

This Business Membership and Account Agreement ("Agreement") covers the rights and responsibilities concerning accounts held by a business or organization account owner ("Account Owner") and the credit union providing this Agreement. In this Agreement, the words "You" and "Your" means: i) the Account Owner as well as each person signing a Business Account Card or other account opening document ("Account Card") or for which membership and/or service requests are otherwise approved ii) those who sign the Business Account Application iii) any accounts in the names of any business entities owned and/or controlled (either in whole or in part) by any of those who sign the Business Account Application, and iv) any and all affiliates and subsidiaries owned or controlled by those who sign the Membership Account Application.

The classification and form of ownership of your accounts are designated on your Business Account Application. By signing a Business Account Application or authenticating your request, or by adding, changing or continuing to use your accounts and services, you agree to the terms and conditions in this Agreement, the Business Account Application, any Funds Availability Policy Disclosure, rate sheet, fee schedule, Account Receipt or other disclosure we provide to you, the Credit Union Bylaws or Code of Regulations (Bylaws), Credit Union policies, and any amendments we make to these documents from time to time, all of which collectively govern your membership, accounts and services. You also agree that your accounts and services are governed by applicable present and future federal and state laws, local banking customs and clearinghouse rules.

ACCOUNT AGREEMENT

1. Membership Eligibility. To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union's field of membership and must satisfy the membership qualifications as required by the Credit Union's Bylaws. You authorize us to check your account, credit and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request, or the Credit Union offers from time to time.

2. Account Ownership. Commercial Accounts will only be opened by the Credit Union if any documentation we may request and that is subsequently presented by you to the Credit Union is in a manner acceptable to our policies. Your account with the Credit Union is held individually in the name of the Account Owner. The ownership status and titling of your Account is determined by the legal structure of the business establishing such Account and will fall into one of the following categories. It is your responsibility to determine and understand any legal effects related to this type of Account.

- a. **Sole Proprietorship Accounts:** A sole proprietorship is a business in which one person owns all the assets, owes all the liabilities, and operates in their own personal capacity.
- b. **Partnership Accounts:** A partnership is a voluntary association of two or more persons who jointly own and carry on a business for profit.
- c. **Limited Partnership Accounts:** A limited partnership exists if the partnership consists of one or more persons who control the business and are personally liable for the partnership's debts (general partners), and one or more persons who contribute capital and share profits but who cannot manage that business and are liable only for the amount of their contribution (limited partners).
- d. **Limited Liability Partnership (LLP) Accounts:** A limited liability partnership exists when a partner is not liable for a negligent act committed by another partner or by an employee not under the partner's supervision.
- e. **Limited Liability Company (LLC) Accounts:** A limited liability company is a company statutorily authorized in certain states that is characterized by limited liability, management by members or managers, and limitation on ownership transfers.
- f. **Corporation Accounts:** A corporation is an entity (usually a business) having authority under the law to act independently and distinct from the shareholders who own it and having rights to issue stock and exist indefinitely.
- g. **Non-Profit Corporation Accounts:** A non-profit corporation is a corporation that does not issue shares of stock as evidence of ownership but instead is owned by its members in accordance with a charter or agreement.
- h. **Unincorporated Non-Profit Association Accounts:** An unincorporated non-profit association is a gathering of people for a common purpose that is not a legal entity separate from the persons who compose it.

If your Account is established as a sole proprietorship Account, you warrant that you are the sole owner of your business and understand that such Accounts will only be opened by the Credit Union if the documentation presented by you to the Credit Union is in a manner acceptable to our underwriting policies. You shall take all action necessary so that in the event of your death, your estate shall release and indemnify the Credit Union for

any payment made at the direction of an authorized signer of your Account provided the Credit Union has not received actual notice of your death prior to such payment being made. If you are doing business under an assumed name, you represent that you have properly filed all required paperwork as set out in the laws for the state in which you are organized to do business. It is your responsibility to determine and understand any legal effects related to this type of Account.

3. Payment of Accounts. Except payees named on any check or other item drawn on your Account, such Account may only be paid to you and not any director, shareholder, partner, or authorized signer as may be applicable.

4. Accounts of Businesses and Organizations. Accounts held in the name of a business, organization or association member are subject to the same terms set forth in this Agreement and the following additional rules. The Credit Union reserves the right to require the member to provide a Business Account Application and an Authorization Designation Form informing the Credit Union who is authorized to act on its behalf and in what capacity with regard to transacting business on all products, now and in the future. You agree to notify the Credit Union of any change in authority. The Credit Union may rely on the written authorization until such time as the Credit Union is informed of changes in writing and has had a reasonable time to act upon such notice. The Credit Union may require that third party checks payable to an organization may not be cashed but must be deposited to a business account. The Credit Union shall have no notice of any breach of fiduciary duties arising from a transaction by any agent of the account owner unless the Credit Union has actual notice of any wrongdoing.

5. Account Access

a. **Authorized Signature.** In order to access any account, the Credit Union must have an authorized signature of yours on a Business Account Application. The Credit Union is authorized to recognize your signature but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any check that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction. Regarding Dual signature checks, the Credit Union will not be responsible for examining the checks presented for payment for the required authorized drawer signatures and will not be liable for checks lacking the necessary signatures. The business understands the dual signature feature is strictly for the business' internal control procedures.

b. **Access Options.** You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines (ATMs), point of sale device, debit card, in person, by mail, automatic transfer, audio response, online banking or telephone). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn in any form provided by the Credit Union. 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.

6. Deposit Requirements. You may make deposits to your Account using any method available from us. Such methods may include deposits made in person, by mail, electronic means, remote deposit capture, and any other means that may become available. We have the right to refuse to accept any check or instrument for deposit at our sole discretion. If you deposit an item and it is returned unpaid, we will debit your Account for the amount of the item and charge you a fee. You will be liable to us for the amount of any item you deposit which is returned unpaid, and in addition, will be responsible for any of our costs and expenses incurred in the collection of such returned item from you, including reasonable attorneys' fees. Subject to our Funds Availability Policy, you may not be able to withdraw funds from your Account until we have received final settlement for any items deposited. If you make a deposit on a Saturday, Sunday, or a holiday, or after our predetermined cut-off hour on business days, the deposit will be credited to your Account as of the next business day.

a. Endorsements. You authorize the Credit Union in its discretion, to accept transfers, checks, and other items for deposit into any of your accounts if they are made payable to or to the order of one or more account owners, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. If a check or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check or item as though it is payable to either person. If an insurance, government, or other check requires an endorsement as set forth on the back of the check, we may require endorsement as set forth on the item. Endorsements must be made on the back of the check within 1½ inches from 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 markings by you or any prior endorser will be your responsibility.

b. Collection of Items. In processing items you have deposited for collection, we are only your agent and assume no responsibility beyond the exercise of ordinary care. Any item deposited is subject to final settlement in cash or credit. We may use any method we feel is appropriate to collect items, which may include use of a Federal Reserve Bank. We are not responsible for the acts of any third party we use for the collection of items including responsibility for lost items. If we use a local clearinghouse in the collection of items, you authorize us to do so and to act in accordance with any applicable rules and regulations. We may permit you to withdraw funds from your Account before final settlement has been made, however, if final settlement is not made, we have the right to charge your Account or otherwise require you to repay such funds. In processing items presented for payment on your Account, we will pay such items each business day based solely on an order of our choosing. This means that the transactions may not be processed in the order in which they occurred and that you could incur multiple fees in a single day should there be insufficient funds to pay all items presented that day.

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 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 and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of those items or ACH transfers and impose a return charge on your account. After we have received final payment, we refer to these deposits as collected items. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

e. Direct Deposits. The Credit Union may offer direct deposit options allowing you to preauthorize deposits or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with

your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

f. Crediting of Deposits. Deposits made on Saturdays, Sundays, and Credit Union holidays will be credited to your account on the next business day. Deposits made in the Credit Union or at our drive through windows before the end of a business day will be credited the same day. Deposits received at unstaffed facilities, such as night depositories, will be credited on the day funds are removed and processed by the Credit Union. Items drawn from an institution located outside the United States are handled on a collection basis only. Funds will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

7. Fund Transfers. Funds transfers we permit that are subject to Article 4A of the Uniform Commercial Code, including Automated Clearinghouse (ACH) credit transactions and wire transfers, 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, except as otherwise provided in this Agreement. ACH transfers are subject to rules of the National Automated Clearinghouse Association (NACHA). If we execute requests for funds transfers by Fedwire, such transfers are subject to the Federal Reserve Board's Regulation J.

a. Authorization for Transfers/Debiting of Accounts. Any Authorized Person is authorized to make or order funds transfers to or from your account. We will debit your account for the amount of a funds transfer and will charge your account for any fees related to the transfer.

b. Right to Refuse to Make Transfers/Limitation of Liability. Unless we agree otherwise in writing, we reserve the right to refuse to execute any payment order to transfer funds to or from your account. We are not obligated to execute any payment order to transfer funds out of 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. In addition, we will not be liable for consequential, special, punitive or indirect loss or damage you may incur in connection with funds transfers to or from your account.

c. No Notice Required. We will not provide you with notice when funds transfers are 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.

d. Interest Payments. If we fail to properly execute a payment order and such action results in a delay in payment to you, applicable law requires that we pay you interest for the period of delay. Based on your account type, we will pay you such interest in the form of dividend or interest payments, whichever applies. You agree that the dividend or interest rate paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period.

e. Provisional Credit for ACH Transactions. We may provisionally credit your account for an ACH transfer before we receive final settlement. If we do not receive final settlement, we may reverse the provisional credit or require you to refund us the amount provisionally credited to your account, and the party originating the transfer will not be considered to have paid you.

f. Payment Order Processing and Cut-off Times. Payment orders we accept will be executed within a reasonable time of receipt. Unless we have agreed otherwise in writing, a payment order may not necessarily be executed on the date it is received or on a particular date you specify. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments. Funds transfers, payment orders, cancellations, and amendments received after a cut-off time may be treated as having been received on the next funds transfer business day. Information about any cut-off times is available upon request. From time to time, we may need to temporarily suspend processing of a transaction for greater scrutiny or verification in accordance with applicable law. This action may affect settlement or availability of the transaction.

g. Identifying Information. If your payment order identifies the recipient and any financial institution by name and account or other identifying number, the Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or other identifying number, even if the number identifies a different person or financial institution.

- h. Amendments and Cancellations of Payment Orders.** Any Authorized Person may amend or cancel a payment order regardless of whether that person initiated the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept 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.
- i. Security Procedures.** We may require you to follow a security procedure to execute, amend or cancel a payment order so that we may verify the authenticity of the order, amendment or cancellation. You agree that the security procedure established by separate agreement between you and the Credit Union is commercially reasonable. If you refuse to follow a commercially reasonable security procedure that we offer, you agree to be bound by any payment order, whether authorized or not, that is issued in your name and accepted by us in good faith in accordance with the security procedure you choose.
- j. Duty to Report Unauthorized or Erroneous Funds Transfers.** You must exercise ordinary care to identify and report unauthorized or erroneous funds transfers on your account. You agree that you will review your account(s) and periodic statement(s). You further agree you will notify us of any unauthorized or erroneous transfers within the time frames described in the "Statements" section of this Agreement.

8. Account Rates and Fees. The Credit Union's payment of dividends on any account is subject to the account rates and fees, earnings, payment, and balance requirements as set forth in the Rate Addendum and Schedule of Fees. You agree that the Credit Union may impose fees and charges for the deposit account services provided by the Credit Union and may change from time to time. You will be notified as required by applicable law.

9. Transaction Limitations. We reserve the right to restrict withdrawals or transfers from your account and shall not be liable for any restrictive action we take regarding withdrawals, transfers, or the payment or non-payment of checks and drafts, except those damages which may arise solely as a result of the Credit Union's negligence.

a. Withdrawal Restrictions. We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Checks or other transfers or payment orders which are drawn against insufficient funds may be subject to a service charge as set forth in our business account rate sheet(s) and fee schedule(s). If there are sufficient funds to cover some, but not all, of your withdrawal, we may allow those withdrawals for which there are sufficient funds.

We may limit or refuse a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute arises 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 any obligation to us; (4) required documentation has not been presented; (5) you fail to repay a Credit Union loan on time; (6) if (non-corporate account) a depositor is deceased or (corporate account) the corporation is in bankruptcy proceedings or has been dissolved and the required disposition of the account has not been made; (7) someone with authority to do so requests us not to permit the withdrawal; or (8) there are other circumstances which do not permit us to make the withdrawal. We also reserve the right to refuse any withdrawal which is attempted by any method not specifically permitted by us. We may require you to give written notice of seven (7) days to sixty days before any intended withdrawals.

b. Transfer Limitations. For accounts subject to transfer limitations, you may not make more than six withdrawals and transfers to another Credit Union account of yours or to a third party during any month by means of a preauthorized, automatic or internet transfer, by telephonic order or instruction, or by check, draft, debit card, if applicable, or similar order. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders, including orders received via ACH. When a transfer exceeds these limitations, we may refuse or reverse it, assess fees against your account, suspend your account, or close your account and transfer the balance to an account without such transfer limitations. There is no limit on the number of transfers you may make to a Credit Union loan account or on the number of withdrawals you may make if the withdrawal is made in person, by mail, messenger or at an ATM. There is also no limit on the number of telephone requests for withdrawals in the form of a check or draft which is then mailed directly to you, although we may impose a fee for such services.

10. Overdrafts and Dishonored Items

- a. Overdraft Liability.** If on any day, the available funds in your share draft account are not sufficient to cover drafts and other items posted to your account, those drafts and items will be handled in accordance with our overdraft procedures. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's processing deadline with only one review of the account required. The Credit Union has no duty to notify you of an insufficient funds item. The Credit Union may charge an insufficient funds (NSF) fee for an item whether paid or returned as set forth in the Schedule of Fees. We may charge you an NSF fee each time an item is submitted to us for payment from your account when at the time of presentation your account does not have sufficient available funds or when we return, reverse, or decline to pay an item for any other reason authorized by the terms and conditions governing your account.

If the Credit Union offers standard overdraft services, these services allow us to authorize payment for the following types of transactions regardless of whether your share or deposit account has sufficient funds: 1) share drafts/checks and other transactions made using your checking account, except as otherwise described below; 2) automatic bill payments; 3) and ACH transactions. For ATM and one-time debit card transactions, you must consent to such coverage. Without your consent, the Credit Union may not authorize and pay an ATM or one-time debit card transaction that will result in insufficient funds in your account. If you have established a service linking your share or deposit account with other individual or joint accounts, you authorize us to transfer funds from another account of yours to cover an insufficient item, including transfers from a share or deposit account, an overdraft line-of-credit account, or other account you so designate. Services and fees for these transactions are disclosed in the Overdraft Authorization and the Rate Addendum and Schedule of Fees and Charges.

Except as otherwise agreed to in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays an item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any processing deadline limits.

- 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. How Transactions are Posted to Your Account.** There are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

Credits. Deposits are generally added to your account when we receive them. However, in some cases when you deposit a check or draft, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure for details regarding the timing and availability of funds from deposits.

Debits. There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.

- i. Drafts.** When you write a check or draft, it is processed through the Federal Reserve System. We receive data files of cashed checks/drafts from the Federal Reserve each business day. The checks/drafts drawn on your account are compiled from these data files and paid each day. We process the payments from smallest to largest as contained in the data file.
- ii. ACH Payments.** We receive data files every business day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments

you have authorized. ACH transactions for your account are posted throughout the day in order of receipt.

iii. **PIN-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment.

iv. **Signature-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase; however, merchants may not require your signature for certain transactions. Merchants may seek authorization for these types of transactions. The authorization request places a hold on funds in your account when the authorization is completed. The "authorization hold" will reduce your available balance by the amount authorized but will not affect your actual balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received in real time throughout the day and are posted to your account when they are received.

The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your card for payment. For example, if you use your debit card at a restaurant, a hold will be placed in an amount equal to the bill presented to you; but when the transaction posts, it will include any tip that you may have added to the bill. This may also be the case where you present your debit card for payment at gas stations, hotels and certain other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

For debit card transactions involving merchant authorization holds, there may be a delay between the hold being applied and the transaction posting to your account. During the delay, intervening transactions may impact the available balance in your account. It is important to keep in mind that we check your available balance both at the time the merchant's authorization request is received and again when the transaction settles and posts to your account. If your available balance is insufficient to cover the amount of the merchant's authorization request, we will decline the request. If your available balance is sufficient to cover the merchant's authorization request, the request will be approved, and an authorization hold in the amount of the request will be placed on your account. The transaction will be subsequently processed by the merchant and submitted to us for payment. If the transaction settles and posts to your account at a time when the available balance is insufficient to pay the transaction without causing an overdraft (i.e., posting the transaction results in an available balance of less than \$0), we will charge you a fee for overdrawing your account, even though the available balance in your account was sufficient to cover the transaction at the time it was authorized.

The following example illustrates how this works:

Assume your actual and available balances are both \$40, and you use your debit card at a restaurant to pay your bill totaling \$30. If the restaurant requests authorization in the amount of \$30, an authorization hold is placed on \$30 in your account. Your available balance is only \$10, but the actual balance remains \$40. Before the restaurant charge is sent to us for payment, a check that you wrote for \$40 is presented for payment. Because your available balance is only \$10 due to the \$30 authorization hold, your account will be overdrawn by \$30 when the check transaction is posted to your account even though your actual balance is \$40. In this example, if we pay the \$40 check in accordance with our standard overdraft services, we will charge you a fee for overdrawing your account as disclosed in the Schedule of Fees and Charges. The fee will also be deducted from your account, further increasing the overdrawn amount. In addition, when the restaurant charge is finally submitted to us for payment, we will release the authorization hold and pay the transaction amount to

the restaurant. The transaction amount may be \$30 or a different amount (for example, if you added a tip). Because the amount of the restaurant charge exceeds your available balance at the time the charge is settled (i.e., at the time the merchant or its financial institution requests payment or the transaction posts to your account), we will charge you another fee for overdrawing your account, even though you had a sufficient available balance in your account at the time the restaurant charge was authorized and approved.

This is a general description of certain types of transactions. We reserve the right to process and pay items in any order permitted by applicable law and will notify you of changes to these practices as required.

d. **Understanding Your Account Balance.** Your share draft account has two kinds of balances: the actual balance and the available balance.

i. **Actual Balance** – Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect drafts you have written and are still outstanding or transactions that have been authorized but are still pending.

ii. **Available Balance** – Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds, minimum balance requirements, or to comply with court orders.

We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance online, by visiting a Credit Union branch or by calling us at (218) 471-2121.

e. **Returned Item/Non-Sufficient Funds (NSF) Fees.** The Credit Union may return a check or debit transaction (e.g., ACH payments) submitted for payment against your checking or savings account if the amount of the check or debit exceeds the available balance in your checking or savings account. Each time we return a check or debit for insufficient funds, we will assess NSF fees in the amount shown on the Credit Union's current Schedule of Fees and Charges for each returned check or debit item. If the merchant that submitted the initial check or debit submits the same item again, after it is rejected the first time, then we may reject it again and charge another NSF fee resulting in another NSF fee for the same item.

The Credit Union has no control over the number of times a merchant may resubmit the same check or debit transaction to us for payment and you will be charged multiple NSF fees in connection with a single check or debit transaction that has been returned for insufficient funds multiple times. There is no limit on the total NSF fees we can charge you for each item presented.

f. **Minimizing Fees.** The Credit Union is not responsible for overseeing your finances so you must keep track of your balance to help minimize fees. The best way to know the amount of available balance you have and to avoid paying overdraft or returned item fees is to record and track all of your transactions closely, including, but not limited to, debit card purchases, newly written checks, outstanding checks, bill payment transactions, deposits, credits, transfers, ATM withdrawals, online and mobile banking transfers, recurring withdrawals, restrictions on deposits (or returned deposits), and any other items that may reduce your available balance.

11. **Checks or Drafts Presented for Payment in Person.** We may refuse to accept any check or draft drawn 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. If we agree to cash a check or draft that is presented for payment in person, we may require the presenter to pay a fee. Any applicable fees for cashing checks or drafts are stated in our business account fee schedule.

12. **Postdated and Stale Dated Checks.** You agree not to draw or issue any check that is postdated. If you do draw or issue a check that is payable on a future date, we shall have no liability if we pay it before its payment date. You agree not to deposit checks or other items before they are properly payable. We are under no obligation to pay a check drawn on your account

that is presented more than six (6) months after the date it was written. If, however, the check is paid, the Credit Union shall have no liability for such payment.

13. Foreign Currency. All checks or drafts drawn on your account shall be payable in currency of the United States. You agree not to draw a check or draft that is payable in any foreign currency. If you give us an order to pay a check or draft in a foreign currency, we have the right to return the check or draft unpaid. However, if we pay the check or draft, we will not be responsible for the currency conversion or any fees assessed for collection, and you will be bound by our determination of the currency conversion rate, the data used and the manner in which we make the conversion.

14. Stop Payment Orders.

a. Stop Payment Order Request. Any Authorized Person may request a stop payment order on any check or draft drawn on your account. To be binding, the order must accurately describe the check or draft, including the exact account number, check or draft number, and amount of the check or draft. This exact information is necessary for the Credit Union 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 transfer to us all your rights against the payee or other holders of the check or draft, and to assist us in any legal action.

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.

b. Duration of Order. You may make an oral stop payment order, which will lapse within 14 calendar days unless continued in writing within that time. A written stop payment order will be effective for six (6) months. A written stop payment order may be renewed in writing from time to time. The Credit Union is not obligated to notify you when a stop payment order expires.

c. Liability. Fees for stop payment orders are set forth on our business account fee schedule. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You have the burden of establishing the fact and amount of loss resulting from the payment of an item contrary to a binding stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees and all damages or claims related to our refusal to pay an item, as well as claims of the Account Owner or of any payee or indorsee for failing to stop payment of an item as a result of incorrect information provided by you.

15. Credit Union's Liability for Errors. If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (1) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (2) circumstances beyond the Credit Union's control prevents the transaction; (3) your loss is caused by your negligence or the negligence of another financial institution; or (4) the money in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable state law, Federal Reserve Regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

16. Unauthorized Use of Check or Draft Writing and Facsimile Signature Equipment. You are responsible for maintaining the security of all facsimile signatures, check or draft writing equipment and supplies. You must promptly notify us in writing of the loss or theft of any checks or drafts or the unauthorized use of facsimile signature equipment, as well as the circumstances surrounding the loss, theft, or unauthorized use. We are not liable for any unauthorized use of a facsimile signature.

17. Credit Union Lien and Security Interest. Unless prohibited by law, you pledge and grant as security for this Agreement all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future, and all other security you have or may pledge for other obligations you may have with us now or in the future (except, in all cases,

property that is your principal residence). If you pledge a specific dollar amount in your account 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 upon 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 state or federal 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.

18. Your pledge and our statutory lien rights will allow us to apply the funds in your account to what you owe when you are in default, except as limited by state or federal 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 lien 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 state or federal 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.

19. Legal Process. If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

20. Account Information. Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (1) it is necessary to complete the transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with the Fair Credit Reporting Act or other applicable laws and regulations; (3) such disclosure is in compliance with the law, government agencies or court orders; or (4) you give us your express permission.

21. Transfer of Account. All accounts are non-assignable and nontransferable to third parties except by us.

22. Notices.

a. Name or Address Changes. It is your responsibility to notify the Credit Union upon a change of address or change of name. The Credit Union is required to attempt to communicate with you only at the most recent address you have provided to the Credit Union. The Credit Union will accept notices of a name or address change and any other notice from you only if provided in writing to the Credit Union.

b. Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Changes in account ownership, such as adding or removing a joint owner, must be evidenced in writing. No joint owner may remove another joint owner from the account without the consent of all owners. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

c. Effect of Notice. Any written notice you give to the Credit Union is effective when the Credit Union receives it. Any written notice the Credit Union gives 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 one account owner is considered notice to all owners of the account.

d. Electronic Notices. If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

23. Taxpayer Identification Numbers (TIN) and Backup Withholding. You agree that we may withhold taxes from any dividends or interest earned on your account as required by federal, state, or local law or regulations. 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 a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN within a reasonable time, we will close your account and return the balance to you, less any applicable service fees.

24. Statements.

a. **Contents.** If the Credit Union provides a 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. For checking accounts, you understand and agree that your original check, when paid, becomes property of the Credit Union, and may not be returned to you, but copies may be retained by us or payable through financial institutions and made available upon your request.

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 a reasonable time of receiving your statement, we will not be responsible for your loss. In addition, we will not be responsible for any such items, payments, transactions, or other discrepancies reflected on your statement if you fail to notify us within thirty-three (33) days of the mailing date of the statement. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

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 charge to your account unless you notify us in writing within the above time limit for notifying us of any errors.

If timely notice is given, we reserve the right to make a final reasonable determination regarding whether and in what amount any adjustment shall be made. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement.

d. **Address.** If we mail you a statement, we will send it to the last known address shown in our records. If you have requested that we send your statement electronically, we will send it to the last e-mail address shown in our records.

25. **Inactive Accounts.** As allowed by applicable law, we may classify your account as inactive or dormant and assess a fee if you have not made any transactions in your account over a specified period of time. The period of inactivity, the fee for servicing an inactive or dormant account, and the minimum balance required to avoid the service fee, if any, are set forth in our Rate Addendum and Schedule of Fees. 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 all funds in an inactive or dormant account to an account payable or reserve account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will then be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted to the State in accordance with State law ("Escheatment"). Once funds have been turned over to the state, we have no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

26. **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, post a bond, or provide us with other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Change form, and accepted by us.

27. **Termination of Account.** We may terminate your account 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 or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks 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

responsibly deem it necessary to prevent a loss to us. You may terminate a single party account by giving written notice. We reserve the right to require written consent of all owners for any change to or termination of an account, including, but not limited to, removal of a joint account owner, authorized officer or signer and you agree to hold the Credit Union harmless for actions regarding account access. The removed joint account owner, authorized officer or signer relinquishes any ownership interest including any membership share in the account(s). This relinquishment does not affect your obligation on any loan accounts. We are not responsible for payment of any check, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us. The decision to maintain or close an account shall be made by the Credit Union's management under standards and guidelines approved by its board of directors.

28. **Termination of Membership/Expulsion.** You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw from membership. You may be denied services or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union.

We may terminate your membership with the Credit Union in one of three ways: (1) through a special meeting. Under this option, we may call a special meeting of the members, provide you an opportunity to be heard, and obtain a two-thirds vote of the members present at the special meeting in favor of your expulsion, (2) under a nonparticipation policy given to each member that follows certain requirements, and (3) by a two-thirds vote of a quorum of the directors of the Credit Union for cause.

Cause is defined as follows: (a) a substantial or repeated violation of this Agreement with us; (b) a substantial or repeated disruption, including dangerous or abusive behavior, to the Credit Union's Operations; or (c) fraud, attempted fraud, or a conviction of other illegal conduct that a member has been convicted of in relation to us, including in connection with our employees conducting business on behalf of the Credit Union.

Before the board votes on an expulsion, we must provide written notice to your mail address (or email, if applicable) on record or personally provide the written notice. We must provide the specific reasons for the expulsion and allow you an opportunity to rebut those reasons through a hearing if you choose. It is your responsibility to keep your contact information with us up to date, and to open and read notices from us. Unless we determine to allow otherwise, there is no right to an in-person hearing with the board. If you fail to request a hearing within 60 calendar days of receipt of the notice, you will be expelled. You may submit any complaints about your pending expulsion or expulsion to NCUA's Consumer Assistance Center if the complaint cannot be resolved with the Credit Union.

The Credit Union will confirm any expulsion with a letter with information on the effect of the expulsion and how you can request reinstatement. Expulsion or withdrawal from membership does not relieve a member of liability to the Credit Union, and we may demand immediate repayment of the money you owe to us after expulsion, subject to any applicable contract terms and conditions.

For additional information on expulsion and a copy of the Credit Union bylaws, please contact the Credit Union.

29. **Death of Account Owner.** If the account is in the name of an individual person or a business that is organized as a sole proprietorship, we may continue to honor all transfer orders, withdrawals, deposits, and other transactions on an account until we are notified of the Account Owner's death. Once we are notified of an Account Owner's death, we may pay checks or honor other payments, or transfer orders authorized by the Account Owner for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks or other items. We may require anyone claiming a deceased Account Owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any Account Owner that is an individual or organized as a sole proprietorship.

30. **Waiver of Rights.** We reserve the right to waive the enforcement of any provision of this Agreement with respect to any transaction or series of transactions. A waiver of our rights at any time shall not be deemed to be a waiver of any other rights or a waiver of the same rights at a future time.

31. **Severability.** In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

32. **Enforcement.** You are liable to us for any loss, cost, or expense we incur resulting from your failure to follow this Agreement. You authorize us to

deduct any such loss, cost or expenses from your account and 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.

33. Fraudulent Account Activity. In the event of ANY fraudulent activity in connection with your account or the unauthorized obtaining of account information, you hereby agree to notify the Credit Union immediately upon receipt of notice of any such event(s) and to complete all necessary paperwork, including but not limited to, police reports, affidavits, disclosures, etc., in connection with any such occurrence. You also agree to assist Credit Union personnel in obtaining and giving information on potential suspects and to provide any and all needed documents, e-mails, or correspondences to assist in the investigation of any and all fraud-related issues pertaining to your membership.

34. Waiver of Trial by Jury and Agreement as to Location of Legal Proceedings. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county of the Credit Union office where you opened your account. You and we agree to waive any right to trial by jury in any legal proceeding or lawsuit involving the account.

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

36. 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.

37. Monitoring and Recording Communications. We may monitor and record communications between you and us, including telephone conversations, electronic messages, electronic records, or other data transmissions that affect your accounts or other products and services. Except as otherwise provided by applicable law, you agree we may monitor and record such communications without your approval or further notice to you.

38. Indemnity. You agree to indemnify and hold harmless the Credit Union and their successors and assigns, from any claim, action, liability, loss, damage or suit, arising out of any action or inaction on our part in connection with these Agreements and Disclosures and/or your failure to abide by its terms. In the event of any claim made by or against us, we shall provide you with reasonable and timely notice of such claim, and thereafter you shall at your own expense promptly defend, indemnify, protect, and hold harmless the Credit Union against said claim or any loss or liability thereunder. In the event you fail to defend and/or indemnify and hold us harmless, then in such instance we shall have full rights to defend, pay or settle said claim on your behalf without notice to you and with full right of recourse against you for all fees, costs, expenses and payments made or agreed to be paid to discharge said claim. You further agree to pay all reasonable attorneys' fees necessary to enforce such provision. Such indemnity shall be unlimited in amount and duration and be binding upon and inure to the benefit of all parties, their successors, assigns and personal representatives.

39. Governing Law. This Agreement is governed by the following, as amended from time to time: the Credit Union's bylaws; local clearinghouse and other payment system rules; federal laws and regulations, including applicable principles of contract law; and the laws and regulations of the state of Minnesota.

ONLINE BANKING

If Online Banking is activated for your account(s), you will be required to use secure login information to access the account(s).

At the present time, you may use Online Banking to:

- ❖ Transfer funds from your share savings and share draft accounts.
- ❖ Obtain balance information for your share savings and share draft accounts.
- ❖ Make loan payments from your share savings and share draft accounts.
- ❖ Determine if a particular item has cleared.
- ❖ Make bill payments to preauthorized creditors.
- ❖ Review last statement of share saving and/or share draft accounts.

Your accounts can be accessed under Online Banking via personal computer. Online Banking will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The following limitations on Online Banking transactions may apply:

- ❖ There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day.
- ❖ See "transfer limitations" that may apply to these transactions.

E-BRANCH

If eBranch is activated for your account(s), you will be required to use secure login information to access the account(s).

At the present time, you may use eBranch to:

- ❖ Make deposits using Remote Deposit Capture, see separate Terms and Conditions for more details.
- ❖ Transfer funds from your share, share draft, loan, and money market accounts.
- ❖ Obtain balance information for your share, share draft, loan, IRA, money market, club, and certificate accounts.
- ❖ Make loan payments from your share, share draft, and money market accounts.
- ❖ Determine if a particular item has cleared.
- ❖ Verify the last date and amount of your payroll deposit.

Your accounts can be accessed under Mobile Banking via mobile device or other approved access device(s). Mobile Banking will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The following limitations on eBranch transactions may apply:

- ❖ There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day.
- ❖ The maximum deposit amount is **\$2,500.00** per day, and **\$7,500.00** per week via Remote Deposit Capture.
- ❖ See "transfer limitations" that may apply to these transactions.

BILL PAY

We will process bill payment transfer requests only to those creditors the Credit Union has designated in the User Instructions and such creditors as you authorize and for whom the Credit Union has the proper vendor code number. We will not process any bill payment transfer if the required transaction information is incomplete.

We will withdraw the designated funds from your share draft account for bill payment transfer by the designated cutoff time on the date you schedule for payment. We will process your bill payment transfer within a designated number of days before the date you schedule for payment. You must allow sufficient time for vendors to process your payment after they receive a transfer from us. Please leave as much time as though you were sending your payment by mail. We cannot guarantee the time that any payment will be credited to your account by the vendor.

The following limitations on BillPay transactions may apply:

- ❖ There is no limit on the number of bill payments per day.

ACCOUNT INFORMATION DISCLOSURE

We may disclose information to third parties about your account or the transfers you make.

- ❖ As necessary to complete transfers;
- ❖ To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- ❖ If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested services(s).
- ❖ To comply with government agency or court orders; or
- ❖ If you give us your written permission.

FUNDS AVAILABILITY POLICY DISCLOSURE

This Disclosure describes your ability to withdraw funds at the Credit Union. It only applies to the availability of funds in transaction accounts. The Credit Union reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.

- 1. General Policy.** Our policy is to make funds from your cash and check deposits available to you on the same business day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. 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 3:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after our cutoff hour or on a day we are not open, we will consider that the deposit was made on the next business day we are open.
- 2. Reservation of Right To Hold.** In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Funds may not be available until the second business day after the day of your deposit. However, the first \$225.00 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees or if we decide to take this action after you have left the premises, we will mail you the notice by the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.
- 3. Holds on Other Funds.** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this Disclosure for the type of check that you deposited.
- 4. Longer Delays May Apply.** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:
 - ❖ We believe a check you deposit will not be paid.
 - ❖ You deposit checks totaling more than \$5,525.00 on any one (1) day.
 - ❖ You deposit a check that has been returned unpaid.
 - ❖ You have overdrawn your account repeatedly in the last six (6) months.
 - ❖ There is an emergency, such as failure of communications or computer equipment.
 - ❖ We will notify you if we delay your ability to withdraw funds for any of these reasons and we will tell you when the funds will be available.

They will generally be available no later than the seventh business day after the day of your deposit.

- 5. Special Rules for New Accounts.** If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from cash deposits and electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of wire transfers, and the first \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525.00 will be available on the seventh business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person at a branch, the first \$5,525.00 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the ninth business day after the day of your deposit.