707

## 5. Business Days

Our business days are Monday through Friday. Holidays are not included.

## 6. Fees and Charges

There are certain charges for the EFT services as set forth on the Rate and Fee Disclosures. The credit union reserves the right to impose service charges at a future date after we give you notice of such changes as required by law. If you request a transfer or check withdrawal from your personal line of credit account, such transactions may be subject to charges under the terms and conditions of your loan agreement. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

## 7. Right to Receive Documentation

### a. Periodic Statements.

All EFT transactions will be recorded on your periodic statement. You will receive a statement at least once every quarter. If you have an EFT transaction, you will receive a statement monthly.

### b. Pre-authorized Credits.

If you have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can use AudioEdge or online access or you can call us at (989) 892-6088 to find out whether or not the deposit has been made.

### c. Terminal Receipt.

You get a receipt at the time you make any transaction over \$15 using an ATM, POS terminal, or Debit Card.

## 8. Account Information Disclosure

We will maintain the confidentiality and privacy of your account information in accordance with our Privacy Policy. We will disclose information to third parties about your account or the transfers you make in the following circumstances:

- As necessary to complete transfers.
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant.
- To comply with government agency or court orders.
- If you give us your written permission.

## 9. Credit Union Liability for Failure to Make Transactions

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your actual transaction loss or damage. Our sole responsibility for an error in a transfer will be to correct the error. You agree that neither we nor the service providers shall be responsible for any loss, property damage, or bodily injury, whether caused by the equipment, software, credit union, or by Internet browser providers such as Netscape (Netscape Navigator browser) and Microsoft (Microsoft Internet Explorer browser), or by Internet access providers or by online service providers or by an agent or subcontractor for any of the foregoing. Nor shall we or the service providers be responsible for any direct, indirect, special, or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, online access services, or Internet browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via the online access service and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. The credit union will not be liable for the following:

- If, through no fault of ours, you do not have adequate funds in your account to complete a transaction, your account is closed, or the transaction amount would exceed your credit limit on your line of credit.
- If you used the wrong identification code or you have not properly followed any applicable computer, Internet, or credit union instructions for making transfers.
- If your computer fails or malfunctions or if the credit union's online access system was not properly working and such problem should have been apparent when you attempted such transaction.
- If the ATM where you are making the transfer does not operate properly, does not have enough cash or you use your Card improperly.
- If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment, or power failure) prevent making the transaction.
- If your account is frozen because of a delinquent loan or is subject to legal process or other claim.

- If the error was caused by a system beyond the credit union's control such as your Internet Service Provider, any computer virus, or problems related to software not provided by the credit union.
- If you have not given the credit union complete, correct, and current instructions so the credit union can make a transfer.
- If the error was caused by any applicable ATM or payment system network. The ATM machine may retain your Card in certain instances, in which event you may contact the credit union about its replacement.
- We may establish other exceptions in addition to those listed above.

## 10. Termination of EFT Services

You agree that we may terminate this Agreement and your use of any EFT services, if you, or any authorized user of your account or PIN breach this agreement with us, or if we have reason to believe that there has been an unauthorized use of your Card, account or identification code.

You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. However, termination of this Agreement will not affect the rights and responsibilities of the parties under this agreement for transactions initiated before termination.

## 11. Preauthorized Electronic Funds Transfers

### a. Stop Payment Rights.

If you have arranged in advance to allow a third party to make regular electronic fund transfers out of your account(s) for money you owe them, you may stop payment of these preauthorized transfers from your account. You must notify the credit union orally or in writing at any time up to three (3) business days before the scheduled date of a preauthorized transfer. The credit union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.

### b. Notice of Varying Amounts.

If these regular payments may vary in amount, the person you are going to pay is required to tell us ten (10) days before each payment when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the account would fall outside certain limits that you set.

### c. Liability for Failure to Stop Payment of Preauthorized Transfers.

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

## 12. Notices

We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of any EFT service is subject to existing

regulations governing the credit union account and any future changes to those regulations.

## 13. Billing Errors

In case of errors or questions about electronic funds transfers, telephone us at (989) 892-6088 and send us a written notice. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears. In your notice:

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

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. For errors related to transactions occurring within thirty (30) days after the first deposit to the account (new accounts), we will tell you the results of our investigation within twenty (20) business days. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question (ninety (90) days for POS (point of sale) transaction errors, new account transaction errors, or errors involving transactions initiated outside the United States). If we decide to do this, we will recredit your account within ten (10) business days (five (5) business days for Debit Card transactions) for the amount you think is in error, so that you will have the 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 recredit your account.

If we decide after our investigation that an error did not occur, we will deliver or mail to you an explanation of our findings within three (3) business days after the conclusion of our investigation. If you request, we will provide you copies of documents (to the extent possible without violating other members' rights to privacy) used in our conclusion that the error did not occur.

## 14. ATM Safety Notice

The following information is a list of safety precautions regarding the use of Automated Teller Machine (ATM) and Night Deposit Facilities.

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your ATM card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number or code on your ATM card.
- Report all crimes to law enforcement officials immediately.

# Privacy Policy

## 1. Our Privacy Pledge

At FinancialEdge Community Credit Union, we respect the privacy of our members. We recognize the importance of maintaining the confidentiality of your personal financial information. This notice describes the privacy policy and practices followed by the credit union. This notice explains what types of member information we collect and under what circumstances we may share it.

## 2. Member Information We Collect

The credit union collects only relevant information about members that is needed to establish and maintain your account and services as the law allows or requires us to collect. We may collect personal and financial information about you (member information) which is “nonpublic.” The member information we collect varies depending on the accounts and services you request and use. We collect information about you from the following sources:

### a. Application Information.

We retain personal information we receive from you on any application you provide for membership, deposit account, EFT services, loans, or other credit union services. This information includes: name, address, social security number, birth date, phone number, employment and financial status, and credit history.

### b. Your Transactions.

Any time you make a transaction on one of your accounts, including ATM or card transactions, loan advances, transactions through ElectronicEdge, over the phone or at a branch we retain the transaction information, including: your account number, the date, amount, location of the transaction, and other pertinent information.

### c. Credit Reports and Marketing Information.

When we evaluate your application for an account or service, we may re-quest a credit report about you from a consumer reporting agency. We retain the personal and credit history information about you and we may use it to evaluate future account service re-quests. From time to time, we also obtain demographic household information about members and potential members from marketing information firms.

### d. Online.

We obtain information online when you visit our website, [www.financialedgeccu.org](http://www.financialedgeccu.org). This includes retaining information you provide us on any online application, ElectronicEdge transaction or information you send to us by email.

## 3. Member Information We Share

In order to provide financial services to you, we share certain information about you with our third party service providers. However, we only share information to the extent necessary to service your account or offer new services to you. If we share your information, it is with the goal of bringing you quality services, more choices, and greater convenience. Information we may have about former members is generally only shared or disclosed if necessary to enforce or administer an account or as required by law.

## a. Sharing Information with Third Party Service Providers.

In order for us to conduct our operations, including servicing your account or processing your transactions, we need to share information with our service providers, including: data processing companies, check, ATM and other payment processing companies, payment networks, loan service providers, collection agencies, credit reporting agencies, financial planners, securities brokerage, and insurance companies, and financial service providers with whom we have joint marketing agreements. These service providers act on our behalf and have agreed in writing to keep the member information we provide to them confidential. We share the following categories of information to third party service providers depending on the specific services provided:

- Personal information (name, address, and account number).
- Account information (type of accounts, account balances, and transaction history).
- Transaction information (dates, amounts, locations, and type of transaction).

We do not sell member information nor share your account numbers with independent third party marketers offering their products and services. While we may assist in offering financial products and services of our contracted financial service providers, we control the member information used to make such offers.

## b. Sharing Information as Legally Required or Permitted.

We may share any member information of yours in response to a lawful request issued by a court, government agency, or regulatory authority or as permitted by law in order to administer or enforce your account. We may also share our experience information about you with credit bureaus. Our reporting to credit bureaus is governed by the Fair Credit Reporting Act, which affords you the right to make sure that your credit bureau reports are accurate.

## 4. Our Confidentiality and Security Safeguards

We maintain strict policies and security controls to assure that member information in our computer systems and files is protected. Our employees and agents are permitted access to member information that they may need to perform their jobs and to provide service to you. Our employees and agents have access to such member information as necessary to conduct a transaction or respond to your inquiries. All employees and agents are trained to respect member privacy. No one except our employees and agents have regular access to the credit union computer system and records storage. The credit union has established internal security controls, including physical, electronic, and procedural safeguards to protect the information you provide us and the information we collect about you. We will continue to review our internal security controls to safeguard your member information as we employ new technology in the future.

## 5. Online Privacy Protections

At our website, [www.financialedgeccu.org](http://www.financialedgeccu.org), you may apply for accounts and services and you may communicate with us via email. To protect the information you provide us online, we use multiple levels of security. The application information we accept online and our ElectronicEdge service relies on industry standard “Secure Sockets Layer” (SSL) encryption to secure your transaction information and communication. Generally, our emails are not secure. When you visit our website, you can access site information,

without revealing your personal identity. However, in order to help us identify you for future site visits, we use “cookies” to track your visit. A “cookie” is a piece of information that our web server stores on your computer hard drive and retrieves later. The cookie will not request, require or collect personal identity information and you remain anonymous. Your member information is not accessed by or stored within a cookie in any way.

## **6. Protecting Children’s Information Privacy**

Our online financial services are not designed for or directed toward children. We do not knowingly solicit or collect data from children and we do not knowingly market to children online. We recognize that protecting children’s identities and online privacy is important and that responsibility rests with us and with parents.

## **7. Privacy Policy Inquiries**

If you have any questions about our privacy practices, contact us by calling (989) 892-6088 or writing to us at P.O. Box 446, Bay City, Michigan 48707.

## **Important Information About Procedures for Opening a New Account**

To help the government fight the funding of terrorism and money laundering activities, the U.S.A Patriot Act 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 an account, we will ask for your name, physical address, date of birth, taxpayer identification number, and other information that will allow us to identify you. We may also ask to see your driver’s license or other identifying documents. We will let you know what additional information is required.