



MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement covers your rights and responsibilities concerning our accounts and the rights and responsibilities of the Credit Union providing this agreement (Credit Union). In this Agreement, the words “you”, “your”, and “yours” mean anyone who signs an Account Card, Account Change Card, or any other account opening document (Account Card). The words “we”, “us”, and “our” mean the Credit Union. The word “account” means any one (1) or more share or other accounts you have with the Credit Union.

Your account type(s) and ownership features are designated on your Account Card. By signing an Account Card, each of you, jointly and severally, agree to the terms and conditions in this Agreement, and any Account Card, Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Fund Transfers Agreement and Disclosure, Privacy Notice and Disclosure, or Account Receipt accompanying this Agreement, the Credit Union’s bylaws and policies, and any amendments to these documents from time to time that collectively govern your membership and accounts.

NOTICE OF ARBITRATION PROVISION

This Agreement contains an Arbitration Provision which provides that you or the Credit Union may elect to have all disputes resolved by **BINDING ARBITRATION INSTEAD OF IN COURT**.

You should read the Arbitration Provision below carefully. It provides, among other terms:

You **GIVE UP YOUR RIGHT TO GO TO COURT** to assert or defend your rights under this Agreement (**EXCEPT** for matters that may be taken to **SMALL CLAIMS COURT**).

Your rights will be determined by a **NEUTRAL ARBITRATOR** and **NOT** a judge or jury.

You are entitled to a **FAIR HEARING, BUT** the arbitration procedures are **SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT**.

Arbitrator decisions are as enforceable as any court order and are subject to **VERY LIMITED REVIEW BY A COURT**.

YOU MAY NOT PARTICIPATE AS A CLASS REPRESENTATIVE OR MEMBER IN ARBITRATION OR IN ANY OTHER CONSOLIDATED PROCEEDING.

1. **Membership Eligibility, Credit Reports and Other Credit Union Services** – To join the Credit Union, you must meet the membership requirements, including purchase and maintenance of the minimum required share(s) (“membership share”) as set forth in the Credit Union’s bylaws. You authorize us to check your account, credit and employment history, and obtain reports from third parties, including credit reporting agencies. You agree that this authority applies to any account, account-related service, loans or other financial products you request or which we may offer or make available to you using this information.
2. **Individual Accounts** – An individual account is an account owned by one (1) member (individual, corporation, partnership, trust, or other organization) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the decedent’s estate or beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner’s agent prior to notice of an owner’s death, and to any security interest or pledge granted by the account owner, and subject to our statutory lien rights.



3. **Joint Accounts** – A joint account is an account owned by two (2) or more persons.
 - a. **Rights of Survivorship.** Unless otherwise stated on the Account Card, a joint account includes rights of survivorship. This means that when one (1) owner dies, all sums in the account will pass to the surviving owner(s). For a joint account without rights of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.
 - b. **Control of Joint Accounts.** Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). Any owner may withdraw or transfer funds, pledge to us all or any part of the shares, or stop payment on items without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners in order to act.
 - c. **Joint Account Owner Liability.** If an item deposited in a joint account is returned unpaid, a joint account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of the indebted owner, including all funds in the joint account, regardless of who contributed the funds.
4. **Beneficiary Account Designations** – A beneficiary account designation is an instruction to the Credit Union that an account so designated is payable to the owner(s) during his, her, or their lifetimes and, when the last account owner dies, is payable to all surviving beneficiaries designated on your account card. Each such beneficiary shall separately own his/her equal share; the account divides equally among surviving beneficiaries upon the last surviving owner's death. Any beneficiary designation shall not apply to Individual Retirement Accounts (IRAs). We are not obligated to notify any beneficiary of the existence of any account nor the vesting of the beneficiary's interest in any account, except as otherwise provided by law. This paragraph does not apply to an account held on behalf of or in the name of a trust.
5. **Accounts for Minors** – We may require any account established by a minor to be a joint account with an owner who has reached the age of majority under state law and who shall, to the extent permitted by state law, be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority unless the change is authorized in writing by all account owners.
6. **Uniform Transfers to Minors Account** – A Uniform Transfers to Minors Account (UTMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party authorized to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawals.
7. **Agency Designation of an Account** – An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or credit union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent.



8. **Deposit of Funds Requirement** – Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories, or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit.
- a. **Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one (1) or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft, or item that is payable to two (2) or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft, or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the check or draft with 1½ inches of the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other marking by you or any prior endorser will be your responsibility.
 - b. **Collection of Items.** We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time including giving a pay or financial institution extra time beyond any midnight deadline limits.
 - c. **Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include “two signatures required”, “void after 60 days”, and “not valid over \$500.00.” We are not liable for any payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restriction or limitation.
 - d. **Final Payment.** All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.
 - e. **Direct Deposits.** We may offer preauthorized deposits (e.g. payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfer by filling out a separate form. You must notify us at least 30 days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. Upon a bankruptcy filing, unless you cancel the authorization, we will continue applying payments from direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.
 - f. **Crediting of Deposits.** Deposits made after the deposit cutoff time and deposits made on holidays or days other than our business days will be credited to your account on the next business day.
9. **Account Access.**
- a. **Authorized Signature.** Your signature on the Account Card authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor transactions initiated by a third person to whom you have given your account number, even if you do not authorize a particular transaction.
 - b. **Access Options.** You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, Internet access, automatic transfer, or telephone, as applicable). We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any loss



we incur handling such a check or draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney which we reasonably conclude is invalid or unreliable or has been revoked.

- c. **Credit Union Examination.** We may disregard any information on any check or draft other than the signature of the drawer, the amount, and any magnetic encoding. You agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for sight examination of items.

10. **ACH and Wire Transfers.** Except as amended by this Agreement, electronic fund transfers we permit that are subject to Article 4A of the Uniform Commercial Code will be subject to such provisions of the Uniform Commercial Code as enacted by the state where the main office of the Credit Union is located. We may execute certain requests for an electronic fund transfer by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J. You may order an electronic fund transfer to or from your account. We will debit your account for the amount of the electronic fund transfer and will charge your account for any fees related to the transfer. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your account. We are not liable for errors, delays, interruptions, or transmission failures caused by third parties or circumstances beyond our control, including mechanical, electronic, or equipment failure. We will not provide you with next day notice of ACH transfers, wire transfers, and other electronic payments credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received. If we fail to properly execute a payment order, and such action results in a delay in payment to you, we will pay you dividends or interest for the period of delay as required by applicable law. The dividends or interest paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period. Payment orders we accept will be executed within a reasonable time of receipt but may not necessarily be executed on the date they are received. Cutoff times may apply to the receipt, execution, and processing of fund transfers, payment orders, cancellations, and amendments. If a request for a fund transfer, payment order, cancellation, or amendment is received after a cutoff time, it may be treated as having been received on the next fund transfer business day. Information about any cut off times is available upon request. From time to time, we may need to suspend processing of a transaction for greater scrutiny or verification in accordance with applicable law, and this action may affect settlement or availability of the transaction. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and by account or identifying number. The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or identifying number, even if the number identifies a different person or financial institution. Any account owner may amend or cancel a payment order, even if that person did not initiate the order. We may refuse any request to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request that we accept to amend or cancel a payment order will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order. We may require you to follow a security procedure to execute a payment order or certain electronic fund transfer transactions. We will notify you of any such security procedures, and you agree that our security procedures are commercially reasonable.

11. **Account rates and Fees.** We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosures and Schedule of Fees and Charges. We may change the Truth-in-Savings Disclosure or Schedule of Fees and Charges at any time and will notify you as required by law.

12. **Transaction Limitations.**

- a. **Withdrawal Restrictions.** We will pay checks or drafts, permit withdrawals, and make transfers from available funds in your account. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure. We may also pay checks or drafts, permit withdrawals, and make transfers from your account from insufficient available funds if you have established an overdraft protection plan or, if you do not have such a plan with us, in accordance with our overdraft and courtesy pay disclosure. We may refuse to allow a withdrawal in some situations and will advise you accordingly if: (1) there is a dispute between account owners



(unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures an obligation to us; (4) required documentation has not been presented; or (5) you fail to repay a credit union loan on time. We may require you to give written notice of seven (7) to 60 days before any intended withdrawals.

- b. **Transfer Limitations.** We may limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or Electronic Fund Transfers Agreement and Disclosure.

13. **Certificate Accounts.** Any time deposit, term share, share certificate, or certificate of deposit account allowed by state law (certificate account), whichever we offer, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure, and the Account Receipt for each account, the terms of which are incorporated within.

14. OVERDRAFTS.

- a. **Payment of Overdrafts.** If, on any day, the available funds in your share or deposit account are not sufficient to pay the full amount of a check, draft, transaction, or other item posted to your account plus any applicable fee ("overdraft"), we may pay or return the overdraft. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one (1) review of the account required. We do not have to notify you if your account does not have sufficient available funds to pay an overdraft. Your account may be subject to a charge for each overdraft regardless of whether we pay or return the overdraft. For one-time debit transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union used to capture the member's opt-in choice for overdraft protection and the Schedule of Fees and Charges. Overdrafts in connection with one-time debit transactions are discussed in more detail in subsection (d) below.
- b. **Order of Payments.** Checks, drafts, transactions, and other items may not be processed in the order that you make them or in the order that we receive them. We may, at our discretion, pay a check, draft, or item, and execute other transactions on your account in any order we choose. The order in which we process checks, drafts, or items, and execute other transactions on your account may affect the total amount of overdraft fees that may be charged to your account. Please contact us if you have questions about how we pay checks or drafts and process transfers and withdrawals.
- c. **Available Balance.** To determine whether you have enough money in your Account to cover a transaction, both for the purpose of determining whether and how to honor it, and whether a fee related to being an overdraft may be charged, we use your Account's "available balance" as opposed to using the "ledger balance". The ledger balance is the account balance as shown on our books. The available balance is the ledger balance reduced by (1) the amount of any holds in place with respect to deposited checks or other items; (2) the amount in the account that is subject to any preauthorization requests related to the account that have been accepted by the Credit Union; (3) amounts in the account that are subject to holds based on court, tax agency, or other governmental proceedings; and (4) amounts that we believe are subject to a dispute over ownership or other rights. Note that they use of the Available Balance for these purposes may cause a fee related to an overdraft to be charged, a line of credit to be advanced, and/or a transfer from another account to be made, even though your periodic statement (which reflects the Ledger Balance) may not reflect any time when the balance would be negative. Whether the transaction is paid or returned, your Account may be subject to a charge as set forth in the Fee Schedule. Note that the Credit Union has no control over how many times an intended payee may resubmit the same check or other item to us for payment. In the event the same check or other item is presented for payment on more than one occasion, your Account will be subject to an additional charge on each occasion that the item is presented for payment. There is no limit to the total fees the Credit Union may charge you for overdrawing your account.
- d. **One-Time Debit Transactions.** One-time debit transactions are processed against your account at two different times: first, when the transaction is authorized, and again when the transaction actually settles to your Account. There is usually a one to three-day period between the time a particular transaction is authorized and when it



actually settles to your Account. When the Credit Union authorizes a one-time debit transaction, the amount of the transaction is subject to a preauthorization hold. This means that the amount of the transaction is subtracted from your ledger balance. It is important to understand that even if you have sufficient available funds in your Account at the time the transaction is authorized, it is possible that the settlement of the transaction may result in an overdraft to your Account, and the incurring of a fee.

- e. **Courtesy Pay Disclosure.** For important information concerning overdraft options please refer to the “Your Liability for Overdrafts” disclosure, the terms and conditions of which are incorporated into this Agreement. In the event of a conflict between the Your Liability for Overdrafts disclosure and this Agreement, the Your Liability for Overdrafts disclosure will control.

15. **Postdated and Stale dated Checks or Drafts.** You agree not to issue any check or draft that is payable on a future date (postdated). If you do issue a check or draft that is postdated and we pay it before that date, you agree that we shall have no liability to you for such payment. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account that is presented more than six (6) months past its date.

16. **Stop Payment Orders.**

- a. **Stop Payment Order Request.** Any owner may request a stop payment order on any check or draft drawn on the owner’s account. To be binding, the order must be in writing, dated and signed, and must accurately describe the check or draft, including the exact account number, the check or draft number, and the exact amount of the check or draft. This exact information is necessary for the Credit Union’s computer to identify the check or draft. If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. In addition, we must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity to act on it. If we recredit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all your rights against the payee or other holders of the check or draft, and to assist us in any legal action.
- b. **Duration of Order.** Oral stop payment orders for checks or drafts will lapse within 14 calendar days unless confirmed in writing within that time. Written stop payment orders for checks or drafts are effective for six (6) months and may be renewed for additional six (6) month periods by requesting in writing that the stop payment order be renewed within a period during which the stop payment order is effective. We are not required to notify you when a stop payment expires.
- c. **Liability.** Fees for stop payment orders are set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges. You may not stop payment on any certified check, cashier’s check, teller’s check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney’s fees, damages, or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

17. **Credit Union Liability.** If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient available balance for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution’s negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.



18. **Checks or Drafts Presented for Payment in Person.** We may refuse to accept any check or draft on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check or draft, and we shall have no liability for refusing payment.
19. **Remotely Created Checks or Drafts.** For purposes of this paragraph, “account” means a transaction account, credit account, or any other account on which checks or drafts may be drawn. A remotely created check or draft is a check or draft created by someone other than the person on whose account the check or draft is drawn. A remotely created check or draft is generally created by a third-party payee as authorized by the owner of the account on which the check or draft is drawn. Authorization is usually made over the telephone or through on-line communication. The owner of the account does not sign a remotely created check or draft. In place of the owner’s signature, the remotely created check or draft usually bears a statement that the owner authorized the check or draft or bears the owner’s printed or typed name. If you authorize a third party to draw a remotely created check or draft against an account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check or draft for which the third party has proof of your authorization.
20. **Pledge/Statutory Lien.** Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except obligations secured by your principal residence, all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account(s) for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. Federal or state law (depending on whether we have a federal or state charter) gives us a lien on all shares and dividends and all deposits and interest, if any, in accounts you have with us now and in the future. Except as limited by federal or state law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you. **Your pledge and our statutory lien rights will allow us to apply the funds in your account(s) to what you owe when you are in default, except as limited by federal or state law.** If we do not apply the funds in your account(s) to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory rights and may apply the funds in your account(s) to the amount you owe us at a later time. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under federal or state law if given as security. By not enforcing our right to apply funds in your account to your obligations that are in default, we do not waive our right to enforce these rights at a later time.
21. **Legal Process.** If any legal action is brought about against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.
22. **Account Information.** Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure complies with the law or a government agency or court order; or (4) you give us written permission.
23. **Notices.**
- a. **Name or Address Changes.** You are responsible for notifying us of any name or address change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us.



We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Changes.

- b. **Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement at any time. We will notify you of any change in terms, rates, or fees as required by law. We reserve the right to waive any terms of this Agreement. Any such waiver shall not affect our right to future enforcement.
- c. **Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. mail, postage prepaid, and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.
- d. **Electronic Notices.** If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices until you notify us that you wish to reinstate receiving paper notices.

24. **Taxpayer Identification Number and Backup Withholding.** Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

25. Statements.

- a. **Contents.** If we provide a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one (1) statement is necessary for joint accounts. For share draft or checking accounts, you understand and agree that your original check or draft, when paid, becomes the property of the Credit Union and may not be returned to you, but copies of the check or draft may be retained by us or by payable-through financial institutions and may be made available upon your request. You understand and agree that statements are made available to you on the date they are sent to you. You also understand and agree that checks, drafts, or copies thereof are made available to you on the date the statement is sent to you, even if the checks or drafts do not accompany the statement.
- b. **Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement within 33 days of the date we sent the statement to you, we will not be responsible for your loss.
- c. **Notice to Credit Union.** You agree that the Credit Union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes, and we will not be liable for any payment made or charged to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement.

26. **Inactive Accounts.** If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Truth-in-Savings Disclosure or Schedule of Fees and Charges, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee, as set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges, for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds, and if you choose to reclaim such funds, you must apply to the appropriate state agency.



27. **Special Account Instructions.** You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection. We may require that account changes requested by you, or any account owner, such as adding or closing an account or service be evidenced by a signed Account Change Card and accepted by us.
28. **Termination of Account and Restriction of Services.** We may terminate your account or restrict services at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery, fraud or another misdeed reported or committed involving your account against the credit union or against a person on the premises of the credit union; (3) there is a dispute as to the ownership of the account or the funds in the accounts; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate an individual account by giving written notice. We reserve the right to require the consent of all owners to terminate a joint account. We are not responsible for payment of any check, draft, withdrawal, transaction, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.
29. **Termination of Membership.** You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share(s), if any, and closing all your accounts. You may be denied services for causing a loss to the Credit Union, or you may be expelled for any reason as allowed by applicable law.
30. **Death of Account Owner.** We may continue to honor all transfer orders, withdrawals, deposits, and other transactions on an account until we know of a member's death. Once we know of a member's death, we may pay checks or drafts or honor other payment or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we received instructions from any person claiming an interest in the account to stop payment on the checks, drafts, or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring of that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.
31. **Unlawful Internet Gambling and Other Illegal Activities.** You agree that you are not engaged in unlawful internet gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices or services for unlawful internet gambling or other illegal activities. We may terminate your account relationship if you engage in unlawful internet gambling or other illegal activities.
32. **Severability.** If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.
33. **Enforcement.** You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs, or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings and any post judgment collection actions.
34. **Governing Law. Except as otherwise set forth in the Resolution of Disputes by Arbitration provision below,** this Agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws including applicable principles of contract law, and regulations of the state in which the Credit Union's main office is located and local



clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union is located.

35. **Binding Arbitration and Class Action Waiver – Resolution of Disputes by Arbitration:** THIS PROVISION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

- a. **Agreement to Arbitrate Disputes.** Either you or we may elect, without the other's consent, to require that any dispute between us concerning your membership, your deposit accounts ("Accounts") and the services related to your membership and Accounts, including but not limited to all disputes that you may raise against us, must be resolved by binding arbitration, except for those disputes specifically excluded below.
- b. **No Class Action or Joinder of Parties.** YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.
- c. **Disputes Covered by Arbitration. YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL.** Any claim or dispute relating to or arising out of your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability or interpretation of any of these arbitration provisions. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to your Accounts. Disputes include not only claims made directly by you, but also made by anyone connected with you or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its affiliates, successors, assignees, officers, directors, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If party initiates a proceeding in court regarding a claim or dispute which is included under this Resolution of Disputes by Arbitration provision, the other party may elect to proceed in arbitration pursuant to this Resolution of Disputes by Arbitration provision.



- d. **Disputes Excluded from Arbitration.** Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this Resolution of Disputes by Arbitration provision. Our Claims or disputes against you arising from your status as a borrower under any loan agreement with the Credit Union or to collect any funds you may owe us are also excluded from this Resolution of Disputes by Arbitration provision.
- e. **Commencing an Arbitration.** The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If you initiate the arbitration, you must notify us in writing at:

UMCU
Attention:
Support Services
340 East Huron
Ann Arbor, MI 48104

If we initiate the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

American Arbitration Association
1-800-778-7879 (toll-free)
www.adr.org

JAMS
1-800-352-5267 (toll-free)
www.jamsadr.com

The arbitration shall be conducted in the same city as the U.S. District Court closest to your home address, unless the parties agree to a different location in writing.

- f. **Administration of Arbitration.** The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years of experience or a retired or former judge selected in accordance with the rules of the arbitration forum. The arbitrator shall follow procedures and rules of the arbitration forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this arbitration provision, in which case this arbitration provision will prevail. Those provisions and rules may limit the discovery available to you or us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At your or our request, the Arbitrator shall issue a written, reasoned decision following applicable law and relief granted must be relief that



could be granted by the court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

- g. **Costs.** The party initiating the arbitration shall pay the initial filing fee. If you file the arbitration and an award is rendered in your favor, we will reimburse you for your filing fee. If there is a hearing, We will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that you cannot afford to pay them or finds other good cause for requiring Us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.
- h. **Right to Resort to Provisional Remedies Preserved.** Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies, except in an action by us against you that has been initiated by Us to collect funds that you may owe to us.
- i. **Arbitration Award.** The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.
- j. **Governing Law.** You and we agree that our relationship includes transactions involving interstate commerce and that these arbitration provisions are governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Michigan shall apply.
- k. **Severability, Survival.** These arbitration provisions shall survive (a) termination or changes to your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Resolution of Disputes by Arbitration provision is deemed invalid or unenforceable, the remainder of this Resolution of Disputes by Arbitration provision shall remain in force. No portion of this Resolution of Disputes by Arbitration provision may be amended, severed, or waived absent a written agreement between you and us.
- l. **Applicability.** Arbitration will not apply to your Account as long as you are an active duty Service Member.
- m. **Right to Reject this Resolution of Disputes by Arbitration Provision. YOU MAY CHOOSE TO REJECT THIS RESOLUTION OF DISPUTES BY ARBITRATION PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:**



Agreement to the Resolution of Disputes by Arbitration provision:

1. If you agree to be bound by the above Resolution of Disputes by Arbitration provision, then no action is needed on your part.
2. If you take no action, then effective immediately your Accounts will be bound by this Resolution of Disputes by Arbitration provision.

Rejection of the Resolution of Disputes by Arbitration provision:

1. If you do not agree to be bound by this Resolution of Disputes by Arbitration provision, you must send us written notice that you reject the Resolution of Disputes by Arbitration provision within 30 days of account opening or within 30 days of receiving this notice, whichever is sooner, including the following information:
 - a. Your written notice must include: your name, as listed on your account, your account number, and a statement that you reject the Resolution of Disputes by Arbitration provision, and;
 - b. You must send Your written notice to us at the following address:

UMCU
Attention:
Support Services
340 East Huron
Ann Arbor, MI 48104

36. Negative Information – We may report information on your loan, share, or deposit accounts to credit bureaus. Late payments, missed payments, and other defaults on your accounts may be reflected in your credit report.

37. **Consent to Contact** – You agree we and our agents may contact you by computer, phone, or wireless device at any phone number associated with your account and respond to your questions, including wireless numbers (i.e. cell phone numbers), in order to service your account, provide you fraudulent activity alerts, provide other member services, provide information about our services, provide information to you about ongoing promotions and marketing campaigns, or collect any amounts owed to us,. We will not contact you for telemarketing purposes that are not permitted by applicable law. You further agree methods of contact may include, but are not limited to, the use of text messages, prerecorded or artificial voice messages, and/or use of an automatic dialing service. Calls and messages may incur access fees from your cellular service provider. You understand that you are not required to provide consent as a condition to receiving products or services and you may revoke your consent or change the phone number provided by contacting 734-662-8200 or 800-968-8628, umcu.org, or by visiting any Credit Union branch.

38. By signing the Membership application/signature card, you agree to be bound by the terms of the card as well as this Disclosure & Agreement as amended from time to time. You authorize us to obtain information from credit reporting agencies and financial institutions about your other checking and savings accounts and credit history. We may provide information about your account and your credit history with us to other persons, including credit reporting agencies.

39. I acknowledge that the Credit Union may obtain my consumer credit report from its designated credit reporting agency(ies) to review or collect my existing credit account(s) with the Credit Union. I further acknowledge that the information derived from my personal credit report or other information from credit reporting agencies, in addition to being used to review my existing credit accounts, may also be used to determine my eligibility for loan products and other services with the Credit Union and for communicating such eligibility to me. I understand that upon request, the Credit Union will provide me with the name(s) and address(es) of the consumer reporting agency(ies) that furnished any reports used in determining my eligibility for any or all products or services.



- 40. Permitted Time for Filing a Lawsuit or Requesting Arbitration.** You must file any lawsuit or request arbitration against us within one year after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This one-year limit is in addition to any time limits on notice as a condition of making a claim. For purposes of a lawsuit or arbitration concerning a fee or charge assessed to your account, the cause of action will be deemed to have arisen or accrued on the date the first such fee or charge being complained of was assessed regardless of whether you had actual or constructive knowledge of any such cause of action, and You expressly waive any application of or reliance on any theory or doctrine of a continuing violation or breach or any other doctrine which might otherwise serve to toll or delay the beginning of the one-year limitation period. For any and all causes of action arising or accruing before the date this paragraph first became effective, April 15, 2023, you must still file any lawsuit or request arbitration against us within one year after April 15, 2023, and you acknowledge and agree that one year is a reasonable period of time to discover any such cause of action and bring suit or request arbitration, and you expressly waive any reliance on any vested or unvested rights You may have had under any other, longer statute of limitation
- 41. LIMITATION OF LIABILITY. EXCEPT WHERE REQUIRED BY LAW OR THIS AGREEMENT SPECIFICALLY PROVIDES OTHERWISE, WE WILL NOT BE LIABLE FOR ANY ACTION OR INACTION EXCEPT FOR OUR INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE. EXCEPT AS MAY BE OTHERWISE REQUIRED BY LAW, YOU AGREE THAT IN NO EVENT SHALL THE CREDIT UNION'S LIABILITY TO YOU EXCEED YOUR ACTUAL DAMAGES OR THE SUM OF \$_5,000, WHICHEVER IS LESS. IN NO EVENT WILL CREDIT UNION BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS OR OTHER ECONOMIC LOSS IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT.**
- 42. Our Right to Place a Hold on Your Account(s).** If at any time we believe that your account may be subject to irregular, unauthorized, fraudulent or illegal activity, we may, at our discretion, freeze the funds in the account and in other accounts you maintain with us, without any liability to you, until such time as we are able to complete our investigation of the account and transactions. If we do freeze your account funds, we will provide notice to you as soon as reasonably possible. Notice may be made by mail or verbally or provided by other means, such as online banking or text alerts as permitted by law. We may not provide this notice to you prior to freezing the account if we believe that such notice could result in a security risk to us or to the owner of the funds in the account.



UNIVERSITY OF MICHIGAN CREDIT UNION – TRUTH IN SAVINGS AND REGULATION D DISCLOSURES

Common Features

All accounts offered by University of Michigan Credit Union share several common features. These features are:

Membership: You must complete payment of one share into your Share Savings account as a condition of admission to membership. The par value of a share is \$5.00. If, at any time, your balance falls below the par value of one share and you do not increase the balance to at least the par value of one share within twelve months of the reduction, your membership may be terminated.

Insurance: The University of Michigan Credit Union is federally insured by the National Credit Union Administration.

Fees: Please see the Fee Schedule for current fees that may apply to this account. The Fee Schedule may be obtained at any UMCU branch location, on the UMCU website (www.umcu.org), or by contacting the Member Service Phone Center at 800-968-8628.

All interest bearing accounts offered by University of Michigan share several common features. These features are:

Rate Information: The interest rates for all interest bearing accounts are determined at the discretion of the Board of Directors. The interest rates and annual percentage yields may change at any time. The current rates may be obtained at any UMCU branch location, on the UMCU website (www.umcu.org), or by contacting the Member Service Phone Center at 800-968-8628.

Compounding and Crediting: Interest will be compounded and credited into your account monthly.

Balance computation method: Interest is calculated using the daily balance method, which applies a daily periodic rate to the balance in the account each day.

Accrual of Interest on Noncash Deposits: Interest will begin to accrue on the day you deposit noncash items (for example, checks) into your account.

All interest bearing savings accounts as defined by Federal Reserve Regulation D (Reg D accounts) share common features. These features are:

Withdrawal Notice: We reserve the right, at any time, to require not less than seven days' notice in writing before each withdrawal.

Transaction Limitations: During any calendar month, you may not make more than six withdrawals or transfers to another account of yours or to a third party by means of a preauthorized or automatic transfer (including overdraft transfer), or computer transfer, telephonic order or instruction, or similar order to a third party. If you exceed the transaction limitations set forth above on more than an occasional basis, your account may be subject to restrictions.

Share Savings Share Accounts (Reg D account)

Minimum Balance Requirement: The minimum balance required to open this account is \$5.00, which must be maintained to keep the account open.

Little/ Minor/ Major Share Accounts (Reg D account)

Minimum Balance Requirement: The minimum balance required to open this account is \$5.00, which must be maintained to keep the account open.

Bonus Dividend: A one-time \$5.00 Bonus Dividend will be paid when the account balance reaches \$200.00.

Transaction Restrictions: Overdraft protection will not be allowed from this account. Withdrawals and transfers from this account via electronic channels (telephone, online, mobile) also may be restricted.

Additional Share Savings Account (Reg D account)

Minimum Balance Requirement: There is no minimum balance required to open or maintain this account.



Holiday Savings Account (Reg D account)

Minimum Balance Requirement: There is no minimum balance required to open or maintain this account.

Transaction Restrictions: Overdraft protection will not be allowed from this account.

Withdrawal Limitations: There is a fee for each withdrawal or transfer made before November 1 or for closing the account before November 1st. This fee will be waived if the withdrawal occurs within seven days of the first deposit to the account. On November 1, funds in the account will be transferred to the Savings or Checking ID selected by you. There is no fee for the November 1 transfer.

Money Market Savings Account (Reg D account)

Rate Information:

- **Tier 1** – The designated rate will be paid on your entire balance if your daily balance is at least \$2,000.00, but less than \$5,000.00.
- **Tier 2** – The designated rate will be paid on your entire balance if your daily balance is at least \$5,000.00, but less than \$10,000.00.
- **Tier 3** – The designated rate will be paid on your entire balance if your daily balance is at least \$10,000.00, but less than \$25,000.00.
- **Tier 4** – The designated rate will be paid on your entire balance if your daily balance is at least \$25,000.00.

The tiers are determined at the discretion of the Board of Directors and may change at anytime.

Minimum Balance Requirements: You must maintain a minimum daily balance of \$2,000.00 in your Money Market Savings account to obtain the disclosed annual percentage yield. We impose a monthly maintenance fee if the balance falls below \$500 any day of the month.

Basic Checking Account

Rate Information: This account does not pay interest.

Interest Checking Account

Rate Information:

- **Tier 1** – The designated rate will be paid on your entire balance if your daily balance is at least \$2,000.00, but less than \$5,000.00.
- **Tier 2** – The designated rate will be paid on your entire balance if your daily balance is at least \$5,000.00, but less than \$10,000.00.
- **Tier 3** – The designated rate will be paid on your entire balance if your daily balance is at least \$10,000.00, but less than \$25,000.00.
- **Tier 4** – The designated rate will be paid on your entire balance if your daily balance is at least \$25,000.00.

The tiers are determined at the discretion of the Board of Directors and may change at anytime.

Minimum Balance Requirements: You must maintain a minimum daily balance of \$2,000.00 in your Interest Checking account to obtain the disclosed annual percentage yield. We impose a monthly maintenance fee if the balance falls below \$500 any day of the month.

Select Checking Account Disclosure – (For accounts opened prior to May 1, 2013)

Rate Information:

- **Tier 1** – The designated rate will be paid on the entire portion of your daily balance that is less than \$1,000.
- **Tier 2** – The designated rate will be paid only on the portion of your daily balance that is \$1,000 or more.

Minimum Balance Requirements: You must maintain a minimum daily balance of \$1,000.00 in your Select Checking account to obtain the disclosed annual percentage yield.



Certificate Account

Rate Information: The interest rate for this account is based on the term selected and the rate tier for the amount deposited.

The interest rate designated on your Certificate Contract will be paid on your entire balance and the rate will not change during the term of the Certificate.

Minimum Balance Requirement: The minimum balance to open a Certificate account is \$500.00. The minimum balance to open a Certificate account with the designated interest rate and annual percentage yield is the minimum amount for the designated rate tier.

Minimum Balance to Obtain the Disclosure Annual Percentage Yield: The annual percentage yield is based on the assumption that there are no withdrawals of principal or interest prior to maturity. Any withdrawal prior to maturity will reduce earnings.

Time Requirements: Your account will mature in the time period designated on your Certificate Contract.

Early Withdrawals: A 90 day interest penalty will be imposed for the withdrawal of any of the original amount prior to maturity. The penalty may be deducted from the principal amount. You may withdraw interest credited to your account at any time during the term with no early withdrawal penalty.

Automatically renewable account: Your account will automatically renew at maturity. Each renewal term for this account will be the same as the original term, unless instructed otherwise. Unless we tell you otherwise in writing, the interest rate will be the same as we offer on the maturity date for new Certificate accounts which have the same term and balance. You will have a grace period of five business days after the maturity date to withdraw the funds without being charged an early withdrawal penalty. You may also prevent renewal if you withdraw the funds in the account at maturity or within the grace period or we receive notice from you before maturity of your intention not to renew.

Deposit Limitations: No additional deposits are allowed.



UNIVERSITY OF MICHIGAN CREDIT UNION

CONSENT TO ELECTRONIC RECEIPT OF STATEMENTS AND OTHER DISCLOSURES "Electronic Statement Disclosure"

University of Michigan Credit Union ("we", "us", or "UMCU") is required by law to provide to you certain written periodic statement ("statements"), notices and other disclosures. Described below are the terms and conditions for providing to you such statement notices and disclosures electronically.

Required statements, notices and other disclosures to be provided in Electronic Form

By accepting this disclosure, you agree that we may provide you with access to required statements, notices and other disclosures, including the following, electronically:

- Periodic Account Statements
- Monthly Credit Card Billing Statements
- Term Savings Account Maturity and Renewal Notices Loan Delinquency Notices Dormant Account Fee Notices Billing Error Rights
- Annual Tax Statements Annual Privacy Policy Changes in Terms

Specifically, you are agreeing to receive any statements, notices and disclosures to which you are entitled under Federal Reserve Board Regulations B (Equal Credit Opportunity Act), E (Electronic Fund Transfers Act), M (Consumer Leasing Act), Z (Truth in Lending Act), TILA-RESPA (Truth in Lending Act and Real Estate Settlement Procedures Act Integrated Disclosure Rule), and CC (Expedited Funds Availability Act); the National Credit Union Administration Truth in Savings Regulation; the Federal Fair Credit Reporting Act; the Michigan Electronic Funds Transfers Act; the Uniform Commercial Code; the National Automated Clearinghouse Association Rules; the Internal Revenue Code and your Account Agreement with University of Michigan Credit Union, including but not necessarily limited to your periodic credit union account statement, provided to you electronically.

By agreeing to electronically receive the statements, notices and disclosures indicated, you are agreeing to electronically receive all of the types of statements, notices and required disclosures that UMCU provides in an electronic format. The types of documents available electronically are subject to change and, if additional required statements, notices and other disclosures become available in an electronic format, you agree to receive these statements, notices and other disclosures electronically.

In addition, while UMCU strives to make statements, notices and other disclosures available electronically, there may be some instances when certain statements, notices or disclosures of the types listed above will be delivered in paper format.

Required Statements versus Courtesy Statements

Certain statements, notices and disclosures, including many of those listed above, are required by federal regulation and require your affirmative consent to be delivered electronically.

Other statements, notices and disclosures are sent as a courtesy and may be delivered electronically without obtaining your consent. Examples of courtesy notices include the following: Non-Sufficient Funds Notices, Courtesy Pay Notices, Overdraft Transfer Notices and Returned Check Notices.

At this time, UMCU sends courtesy notices electronically only if you affirmatively consent to receiving required statements, notices and disclosures electronically; however, this process is subject to change without notice.

Accessing electronic statements, notices and disclosures

Electronic statements will be available through UMCU's online banking by clicking on the eStatements tab and clicking to view or save the pdf version of the statement, notice or newsletter. A required notice or disclosure may be provided on a statement or in a newsletter.

Consequences of having an invalid e-mail address or not accessing electronic statements



An e-mail message will be sent to the e-mail address of the primary account owner when electronic statements, notices and disclosures are available for retrieval. It is your responsibility to provide and maintain current contact information with us, including valid, complete e-mail address. Information on how to update your e-mail address and other contact information is described below.

If the e-mail notification of statement availability is returned to us as undeliverable, or if we become aware that you have not retrieved your electronic statements, we may switch you from electronic statements to paper statements at any time. If you are switched to paper statements, there will be, and you agree to pay, a \$1.00 fee for each periodic statement issued. However, you always have the technology tools for accessing and retaining electronic notices and disclosures.

To access statements electronically, you will need the following:

- A computer or other device with the capability to access the Internet and view web pages
- An e-mail address
- A pdf reader (such as Adobe Acrobat)

To retain statements accessed electronically, you will need the following:

- An electronic storage device (for electronic copies)
- A printer (for printed copies)

Getting paper copies

At any time, you may request from us a paper copy of any record made available electronically to you by us. You will have the ability to download and print documents we make available electronically.

Each electronic periodic statement and each notice or other required disclosure included in the UMCU quarterly newsletter will be available online for sixteen months. Each electronic notice provided separately from a periodic statement or newsletter will be available online for three months.

If you wish for us to send you paper copies of a previously-issued periodic statement there will be, and you agree to pay, a \$2.00 fee periodic statement copy. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive statements from us electronically, you may at any time change your mind and tell us that thereafter you want to receive statements only in paper format. To receive future statements in paper format and withdraw your consent to receive statements electronically, please follow the instructions below.

Consequences of changing your mind

If you withdraw your consent for electronic statements and elect to receive statements in paper format only, there will be, and you agree to pay, a \$1.00 fee for each periodic statement issued in paper format.

Contacting University of Michigan Credit Union:

You may contact us with questions or to request information as follows: By email: umcu@umcu.org By phone: 734-662-8200 or 800-968-8628

By fax: 734-996-4522

By mail: University of Michigan Credit Union, P.O. Box 7850, Ann Arbor, MI 48107-7850

Advising University of Michigan Credit Union of your new e-mail address and updated contact information

To let us know of a change in your e-mail address where we should send notification to you of the availability of electronic statement notices and disclosures, you must click on the Edit link and update the Email field in the Primary Contact Info section of the Profile tab in UMCU online banking.

Other contact information may be updated from the Profile tab in UMCU online banking as well.



Requesting paper copies from University of Michigan Credit Union

To request delivery from us of paper copies of statements previously provided by us to you electronically, you must send us an e-mail to: umcu@umcu.org or contact us by phone at 734-662-8200 or 800-968-8628. We will bill you for any fees at that time.

Withdrawing your consent with University of Michigan Credit Union

To inform us that you no longer want to receive future statements in electronic format you may:

- i) Cancel electronic statements by clicking the Cancel eStatements link from the eStatements tab of the UMCU online banking site. This will indicate to us that you have withdrawn your consent to receive required statements electronically from us and you elect to receive required statements in paper format only.
- ii) Send us a fax to 734-996-4522 including your e-mail address, full name, postal address, telephone number, and signature with indication that you wish to withdraw your consent to receive required statements electronically from us and you elect to receive required statements in paper format only.
- iii) Send us a letter to P.O. Box 7850, Ann Arbor, MI 48107 including your e-mail address, full name, postal address, telephone number, and signature with an indication that you wish to withdraw your consent to receive statements electronically from us and you elect to receive statements in paper format only.

If you withdraw your consent for electronic statements and elect to receive statements in paper format only, there will be, and you agree to pay, a \$1.00 fee for each periodic statement issued in paper format.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic statements, notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically to save this page for your future reference and access, or that you were able to e-mail this disclosure to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent receiving statements, notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking "Accept" on the website page from which you accessed this document.

By accepting this disclosure, you confirm that:

- You can access and read this electronic CONSENT TO ELECTRONIC RECEIPT OF STATEMENTS AND OTHER DISCLOSURES pdf document; and
- You can print on paper the disclosure or save or send the disclosure to a place where you can print it, for future reference and access; and
- Until or unless you notify University of Michigan Credit Union as described above, you consent to receive through electronic means all statements, notices and other disclosures referenced in the Required statements, notices and other disclosures to be provided in Electronic Form section above.
- While UMCU strives to make statements, notices and other disclosures available electronically, there may be some instances when some of the items listed above will be delivered in paper format. Your consent to receive statements, notices and other disclosures electronically does not guarantee that all indicated statements, notices and other disclosures will be delivered electronically



University of Michigan Credit Union FI-to-FI Transfer Service Agreement and Disclosure

General Description

Within Online Banking, you have the option of participating in the Financial Institution to Financial Institution Service in accordance with the terms and conditions of this Agreement. The Financial Institution to Financial Institution Service allows you to transfer funds between your personal deposit checking accounts at University of Michigan Credit Union (UMCU) and certain deposit or investment accounts at other U.S. financial institutions.

An inbound transfer moves funds into an account you own at UMCU from an account outside UMCU. An outbound transfer moves funds from an account you own at UMCU to an account outside UMCU.

Please read this Agreement and Disclosure carefully. It includes your rights and obligations, as well as those of UMCU. The terms and conditions of this Agreement are in addition to the account agreements, disclosures, fee schedules, and other documents in effect from time to time governing your account(s).

By enrolling and/or using the Financial Institution to Financial Institution Service, or authorizing another party to use the Service, you agree to comply with the terms and conditions of this Agreement. You also acknowledge by using this Service that you have downloaded, printed, or otherwise received a copy of the terms and conditions and that you understand them. You also agree to all future updates to the Agreement and Disclosure. Any changes to the Agreement and Disclosure will be available at umcu.org or by contacting UMCU.

Your initial use of the Financial Institution to Financial Institution Service constitutes your acceptance and agreement to be bound by all the terms and conditions of this Agreement and by all other UMCU Documents relating to your accounts and acknowledge your receipt and understanding of this Agreement.

Enrollment/Eligibility

You must be enrolled in Online Banking Services to use the Financial Institution to Financial Institution Service. The Financial Institution to Financial Institution Service is not available for some accounts, e.g., irrevocable trust accounts, custodial accounts or guardianship accounts.

You must be at least 18 years of age in order to request the Financial Institution to Financial Institution Service. Your UMCU account(s) must be open at least 30 days and be in good standing. You will need to provide certain identifying information about each non-UMCU account in order to register that account for this service.

Before you can begin making transfers to or from an account held at another financial institution, the account you wish to use must be verified. We will tell you when we enable Financial Institution to Financial Institution transfers what your verification method will be. The external account may receive a small ACH credit for an undisclosed amount. If this verification method is used, you will need to enter the amount of the credit in the FI Transfer Section within seven days in order to complete the verification process.

Transaction Routing and Compliance

You agree that UMCU may use any means or routes which we in our sole discretion consider suitable to execute your transfer.

You agree that all transfers will be subject to applicable U.S. federal laws and regulations, Federal Reserve operating circulars governing payment orders, and National Automated Clearing House Association rules.

Initiating and Scheduling Transfers

After the verification process is complete, you may begin establishing transfers.

Transfers can be scheduled on either a one-time or a recurring basis. Processing of one-time transfers may be initiated immediately or scheduled for initiation on a future date. Transfers may be scheduled in advance. The recurring transfer feature may be used when a set amount is transferred at regular intervals. For example, you may schedule a \$500 transfer



from an account you own at another financial institution to your University of Michigan Credit Union checking account every other week on a specified week day.

For one-time and recurring transfers you will be asked to select the date that you want us to initiate the processing of the transfer.

One-time future-dated or recurring transfers scheduled for a weekend or a non-business day will be processed on the next business day.

Cut-off Time: The cut-off time for transfers is 8:30p.m. ET. Any transfer entered after this time will be considered as being initiated on the next business day.

Business Days: Monday through Friday, excluding federal holidays

Dollar and Transaction Limits

Daily Inbound Transfer Limits: The maximum total dollar amount for web initiated transfers from other financial institutions to a UMCU account is \$2,500.00 per account, per day. Maximum total dollar amount limits do not apply to payments scheduled in person or by phone.

Daily Outbound Transfer Limits: The maximum total dollar amount for web initiated transfers from UMCU to other financial institutions is \$2,500.00 per account, per day. Maximum total dollar amount limits do not apply to payments scheduled in person or by phone.

Dollar limits may be adjusted at any time by UMCU based on your account transactions, and such other factors that UMCU may determine to apply. You agree that in the event that we determine that there are risks associated with a Financial Institution to Financial Institution transfer or if we determine that you no longer qualify for this service, we may delay or cancel any transfer, or request that you contact us to provide additional details on the transfer before it is initiated or funds are released.

Monthly Limit: The Federal Reserve Regulation D limit on the frequency of savings account transactions of six per month also applies. You may make no more than six transfers from a savings account per calendar month or statement cycle.

We will use the date the transaction is scheduled to occur (as opposed to the date you initiate it) to apply these limitations.

Questions regarding the dollar or transaction limit relating to a specific transfer should be directed to a Member Service Representative at (734) 662-8200 or (800) 968-8628.

Processing Transfers

A transfer remains In Process until fully processed and its status will appear as "Pending". Transfers are listed as Pending based on the timing of the scheduling and the date the payment will process:

- One-time immediate transfers process at the next half hour processing time. Once processed, the transfer is no longer considered pending and does not show on this screen.
- One-time future-dated transfers are pending until the first processing time on the scheduled date (usually around 1:00AM credit union time). Once processed, the transfer is no longer considered pending and does not show on this screen.
- Recurring transfers (displaying the next scheduled date) are pending until the transfer expires.

You agree that we may cancel a transfer, without prior notice, in the event that:

- Any of your accounts with UMCU are not in good standing.
- You have had an overdraft, an over-limit item, or an item returned for insufficient funds with respect to any UMCU deposit account during the last three months.



- You have had any prior transfer canceled, revoked, or uncompleted due to reasons such as insufficient funds, revoked authorization, stopped payments, or frozen account.

UMCU will not be liable to you if we do not provide notice to you of rejection of a transfer.

Inbound Transfers

Generally, inbound one-time immediate transfers established before 8:30p.m. EST post the next business day. Immediate transfers established after the cutoff time post in two business days.

Outbound Transfers

You agree that you will have sufficient available funds in the designated deposit account to cover all outbound transfers on the date scheduled. If the deposit account does not have sufficient available funds on the scheduled date, we may elect not to initiate one or more of the transfers. If we do elect to initiate the transfer, it may cause an overdraft in your account in which case you will be liable for any overdraft and NSF fees, as set forth in your account agreement and the UMCU Fee Schedule. The fact that we may honor outbound transfer requests that overdraw the available account balance does not obligate us to do so later. Regardless of whether or not we elect to initiate the transfer, you agree to pay all related NSF fees as disclosed in your account agreement and feeschedule.

Generally, outbound one-time immediate transfers established before 8:30p.m. EST post the next business day. Immediate transfers established after the cutoff time post in two business days.

Cancelling Transfers

Subject to the limitations included herein, you can cancel one-time future-dated and recurring transfers prior to processing by calling us at (734) 662-8200 or (800) 968-8628. If you call, we may also require you to submit your request in writing and get it to us within 14 days. You may not call and cancel an In Process or Processed transfer.

Transfer and Related Fees

You agree to pay all transfer and related fees, e.g., NSF, stop payment, and research fees, as published from time to time in the UMCU Fee Schedule.

Limitation on Liability

UMCU is not responsible for any failure on your part or the part of another financial institution, including but not limited to a failure to act in a timely manner.

We may refuse and are not liable for any transfer request that you attempt by any method we do not specifically permit, which exceeds the frequency permitted, or which is for an amount outside of any transfer limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations as your act of discontinuing the Service. The Credit Union may refuse any withdrawal request against unavailable or non-sufficient funds. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later.

Contacting University of Michigan Credit Union

For general questions, to request cancellation of transfers, or to report unauthorized transactions, please call us at (734) 662-8200 or (800) 968-8628.

You may also write us at: University of Michigan Credit Union, P.O. Box 7850, Ann Arbor MI 48107.



FUNDS AVAILABILITY POLICY DISCLOSURE

This policy applies to checking accounts. Feel free to ask us whether any of your other accounts might also be under this policy. Our policy is to make funds from your deposits available to you immediately after we receive your deposit. **Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit or cash that are returned to us unpaid, and for any other problems involving your transaction.**

Determining the Availability of a Deposit – For determining the availability of your deposits, every day is a business day except Saturdays, Sundays, and Federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Deposits in New Accounts – Within the first 30 calendar days after an account is opened the funds you deposit by check will not be available until the fifth business day after the day of your deposit. The first \$5,525 from a deposit of U.S. Treasury checks made payable to you and made in person to an employee of the University of Michigan Credit Union will be available for withdrawal one business day after your deposit. The excess over \$5,525 will be available after the fifth business day. You also have next day availability on the first \$5,525 for the following check deposits if they are payable to you and made in person to an employee of the University of Michigan Credit Union: state or local government checks; cashier's checks; certified checks; teller's checks; or U.S. Postal Service Money Orders. The rest is available after the fifth business day.

Longer Delays May Apply – In some cases, we will not make all of the funds that you deposit by check available to you immediately. Depending on the type of checks that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$225 of your deposit will be available on the first business day after the deposit.

If all funds from your deposit are not going to be available on that same business day, we will inform you at the time you make your deposit. We will also inform you when the funds will be made available. If your deposit is not made directly to a credit union employee, or if we decide to take action after you have left the premises, we will mail you the notice by the business day after the decision is made to limit availability.

If you will need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid;
- You deposit checks totaling more than \$5,525 on any one day;
- You deposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six months;
- There is an emergency, such as failure of communications or computer equipment.

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

Deposits at Automated Teller Machines (ATMs) – The first \$500 of a deposit made at Automated Teller Machines (ATMs) will be available on the first business day after the day of deposit. We may hold any deposit at an ATM for two business days.

Deposits at Shared Branches and Service Centers – The first \$225 of a deposit made at Shared Branches or Service Centers will be available on the first business day after the day of the deposit. We may hold any deposit for two business days. If you make a deposit at a Shared Branch on a day that your credit union is not open, your deposit will be considered made on the next business day your credit union is open.



ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

The Electronic Funds Transfers (EFT) offered by University of Michigan Credit Union (“we”, “us”, “credit Union” or “UMCU”) are indicated below, some of which may not apply to your account. Please read this disclosure carefully because it describes your rights and obligations for these transactions. You should keep this notice for future reference. Unless otherwise noted Savings account refers to Share Savings, Savings Plus and Money Market accounts. In this Agreement, the words “you”, “your”, and “yours” means the account holder authorized by the Credit Union or who is authorized by the account holder to use the account.

This disclosure applies to the following services:

- **Direct Deposit/Preauthorized Credits** - You may make arrangements for certain deposits to be accepted into your Checking accounts or Savings accounts. Credit given by us to you with respect to an automated clearing house entry is provisional until we receive such final settlement of such entry through the Federal Reserve Bank.
- **Preauthorized Withdrawals** - You may make arrangements to pay certain recurring bills from your Checking accounts or Savings accounts.
- **Electronic check or draft conversion** - You may authorize a merchant or other payee to make a one-time electronic payment from your checking or savings account using information from your check or draft to pay for purchases or pay bills.
- **Electronic returned check or draft charge** - You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.
- **Online Banking** - You may access your account 24 hours a day via the Internet using your account numbers and access code to:
 - Transfer funds between your Checking and Savings accounts and Line of Credit accounts;
 - Transfer funds to Checking and Savings accounts of other Credit Union account holders;
 - Transfer funds between your Checking and Savings accounts and external financial institution accounts. See the ACH Disclosure for additional information about transfers to external accounts.
 - Make payments from Checking and Savings account to VISA and other loan accounts;
 - Get balance information and transaction history for Checking, Savings, VISA and other loan accounts.
 - Request cashier's check withdrawals (a check will be mailed to your address on file)
 - See the Online Banking Services agreement for additional information about online banking.
- **TellerPhone** - You may access your account 24 hours a day by touch tone telephone using your personal identification number (PIN) and account number(s) at 734-662-2533 and 1-800-968-6824 to:
 - Transfer funds between your Checking and Savings accounts and Line of Credit accounts;
 - Make payments from Checking and Savings account to VISA and other Loan accounts;
 - Get balance information and transaction history for Checking, Savings, VISA and other loan accounts.
- **Mobile Banking** - You may access your account 24 hours a day via a mobile device using your account numbers and access code to:
 - Transfer funds between your Checking and Savings accounts and Line of Credit accounts;
 - Transfer funds to Checking and Savings accounts of other Credit Union account holders;
 - Transfer funds between your Checking and Savings accounts and external financial institution accounts
 - Make payments from Checking and Savings account to VISA and other Loan accounts;
 - Get balance information and transaction history for Checking, Savings, VISA and other loan accounts.
 - See the Mobile Banking Agreement for additional information about mobile banking.
- **Bill Payment** - See the Bill payment agreement for information about Bill Payment.
- **VISA Check Card** - You may use your VISA Check Card to purchase goods and services from participating merchants who display a VISA logo. Funds to cover your VISA Check Card purchases will be deducted from your checking account. If the available balance in your checking account is not sufficient to pay the transaction amount, the necessary funds will be transferred from the overdraft protection plan, if you have selected one. If you do not have an overdraft protection plan or if you have exceeded the overdraft protection plan limit and/or your Share Savings account balance is insufficient to cover the transaction amount, your account will be overdrawn and you will be charged an NSF fee, if you have opted-in to that overdraft service. You may not stop payment on VISA Check Card transactions. You may also use your VISA Card and PIN at participating merchants who display the VISA logo, up to \$1000 per 24-hour period. See the Visa Check Card Agreement for additional information about VISA check cards.
 - Your VISA Check card and PIN will also work in ATMs of the University of Michigan Credit Union, and the VISA, CO-OP, NYCE and PLUS ATM networks to access your Checking and Share Savings accounts to:
 - Make deposits;
 - Withdraw cash, up to \$500 per 24-hour period;
 - Verify balance information;
 - Transfer funds between Checking and Share Savings accounts.
 - Refer to UMCU Fee Schedule for information about fees related to ATM transactions.



- **Electronic Check Conversion/Electronic Returned Check Fees** - If you pay for purchases or bills with a check or share draft, you may authorize your check or share draft to be converted to an electronic funds transfer. You may also authorize merchants or other payees to electronically debit your account for returned check fees.
- **Fees** - Refer to the UMCU Fee Schedule for information about charges for electronic funds transfers.
- **ATM Fees** - When you use an ATM not owned by us, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.
- **Account Security** - If we have reason to believe that your accounts or access device have been compromised we may restrict the account without notice in order to maintain the security of your accounts or the electronic funds transfer system.
- **Advisory Against Illegal Use.** You agree not to use your card(s) or authorize electronic transfers for illegal gambling or other illegal purpose.

Right to Receive Documentation of Transfers

- **Periodic statements** - You will receive a quarterly statement from us for your Share Savings account(s), if the only possible electronic transfers to or from the account are preauthorized deposits. If you have a Share Savings account with an active CU24 Card or an active Checking account, you will receive a monthly statement.
- **Preauthorized Automated Clearing House (ACH) Credits** - If you have arranged to have directed deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us money.
- **Notice of Varying Amounts** - When you authorize a third party to automatically debit your account for amounts that vary, the third party will notify you of the amount and transaction date 10 days before the debit will occur, unless you have arranged to be notified only when the amount exceeds a specified amount.

Liability for Failure to Make Transfers - 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 losses or damages. However, there are some exceptions We will NOT be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfers.
- If the transfer would go over the credit limit on your overdraft line.
- If the automated teller machine where you are making the transfer does not have enough cash.
- If the terminal or system was not working properly and you knew about the breakdown before you started the transfers.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken.
- There may be other exceptions stated in our agreement with you.
- If transfer would exceed the credit limit on your equity line of credit.
- If the transfer exceeds the six-per month limit on electronic transfers from your Savings account.

Stop Payment Procedures

- **Right to Stop Payment and Procedure for doing so** - If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:
 - Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.
- **Liability for Failure to Stop Payment of Pre-authorized Transfer** - If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not so, we will be liable for your losses or damages.

Consumer Liability

- Tell us AT ONCE if you believe your Visa Check Card, Online or Mobile Banking access code or TellerPhone PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your card, code, or PIN, you can lose no more than \$50 if someone used your card, code or PIN without your permission.
- If you do NOT tell us within 2 business days after you learn of the loss or theft of your card, code, or PIN, and we can prove we could have stopped someone from using your card, code, or PIN without your permission if you had told us, you could lose as much as \$500.
- Also, if your statement shows transfers that you did not make, including those made by card, code, PIN or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.
- **Additional Limits on Liability for Visa Check Card Transactions.** Unless you have been grossly negligent or have engaged in



fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa Check Card. This additional limit on liability does not apply to ATM transactions outside of the U.S., to ATM transactions not sent over Visa or Plus networks, or to transactions using your Personal Identification Number which are not processed by Visa. Visa is a registered trademark of Visa International Service Association. If you have been grossly negligent or have engaged in fraud, these additional limits on liability for Visa Check Card transactions do not apply, and your liability for the unauthorized use of your Visa Check Card is addressed above.

Contact in event of unauthorized transfer

- If you believe your card, code or PIN has been lost or stolen, call: 1-800-968-8628 or write to: Member Services at University of Michigan Credit Union, 340 E Huron St., Ste 100, Ann Arbor, MI 48104.
- You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

Termination

- Your EFT Services described in this agreement remain in effect until terminated by you or us. You may cancel any of your EFT Services at any time by notifying us of your intent to cancel by calling 1-800-968-8628 or in writing via e-mail at www.umcu.org or to: University of Michigan Credit Union, P.O. Box 7850, Ann Arbor, MI 48107-7850.
- We may terminate your participation in the EFT Services for any reason, at any time. We will try to notify you in advance, but are not obliged to do so.
- This cancellation applies only to the EFT Services being terminated and does not terminate your other relationships with us.

Disclosure of Account Information to Third Parties - We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers;
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- In order to comply with government agency or court orders; or
- If you give us written permission.

Regulatory Authority - If you believe that any provision of the Michigan Electronic Funds Transfer Act has been violated you should notify the Department of Insurance and Financial Services at P.O. Box 30220, Lansing, MI 48909-7720.

Error Resolution

In case of errors or questions about your electronic funds transfers, call or write us at the telephone number or address listed in this disclosure, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Be sure to:

- Tell us your name and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- 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 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time however, we may take up to 45 days to investigate your complaint or question. If we decide to do this we will credit your account within 10 business days 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 in writing and we do not receive it within 10 business days, we may not credit your account.

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

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

For inquiries regarding your account, please contact us at:

University of Michigan Credit Union, 340 E Huron St., Ste 100, Ann Arbor, MI 48104

BUSINESS DAYS: Monday, Tuesday, Wednesday, Thursday, Friday excluding Federal Holiday Closings as announced. PHONE NUMBERS: 734-662-8200 or 1-800-968-8628 or ONLINE at UMCU.ORG or UMCU@UMCU.ORG



UMCU OVERDRAFT POLICY YOUR LIABILITY FOR OVERDRAFTS

This University of Michigan (UMCU) Overdraft Policy ("Policy") forms a part of your Membership and Account Agreement ("Agreement"). In the event of a conflict between this Policy and the Agreement, this Policy will control.

PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS POLICY, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 800-968-8628 or 734-662-8200, OR VISIT ANY BRANCH.

A. GENERAL.

1. What Does it Mean to Overdraw Your Account? "Overdrawing" your account means that there are not sufficient available funds (as described in Section B below) in your account to pay for a transaction, resulting in a negative or "overdrawn" balance. Some transactions that can result in an overdraft in your account include, but are not limited to:

- the payment of checks, electronic fund transfers, telephone-initiated transactions, preauthorized payments under our Bill Payment Service, debit card transactions, or other withdrawal requests authorized by you;
- the return (unpaid) of items deposited by you;
- the assessment of service charges by us; or
- the deposit of items that are treated as not yet "available" according to our Funds Availability Policy.

2. What Happens if the Credit Union Refuses to Pay the Item? If you overdraw your account, we may return the item unpaid, commonly known as a return for "non-sufficient funds" or "NSF". It is important to understand that the Credit Union has no control over how many times an intended payee will resubmit an item to us for payment. When we return an item unpaid, we will assess you an NSF Fee each time the item is presented to us for payment. There is no limit on the number of NSF Fees we may assess against your account. NSF items are described in more detail in Section D.

3. What Happens if the Credit Union Pays the Item? If you overdraw your account and we pay the item, we may do so in one of two ways:

- through standard overdraft practices that come with your account, which we call "Courtesy Pay"; or
- through an overdraft protection plan, which we call "Overdraft Transfer Service"

You can elect to decline either of these services at any time, which may result in your transactions being declined for non-sufficient funds if the available balance in your account is insufficient to pay for your transaction.

The Credit Union also offers an overdraft line of credit for qualifying members. This Overdraft Policy describes only our Courtesy Pay and Overdraft Transfer Services. If you have questions regarding applying for an overdraft line of credit, please contact the Credit Union for additional information.

4. Your Obligation to Keep Records of Your Transactions. While we provide Courtesy Pay and the Overdraft Transfer Service for your convenience and as a way to help you avoid overdrafts, NSF transactions, and associated fees, you are responsible for keeping track of the funds in your account that are available for you to use before you write a check, preauthorize a payment under our Bill Payment service, authorize an ACH transaction, make a cash withdrawal at an ATM, or use your debit card for a transaction. Among other things, you should keep a running balance that reflects all of your transactions. **It is imperative that you keep track of the transactions you may have authorized (such as outstanding checks or automatic bill payments), as your available balance (discussed in more detail below) may not reflect these transactions until they are paid from your account.**

B. YOUR AVAILABLE BALANCE.

1. Actual Balance Versus Available Balance. Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, at a Credit Union-owned ATM, by phone, or at a branch. It is important to understand how these two balances work so that you know how much money is available to you in your account at any given time. This section explains actual and available balances and how they work.



2. Your “Actual Balance”. Your “actual” balance is the amount of money that is actually in your account at any given time, but not all funds included in the actual balance are considered “available” for transactions on your account. The actual balance is also sometimes referred to as your “ledger balance”. Your actual balance reflects transactions that have posted to your account, but it does not reflect transactions that have been authorized and are pending or deposits that may be on hold. While the term “actual” may sound as though the number you see is an up-to-date indication of what is in your account that you can spend, that is not always the case because any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example:

- assume you have a \$50 actual balance, but you just wrote a check for \$40, then your actual balance is \$50 but it does not reflect the pending check transaction. Though your actual balance is \$50, you have already spent \$40.

3. Your “Available Balance”. Your available balance is the amount of money in your account that is available to you to use without incurring a fee. The available balance takes into account factors such as holds placed on deposits and pending transactions, like pending debit card purchases, that the Credit Union has *authorized*, but that have not yet *posted or settled* to your account. For example:

- assume you have an actual balance of \$50. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment in that amount (or even a different amount). If the merchant requests preauthorization in the amount of \$20, we will place a “hold” on your account for \$20 (referred to as an “authorization hold”). Your actual balance will still be \$50 because this transaction has not yet posted, but your available balance will be \$30 because of the restaurant’s \$20 preauthorization request. When the merchant submits its bill for payment (which could be days later and for a different amount than the amount of the authorization hold), we will release the authorization hold, post the transaction to your account, and your actual balance will be reduced by the amount of the posted transaction.

4. Your Available Balance and Non-Debit Card Transactions. For electronic funds transfers (ACH), checks, bill payments, and any other non-debit card transactions, we use your available balance at the time a transaction posts to determine whether your account is overdrawn and whether a fee will be assessed. For information on your available balance works with respect to debit card transactions, please see Section C.

C. AUTHORIZATION HOLDS FOR DEBIT CARD TRANSACTIONS.

1. What is an Authorization Hold? When you use your debit card to pay for goods or services, the merchant may seek preauthorization from us for the transaction. When we preauthorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the account linked to your debit card, based on the amount of the preauthorization request from the merchant. We refer to this temporary hold as an “authorization hold,” and the amount of the authorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day.

2. How Does an Authorization Hold Affect Your Available Balance? Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to you for other purposes. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. We have no control over when a merchant may present an item for payment. Merchant payment requests are received in real time throughout the day and are posted to your account as they are received.

3. The Amount of an Authorization Hold May Differ From the Amount of the Actual Transaction. The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, this can happen in connection with transactions where your debit card is authorized before your actual transaction amount is known, such as at a restaurant (where you may choose to add a tip to the transaction amount) or a gas station. For these types of transactions, there may be no authorization hold, or the amount of the authorization hold may be different from the transaction amount. In some other cases we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

4. Length of an Authorization Hold. We are permitted to place an authorization hold on your account for up to three (3) business days (or for up to thirty (30) business days for certain types of debit card transactions) from the time of the authorization or until the transaction is paid from your account. However, if the transaction is not submitted for payment, we will release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and finally posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account.



In certain instances, when the amount of the authorization hold is either more or less than the amount of the actual transaction, we may maintain the authorization hold even after the purchase amount is actually paid from your account, which will decrease your available balance. However, in these instances, we will not maintain an authorization hold for longer than three (3) business days (or for up thirty (30) business days for certain transactions).

5. Your Available Balance and Debit Card Transactions. Everyday debit card transactions are processed against your account at two different times: first, when the transaction is authorized, and again when the transaction actually settles to your account, usually days later. This delay between the time a particular transaction is authorized and when it actually settles to your account is solely within the control of the merchant and its processor. The Credit Union has no control with respect to the time period that elapses between the time a merchant seeks authorization and finally submits the transaction for settlement.

For debit card transactions, we use your available balance at the time a transaction is authorized and again when the transaction settles to your account to determine if each specific transaction will overdraw your account and whether a fee will be assessed. It is important to remember that your available balance may not reflect all of your transactions.

When the Credit Union authorizes an everyday debit transaction, the amount of the transaction is subject to a preauthorization hold. This means that the amount of the transaction is subtracted from your actual balance. It is important to understand that even if you have sufficient available funds in your account at the time the transaction is authorized, it is possible that the settlement of the transaction may result in an overdraft to your account, and the incurring of a fee. The two most common scenarios are as follows:

- **Example 1: Purchase transactions where the final amount is initially unknown.** The most common examples of a purchase transaction where the final amount is initially unknown are gas station purchases, restaurant charges, hotel and car reservations. In such cases the transaction will be communicated to the Credit Union for authorization in one amount, but when the transaction actually settles your Account it does so for a greater amount. For example, if you use your debit card to pay at the pump for a gasoline purchase, you typically must utilize your debit card before operating the pump. The Credit Union may receive an authorization request in the amount of \$15.00. At the time of the authorization request, the available balance in your account is \$30.00, so the Credit Union approves the authorization request, and the available balance in your account is reduced to \$15.00. You proceed with the transaction, and purchase gasoline totaling \$40.00. When that transaction actually settles to your Account in the amount of \$40.00 as opposed to the \$15.00 that was authorized, the available balance in your Account is not sufficient to cover the settlement of the preauthorized transaction. Accordingly, the Credit Union's payment of the preauthorized transaction results in an overdraft, and you will incur a fee (assuming you have opted into the Credit Union's payment of overdrafts for everyday debit transactions).
- **Example 2: Purchase transactions where intervening items paid between authorization and settlement result in the overdrafting of your Account.** Assume the same gas station scenario as described in Example 1, except that you purchase gasoline totaling just \$15.00, so the authorized amount of the transaction is the same as the settlement amount of the transaction. However, between the day the transaction was authorized and the day the transaction settles to your account, a check you wrote in the amount of \$35.00 is presented for payment. The available balance in your account at the time of presentment is \$15.00, but the Credit Union pays the item in accordance its Courtesy Pay service, resulting in an overdraft. When the \$15.00 gas station transaction actually settles to your account, the available balance in your account is not sufficient to cover the settlement of the preauthorized transaction, even though the settlement amount of the transaction is the same as the preauthorized amount of the transaction. Accordingly, the Credit Union's payment of the preauthorized transaction results in an additional overdraft, and you will incur a fee (assuming you have opted into the Credit Union's payment of overdrafts for everyday debit transactions).

For debit card transactions involving merchant authorization holds, we look at the available balance at the time a transaction is authorized and again at settlement to determine whether the transaction will result in an overdraft and a fee. If your available balance is insufficient to pay the preauthorization amount requested by a merchant, and you have not opted into Courtesy Pay for payment of everyday debit transactions, we will decline the request. If your available balance is sufficient to cover a merchant's authorization request, the authorization request will be approved and an authorization hold will be placed on your account in the amount of the merchant's authorization request.

If your available balance is insufficient to cover a merchant's authorization request, and you have opted in to Courtesy Pay for everyday debit transactions, we may choose to approve the authorization request. In the instance where your available balance was insufficient to cover a merchant's authorization request at the time of authorization without causing the account to have a negative balance, and



we choose to authorize the transaction using Courtesy Pay, we will charge a Courtesy Pay Fee on that transaction when it posts, regardless of the available balance in the account at the time of posting.

Note that transactions authorized with a merchant as recurring debit card transactions may be covered by Courtesy Pay regardless of whether you have opted into Courtesy Pay for the payment of everyday debit card transactions.

D. PAYMENT OF OVERDRAFTS.

1. The Credit Union Has No Obligation to Pay Your Overdrafts. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we pay a transaction that overdraws your account, we are not obligated to continue paying such transactions in the future. We may pay all, some, or none of your overdrafts, without notice to you. You are liable to us to repay any overdrafts on your account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for any costs of collection. We may close, without notice, any account with excessive overdraft activity, and report the account to a consumer reporting agency.

2. Fees Associated with Overdrawing Your Account – Courtesy Pay Fees. We assess a fee each time an item is presented for payment that we either pay, resulting in an overdraft, or which we decline pay because payment of the item would result in an overdraft had we paid it. If we pay an item in accordance with Courtesy Pay, we will charge you a Courtesy Pay Fee. There is no limit on the total fees we can charge you for overdrafting your account.

3. Fees Associated with Overdrawing Your Account – Overdraft Transfer Service. There are fees associated with using our Overdraft Transfer Service. These fees may be less expensive than Courtesy Pay Fees or NSF Fees. If we pay an item in accordance with our Overdraft Transfer Service, we will charge you an Overdraft Transfer Fee. If you have elected **both** the Overdraft Transfer Service **and** Courtesy Pay, there are circumstances wherein you will be charged **both** an Overdraft Transfer Fee **and** a Courtesy Pay Fee. These circumstances are discussed in greater detail in Section F. There is no limit to the total fees we can charge you for overdrafting your account.

4. Fees Associated with Overdrawing Your Account – NSF Fees. If we do not pay an item, we will return the item and charge you a NSF Fee **each time an item is presented for payment** and we return it unpaid due to an insufficient available balance. We have no control over the number of times an intended payee may resubmit the same item to us for payment. There is no limit on the total fees we can charge you for overdrafting your account.

5. Fee Schedule. Please refer to the Fee Schedule for a current listing of all fees associated with overdrawing your account.

6. YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT AVAILABLE FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE. This is because your available balance may not reflect all of the outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not yet been paid from your account. For example, you may have written a check that is still outstanding because it has not been submitted for payment by the payee. That check will not be reflected in your available balance until it is presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions. We have no control over when a merchant submits an item for payment. For example, if a merchant obtains our prior authorization but does not submit an everyday debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions including, but not limited to, car rental transactions and international transactions), we are required to release the authorization hold on the transaction. Your available balance will not reflect this transaction once the hold has been released. Please refer to the section entitled “Authorization Holds for Debit Card Transactions” for information about how authorization holds affect your available balance.

Finally, your available balance may not reflect the most recent deposits to your account. Please refer to the Funds Availability Disclosure for information regarding the availability of your deposits for withdrawal.

E. HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT.

There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money is available to you at any given time. This section explains generally how and when we post transactions to your account.

When processing items drawn on your account, our policy is to pay them as we receive them. We commonly receive items to be processed against your account(s) multiple times per day in what are referred to as presentment files. Each presentment file received commonly contains a large amount of a specific type of item (checks, ACH transactions, or ATM/POS transactions). It is common for



each of these presentment files to contain multiple items to be processed against your particular account. When multiple items are received at the same time, the items will be paid as follows:

- Checks are paid in the order received, and are posted in low to high dollar order;
- ACH items in each presentment file post credits first in the order presented, then debits in the order presented Transactions are posted in low to high dollar order (we typically receive up to four ACH presentment files per day)
- ATM/POS/DEBIT items are paid in the order they are presented.
- Transactions performed in person, such as withdrawals or checks cashed at one of our locations or a shared branch, are generally paid at the time they are performed.

The order in which items are paid is important if your account does not contain sufficient available funds to pay all of the items that are presented. If an item is presented for payment and your available balance is insufficient to pay it, we may, at our discretion, automatically transfer available funds from your designated account pursuant to the Overdraft Transfer Service, pay the item pursuant to Courtesy Pay, or return the item (NSF).

Please understand that the above information is only a general description of how certain types of transactions are posted. These practices may change, and the Credit Union specifically reserves the right to pay items in any order, as permitted by law.

F. OPTIONAL OVERDRAFT PROTECTION PLAN – OVERDRAFT TRANSFER SERVICE.

1. Overdraft Transfer Service. We offer an optional overdraft protection plan that we refer to as our “Overdraft Transfer Service” where funds from a linked savings account are used for overdraft protection. We will look first to this service for overdraft protection before applying our discretionary Courtesy Pay Overdraft Service when your account is overdrawn. The Overdraft Transfer Service may save you money on the total fees you pay us for overdraft protection.

With this service, you authorize us to make transfers of available funds automatically from your regular savings account, plus the overdraft transfer fees, to cover overdrafts in your checking account. Each transfer counts as one of the six (6) limited transactions you are allowed each month from your regular savings. The Overdraft Transfer Service is an optional feature that can be added to your eligible checking accounts upon your request. To request or terminate the Overdraft Transfer Service: (1) call us at 800-968-8628 or 734-662-8200; (2) visit any branch and speak with a Representative; or (3) mail a request to UMCU, P.O. Box 7850, Ann Arbor, MI 48107-7850.

Overdrafts paid pursuant to the Overdraft Transfer Service are subject to a per-item Overdraft Transfer Fee as set forth in the Fee Schedule.

If you decline or terminate the Overdraft Transfer Service and are not eligible for Courtesy Pay, and there are insufficient available funds in your checking account to pay an item, your item will not be paid unless it was a previously authorized everyday debit card transaction. The items will be returned, and an NSF fee will be charged, **each time an item is presented for payment and returned unpaid due to an insufficient available balance.** It is important to remember that we have no control over how many times an intended payee may present the same item for payment. Multiple presentments of the same item will result in multiple fees. Transfers will appear on your periodic statements for each applicable account.

2. Limits on Overdraft Transfer Service. We will not transfer more than the available account balance in designated linked account if the amount of the overdraft and related fee(s) exceed the available amount. If the available balance in a designated linked account is not enough to pay the full amount of the transaction(s) you have initiated on any day plus the Overdraft Transfer Fee(s), we will transfer up to the available balance to pay one or more transactions, plus the applicable fee for each item. Any transactions that are not paid by the transfer will either be paid through our Courtesy Pay Service or returned, and Overdraft Transfer Fees, Courtesy Pay Fees, and/or NSF Fees, as applicable, will be assessed.

The following example illustrates how this works if you have elected **both** Overdraft Transfer Service and Courtesy Pay Overdraft Service:

Assume your actual and available balances in your checking account are both \$50, and your available balance in your savings account is \$10. You write a check for \$80. When the check is presented for payment, because you don't have \$80 available in your checking account or regular savings account, the item cannot be fully paid using the Overdraft Transfer Service from the regular savings account. However, if you have also elected Courtesy Pay, we may elect to transfer the \$10 in your linked savings account and pay the remaining portion of the item using Courtesy Pay. In such case, you will be assessed **both** an Overdraft Transfer Fee **and** a Courtesy Pay Fee.



However, because Courtesy Pay is a discretionary service, we may instead elect to decline to pay the transaction. If we decline to pay the transaction, we will not transfer any funds from your linked savings account, we will decline the transaction, and we will assess you an NSF Fee **each time** the item is presented for payment. It is important to remember that we have no control over how many times an intended payee may present the same item for payment. Multiple presentments of the same item will result in multiple fees.

3. We May Return Items Unpaid. We are not obligated to pay any item presented for payment if your account does not contain sufficient available funds. If we do not authorize and pay an overdraft, then we decline or return the transaction or item unpaid and charge a related NSF Fee as stated in our Fee Schedule. You are responsible for ensuring that your account includes sufficient available funds to pay the transactions you initiate or authorize when they are processed for payment from your account, and you also acknowledge that the timing of when merchants or payees submit transactions to us for payment may vary.

If your account does not have sufficient available funds when a transaction or item is presented to us for payment and, as a result, returned unpaid, the merchant or payee of your transaction or item may choose to resubmit the same transaction, and may do so multiple times. In the event a transaction or item is resubmitted for payment at a time when your account lacks sufficient available funds to pay it and we decline it, we will charge a related NSF Fee **each time** that same transaction is returned unpaid.

4. Termination of Overdraft Transfer Service. We may terminate the Overdraft Transfer Service at any time with or without notice to you. Any owner of the checking account or any owner of a linked regular savings account used for overdraft protection may decline the Overdraft Transfer Service. To terminate the Overdraft Transfer Service: (1) call us at 800-968-8628 or 734-662-8200; (2) visit any branch and speak with a Representative; or (3) mail notice of your decision to decline the Overdraft Transfer Service to UMCU, P.O. Box 7850, Ann Arbor, MI 48107-7850. Your election to decline will be effective after we have received notice and have had a reasonable time to act on it.

G. COURTESY PAY OVERDRAFT SERVICE

1. Courtesy Pay. In accordance with our commitment to provide valued service and benefits, we may, if you qualify, at our discretion, pay overdrafts that would cause your eligible checking account to have a negative balance up to the amount of your limit, which is determined by us in our sole and absolute discretion. Courtesy Pay is different than the Overdraft Transfer Service. Courtesy Pay is a backup to the Overdraft Transfer Service and will only be activated if funds are not available from the Overdraft Transfer Service.

2. What Overdraft Transactions are Covered? Courtesy Pay is available for the payment of checks, preauthorized payments under our Bill Payment Service, ACH drafts, and recurring debit transactions. Courtesy Pay is also available for everyday debit card transactions, if you opt-in, as described in the next section below.

3. Optional Overdraft Transactions. The following types of transactions require you to “opt in” (in other words, you must provide us with your affirmative consent) if you would like to include them in Courtesy Pay. Choosing not to opt in may result in these transactions being declined:

Everyday Debit Card transactions

We do not require you to authorize Courtesy Pay for your everyday debit card transactions as a condition of us providing Courtesy Pay to you for your checks, ACH transactions or other transactions. If you want the Credit Union to authorize and pay overdrafts for everyday debit card transactions through Courtesy Pay, you must provide us with your consent by: (1) calling us at 800-968-8628 or 734-662-8200; (2) visiting any branch and speaking with a Representative; or (3) mailing notice of your decision to opt in to Courtesy Pay for everyday debit card transactions to UMCU, P.O. Box 7850, Ann Arbor, MI 48107-7850.

4. Eligibility for Courtesy Pay. Courtesy Pay is not a credit product. It is a feature that is automatically included with eligible checking accounts (unless you decline Courtesy Pay entirely as described below or information we get from a consumer reporting agency does not meet Credit Union standards). Eligibility is at the sole discretion of the Credit Union and is based on you managing your checking account in a responsible manner. Courtesy Pay may be available for checking accounts for which the primary checking account owner is 18 years of age or older. We reserve the right to limit Courtesy Pay to one (1) account per household or member. We may suspend or permanently revoke Courtesy Pay from your checking account, in our sole and absolute discretion, based on any one or more of the following criteria:

- You are at least 18 years of age.
- You are not in default (30 days or longer past due) on any loan or other obligation to us.



- You are not subject to any legal or administrative order or levy.
- Your account has not been overdrawn longer than 45 days.
- You do not have a revoked Debit Card.
- You have a valid mailing address on file with UMCU.

5. Courtesy Pay is a Discretionary Privilege. Any payment made by us under Courtesy Pay will be made on a case-by-case basis, in our sole and absolute discretion. Courtesy Pay does not constitute an actual or implied agreement between you and the Credit Union, nor does it constitute an actual or implied obligation of the Credit Union. Courtesy Pay is a privilege that the Credit Union provides from time to time and which may be withdrawn or withheld by the Credit Union at any time, without prior notice, reason or cause.

6. Notification. We may refuse to pay an overdraft at any time, even though we may have previously paid overdrafts. We have no obligation to notify you before we pay or return any item. It is important to remember that Courtesy Pay is a purely discretionary benefit offered by the Credit Union. If at any time we determine that your account is no longer eligible for Courtesy Pay for any reason, we can discontinue it immediately without notice to you.

7. How Courtesy Pay is Administered. If you are eligible for the Service, we will generally pay your overdraft items up to a maximum amount established by the Credit Union in its sole and absolute discretion, including fees. We are not required to notify you of any nonsufficient funds checks, ACH items, or other transactions that may have been paid or returned. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

8. When is the overdraft payment due? The total of the overdraft (negative) balance in your checking account, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit sufficient funds to cover the overdraft paid by us and pay the related fees.

9. Courtesy Pay Fees. A Courtesy Pay Fee will be charged to your checking account, in accordance with our Fee for each overdraft that is authorized and paid through the Service. This means that more than one Courtesy Pay Fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through Courtesy Pay. You understand that your Courtesy Pay Limit will be reduced by the amount of each overdraft paid by us through Courtesy Pay and the amount of the related Courtesy Pay Fee imposed until such amounts are repaid by you as set forth herein at which time we may replenish your Courtesy Pay Limit by the amount of the repayment. If we choose not to pay the item/transaction under Courtesy Pay, you are subject to a Non-Sufficient Funds (NSF) Fee in accordance with our Fee Schedule for each such item each time it is presented for payment and returned unpaid due to an insufficient available balance. Your periodic statement will itemize Courtesy Pay Fees and NSF Fees for each cycle, as well as the year-to-date total of fees.

10. Transfers to Cover Overdrafts. You understand and agree that we have the right to transfer available funds to your checking account from any of your other account(s) with us (excluding IRAs and certificate accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdraft and related fees.

11. Right of Setoff. In addition to any other rights that we may have, you agree that any deposits, future deposits, or other credits to any account in which you may now or in the future may have an interest are subject to our right of setoff for any liabilities, obligations or other amounts owed to us by you (e.g. overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you decline Courtesy Pay (see below), you consent and expressly agree that the application of setoff of funds in any account includes the setoff of government benefits (such as Social Security and other public benefit funds) deposited to the account from which the overdraft or related fees are paid to the maximum extent permitted by applicable state and federal law. Each person who causes an overdraft, which is paid by us, agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of Courtesy Pay.

12. Default. You will be in default under the terms of Courtesy Pay if you fail to live up to any of the terms and conditions set forth herein or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, in addition to any other rights we may have, we may temporarily suspend overdraft privileges, terminate Courtesy Pay, or close your checking account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees and court costs that we may incur as a result of your default.



13. Termination; Suspension. We may terminate or suspend Courtesy Pay at any time without prior notice. In no event will any termination relieve you of your obligation to repay any negative account balance, overdraft fees, collection costs and attorneys' fees, if any. We can delay enforcing any of our rights without losing them.

14. Your Right to Decline Courtesy Pay. Any owner of the checking account may decline the service. If you prefer not to have the Service, visit us in a branch, contact us at 800-968-8628 or 734-662-8200, or write to us at UMCU, P.O. Box 7850, Ann Arbor, MI 48107-7850., and include your name, member number and a statement that you are declining the Credit Union's Courtesy Pay Service and we will remove the Service from your checking account. If you decline the Service, you will still be charged an NSF Fee for each item returned each time an item is presented for payment and returned unpaid due to an insufficient available balance.

15. Optional Overdraft Protection Plans. As discussed in more detail above, we also offer the optional Overdraft Transfer Service which links your checking account to a savings account, as well as other overdraft sources and may be less expensive than Courtesy Pay. To learn more, please ask us about these plans.

THE BEST WAY TO KNOW HOW MUCH MONEY YOU HAVE AND AVOID PAYING OVERDRAFT FEES IS TO RECORD AND TRACK ALL OF YOUR TRANSACTIONS CLOSELY.

PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 800-968-8628 or 734-662-8200 OR VISIT ANY BRANCH.



What You Need to Know about Overdrafts and Overdraft Fees

An overdraft occurs when you do not have sufficient available funds in your account to cover a transaction, but we pay it anyway. We look at the available balance when determining whether there is an overdraft. Available balance is the ledger balance minus any deposits or withdrawals that are on hold or transactions that have been preauthorized but that have not yet been debited from your account. We can cover your overdrafts in two different ways:

1. We have standard overdraft practices that come with your account.
2. We also offer overdraft protection plans, such as a link to a savings account or a line of credit, which may be less expensive than our standard overdraft practices. To learn more, please ask us about these plans.

This notice explains our standard overdraft practices.

What are the standard overdraft practices that come with my account?

We do authorize and pay overdrafts for the following types of transactions:

- Checks and other transactions made using your checking account
- Electronic ACH transactions

We do not authorize and pay overdrafts for the following types of transactions unless you ask us to (see below):

- ATM transactions
- Everyday debit card transactions

We pay overdrafts at our discretion, which means we do not guarantee that we will always authorize and pay any type of transaction.

If we do not authorize and pay an overdraft, your transaction will be declined.

What fees will I be charged if UMCU pays my overdraft?

Under our standard overdraft practices:

- We will charge you a fee of \$30 each time we pay an overdraft.
- You will not be charged a fee on transactions less than \$10 that overdraw your account.
- There is no limit to the total amount of overdraft fees we can charge for overdrawing your account.

Please refer to Section 14 of your Membership Agreement and our Overdraft Policy for important additional information on overdrafts.

What if I want UMCU to authorize and pay overdrafts on my ATM and everyday debit card transactions?

If you also want us to authorize and pay overdrafts on ATM and everyday debit card transactions, call us at (734) 662-8200, visit www.umcu.org or complete the form below. You may fax it to 734-996-4522, mail it to P.O. Box 7850, Ann Arbor, MI 48107-7850 or bring it to any one of our branches.

 I do not want UMCU to authorize and pay overdrafts on my ATM and everyday debit card transactions.

I want UMCU to authorize and pay overdrafts on my ATM and everyday debit card transactions.

Printed Name: _____ Account Number: _____

Date: _____

Privacy Policy Disclosure

FACTS	WHAT DOES UNIVERSITY OF MICHIGAN CREDIT UNION (UMCU) DO WITH YOUR PERSONAL INFORMATION?
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Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
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What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • social security number and income • account balances and payment history • credit history and credit score
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How?	All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons University of Michigan Credit Union chooses to share; and whether you can limit this sharing.
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Reasons we can share your personal information	Does University of Michigan Credit Union share?	Can you limit this sharing?
For our everyday business purposes - such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
For our marketing purposes - to offer our products and services to you	YES	NO
For joint marketing with other financial companies	YES	YES
For our affiliates' everyday business purposes - information about your transactions and experiences	NO	WE DON'T SHARE
For our affiliates' everyday business purposes - information about your creditworthiness	NO	WE DON'T SHARE
For affiliates to market to you	NO	WE DON'T SHARE
For non-affiliates to market to you	NO	WE DON'T SHARE

To limit our sharing	<ul style="list-style-type: none"> • Call 734-662-8200 or 800-968-8628 and a Member Service Representative will assist you in your opt-out preferences. • Visit us online at www.umcu.org and click on "Contact Us" to send a secure message to let us know your opt-out preferences. <p>Please note: If you are a <i>new</i> member, we can begin sharing your information 30 days from the date we sent this notice. When you are <i>no longer</i> our member, we continue to share your information as described in this notice.</p> <p>However, you can contact us at any time to limit our sharing.</p>
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Questions?	Call 734-662-8200 or 800-968-8628 or write to us at P.O. Box 7850, Ann Arbor, MI 48107
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Who we are

Who is providing this notice?	University of Michigan Credit Union (UMCU)
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What we do

How does UMCU protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does UMCU collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • open an account or deposit money • pay your bills or apply for a loan • use your credit or debit card <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • sharing for affiliates' everyday business purposes—information about your creditworthiness • affiliates from using your information to market to you • sharing for non-affiliates to market to you <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Your choices will apply to everyone on your account.

Definitions

Affiliates	Companies related by common ownership or control. They can be financial and non-financial companies. UMCU has no affiliates.
Non-affiliates	Companies not related by common ownership or control. They can be financial or non-financial companies. UMCU does not share with non-affiliates so they can market to you.
Joint Marketing	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to you. Our joint marketing partners include categories of companies, such as:</p> <ul style="list-style-type: none"> • <i>financial service providers</i> • <i>insurance companies</i>