

# Membership Account Agreement & Disclosures:

## *Important Legal Information and Disclosures*

### IMPORTANT NOTICES

**Notice to Members:** Your relationship with the credit union is also governed by state and federal laws, which may change from time to time. The body of law is too large and complex to be reproduced here. The purpose of this Agreement is to: (1) summarize the rules applicable to common transactions; (2) establish rules to govern transactions not regulated by state or federal law; (3) establish variations that will apply to certain rules, events or transactions as permitted by applicable law; and (4) provide you with certain disclosures and information regarding our policies as required by law. By signing a Membership Account Agreement or your use or continued use of any account or account services after receiving this Agreement, notice of its availability or notification of any change in terms, you, jointly and severally, agree that you understand and agree to the terms and conditions stated in this Agreement, and the Schedules, as amended from time to time. This Agreement governs all services whether opened now or in the future and we may modify, change, add provisions or terms we deem necessary or in the best interests of the credit union, or amend the terms of this Agreement, the Rate and Fee Schedule, and [Privacy Policy](#) at any time. Any change shall be immediately effective unless otherwise specifically required by applicable law.

**Cellular Phone Contact Policy:** By providing us with a telephone number for a cellular phone or other wireless device, including a number that you later convert to a cellular number, you are expressly consenting to receiving communications—including but not limited to prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system—from us and our affiliates and agents at that number. This express consent applies to each such telephone number that you provide to us now or in the future and permits such calls for non-marketing purposes. Calls and messages may incur access fees from your cellular provider.

**Active Military Members and Dependents:** Any terms or conditions herein contrary to the Military Lending Act (“MLA”) are void for the period(s) during which you are entitled to the protections of the MLA.

### ABOUT THIS AGREEMENT

This Deposit Account Agreement applies to new and existing consumer and business accounts and, together with the following documents, is your contract with First Peoples Community Federal Credit Union (herein “Credit Union”) and constitutes the “Agreement” that governs your account with Credit Union:

- Truth in Savings Act Rate and Fee Schedule (Share and Checking Accounts),
- Truth in Savings Act Rate and Fee Schedule (Share Certificates),
- Our [privacy notice](#), and
- Any additional disclosures, amendments, or addenda we provide to you.

In this Agreement, when we say “Credit Union,” “we,” “us,” and “our,” we are talking about the credit union. “You” and “your” means each account owner, authorized signer, and any other person authorized to operate your account. When we say “We may” or “Credit Union may” do something, that means you authorize us and agree to such action.

This Agreement is applicable to new and existing accounts and replaces all prior agreements regarding your account, including any verbal or written statements or representations. When you sign an Account Agreement or use your account, including any account service, you and anyone else identified as an owner or authorized signer on your account consent to the terms of this Agreement. We regularly update this Agreement. You are responsible for ensuring that any authorized signer is familiar with this Agreement. If you keep your account open after we change this Agreement or end a fee waiver, you agree to the changes. We recommend you keep a copy of this Agreement — and any changes we provide to this Agreement — for as long as your Credit Union accounts are open. You can get a copy of the current Agreement at any branch office or by calling us at (800) 655-8335.

This document contains various defined terms with specific meanings. Some defined terms are defined within the section in which they are used. More frequently used defined terms are defined in the Glossary at the end of the document. As you review this Agreement, be sure to check the Glossary for those definitions.

#### Questions? We're here for you!

<b>Online</b>	<a href="http://www.firstpeoples.com">www.firstpeoples.com</a>
<b>Call Us</b>	800.655.8335
<b>Address</b>	First Peoples Community Federal Credit Union Attn: Member Connection Center P.O. Box 5149, Cumberland, MD 21505-5149

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## GENERAL TERMS

This Agreement and the applicable Rate and Fee Schedule [consumer or business as applicable] ("Schedule") explain the rules which govern your account(s) and account services with us. Please read this Agreement and the Schedule carefully and keep them in a safe and convenient place.

**Terms, Conditions and Limitations of Your Relationship with the Credit Union:** The following terms govern our relationship with you. All Credit Union services are further governed by the terms and conditions set forth in any future agreements and/or disclosures together with the credit union's Bylaws, Policies and Procedures, which are herein collectively referred to as "Agreement". The credit union's Member Conduct, Behavior and Loss Policies are provided herein; and you agree to abide by these terms at all times. To the extent there is any conflict between the terms of this Agreement and any of these items or any other documents, the terms of this Agreement shall govern unless the other documents expressly provide otherwise. This Agreement governs all services whether opened now or in the future. This Agreement is binding upon the account owner and all parties hereto together with their heirs, successors, assigns and any other person claiming any right or interest under or through said parties. You agree at all times that you will comply with all Applicable Laws. "Applicable Laws" shall include: (i) Visa U.S.A. Inc. Bylaws, Visa U.S.A. Inc. Operating Regulations, Visa U.S.A. Inc. Certificate of Incorporation, Visa International Bylaws, and Visa International Operating Regulations; (ii) NACHA's (National Automated Clearing House Association) Operating Rules May change to local ACH; (iii) the Operating Regulations of any network through whom you initiate or process any transaction(s); and (iv) any and all laws, treaties, rules, regulations, or regulatory guidance of the government of the United States, as the same may be amended and in effect from time to time; and you agree that such Applicable Law shall govern despite any other general or specific terms or conditions set forth in the entirety of this Agreement. The credit union is not in any way limited in the use of the name of any person or entity that claims trademark, copyright or other such status regarding a name in the ordinary course of Credit Union business, in providing any services we may offer; or in using such name in any other manner authorized by our agreements or applicable laws. Personal / Business: Unless an account is expressly opened for business, you agree that all accounts and services will be for personal, family and household purposes. If we in our discretion ascertain that you are not complying with this obligation, we may require the account(s)/services(s) be closed or converted to business. Disabilities: We will accommodate reasonable requests to assist members with disabilities. In order to do so you agree to notify us of any disability and/or accommodation requests. You will notify us regarding any service providers you wish to use; and you will provide us with information to allow us to identify the service providers.

**Rate and Fee Schedule:** All Account rates, fees we may charge, limitations and other important features of your accounts and services with us are addressed in the Rate and Fee Schedules, which are incorporated herein by reference as an important part of this Agreement.

**Compliance with Laws and Inappropriate Transactions or Account Relationship:** You agree to comply with all laws, rules and regulations. You also warrant and agree that you will not use any Credit Union Accounts or Services, including but not limited to loans, to make or facilitate any illegal or inappropriate transaction(s) as determined by applicable law as we in our discretion may deem inappropriate; and that any such use, including any such authorized use, will constitute a breach of this Agreement. Certain federal and/or state laws or Third-Party Service Providers' Rules may limit or prohibit certain transactions. The credit union may decline to accept, process or pay any transaction that we believe to be illegal, improper or unenforceable (regarding your obligation to pay us or otherwise) under applicable law; or which is otherwise limited or prohibited, including but not limited to any transaction involving or relating to any gambling activity. You understand and agree such limitations/prohibitions are not within the credit union's control and that the credit union will not have any liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s); or for declining to accept, process, or pay any such transaction.

**Cannabis Related Businesses:** The credit union operates in compliance with the state and federal laws and requirements, federal guidance, and best practices regarding accounts related to the cultivation, distribution, and sale of cannabis products. If you are a cannabis-related business, you must immediately notify the credit union and comply with the applicable terms and conditions for cannabis related accounts. Please note that separate disclosures and fee schedules apply.

**Credit Union's Right to Investigate:** It is agreed that it is critical to the credit union and its members that the credit union have full rights to investigate all transactions, methods and means of making transactions to protect its members and the credit union. Therefore, it is agreed that upon notification of any claim of error, unauthorized transaction(s) or other notification related to or arising from any transaction(s), methods or means of making transactions the credit union shall have full rights of investigation to extend to all persons, means and methods of making transactions. It is expressly agreed that this shall specifically include the right to inspect and scan a member's or users access device(s) including but not limited to computers, tablets and smartphones; and to report the credit union's findings of such investigation to all owners and/or users.

**Credit Reports, Membership-Account Eligibility, other Credit Union Services and Social-Media:** To verify your eligibility or continued eligibility for membership, any account(s), service(s), or loan products; increases or decreases in services and/or credit limits, now and in the future; or as needed to comply with any applicable law, regulation or governmental agency requirements including but not limited to escheatment/abandoned property, privacy, or other issues that may affect your rights, or pursuant to any reasonable actions we take to ensure our compliance with such laws, regulations or governmental agency requirements (all of which are deemed permissible purposes by you and us) you authorize us to make an inquiry to verify your information; to determine your employment history; and to obtain information concerning any accounts with other institutions and your credit history from time to time, including consumer credit reports. 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. We may also

report information concerning your account(s) and credit to others. You also understand that you may elect from time to time to use Credit Union or other parties' social media tools and sources; that there is no claim of privacy or privilege regarding information shared or discernible from such use or sharing; and the use of such information by us does not violate your privacy or other rights. If you have consented to communicating with us via social media, we may use any social media addresses you may establish from time to time.

#### **Privacy in Addition to the Credit Union's General Privacy Policy:**

**Privacy and Confidentiality:** Every person on the credit union's premises has the expectation and right that their private and confidential information will be protected and remain private and confidential. Thus, the credit union prohibits any photography, filming or recording of any type using any device that has or may have the potential to record by any means on any Credit Union premises, including at or near any ATM or other device which may display or allow determination of confidential information without the credit union's prior express permission. The credit union's general privacy policy is provided later in this Agreement or via a separate disclosure provided at account opening.

**Agreed Exception to Privacy Restrictions – Fraud or Financial Exploitation:** It is agreed that fraud and financial exploitation are serious matters that can expose both members and the credit union to risks and losses. This particularly affects the elderly but can harm anyone. To help combat suspected fraud and financial exploitation it is agreed that the credit union may report such suspicions to persons (including but not limited to family members) who we in good faith believe may be able to provide assistance and/or protections. The option to so report is completely voluntary and imposes no obligations on the credit union.

**Reassignment of Account Numbers, Access Devices and Related Matters:** If we suspect fraud, illegal or improper activity, or if we have any legitimate need to make changes pursuant to Credit Union policies or operational requirements; we may, at our discretion, transfer your existing account(s) to replacement account(s) with a new account number(s). We may also make this reassignment when your account is reported compromised by you. If we issue you a replacement account number, all terms of this agreement will continue to apply, without interruption, as if you retained the discontinued account number. We may also reissue new access devices, and require you change access via user names, passwords and other actions as deemed necessary to accomplish the purposes for any reassignment hereunder. You agree that this will not create a new customer relationship and our existing relationship will continue uninterrupted with this reassignment.

### **LIEN AND COLLATERAL RIGHTS OF THE CREDIT UNION**

As a member owned cooperative, we have the following Lien Rights as a matter of law and/or by agreement.

**Statutory and Consensual Liens on Shares:** By signing an Account Agreement or other agreement conveying a pledge or security interest in shares, or your use of any accounts or services, you have given the credit union a lien on any and all funds ("shares") in all joint and individual share accounts, together with all dividends, regardless of the source of the shares or any individual owner's contributions. This lien secures any account owner's joint and individual obligations to us now or in the future, whether direct, indirect, contingent, or secondary; and has priority over all other claims. You agree that this lien is created and/or impressed, as applicable, as of the first date that any applicable account is opened with us. This lien secures all debts you owe us, including but not limited to those arising pursuant to any loan agreements, or under this Agreement, or arising from any insufficient funds item; or fees; or costs; or expenses; or any combination or all of the above. You authorize us to apply shares to any obligations owed to us if you default or fail to pay or satisfy any obligation to us, without any notice to any account owner or other party. The credit union's rights are immediate and apply to all accounts.

**Right of Set-Off:** You agree that the credit union at all times retains the common law equitable right of set off against shares with regard to any debt or obligation owed to us individually or otherwise, which right may be exercised by us without legal process or notice to any account owner.

**Status Quo – Collateral Preservation:** You specifically agree that all shares on deposit constitute collateral for all obligations owed to the credit union. You agree that the credit union has the right to preserve this collateral, and may use appropriate administrative procedures (including but not limited to placing a temporary hold or "freeze" on such funds) to safeguard such funds if the credit union at any time has reason to believe such collateral may be impaired or at risk due to any default, bankruptcy, breach of any agreement or promise, or as otherwise provided for by our agreements or applicable law, without notice to any owner. In the case of any bankruptcy proceeding, the credit union has a right to preserve such collateral as set forth herein as cash collateral; and is not required to surrender or turnover such collateral absent the owner's filing any appropriate motions and the entry of an order either providing for adequate protection of the credit union's rights in such collateral, or modifying or terminating the automatic stay as to such collateral. You further agree that the credit union's exercise of this right to safeguard or "freeze" funds on deposit shall not constitute a violation of the automatic stay afforded by the Bankruptcy Code.

### **OPENING ACCOUNTS**

This section applies to consumer accounts only unless otherwise specifically noted.

**Forms of Account Ownership:** You can open an account that you own alone, or with more than one person. If the account is owned with more than one person, it's considered a joint account.

**For Joint Accounts:** Any individual you add as a joint owner will be joint on all share accounts at the time the membership was established as well as any future accounts you open under the membership. This will not apply to IRA or HSA Accounts.

We treat all owners, who are referred to in this Agreement as "co-owners," as joint tenants with right of survivorship (described below), unless:

- Applicable state laws expressly require other treatment, or
- We agree with you in writing that the account is owned in some other way.

Under Maryland law, a joint account includes a multiple-party account established under Section 1-204 of Maryland's Financial Institutions Article. Multiple-party accounts include joint accounts, payable-on-death accounts; and trust accounts. Unless contrary direction is given in this Agreement, and subject to the limitation herein, upon the death of a co-owner, the funds in a multiple-party account shall belong to the surviving co-owner or co-owners.

Notwithstanding any other provision of this Agreement, a surviving co-owner's interest is subject to our statutory lien rights and rights of "offset" or "set-off" for the deceased co-owner's obligations, any security interest or collateral granted by the deceased co-owner, even if the surviving co-owner did not consent to it.

Regardless of how your account is owned, we don't keep a separate record of each co-owner's interest in the account. We act on instructions from any co-owner (or a co-owner's authorized representative) without obtaining other co-owner's consent, including withdrawing or transferring funds, making payments, or closing the account. We may accept orders, instructions, and requests for future services from any owner, which shall be binding on all owners. Any account owner may withdraw funds, stop payment of Items/Transactions (regardless of who ordered the payment), transfer or pledge to us all or any part of the shares in any account, and block, terminate or discontinue or close any transaction or service without the consent of the other

owner(s) regardless of their contributions to the account, and whether any other co-owner is incapacitated or deceased, or whether the account includes a right of survivorship. We have no obligation to notify other owner(s) of any pledge or other actions, orders or instructions by any owner. Each owner is jointly and severally liable for all returned items, overdrafts or any other obligations owed to the credit union as a result of any Transaction(s) on a joint account, regardless of the drawer, user or authorized user who orders or causes said Transaction(s).

**Joint Tenants with Right of Survivorship:** Unless your membership agreement specifically indicates otherwise, you agree that it's your intention to create a joint tenancy with the right of survivorship (a form of ownership) in any multiple party account and if one or more of the multiple party owners dies, his or her interest in the account passes to the remaining owners; unless subject to our right of set-off or a pledge of the funds in the account(s), in which case all sums in the account(s) will belong to us regardless of contributions, up to the amount of the obligation(s) owed. We may not release any funds to a survivor until all required legal documents are delivered to us.

**Tenants-in-Common:** When you hold an account as tenants-in-common and one owner dies, the account is payable in whole or in part to any surviving co-owner or the deceased owner's authorized representative, heirs, or successors. This is subject to our rights under this Agreement including but not limited to our lien on shares, and cross-collateralization of specific member pledges of shares.

**Joint Owners and Responsibility for Your Liabilities on Your Account:** Each joint owner is individually and jointly responsible for any overdraft on your account, regardless of who caused or benefited from the overdraft. If there's a set-off, an enforcement of our lien or security interests in your account, or legal action (such as a third-party garnishment, seizure, forfeiture, or tax levy) affecting any co-owner, we may treat all funds in the account as belonging to the owner against whom the set-off, enforcement of the security interest, or other legal action is directed. If your account is closed for unsatisfactory handling, we may report all joint owners to the consumer reporting agencies.

**Payable on Death (POD) Account:** Payable on Death ("POD") accounts are governed by your agreements with the credit union and applicable state law. A POD account instructs us that the designated account is payable to the owner(s) during their lifetimes, and upon death of the last account owner, is payable to the beneficiary(ies) designated by your Membership agreement and pursuant to applicable laws; unless subject to our right of set-off or a pledge of the funds in the account(s), in which case all sums in the account(s) will belong to us up to the amount of the obligation(s) owed. Either owner, during their lifetime, may change any designated beneficiary by written direction to us. If any beneficiary is not of legal age at the time the account(s) are to be paid to beneficiaries hereunder, then we will make a check payable to the named beneficiary and deliver it to the person who presents themselves to be the parent or legal guardian of such beneficiary or as otherwise allowed by applicable law; and upon such payment you agree that we are released from any and all claims and obligations and shall be indemnified per the provisions of this Agreement. Payable on Death accounts are "without rights of survivorship;" meaning that if all named POD beneficiaries pre-decease the owner(s) the applicable funds shall be paid to the estate of the last surviving owner. It is further agreed that upon the vesting of any interest in any rights of a POD beneficiary all sums payable shall be subject to any right of set-off between us and the POD beneficiary.

**Custodial Accounts:** All grantors, custodians and beneficiaries agree to the terms of this paragraph. If you have signed an account as custodian for a beneficiary under an applicable Uniform Gift to Minors Act ("UGMA") and/or Uniform Transfers to Minors Act ("UTMA"), your rights and duties are governed by that Act. However, since the 50-states provide varying ages for distribution to the beneficiary; and the grantor, the custodian and/or the beneficiary may move; and you wish to direct when distribution may be made, you have instructed and agreed that when the beneficiary reaches the age of majority in the State where this account is held, the funds in any UGMA/UTMA may be paid or withdrawn by the beneficiary without notice or further action by us as this is the intent of the party establishing this account.

**Minors Accounts:** We may require that any account with a minor include a joint owner who is legally able to enter into binding contractual agreements. We may make payments of 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 right to access the account other than in a custodial capacity. We have no duty to inquire about the use or purpose of any transaction by the minor, parent or guardian, or any account owner. All owners agree that we will automatically change the minor account status to a general membership when the minor reaches the age of majority. All standard account products and services or the continuation of products and services will be available based on eligibility. If a required joint owner is removed from the account by death or otherwise, we have the right to suspend all account activity until a new joint owner is placed on the account who is a recognized legal guardian; or pursuant to any cognizable court order.

**Representative Payee Accounts:** The representative payee/fiduciary ("fiduciary") agrees to be bound by the terms of the Account Agreements and to furnish us, upon request, a copy of the written SSA, VA or other authorization designating the fiduciary and such other documents and authorizations as we may deem necessary or appropriate. In opening a fiduciary account, the credit union acts only as a depository for the Beneficiary's funds, and is under no obligation to act as a fiduciary or to inquire as to the powers or duties of the appointed fiduciary. The fiduciary agrees that he or she are liable to us for any and all obligations incurred by any actions dealing with the account and agree to indemnify and hold the credit union harmless from and against any and all loss, costs, damage, liability, or exposure, including reasonable attorney's fees, we may suffer or incur arising out of or related to any action or claim by any party with respect to the authority or actions taken by the fiduciary.

**Club Accounts:** The credit union offers Christmas/Holiday Club account(s) to help you save for Christmas, vacations or other purposes. At the end of the club account period, you authorize the credit union to pay the balance into your account by depositing the balance into your Share Savings account. This payment is deemed a pre-authorized transfer. You may not make any withdrawals or transfers to another credit union account of yours or to a third-party by means of a preauthorized, automatic, or computer transfer or telephonic order or instruction, or similar order to a third-party. If any withdrawal is made prior to the automatic balance transfer of October 1, then this account may be closed.

**Transfer of Account Ownership:** Account ownership may be transferred only under exceptional circumstances, subject to prior written consent from all parties involved. If you want to transfer account ownership to another person, we must consent and note it in our records before the transfer is valid and binding on us. Any such transfer must comply with applicable laws and regulations; however, we're not responsible for determining whether such transfer is legally valid. Assignment of your account is subject to our lien, pledger and setoff addressed in this Agreement or other agreements with us. This Agreement is binding on your personal representatives, executors, administrators, and successors, as well as our successors and assigns.

**Unsigned Account Documentation: Applies to Both Consumer and Business Accounts:** If a person or entity identified in our records as an owner or a co-owner of an account does not sign any account-related documentation (including the account agreement), whether due to oversight, technological errors, or any other reason, we still may treat them as an owner or a co-owner of that account, in our sole discretion; and we're not liable to anyone as a result.

**Death or Legal Incompetence of an Authorized Signer or Account Owner:** Please notify us promptly if you learn or suspect an account owner or signer has been declared incompetent by a court or other legal authority, or has died. When we receive proper notice, we may:

- Freeze the account until we receive documents verifying the incapacity or death and instructions regarding the funds remaining in the account,
- Pay (without inquiring) any item authorized by the account owner before being declared legally incompetent or deceased,
- Return or reverse deposits, and

- In the event that death or incompetence constitutes an act of default under an instrument and/or this Agreement, apply funds in the account to any debt the account owner owes us before recognizing the rights of a surviving joint owner or other person to any remaining funds.

If we release funds after the account owner's death and have to pay tax or reclamation claims to a government agency as a result, the account owner's estate is responsible for reimbursing us.

**Consumers and Sole Proprietors Only:** If an account owner dies or is declared legally incompetent, we may comply with court orders and legal documents, and take direction from affiants, court-appointed representatives, guardians, or conservators from your state of residence, even if different than where the account was opened except as otherwise required by applicable law or court order. We may require additional documentation be provided to us before complying with the directives. We may require U.S. court documents for customers residing outside of the U.S. at the time of incompetence or death.

**For Business Account Owners:** Businesses must provide us documentation of any change in ownership or control of a business upon the death or legal incompetence of a business owner. Businesses must also provide us any documentation we require to document a change in authorized users before we are obligated to recognize any such changes.

## DEPOSITING FUNDS

There are many ways for you to deposit funds into your account: at branches, ATMs, ITMs, ACH, wire, via mail, and through the credit union Mobile app. You should be aware of your responsibilities when you make deposits. We exercise ordinary care when collecting a deposited item but are not responsible for any other financial institution's treatment or loss of the item. If a deposited item is lost or destroyed during processing or collection, you agree to provide all reasonable assistance to help us reconstruct the item.

**Deposit Accuracy:** *It's your responsibility, not ours, to confirm the accuracy of the amount you deposit.* If we determine a discrepancy exists between the declared and the actual amount, we may debit or credit your account and we may notify you if any adjustments are made. We can also use the declared amount as the correct amount to be deposited and not adjust a discrepancy if it's less than our standard adjustment amount. We may vary our standard adjustment amount from time to time without notice and use different amounts depending on account type. In handling deposits to your account, we act only as your agent for collection and assume no responsibility beyond the exercise of ordinary care.

**Notify Us of a Discrepancy.** You must notify us within the applicable timeframe below or we may consider the deposit correct.

<b>Consumer Accounts</b>	within 60 days after we have made your account statement available to you
<b>Business Accounts</b>	within 30 days after we have made your account statement available to you

**If You Fail to Notify Us in a Timely Manner:** If the actual deposit is less than the amount on the statement, the difference is your property; if the actual deposit is more, the difference is the credit union's property.

**Verifying Transactions:** We don't verify all transactions but have the right to verify any, including those for which we have provided a receipt. We may reverse or adjust, at any time without prior notice to you, any debit or credit we believe we have made to your account by mistake or any other reason including where we believe fraud or any impropriety may be involved in the transaction.

**Sending an Item for Collection:** We may, upon notice to you, send an item for collection instead of treating it as a deposit. This means we send it to the issuer's financial institution for payment, and your account won't be credited for the item until we receive payment. Our availability of funds policy does not apply to an item we accept for collection.

**Our Right to Decline Deposits:** We may decline all or part of a deposit, including cash. This could happen if a payee isn't a co-owner, authorized signer, or authorized representative on your account, we can't verify an endorsement, the check was issued from a credit account, the check looks suspicious, or it's a non-U.S. item. If we decline a deposit that you mailed to us, we may return it to you at your cost (including charging you for postage and handling to return foreign currency coin or paper), or retain any invalid checks or other documents included in the deposit without crediting your account, at our discretion.

If we cannot verify an endorsement, we can also decline to pay, cash, or send the item for collection. We can require that all endorsers be present and that you deposit the item instead of cashing it.

We may refuse a cash deposit that is being made into an account by someone other than the account owner and/or request a valid form of identification for non-account owners who wish to deposit cash into member accounts. For business accounts, any person wanting to make a cash deposit must provide an acceptable form of identification before we accept a cash deposit.

**Requirements for Correct Endorsement:** An endorsement is a signature, stamp, or other mark on the back of a check to transfer, restrict payment, or make the signer responsible for the check. If you have not endorsed a check that you deposited to your account, we may endorse it for you. Any endorsement must be in the 1-1/2-inch area that starts on the top of the back of the check. Do not sign or write anywhere else on the back of the check. If an item is submitted via Remote Deposit Capture or Mobile Deposit Capture you agree that you will use the Mobile Deposit service to scan only original checks payable to and properly endorsed by you by signing your name(s) and writing "FOR REMOTE DEPOSIT ONLY – First Peoples CFCU / DATE /Account Number".

**Multiple Payees:** Unless any check, share draft or other instrument expressly indicates that the item is payable to conjunctive payees, the instrument shall be deemed payable in the alternative. If there is any ambiguity, the instrument requires endorsement from all payees.

**Restrictions on Checks are Not Binding:** We are not obligated to follow restrictions or notations written on a check such as, "void after six months," "void over \$50," or "payment in full." You're responsible for any resulting loss or expense we incur.

**Substitute Checks:** A substitute check is created from an original check; under federal law, it's legally equivalent to the original check and can even be used as proof of payment. A substitute check contains an accurate copy of the front and back of the original and bears the legend: "This is a legal copy of your check. You can use it the same way you would use an original check." Any check may be returned to you in the form of a substitute check. You agree that you won't transfer a substitute check to us, by deposit or otherwise, if we would be the first financial institution to take the substitute check, unless we have expressly agreed in writing to take it.

**Items Returned Unpaid:** If an item you deposited or cashed is returned to us unpaid, **we can deduct the amount from any account you have with us.** We can do this when we're notified that the item will be returned and don't need to receive the actual item. We can do this even if the balance in your account isn't sufficient to cover the amount we hold or deduct, causing an overdraft. In addition, we'll charge you all applicable fees and reverse all interest accrued on the item.

We may place a hold on or charge your account for a deposit if a claim is made or we otherwise have reason to believe the deposited item was altered, forged, unauthorized, missing a signature or has a forged endorsement, or should not have been paid for any other reason. When the claim is finally resolved, we'll either release the hold or deduct the amount of the item from your account. We're not responsible if we take, or fail to take, any action to recover payment of a returned deposited item.

**Breach of a Warranty Associated with an Item:** If you breach any warranty you make to us under the laws governing your account with respect to any item, you won't be released or discharged from any liability for the breach so long as we notify you of the breach within 120-days after we learn of the breach. If we fail to notify you within this 120-day period, you'll be released from liability and discharged only to the extent our failure to notify you within this time period caused a loss to you.

**Reversal of an Electronic Payment:** If an electronic payment credited to your account, such as a direct deposit, is reversed, **we can deduct the amount from any account you have with us**, at any time, without notifying you. You agree to promptly repay any resulting overdrafts.

**Deposit by Mail:** You can make deposits to your account(s) by mail, although we cannot accept cash or foreign checks. Write on the back of the check "for deposit only First Peoples Community Federal Credit Union" and include the account number to which the check should be deposited, and mail to: P.O. Box 5524, Cumberland, MD 21505-5524.

**Direct Deposits:** You must notify us 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.

**Direct Deposit or Transfer Authorization/Bankruptcy.** If you file bankruptcy and fail to cancel any instructions in your direct deposit or transfer authorization, then you hereby instruct your employer and us to continue to make and apply deposits, make loan payments in order to avoid delinquency and other transfers in accordance with your authorization, until written notification is received by us to discontinue any payments or transfers.

## FUNDS AVAILABILITY POLICY

Please read all provisions carefully in order to fully understand when funds may be available from certain deposits.

**Important Note:** The amounts stated below are adjusted pursuant to applicable federal laws every five years. The amounts that can adjust are (1) the amounts that must be made available to you immediately; (2) the amounts we must make available to you immediately if we choose to delay availability for an extra day; and (3) the amounts of large deposits and the amounts subject to the special rules for new accounts as addressed below. **To determine the actual amount in effect at any specific time, please refer to the Rate and Fee Schedule.**

This disclosure describes your ability to withdraw funds at the credit union. It only applies to the availability of funds in transaction accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Checking accounts are the most common transaction accounts. We reserve the right to delay the availability of funds deposited to accounts for transactions that appear to be suspicious or 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.

**Your Ability to Withdraw Funds:** Our policy is to make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Incoming wire transfers, electronic direct deposits, cash deposited at a First Peoples ATM or ITM, and the first \$225 of a day's check deposits at a teller window, at a Credit Union ATM or ITM will be available on the day we receive the deposits. The first \$2,000 of a day's check deposits via the credit union's Mobile Banking app will be available the day we receive the deposits. Certain electronic credit transfers, such as those through card networks or funds transfer systems, will be available on the day we receive the transfer. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before closing time at any credit union office 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 time for any credit union office or on a day, we are not open, we will consider that the deposit was made on the next business day that we are open.

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

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time of your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the day after we receive your deposit.

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

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 redeposit a check that has been returned unpaid
- You have overdrawn your account repeatedly in the last six months
- There is an emergency, such as failure of computer or communications equipment
- New accounts

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

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

Funds from electronic deposit to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, tellers, travelers, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess

over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

**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 cash would have been available if you had deposited it.

If we accept a check for deposit that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available until the time periods that are described herein.

**Foreign Checks:** Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed. Foreign checks with no routing numbers and payable in foreign currency are not accepted for deposit. Only foreign checks payable through a U.S. financial institution with routing numbers and payable in U.S. dollars may be deposited and will be available subject to the schedule described in this section

**Special Rules for Time Period Adjustment for Withdrawals by Cash or Similar Means:** The credit union reserves the right to extend by one business day the time that funds deposited will be available for withdrawal by cash or similar means. However, an additional \$450.00 or such greater amount as required by annual adjustments to Regulation CC will be available for withdrawal by cash or similar means on the date funds are otherwise available for withdrawal under this policy.

## AVAILABLE BALANCE, POSTING TRANSACTIONS, and OVERDRAFT

**Actual Balances and Available Balances:** Your account's available balance is our most current record of the amount of money in your account available for your use or withdrawal. We use the available balance to authorize your transactions during the day (for example, debit card purchases and ATM withdrawals). We also use the available balance to pay your transactions during our nightly processing. Your available balance is calculated as follows:

Ending Daily Balance	Ending daily balance from prior business day's nightly processing
- Holds	Subtract funds that have been placed on hold
+ Deposits	Add pending deposits that are immediately available (see "Availability of Funds Policy" in previous section)
- Withdrawals	Subtract pending withdrawals that we have either authorized or we know about but have not yet processed

The available balance may not include every transaction you have initiated or that we previously authorized. For example, your available balance may not include the following:

- Outstanding checks and authorized withdrawals we have not received for payment (such as recurring debit card transactions and ACH transactions);
- The final amount of a debit card purchase. For example, we may authorize a purchase amount prior to a tip that you add;
- Debit card transactions that have been previously authorized but not sent to us for payment. In most cases, a transaction authorization hold must be released after three business days even though the transaction may be sent to us for payment from your account at a later date, which we must honor. The authorization hold may be up to 30 business days for certain transactions, including car rental, cash, and international transactions.

**How We Process and Post Transactions to Your Account:** We process transactions various times throughout each business day (not Saturdays, Sundays, or federal holidays) during a late-night process that includes three key steps. We call this nightly processing. Once the transactions are processed, the results are posted to your account.

**Step 1:** We calculate the available balance in your account that can be used to pay your transactions as described above. Certain pending transactions can impact your available balance for purposes of determining whether we will pay other transactions, including:

- Cash deposits or transfers from another Credit Union account made AFTER the applicable cutoff time will be added to your available balance only if they are made before we start our nightly processing; and
- Pending withdrawals that reduce your available balance, such as debit card transactions we have authorized.

**Step 2:** We sort your transactions into categories.

+ We credit deposits received before the cutoff time.

- We subtract withdrawals and payments we have previously authorized that we cannot return unpaid such as debit card purchases, ATM withdrawals, account transfers, Bill Pay transactions, and teller-cashed checks. Transactions are generally sorted by date and time the transaction was conducted or, for some transactions, the day we receive it for payment or the time assigned by our system. If date and time are the same, we post from lowest to highest dollar amount.
- We pay your checks and preauthorized automatic ACH payments such as recurring bills you have authorized a company to withdraw. Transactions are sorted by date and time received by the credit union, and if date and time are the same, we post from lowest to highest dollar amount.

Determining Date and Time

- Cutoff time is based on the location where the deposit or transfer was made.
- If a merchant does not seek authorization at the time of a debit card transaction or we receive it for payment more than 10 business days later, we'll use the date the transaction is received for payment.
- For some transactions, such as Bill Pay or teller-cashed checks, a different time may be assigned by our systems.

**Step 3:** If the available balance is not enough to pay all of your transactions, we:

- Use Overdraft Protection (if you have it) by transferring and/or advancing available funds from a credit account. An overdraft protection transfer/advance fee will be charged as applicable.
- Then, decide whether to pay your transactions presented to us for payment into overdraft, or return them unpaid. Paying an item into overdraft means that we pay an item even though your available balance is not sufficient to cover that item, resulting in your account having a negative balance. At our discretion, we may pay a check or automatic bill payment into overdraft, rather than return it unpaid. This is our standard overdraft coverage (see more information below). Debit card transactions presented to us for payment (whether previously authorized by us or not) will be paid into overdraft and won't be returned unpaid, even if you don't have sufficient funds in your account. Any applicable overdraft or returned item fees are deducted from your account the morning of the next business day.

Pending transactions can result in overdrafts. If your available balance during the nightly processing is insufficient, the credit union may assess overdraft and/or non-sufficient funds (NSF) fees on transaction(s) we pay or return. Even if a pending transaction has been dropped from your account, we must pay it when we receive it for payment. Sometimes, previously authorized transactions are sent to us for payment. In those cases, you may be charged an overdraft fee if the transaction is paid into overdraft.

Merchant Authorization Holds may affect your Available Balance. See "Authorization holds for card transactions" and "Partial authorization for card transactions" below in the Debit Cards Section.

**Standard Overdraft Coverage:** All eligible checking accounts come with standard overdraft coverage. Under standard overdraft coverage:

- We may authorize checks, other transactions using your checking account number, and automatic bill payments (such as recurring debit card and ACH transactions) into overdraft and charge a fee.
- We will not authorize ATM and everyday (one-time) debit card transactions into overdraft, unless your account is enrolled in Debit Card Overdraft Service as described below.

Whether we pay transactions into overdraft is at our discretion and we reserve the right not to pay into overdraft. The fact that we may honor withdrawal requests that overdraw the account balance does not obligate us to do so later. You can NOT rely on us to pay overdrafts on your account regardless of how frequently and under what circumstances we have paid overdrafts on your account in the past.

You can remove standard overdraft coverage from your account at any time. If you remove it, the following will happen if you don't have enough money in your checking account or in accounts linked for Overdraft Protection to cover a transaction when it is presented to us for payment or authorization:

- We will return your checks and other returnable items, such as ACH payments, as unpaid and charge a returned item fee (non-sufficient funds/NSF).
- We will not authorize certain transactions such as cashed checks, recurring debit card transactions, or Bill Pay transactions into overdraft. Important: If these transactions are authorized when your account has enough money but are later presented for payment when your account does not have enough money, we'll pay the transaction into overdraft and charge an overdraft fee.
- We will not authorize ATM and everyday (one-time) debit card transactions (such as one-time debit card purchases) into overdraft. If you opted-in to have the credit union authorize and pay overdrafts on everyday debit/check card transactions (one-time, point of sale transactions) the service will also be removed.

You understand that the classification of a debit card transaction (except ATM transactions) as recurring or non-recurring (i.e., one-time) is determined by merchants, other institutions, or other third parties before the transaction is presented to us for authorization or payment. We will treat and process such debit card transactions in the manner they are presented to us, which may result in a one-time debit card transaction presented as recurring preauthorized transactions and vice versa.

**Debit Card Overdraft Service:** Your enrollment preference for Debit Card Overdraft Service determines how the credit union handles your ATM and everyday (one-time) debit card transactions on eligible accounts. You can add or remove the service on eligible accounts at any time. It's important to understand that this service is unique from other optional services that may be less costly for you, such as our optional Overdraft Protection plan described in the next section.

When you don't have enough money in your checking account or accounts you have linked for Overdraft Protection at the time of an ATM or everyday (one-time) debit card transaction:

- If you're enrolled in Debit Card Overdraft Service, the transaction may be authorized into overdraft at the credit union's discretion but an overdraft fee applies. If you cover the shortage by on the same business day as the transaction, no overdraft fee is assessed.
- If you aren't enrolled in Debit Card Overdraft Service, the transaction will be declined and no fees apply. If a previously authorized transaction creates a negative balance when it posts, you won't be assessed an overdraft fee.
- For enrolled accounts in good standing the maximum amount an account can be overdrawn is \$1,500 (including fees). This limit is assessed daily and can change. After this limit is reached any further transactions will be declined.

Debit Card Overdraft Service does not apply to checks and other recurring transactions.

With or without Debit Card Overdraft Service, the credit union may continue to pay these other transaction types into overdraft, at our discretion, and our standard overdraft fees and policies will apply.

Debit Card Overdraft Service isn't available for certain accounts. Debit Card Overdraft Service is a discretionary service that may be removed by the credit union for a variety of reasons including excessive overdrafts or returned items.

**Overdraft Protection:** This is an optional service you can add to your checking account by linking up to an eligible Credit Union account to authorize or pay your transactions if you don't have enough money in your checking account. Overdraft Protection transfers/advances may occur to cover pending transactions, even if these transactions are not subsequently presented for payment. You can avoid the Overdraft Protection transfer/advance fee by making a covering deposit or transfer before the cut-off time to cover the amount of the transaction on the same business day. A single Overdraft Protection transfer or advance fee will be charged any day a transfer/advance is made regardless of the number of transactions covered or whether funds are transferred/advanced from multiple accounts. Overdraft Protection isn't available for all accounts. Refer to the Truth in Savings Act Rate and Fee Schedule (Share and Checking Accounts) to determine account eligibility.

## DEBIT CARDS

We offer a number of account services at a variety of locations that involve using a card. Some services may not be available at all locations. When you get a debit card from us, you may receive, and be required to agree to, additional terms and conditions applicable to the card. In the event of a conflict between the terms and conditions and this Agreement, the terms and conditions will control. Additional disclosures applicable to these services are provided in the Truth in Savings Act Rate and Fee Schedule (Share and Checking Accounts), as applicable.

**Issuance of a Card and Personal Identification Number (PIN):** We may issue a card to each account owner to access your accounts. You will create and set your own PIN during the activation process over the phone. If you don't request a card but would like a PIN for authentication purposes, we can provide a PIN for only that purpose (a "cardless PIN"). A cardless PIN cannot be used for purchases or ATM access (see "Telephone banking services" section for more details).

You should securely protect your card and PIN from loss or theft. Each cardholder must have his or her own unique PIN and is responsible for keeping the PIN confidential. If the card or PIN is given to another person, the account owner will, to the extent allowed by applicable law, be responsible for all transactions made by that person or anyone else to whom that person gives the card or PIN.

**Using Your Debit Card:** There are many ways to use your debit card—using the physical cards or via mobile devices. See the following descriptions.

You can use your debit card:

- At merchants who accept payments through a network in which we participate
- To request cash back when making a physical card purchase with your PIN at merchants who offer this service
- To choose whether and how you receive a receipt when you use your card at a merchant terminal
- Pay for purchases, or pay bills directly with your card, or through a mobile device at participating merchants (see “Using your card through a mobile device” for more details)
- View account balances, withdraw cash, and transfer funds between your accounts (fees may apply on any of these actions at a non-Credit Union ATM) \*

At Credit Union ATMs ONLY you can:

- Make deposits to your account\*\*
- Transfer funds from your eligible Credit Union credit accounts to your checking or savings accounts+

In addition, with your debit card, you can also use your mobile device at Credit Union ATMs.

\* Non-Credit Union ATMs are part of ATM networks owned or operated by other financial institutions. You can use your card at non-Credit Union ATMs that display the Plus® logo to withdraw cash, check balances, and transfer funds between the accounts linked to your card as primary checking and primary savings. Note: 1) Some Non-Credit Union ATMs may not give you the option of choosing which account to access or may only let you access one of these two accounts. 2) Some transactions may not be available at all ATMs, may be different from those available at Credit Union ATMs, or may be limited to any withdrawal limit(s) set by the non-Credit Union ATM.

\*\* A business debit card can be issued to an authorized signer on business accounts, can only be used to make ATM deposits, and can only be linked to deposit accounts. The card PIN cannot be used for authentication for phone or online access.

+ Cash advance and ATM advance fees may apply. Refer to the applicable credit card account agreement or line of credit account agreement for more details.

**Visa Original Credit Transactions (OCT):** You can receive transfers through card networks or funds transfer systems with your debit card. The following limitations apply to Visa Original Credit Transactions (“OCT”) money transfers to your debit card:

#### **Rolling 24 Hours**

20 transactions or \$2,500

**ATM and Merchant Terminal Malfunctions:** Generally, we’re not responsible for damages resulting from an ATM or merchant terminal malfunction. However, for applicable accounts, see “In case of errors or questions about your electronic fund transfers” in the “Electronic Fund Transfer Disclosures” section of this Agreement.

**Fees for Use of Card:** We charge a fee for each non-Credit Union ATM transaction. In addition, the non-Credit Union ATM owner/operator may charge a fee and set their own withdrawal limits. We may waive our fee and/ or reimburse the non-Credit Union ATM owner/operator fee, in whole or in part, if allowed by the terms of your account. Even if reimbursed, the non-Credit Union ATM owner/operator fee is included in the total transaction amount that is withdrawn from your account and will apply to your card’s daily ATM withdrawal limit.

Transactions will also be limited to any withdrawal limits set by the non-Credit Union ATM. We’ll charge a fee if you make a teller-assisted cash disbursement at a non-Credit Union that accepts Visa-branded cards. Some merchants may assess a fee when you use your card for a purchase or for cash back. The merchant fee will be included in the total purchase amount.

**Daily ATM and Purchase Limits:** Unless otherwise specified, a “day” is defined as the 24-hour period from 3pm to 3pm, Eastern Time. Transactions made in other time zones will be based on when received in Eastern Time. You may use your card subject to your daily purchase limit, daily ATM withdrawal, and the available balance in your account. The following rules apply:

Limits on dollar amounts:

Your card’s daily purchase limit is the maximum U.S. dollar amount of purchases (including cash back, if any) that can be authorized each day from your primary linked account, less merchant fees, if any. Note: If you use your card or card number to fund a digital wallet, brokerage, or other type of account, these Account Funding Transactions (AFTs) will count against your card’s daily purchase limit. AFTs may also be limited by the applicable card network. Your daily purchase limit is \$2,500, or a maximum of 20 transactions. However, the total value of all transactions combined cannot exceed \$2,500.

Your card’s daily ATM withdrawal limit is the maximum amount of cash you can withdraw each day from any combination of accessible accounts using your card, less any non-Credit Union ATM owner/operator fees, if applicable. When you use a Credit Union ATM in Assisted-Service mode, your card’s daily ATM withdrawal limit may not apply. Your daily ATM withdrawal limit is \$509, or a maximum of 20 transactions. However, the total value of all transactions combined cannot exceed \$509.

**Other Fees and Limits:** Please refer to your Rate and Fee Schedule for all Fees and Limits.

**When We Approve a Transaction or Purchase, We Call that an Authorization:** We may limit the number of authorizations we allow during a period of time (for example, if we notice out-of-pattern use of your card, or suspected fraudulent or unlawful activity). For security reasons, we cannot explain the details of the authorization system. If we don’t authorize the payment, we may notify the person who attempted the payment that it has been refused. We won’t be responsible for failing to give an authorization. In our discretion, we may allow or deny transactions or authorizations from merchants who are apparently engaged in or who are identified as engaged in the internet gambling business.

Changes to your card limits: We may, without telling you, increase your daily purchase or ATM withdrawal limit based on account history, activity, and other factors. If we decrease the limits of your card, we’ll notify you in accordance with applicable law.

**Using Your Card Through a Mobile Device:** A smartphone, tablet, or any other hand-held or wearable communication device that allows you to electronically store or electronically present your debit card or debit card number (digital card number) to make debit card transactions.

When you use your debit card with your mobile device for transactions:

- Availability may be affected by your mobile carrier's coverage area, and your mobile carrier may charge you message and data rates, or other fees.
- Your debit card information is sent across wireless and computer networks.
- Information about your mobile device may be transmitted to us.
- You should secure the mobile device the same as you would cash, credit cards, and other valuable information. Password protect and lock it to help prevent unauthorized transactions and notify us promptly if it's lost or stolen.
- When you make a purchase or payment using your mobile device, the merchant won't provide an option for cash back.
- A physical card may be required for access to Credit Union ATMs within secure locations.
- We may automatically provide digital wallet operators with updated Digital Card Number information, such as when your Card is replaced or reissued.

Third parties, such as merchants, card association networks, mobile carriers, digital wallet operators, mobile device manufacturers, and software application providers may 1) use and receive your digital card number, and 2) receive information about your mobile device. If you have enrolled in Overdraft Protection and/or Debit Card Overdraft Service, those terms will apply to debit card transactions made through a mobile device.

We may, at any time, partially or fully restrict your ability to make debit card transactions through a mobile device. Contact us if you want to remove your digital card number from your mobile device.

**Card on File with Merchants:** If you give your debit card number to a merchant with authorization to bill that card for recurring payments, or to keep it on file for future purchases or payments, the merchant may receive updated card information to process such payments. However, since not all merchants receive updated card information, we recommend you notify each merchant of your new debit card number and/or expiration date to ensure your payments continue uninterrupted. If you have a card on file with a merchant and want to cancel the payment arrangement, be sure to cancel it directly with the merchant.

**Authorization Holds for Card Transactions:** For all card purchase transactions, we may place a temporary hold on some or all of the funds in the account linked to your card when we obtain an authorization request. We refer to this temporary hold as an authorization hold. The funds subject to the hold will be subtracted from your available balance. We generally release the hold within 3 business days, but it can be up to 30 business days for certain types of debit card transactions, such as international car rental and hotel, from the time of authorization or until the transaction is paid from your account.

If the merchant does not submit the transaction for payment within the time allowed, we'll release the authorization hold. This means your available balance will increase until the transaction is submitted for payment by the merchant and posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account. In some situations, the amount of the hold may differ from the actual transaction amount since the merchant may not know the total amount you'll spend. For example: A restaurant submits the authorization request for your meal before you add a tip.

You might end up overdrawing your account even though the available balance appears to show there are sufficient funds to cover your transaction. For example: A merchant does not submit a one-time debit card transaction for payment within three business days of authorization (or up to 30 business days); we must release the authorization hold even though we'll have to honor the transaction. When we receive it for payment, it's paid from the funds in the account and at that time it causes an overdraft.

You should record and track all of your transactions closely to confirm your available balance accurately reflects how you spend funds from the account linked to your card.

**Partial Authorization for Card Transactions:** If a debit card purchase amount exceeds the current available balance in the primary linked account when you're making a purchase, you may be able to use your available balance to pay for a portion of the total purchase. We'll first try to approve the full amount of the purchase with the available funds in your checking account, account(s) linked for Overdraft Protection, and, if enrolled, using Overdraft Protection. If we don't approve the full amount of the purchase, we may approve a portion of the purchase using the remaining available funds in your checking account. This is called a partial authorization. If the transaction is approved for partial authorization, the approved amount is sent back to the merchant. The approved amount can be determined by daily limits or account balance. It is then up to the merchant, terminal, or cashier how to proceed (i.e., accept a second form of payment to complete purchase or decline the transaction). If approved, the remaining amount of the purchase total would need to be covered by another form of payment, such as cash or another card. If you're unable/unwilling to provide an additional form of payment, and the transaction does not occur, the partial authorization will be reversed by the merchant. Not all merchants are able to accept partial authorizations or process transactions using multiple forms of payment.

**Transactions Outside the United States:** If a card is used to make an ATM withdrawal or a purchase outside the United States, the exchange rate is determined by Visa. The exchange rate is based on the wholesale market rate or a government-mandated rate from the day before the transaction is processed. For each purchase transaction completed outside the United States, we may also charge an international service assessment (ISA) fee, which we base on the amount provided to us by Visa in U.S. dollars.

**Ending Your Card Use:** *Your card is our property.* We may cancel your card or card banking access at any time without notice to you. You may cancel your card or card banking access at any time by writing to us at the address provided in your account statement, calling the number on the back of your card, or visiting your nearest branch. If the account is closed or the card is cancelled, you will immediately destroy the card(s) and, upon request, tell us in writing that the card(s) has been destroyed. If requested, you must immediately return the card(s) to us. If your card or card banking access is cancelled, you must pay for any card transactions made before the card is cancelled.

**Zero Liability Protection:** With Zero Liability protection, you'll have no liability for any card transactions that you did not make or authorize, so long as those transactions occurred before the end of the 60-day period described below.

If your account statement shows card transactions that you did not make or authorize, tell us at once. If you don't notify us within 60 days after the statement was mailed or was otherwise made available to you, you'll be liable for any additional unauthorized card transactions that occurred after the 60-day period and before you provided notice to us (if we could have stopped those card transactions had you promptly notified us). This will apply even to unauthorized card transactions that occur shortly before you notify us. If a good reason (such as a long trip or hospital stay) kept you from telling us, we'll extend the time period.

For card transactions from consumer accounts: Your card comes with Credit Union's Zero Liability protection, which provides you with more coverage than what Regulation E requires for cards accessing consumer accounts (see "Liability for unauthorized transactions according to Regulation E" in the "Electronic Fund Transfer Disclosures" section of this Agreement).

For card transactions from business accounts: Your card comes with Credit Union's Zero Liability protection, but has no consumer protections under Regulation E or the Electronic Funds Transfer Act as discussed in this Agreement.

### Card and ATM Safety Tips:

#### Card safety

- Always protect your card and keep it in a safe place, just like you would cash, credit cards, or checks.
- Create a PIN that does not include any number or word that appears in your wallet (such as birth date, name, or address). Note: Most ATMs outside of the U.S require a four-digit numeric PIN.
- Memorize your PIN, never tell it to anyone, and never write it down.
- Change your PIN every six months. If you have forgotten your PIN or want a new one, visit your nearest Credit Union location.
- Shop with merchants you know and trust.
- Look at your account statements when you receive them to be sure you made the transactions listed. Contact us immediately if you identify anything suspicious.
- Make sure your internet transactions are secure. Look for secure transaction symbols.
- Log off from any site after you make a purchase. If you cannot log off, shut down your browser to keep someone from accessing your information.
- Avoid sending your card number through email because it isn't secure, and don't give the number over the phone unless you made the call.
- If your card is ever lost or stolen, immediately notify us at the number or P.O. Box listed in the "Questions? We're here for you" section at the beginning of this Agreement.
- Destroy your old card if you receive a replacement.
- Before using an attended or unattended merchant terminal, look at it for possible tampering or for the presence of any unauthorized attachment that could capture your card information or PIN.

You can change your PIN either through digital banking or by calling the phone number listed on the back of your card.

#### ATM safety

- Be aware of your surroundings and be cautious when you withdraw money.
- Watch for suspicious persons or activity around the ATM. If you notice anything out of the ordinary, come back later or use an ATM elsewhere. If you see someone suspicious or unusual circumstances, don't use the ATM at that time. If you're in the middle of a transaction, cancel the transaction, take your card and leave the area and come back at another time or use an ATM at another location.
- Before using the ATM, look at it for possible tampering or for presence of any unauthorized attachment that could capture your card information or PIN.
- Report all crimes immediately to the operator of the ATM or local law enforcement.
- Consider having someone accompany you when using an ATM after dark.
- Be sure no one sees you enter your PIN.
- Avoid showing your cash. Put it away as soon as your transaction is completed. Wait to count your cash until you're in the safety of a locked enclosure, such as a car or home.
- Keep safe or securely get rid of your ATM receipts.
- Keep your engine running when you use a drive-up ATM. Keep your doors locked and your passenger window up.

## FUNDS TRANSFER SERVICES

The following provisions are in addition to, and not in place of, any other agreements you have with us regarding funds transfers to and from your account. The terms "funds transfer," "funds transfer system," "payment order," and "beneficiary" are used here as defined in Article 4A of the Uniform Commercial Code - Funds Transfers, as adopted by the state whose laws govern your account. As used in these provisions, a funds transfer does not include a transaction made using a Credit Union issued card. Examples of funds transfers covered by these provisions are a preauthorized automatic transaction via ACH (such as your car or mortgage payment), remittance transfers, and wire transfers (whether outgoing or incoming, foreign or domestic). Any funds transfer (including a wire transfer) that is a remittance transfer as defined in Regulation E, Subpart B, will be governed by the laws of the United States and, to the extent applicable, the applicable provisions of Article 4A of the Uniform Commercial Code, without regard to its conflict of laws principles.

**Rules of Funds Transfer Systems:** Funds transfers to or from your account will be governed by the rules of the funds transfer system(s) through which the transfers are made ("system rules"), including Fedwire, the National Automated Clearing House Association, the Electronic Check Clearing House Organization, any regional association (each an ACH), the Clearing House Interbank Payments System (CHIPS), the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") and the RTP system ("RTP System"). We're under no obligation to honor, in whole or in part, any payment order or other instruction that could result in our contravention of applicable law, including, without limitation, requirements of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") and the Financial Crimes Enforcement Network ("FinCEN").

**Sending Funds Transfers/ Means of Transmission:** When acting upon your transfer instructions, we may use any means of transmission, funds transfer system, clearing house, or intermediary bank that we reasonably select.

**Notice of Funds Transfers:** We'll notify you of funds electronically debited from or credited to your account through the account statement covering the period in which the transaction occurred. We're under no obligation to provide you with any additional notice or receipt.

**Reliance on Identification Numbers:** If an instruction or order to transfer funds describes the party to receive payment inconsistently by name and account number, we'll rely on the beneficiary account number even if the account number identifies a party different from the named recipient. If an instruction or order to transfer funds describes a participating financial institution inconsistently by name and identification number, the identification number may be relied on as the proper identification of the financial institution.

**Your Duty to Report Unauthorized or Erroneous Funds Transfers:** You'll exercise ordinary care to determine whether a funds transfer from your account was either not authorized or inaccurate. You must notify us if a funds transfer from your account wasn't authorized or is inaccurate. Notify us within 14 days after we notify you that the instruction or order was accepted or your account was debited or credited for the funds transfer, whichever is earlier, to be entitled to a refund

from us. If you don't notify us within 14 days, we'll be entitled to retain payment for the funds transfer. We are not responsible to refund any funds if you give us an Erroneous Payment Order.

**Erroneous Payment Orders:** You could lose funds if you provide incomplete or inaccurate information in your payment orders. We have no obligation to detect errors you make in payment orders (for example, paying the wrong person or the wrong amount). Just because we detect an error once, we won't be obligated to detect future errors. We'll rely on the beneficiary account number and beneficiary bank identification number (e.g., IBAN, RTN, or SWIFT BIC) you provide with an instruction or order.

**ACH Transactions:** These additional terms apply to payments to or from your account that you transmit through an ACH:

- Your rights as to payments to or from your account will be based on the laws governing your account.
- When we credit your account for an ACH payment, the payment is provisional until we receive final settlement through a Federal Reserve Bank or otherwise receive payment.
- If we don't receive final settlement or payment, we're entitled to a refund from you for the amount credited to your account.

Any Originating Depository Financial Institution (ODFI) may initiate, pursuant to ACH Operating Rules, ACH debit entries to your account for presentment or re-presentment of items you write or authorize.

**Remittance Transfers:** Remittance transfers are initiated by consumers primarily for personal, family, or household purposes, and are sent outside the United States and its territories. Each time you initiate a remittance transfer, you'll receive disclosures outlining additional rights provided by federal law.

**Incoming International Wire Transfers:** Incoming wire transfers are received in U.S. dollars for payment into your account using the applicable exchange rate without prior notice to you. For more information, see the "Applicable Exchange Rate" section of this account agreement.

#### **Reversal or Return of ACH Transactions:**

**Consumer Accounts Only:** Under the ACH Rules, the credit union can seek the return of an unauthorized consumer ACH debit entry until midnight of the 60th calendar day following the business day the credit union posted the ACH debit entry to your account. To ensure the credit union is able to meet this return deadline, you must notify us no later than 15 days after we send or otherwise make available to you the account statement that reflects the unauthorized transaction. This right of return is in addition to your rights described in the "Electronic Fund Transfer Services" section of this Agreement.

**Business Accounts Only:** Under the ACH Rules, the credit union can return any non-consumer ACH debit entry as unauthorized until midnight of the business day following the business day the credit union posts the entry to your account. In order for the credit union to meet this deadline, you're required to notify us to return any non-consumer ACH debit entry as unauthorized during credit union operating hours. The cutoff time is currently 3:00 p.m. Eastern Time. If you don't notify us in a timely manner of the unauthorized non-consumer ACH debit entry, we won't be able to return it without the cooperation and agreement of the originating bank and the originator of the debit entry. Any other effort to recover the funds must occur solely between you and the originator of the entry.

**Additional Information on ACH Debit Entries:** If you provide information that is incorrect or subject to change (for example, if the sender changes its company identification number or individual identification number), it may result in payment of the ACH debit entry. You acknowledge this risk and agree that you're responsible for notifying the sender of the ACH debit entry that your authorization has been revoked. You agree to indemnify and hold us harmless from, and against any loss we incur, as a result of our paying an ACH debit entry, if any of the information relied on in the stop payment order is incorrect or incomplete (or as a result of our not paying an ACH debit entry for which a valid stop payment order is in effect).

**Liability for Transactions Not Covered by Regulation E:** For purchases and other transactions in consumer accounts not governed by Regulation E, you're liable for all losses relating to unauthorized funds transfers that don't result solely from our negligence or intentional misconduct, unless the laws governing your account require lesser liability.

**Receiving RTP® Payments:** The following additional terms apply to any real-time payments we receive for credit to your account through the RTP System. The terms "sender," "receiver," and "sending participant" are used here as defined in the system rules governing RTP payments ("RTP Rules"). In addition to the RTP Rules, RTP payments will be governed by the laws of the state of New York, including New York's version of Article 4A of the Uniform Commercial Code, as applicable, without regard to its conflict of laws principles.

- The RTP System may be used only for eligible payments between a sender and receiver whose accounts are located in the United States. You may not send or receive payments on behalf of any person or entity not domiciled in the United States. RTP payments that are permitted under the RTP Rules and our requirements are considered eligible payments for purposes of this Agreement.
- RTP payments cannot be cancelled or amended by the sender. If we receive a message from a sending participant requesting return of an RTP payment received for credit to your account, we may notify you of that request. You're not obligated under the RTP Rules to comply with any such request for return of funds. Any dispute between you and the sender of an RTP payment should be resolved between you and the sender.
- If you don't wish to accept an RTP credit received to your account, you may request that we return such payment to the sender. We may, at our sole discretion, attempt to honor such request but will have no liability for our failure to do so.
- RTP payments are typically completed within thirty (30) seconds of transmission of the RTP payment by the sender, unless the RTP payment fails or is delayed due to a review by us or the sending participant, such as for fraud, regulatory, or compliance purposes. Transaction limits imposed by the RTP System or sending participant may also prevent RTP payments from being sent to your account.

We're under no obligation to honor, in whole or in part, any payment order or other instruction that could result in our contravention of applicable law, including, without limitation, requirements of the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") and the Financial Crimes Enforcement Network ("FinCEN").

### **ELECTRONIC FUNDS TRANSFER SERVICES (Consumer Account Only)**

These provisions **DO NOT** apply to business accounts.

**General Rules for Electronic Fund Transfer Services:** When you read this section, you'll see references to Regulation E which provides certain protections and responsibilities.

We offer a variety of electronic fund transfer services you can use to access funds in your account(s) and perform other transactions detailed in this section. We describe some of these services in this section and also provide certain disclosures that apply to the use of electronic fund transfer services with your consumer

account. Some of these services are governed by separate agreements we give to you at the time your card is mailed or you sign up for the service (e.g., ATM and debit cards, online, and mobile banking).

When you read this section, you'll see references to Regulation E or Reg E. This regulation applies to transactions you can perform using your card to access your account, such as purchases and ATM transactions. Regulation E also applies to other types of electronic fund transfers you can make from or to your account, such as payments made using Bill Pay and the direct deposit of your paycheck into your account.

Regulation E sets forth the basic rights, liabilities, and responsibilities of consumers who use electronic fund transfers and of the banks or other persons who offer these services. It includes the actions you need to take if you believe your card, your card number, or your Personal Identification Number (PIN) has been lost or stolen, or if you notice an error or unauthorized electronic fund transfer on your account and the rules regarding your potential liability for these transfers. Your responsibilities and protections under Regulation E are described in more detail in the "Electronic Fund Transfer Disclosures" section.

For unauthorized card transactions, in addition to the rights you have under Regulation E, Credit Union Zero Liability protection provides you with added protection from liability. For details, see "Zero Liability protection" in the "Debit Cards" section of this Agreement.

The following table summarizes the types of transactions to which Regulation E applies and tells you if Zero Liability protection covers the transaction.

Electronic Fund Transfer	Description	Transaction Covered by Reg E	Zero Liability Protection
<b>Card transactions</b>			
<b>Debit Cards</b>	Use your Debit card to make purchases, withdrawals, payments, transfers, and other transactions as described above in the "Debit Cards" section of this Agreement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Electronic Transfers, Payments, Credits, and Electronic Check Conversions</b>			
<b>Transfers</b>	Send or receive transfers between your accounts or to other recipients at Credit Union or other financial institutions	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Payments</b>	One-time or recurring payments from your account that you initiate or preauthorize for withdrawal from your account	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Credits</b>	Manual or automatic electronic deposits to your account, such as payroll or benefits payments	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Electronic Check Conversions</b>	Electronic fund transfer using information from a check (e.g., the credit union's routing number and your account number)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>Telephone Banking Transactions</b>			
<b>Telephone Banking Transactions</b>	<b>Not Under a Written Agreement or Plan:</b> A request via phone to the credit union to make a transaction to or from your account		
	<b>Under a Written Agreement or Plan:</b> Banking by phone, under an agreement, can make transactions to and from your account	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### ELECTRONIC FUNDS TRANSFER DISCLOSURES (Consumer Account Only)

The following provisions apply to electronic fund transfers to or from your consumer deposit account that are governed by Part A of Regulation E. These provisions **DO NOT** apply to business accounts. **Note:** These provisions do not apply to wire transfers. Refer to the "Funds Transfer Services" section of this Agreement.

**Liability for Unauthorized Transactions According to Regulation E:** Tell us AT ONCE if you believe your card, card number, or 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 funds in any line of credit, savings account, or credit card linked to your account or as part of an Overdraft Protection plan).

If you tell us within two business days after you learn of the loss or theft of your card, card number, or PIN, you can lose no more than \$50 if someone used your credentials without your permission (see "Zero Liability protection" in the "Debit Cards" section of this Agreement).

If you do NOT tell us within two business days after you learn of the loss or theft of your card, card number, or PIN, and we can prove we could have stopped someone from using your credentials without your permission if you had told us, you could lose up to \$500 (see "Zero Liability protection" in the "Debit Cards" section of this Agreement).

Also, if your account statement shows transfers that you did not make or authorize, including those made by your card, PIN, or other means, tell us at once. If you do not notify us within 60 days after the statement was mailed or was otherwise made available to you, you will be liable for any additional unauthorized transactions that occurred after the 60-day period and before you provided notice to us (if we can prove we could have stopped those transactions had you promptly notified us). This will apply even to unauthorized transactions that occur shortly before you notify us. If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

**Contact in the Event of Unauthorized Transfer:** If you believe your card, card number, or PIN, has been lost or stolen, call us at 800.655.8335 or the number listed on your statement, or write to us at First Peoples Community Federal Credit Union, P.O. Box 5149, Cumberland, MD 21505-5149. You should also call or write if you believe a transfer has been made using the information from your check without your permission.

**Preauthorized Credit to Your Account:** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can check your online or mobile banking, or call us at 800.655.8335 to find out whether or not the deposit has been made.

#### Handling Preauthorized Payments:

**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: Write us at the address listed in the "Contact the Credit Union" section 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. There is no fee to stop a recurring preauthorized payment using a debit card. We are not obligated to honor a stop payment request

that does not contain accurate information and/or is not provided in a timely manner. You understand that it is necessary to provide the correct information related to the transaction, and that failure to do so may result in the payment of the item.

**Notice of Varying Amount:** If the amount of these regular (recurring) payments varies, the party you are going to pay should tell you, 10 days before each payment, when it will be made and how much it will be. (The party you are going to pay may allow you to choose to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

**Liability for Failure to Stop Payment:** If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will pay for your losses or damages.

**Note:** We cannot stop payment on a purchase transaction unless it is a preauthorized electronic fund transfer.

**Electronic Check Conversion:** You may authorize a merchant or other payee to make a one-time electronic payment from your account using information from your check to 1) pay for purchases, or 2) pay bills. Merchant may convert without your knowledge.

**Receipts:** You can get a receipt at the time you make any transfer to or from your account using one of our ATMs or when you use your card at a merchant terminal.

**Our Liability for Failure to Make a Transaction:** 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. For instance, we will not be liable if:

- Through no fault of ours, you do not have enough money in your account to make the transfer,
- The transfer would go over the credit limit on a credit account linked for Overdraft Protection,
- The ATM where you are making the transfer does not have enough cash,
- The terminal or system was not working properly and you knew about the breakdown when you started the transfer,
- Circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken, or
- There is some other exception stated in our Agreement with you.

**In Case of Errors or Questions about Your Electronic Fund Transfers:** If you see an error or have questions about your electronic transfers, think your deposit statement or receipt is wrong, or you need more information about a transfer listed on an account statement or receipt, call us at 800.655.8335 or the number listed on your account statement, or write to us at First Peoples Community Federal Credit Union, Attn: Member Connection Center P.O. Box 5149, Cumberland, MD 21505-5149 immediately. We must receive notification from you no later than 60 days after we send the FIRST account statement on which the problem or error appeared, and you should take the following actions:

- Tell us your name and account number (if any) and the dollar amount of the suspected error.
- 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.

If you tell us in person or by phone, we may require that you send us your complaint or question in writing within 10 business days.

**Investigations:** 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 need more time, 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 or question 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 transactions, card not present, 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 that 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.

## OTHER ACCOUNT SERVICES AND RESTRICTIONS

**Telephone Transactions:** *Call Access Teller (CAT).* You may use our Call Access Teller (CAT) system to get account information, transfer funds between Credit Union accounts, or pay certain Credit Union credit bills. To access this service, you must have a valid PIN, either for your debit card or a cardless PIN issued only for authentication purposes. If you don't have a valid PIN, we'll ask you for information to verify your identity. We may cancel your non-card PIN at any time without notice, including after six months of non-use. We may comply with any request of a caller using Credit Union's telephone banking services, provided we authenticate the caller in compliance with one of the identity verification procedures described in this paragraph.

**Limits on Transactions and Freezing Accounts:** In accordance with applicable law, we reserve the right to require you to provide written notice of any intended withdrawals from any account(s) of not less than seven (7) but not more than sixty (60) days before the intended date of withdrawal. If there are sufficient funds to cover some but not all of your withdrawal orders, we may permit those for which there are sufficient funds in any order we choose. We may refuse to allow any transaction, and will advise when required by applicable law. If we freeze any account – we will only be obligated to remove the freeze upon receipt of either an agreement signed by all interested person or a legal document, which meets our requirements. Any amounts in excess of such limit must be facilitated by other means such as a cashier's check or wire transfer.

**Transaction Limitations for all Share Savings and Money Market Accounts (All Referred to as "Savings Account" Herein):** This Agreement imposes limits on the number of certain types of withdrawals and transfers you can make each month from a savings account. Please note that these limits do not apply to withdrawals you make at one of our branches, by mail or at an ATM. You can make no more than six transactions each monthly statement cycle (or each month if you have a quarterly statement cycle) from among the following:

- Preauthorized transfers from your savings account (including transfers for overdraft protection)
- Telephone transfers or other electronic transmissions from your savings account.
- Online Banking and Mobile Banking transfers or bill payment transfers from your savings account.
- Transfers by check, draft or debit card, if allowed on your savings account.

We count a transaction on the date we post it to your savings account. This date may be different from the date you authorize, transfer or write the transaction, which means a transaction made during one statement cycle may not be counted until a later statement cycle. If you exceed the transaction limits on more than an occasional basis, we may revoke your privileges on that account or we may convert your savings account to another type of account, such as a checking account. Your funds may no longer earn dividends after we convert your account.

When you use our Online Banking bill payment service, we recommend that you do not use a savings account as your bill payment account because of these limits on transfers.

NOTE: Even if you make no more than 6 transactions in a month, a fee may still apply to some withdrawals or transfers. Please review the Rate and Fee Schedule for your account to ensure you understand when fees may apply and the amount(s) of those fees.

**Large Cash Withdrawals or Deposits:** We may place reasonable restrictions on large cash withdrawals. These restrictions may include requiring you to provide reasonable advance notice to ensure we have sufficient cash on hand. We don't have any obligation to provide security if you make a large cash withdrawal. If you want to deposit a large amount of cash, we may require you to provide adequate security or exercise other options to mitigate possible risks. In addition to the foregoing if any person should instruct the credit union to make a large cash withdrawal and we, in our sole discretion decide to accommodate such request, in lieu of other methods of transferring funds offered by the Credit, you will execute and deliver any releases and/or indemnitees that the credit union may require in connection with any such withdrawal. The Rate and Fee Schedule provides the amount we consider large, which may vary from time to time. If we agree to provide a large cash withdrawal, then you will be responsible for any costs associated with this to include the costs of security as we deem necessary or prudent, which costs shall be deducted from the deposit.

**Restrictions on Withdrawals from all Accounts/Transactions:** When either you or the credit union close any accounts, certain funds may not be immediately made available to you upon closing. This is due to actions you have taken or your relationships with third parties that may result in certain holds that affect your available funds versus your actual funds. Please read this entire section for a complete explanation of these matters. These holds are generally resolved within a period of 10-days. Once all these matters are cleared so that your accounts are no longer responsible for any sums these other parties may claim, then any remaining funds shall become available funds and will be paid to you. Accounts may not be closed unless the balance is \$0.

**Checks with Multiple Signatures:** We may act on the instructions of any one authorized signer on your account and not require multiple signatures. If you have indicated that more than one signature is required to transact on your account, you acknowledge and agree that such requirements are for your own control purposes only, and we won't be liable if a check or other transaction is processed without multiple signatures. We're not responsible for reviewing your checks or other transactions for multiple signatures.

**Items with Dates and Special Instructions:** We may pay the amount encoded on your check in U.S. dollars, even if you wrote the check in a foreign currency or made a notation on the check's face to pay it in a foreign currency. If we, in our sole discretion, pay a check or other item in a foreign currency, the applicable exchange rate may apply. For information on the applicable exchange rate, see "Applicable exchange rate" in the "Statements, Interest, and Other Account Information" section of this Agreement. The encoded amount is in the line along the bottom edge of the front of the check where the account number is printed.

We may, without inquiry or liability, pay a check even if it:

- Has special written instructions indicating we should refuse payment (e.g., "void after 30 days" or "void over \$100"),
- Is stale-dated (i.e., the check's date is more than six months in the past), even if we're aware of the check's date,
- Is post-dated (i.e., the check's date is in the future), or
- Isn't dated.

All instructions to us in any manner shall be given in English; and any instructions given shall be given using simple numerical methods (e.g., to request one hundred dollars you will use: "\$100" "\$100.00" or the English equivalent: "One Hundred Dollars. "). We are not obligated to follow any other instructions.

**Use of a Facsimile or Mechanical Signature:** If you use any device or machine to provide a faxed, electronic, computer generated or other mechanical signature (including a stamp on a check) it will be treated as if you had actually signed it.

**ACH Debit Entries - (Business Accounts Make Note):** Under the ACH operating rules, certain types of ACH debit entries may only be presented on a consumer account. We'll have no obligation to pay, and no liability for paying, any consumer ACH debit entry on a business account.

**Acceptable Form for Checks:** Your checks must meet our standards, including paper stock and dimensions; we may refuse checks that don't or that cannot be processed by our equipment. Checks must include our name and address as provided by us. Certain check features, such as security features, may impair the quality of a check image. Also, you understand that checks can be washed unless you use a wash preventive ink. Therefore, you acknowledge and agree that we have no responsibility or liability to you whatsoever resulting, arising or relating from/to: alterations, forgery, non-payment; returns as no account/insufficient funds or otherwise; limitations we do not specifically agree to in writing; or any other processing/payment error with regard to any check that is not printed by our approved vendor(s) or your failure to use wash preventive ink in the writing of any check(s).

We require that checks purchased or printed from sources other than the credit union contain security features that will prevent the check from being counterfeited. The minimum features required are an artificial watermark, "VOID" pantograph, micro-print lines, bleed-through check numbering, a warning band and a Regulation CC endorsement backer on the reverse of the check. If you use checks that do not meet these minimum required counterfeit-avoidance security standards, and your checks are counterfeited, we may refuse to honor your request for reimbursement of any losses you may suffer.

We're not responsible for losses that result from your failure to follow our check standards.

**Checks You Request from the credit union:** If you request any check be issued by the credit union pursuant to any means we make available, then all such checks are payable to the first named owner of the account, record owner, trustee, custodian, or as otherwise indicated on your membership agreement with us and will be mailed to the address of record.

**Checks Presented by a Non-Customer/Non-Member of Credit Union:** For these transactions, we require acceptable identification, which may include a fingerprint from the person presenting your check. We may not honor the check if the person refuses to provide us with requested identification. We may charge a fee for non-customers to cash a check.

**Electronic Check Indemnifications:** An "electronic check" and an "electronic returned check" means an electronic image of a paper check or paper returned check or the electronic information derived from it.

When we transfer or present an electronic check or electronic returned check, we provide the following warranties:

- **Image Quality Warranty.** We guarantee that the electronic image accurately represents all of the information on the front of the check as of the time that the original check is truncated, and the electronic information includes an accurate record of all MICR line information required for a substitute check and the amount of a check.
- **No Double Debit Warranty.** We guarantee that the warrantee won't receive a presentation of or otherwise be charged for an electronic check, an electronic returned check, the original check, a substitute check, or a paper or electronic representation of a paper substitute check, in a way that the warrantee will be asked to pay a check that it has already paid.

When we transfer an electronic check for collection or payment, we make the image quality warranty and the no double debit warranty to the transferee bank, any subsequent collecting bank, the paying bank, and the drawer. When we transfer an electronic returned check for return, we make the image quality warranty and the no double debit warranty to the transferee returning bank, the depository bank, and the owner.

**Indemnities Applicable to Electronic Checks and Electronic Returned Checks.** You will indemnify, defend, and hold us harmless from all liabilities, obligations, demands, and costs (including fees of legal counsel and accountants) awarded against or incurred by us (collectively, "losses and liabilities"), related to the transfer or return of an electronic check or an electronic returned check on your behalf. If we suffer any losses or liabilities related to a breach of the image quality warranty or the no double debit warranty, you will reimburse us and not hold us responsible or liable.

**Indemnities Applicable to Remote Deposit Capture Services (Including Credit Union Mobile Deposit).** If a depository bank accepts the original check from which an electronic check is created and suffers losses due to the check having already been paid, we're required to indemnify and reimburse that bank. If we suffer any losses or liabilities related to that type of depository bank indemnity obligation, you will indemnify and reimburse us and not hold us responsible or liable.

**Indemnities Applicable to Electronically Created Items.** If we transfer or present an "electronically created item" and receive settlement or other consideration for it, we're required to indemnify and reimburse each transferee bank, any subsequent collecting bank, the paying bank, and any subsequent returning bank against losses that result from the fact that:

- The electronic image or electronic information is not derived from a paper check,
- The person on whose account the electronically created item is drawn didn't authorize its issuance or the payee stated on the item, or
- A person receives a transfer, presentment, or return of, or otherwise is charged for an electronically created item in such a way that the person is asked to make payment based on an item it has paid.

If we suffer any losses or liabilities related to that type of electronically created item indemnity obligation, you will indemnify and reimburse us and not hold us responsible or liable.

**Stop Payment:** *Applicable fees are described in the Consumer Rate and Fee Schedule and Business Rate and Fee Schedule.* Requesting stop payment on a check. You may request a stop payment on a check if you allow us a reasonable amount of time to act on it; the same is true if you ask us to cancel a stop payment order. You can request a stop payment through digital banking, by phone, or by visiting your local branch. We may verify that we have not already become obligated to pay the check from your account and can verify after we accept your stop payment order. To issue a stop payment order on a check, we need the following information:

- Your Credit Union account number
- The check number or range of numbers
- The check amount or amounts
- The payee(s) name(s)
- The date on the check

We are not responsible for stopping payment on a check if you provide incorrect or incomplete information about the check.

#### **Effective Period for a Stop Payment Order**

- A stop payment order on a check is valid for six months. We may pay a check once a stop payment order expires. You must request a new stop payment order if you don't want it to expire and we treat each renewal as a new order, and a new fee will apply.
- Your responsibility after we accept a stop payment on a check. Even if we return a check unpaid due to a stop payment order, you may still be liable to the holder of the check (e.g., a check cashing business).

**Stop Payment Orders on ACH Debit or Credit Entries.** You may request a stop payment order for an ACH debit entry that has not already been paid from your account. To be effective, a stop payment order must be received in a time and manner that gives the credit union a reasonable opportunity to act on the applicable ACH debit entry. If you provide verbal instructions, we may require confirmation in writing. If such written confirmation isn't received, we may remove the stop payment order after 14 days. An instruction to revoke a stop payment order must be received in a time and manner that gives us a reasonable opportunity to act on it.

To place a stop payment order on an ACH debit entry, you must provide the following information: (i) your account number, (ii) amount of the ACH debit entry, (iii) effective date, and (iv) payee name. We may request additional information and may, at our sole discretion, use only a portion of the required information in order to identify the ACH debit entry. We may be able to place a stop payment order based on the company identification number of the sender/payee, but this may stop all ACH entries received from this sender/payee.

**Stopping Payment on a Preauthorized Electronic Fund Transfer.** If your account is a consumer account, you may stop payment on a preauthorized electronic fund transfer. See "Handling preauthorized payments" in the "Electronic Fund Transfer Services" section of this Agreement.

**Post-Dated Checks:** A post-dated check is a check you issue with a date in the future. We're not responsible for waiting to honor the check unless you use a stop payment order for the check. You're responsible for notifying us to cancel the stop payment order when you're ready to have that check paid.

## TRUTH-IN-SAVINGS ACT

### **Share & Checking Accounts**

1. **Rate Information:** The dividend rate and Annual Percentage Yield ("APY") on your accounts are set forth in the Truth-in-Savings Act Rate and Fee Schedule ("Schedule"). They APY is a percentage rate reflecting the total amount of dividends paid on an account, based on the dividend rate and the frequency of

compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full calendar year. A fee may lower the APY. The dividend rate and annual percentage yield may change at any time as determined by the Board of Directors or its designee.

2. **Compounding and Crediting:** Dividends will be compounded and credited as set forth in the Schedule. The Dividend Period ("period") for each of your accounts is set forth in the Schedule. The dividend period is monthly. It begins on the first calendar day of the month and ends on the last calendar day of the month. If your account is closed or you make a withdrawal during a dividend period before dividends are credited, you may not receive accrued but uncredited dividends.
3. **Balance Information:** Any minimum deposit to open an account, and the minimum daily balance you must maintain to avoid service fees and to earn the annual percentage yield stated for your account is set forth in the Schedule.
  - a. **"Daily Balance Method":** Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal balance in the account each day.
  - b. **Accounts with Minimum Balance Requirements:** If you fail to maintain the minimum balance required to earn the dividend rate and annual percentage yield for any account as set forth in the Fee Schedule, then you will not earn the dividend rate and annual percentage yield for the period in which you do not meet this requirement.
4. **Accrual of Dividends:** Dividends will begin to accrue on the business day we receive provisional credit for the deposit of noncash items (e.g., checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account.
5. **Transaction Limitations for All Share & Money Market Accounts:** Limitations are set forth in the Schedule.
6. **Membership Par Value:** As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth in the Rate and Fee Schedule.
7. **Rates:** The rates provided with or in the Rate and Fee Schedule are accurate as of the effective date indicated therein. If you have any questions or require current rate information on your accounts, please call the credit union.
8. **Fees:** See Rate and Fee Schedule for a listing of fees and charges applicable to your account(s).

**Additional Limitations for IRA and HSA Savings Accounts:** You are solely responsible for complying with any requirements including transaction limitations and penalties for early withdrawal under the Internal Revenue Code or other applicable Federal or State law governing any IRA or other Credit Union accounts. Deposits may be limited if required by applicable law; or Credit Union policies. Transfers to a Credit Union IRA Certificate are allowed subject to applicable law; and the minimum balance requirements and other restrictions applicable to the Certificate Account.

#### **Share Certificate and IRA Certificate Accounts**

1. **Rate Information:** The dividend rate and annual percentage yield ("APY") on your account are stated in the Schedule and/or your Share Certificate. The APY is a percentage rate reflecting the total amount of dividends paid on an account, based on the dividend rate and frequency of compounding for an annual period. The dividend rate APY are fixed and will be in effect for the term of the account. The APY assumes that the funds and dividends remain in the account until maturity. Any withdrawals will reduce earnings. A penalty/fee may lower the APY. See Maturity Date and Renewal Policy set forth in the Schedule regarding changes in terms upon maturity.
2. **Compounding and Crediting:** Unless otherwise paid, dividends will be compounded every day. Dividends will be credited to your account every month. The dividend period begins on the first calendar day of the month and ends on the last calendar day of the month.
  - 2a. For IRA/HSA/ESA Certificates: Dividends will be credited to your account every quarter. The dividend period begins on the first day of the calendar quarter and ends on the last day of the calendar quarter. By electing the option of having the dividends posted to an account other than an IRA, you may be subject to a penalty from the IRS.
3. **Balance Information:** Any minimum deposit to open an account, and the minimum daily balance you must maintain to earn the annual percentage yield stated for your account is set forth in the Schedule and/or your Share Certificate.

**Balance Computation Method:** Dividends are calculated by the daily balance method which applies a daily periodic rate to the principal balance in the account each day.

**Minimum Balance Requirements:** If you fail to maintain the minimum balance required to earn the dividend rate and annual percentage yield for any account as set forth in the above Schedule, then you will not earn the dividend rate and annual percentage yield for the period in which you do not meet this requirement.
4. **Accrual of Dividends:** Dividends will begin to accrue on the business day we receive provisional credit for the deposit of noncash items (e.g., checks) to your account. Dividends will begin to accrue on cash deposits on the business day you make the deposit to your account.
5. **Transaction Limitations for Share Certificates:** Limitations are set forth in the Schedule.
6. **Membership par value.** As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth in the Rate and Fee Schedule.
7. **Rates:** The rates provided with or in the Rate and Fee Schedule are accurate as of the effective date indicated therein. If you have any questions or require current rate information on your accounts, please call the credit union.
8. **Fees:** See Rate and Fee Schedule for a listing of fees and charges applicable to your account(s).
9. **Early Withdrawal Penalties – All Time Deposit Accounts:** You have agreed to leave the principal of this account on deposit for the full term stated in your Certificate. If all or part of the principal is withdrawn before the maturity date, the credit union may charge you a penalty. Owners of an account with a stated term less than seven months shall forfeit an amount equal to 90 days dividends on the amount withdrawn when any withdrawal is allowed. The penalty will be calculated at the rate paid on the deposit at the time of the withdrawal. The penalty will, if necessary, be taken from the principal amount of the deposit. The credit union may grant a premature withdrawal request without penalty or with a reduced penalty in the event of the owner's death or legal incompetence.
10. **Maturity date:** Your account will mature on the date stated in your Certificate and/or Renewal Notice the credit union provides to you.
11. **Renewal:** Unless you instruct the credit union otherwise, your certificate account may automatically renew at maturity. You will have a grace period of ten (10) calendar days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty. However, the credit union reserves the right to give the owner written notice that the account will not be renewed. In the latter case, upon maturity, the account will be converted to a regular share account and receive earnings at the rate then paid on regular share deposits. The rate of earnings for any renewal terms, shall be at the rate the credit union is then offering on the same accounts in this class. If you instruct us not to renew your account, then no dividends will be paid after the stated maturity date.
12. **Amendments, Membership Maintenance, and Termination:** You must maintain one share (par value: \$5.00) in your Regular Share Account. If you should fail to maintain one share in the Regular Share Account, you authorize the credit union to transfer funds from any share, share draft, or share certificate account that you own so as to restore the Regular Share Account to par value. We may close this account if your membership terminates, the Regular Share Account falls below par value, or by giving reasonable notice to you.

We reserve the right to change the terms/rates upon provision of any notice specifically required by applicable law. Such changes will be effective immediately if specific law does not require prior notice.

## PROTECTING YOUR ACCOUNT AND YOUR INFORMATION

**Protection Against Unauthorized Items - Applies to Consumer and Business Accounts:** You acknowledge that there's a growing risk of losses resulting from fraud, including unauthorized items. To help prevent fraud on your account, you agree to take reasonable steps to ensure the integrity of your account and items drawn on your account or deposited to it. We recommend you take the following preventive measures (not an exhaustive list):

- Reconcile your account statements when received and promptly notify us of any problem.
- Promptly notify us if you don't receive an expected statement.
- Don't provide your account and routing numbers to unknown persons. Fraudsters may use this information to initiate fraudulent transactions against your account.
- Only write checks to people and businesses whom you know. Fraudsters may try to trick you by pretending to be friends and family, indicating you have won the lottery or sweepstakes, through online dating sites, or impersonating law enforcement.
- Don't deposit checks from people whom you don't know. Fraudsters often request that you deposit a fake check into your account, then request that you return some of the funds. After you return the funds, the check bounces, but you are still responsible to us for the full amount of the check you deposited.
- Write your checks in a manner to prevent others from adding words, numbers or making other changes without your authorization.
- Protect your checks from unauthorized use and theft by securing your supply of checks at all times (for example, never leave checks in an unlocked vehicle, or out in a visible location unattended), using tamper resistant checks, using wash preventive ink, destroying checks you don't intend to use, and not signing blank checks. Check-related fraud is common. If you fail to take any of these preventive measures, we are not responsible for any losses that you may incur.

If you link any of your accounts or services to a third-party app or payment service (including but not limited to PayPal, Zelle or Venmo) you understand and agree that these are not Credit Union services; and any transactions you make will be subject to your agreements with the app or service provider. You understand that these apps and services do not provide the same protections from fraud or other misapplication of funds as traditional direct banking services. If we transfer any funds as directed by you or anyone you authorize to the app or third-party service provider such transfer(s) shall in all respects be an authorized transaction and we will have no further obligation or liability if the app or provider then transfers the funds to a fraudster or the funds are otherwise misapplied. Further, you understand that funds transferred to/via a third-party App may not be federally or otherwise insured; and you assume all risks should your funds become unavailable for any reason.

**Additional Protections for Business Accounts - Applies only to Business Accounts:** Additional steps business customers should take to help reduce the risk of fraud on their accounts:

- Assign responsibilities for your business account to multiple individuals and periodically reassign duties. Have different people reconcile statements and withdraw funds.
- Watch for checks cashed out of sequence or made out to cash as flags for embezzlement.
- Review activity for unexpected fluctuations such as the percentage of cash deposits to total deposit size. Most businesses will keep a constant average.
- Notify us immediately when an authorized signer's authority ends so that their name can be removed from account access.
- Obtain insurance coverage for bank account fraud risks.
- Watch out for imposters impersonating vendors or if an alleged vendor changes their payment instructions.

Only send trusted employees to deliver checks or make deposits.

**Verifying your Identity with Your Mobile Device and Your Wireless Company:** The credit union may collect, use, and retain personal or other information about you or your mobile device to assist in verifying your identity. We may rely on such information provided to us by your wireless company, and you authorize them to disclose:

- Your mobile number, name, address, email;
- Network status, customer type, customer role, billing type, mobile device identifiers (IMSI and IMEI), and other subscriber and device details to Credit Union and our service providers for the duration of the account relationship.

Review our Privacy Notice for how we treat your data. You represent that you're the owner of the mobile phone number or have the delegated legal authority to act on behalf of the mobile subscriber to provide this consent.

## STATEMENTS, INTEREST, AND OTHER ACCOUNT INFORMATION

**Statements and Notices:** We'll make available to you a statement of your account activity for each statement period, using the postal or email address associated with your account. We'll do the same with notices. If your delivery preference is electronic, we'll notify you by email that your statement or notice is available online. You must be at least 13 years old to receive online statements, unless parental consent has been provided in a format acceptable to us.

We'll send statements and notices to one owner of a jointly owned account, and you agree that owner is responsible for sharing copies of the information with all other owners. If you request that we send notices to an authorized signer, the authorized signer has the same responsibility. Online statements are available to each joint owner.

Your statement is considered received by you on the second business day after we mail it to you or, if your delivery preference is electronic, when it's available through online banking. You agree to this timing even if the postal or email address you provided us is invalid.

Checking accounts get a monthly account statement. Savings accounts generally get a quarterly account statement, but will get a monthly statement if you set up automatic transfers into your savings account, have electronic fund transfer activity in the account, or have a combined statement for your checking and savings accounts.

**Changing Statement Period and Fee Period for Checking and Non-IRA Savings Accounts:** We may change the statement period and fee period assigned to your account without advance notice. If your account is dividend-bearing, these changes won't affect dividend calculations, but they may affect the date we post dividends to your account.

If the first new fee period created by our change is fewer than 25-days, the credit union will automatically waive the monthly service fee for that period.

**Check Safekeeping and Check Image Services:** We don't return your physical paid checks in your statements. Instead, we make copies of your paid checks available online, by calling us, or at our branches.

We'll destroy original checks after a reasonable period of time we determine. If for any reason we can't provide a copy of your check, we won't be liable for more than the face amount of the check. We cannot provide originals or images of checks that are sent to us as electronic transfers. Additionally, other banks may send us electronic images instead of original checks. In that case, we may provide a copy of the image, but not the original check.

**Account Statements or Notices Returned/Undeliverable:** Your account statements or notices will be considered unclaimed or undeliverable if:

- Two or more account statements or notices are returned to us through the mail because of an incorrect address; or
- We notify you electronically that your account statement is available for online viewing, and we receive email notifications that our message is undeliverable.

In either event, we may

- Discontinue sending account statements and notices, and
- Destroy account statements and notices returned to us as undeliverable.

We won't attempt to re-deliver account statements and notices to you until you provide us with a valid postal or electronic address.

**Change of Address:** You agree to promptly notify us of any change to your postal or email address. We'll change your postal or email address within a reasonable time after you request it. Unless you instruct otherwise, we may change the postal or electronic address only for the account(s) you specify or for all or some of your other account(s) with us.

We may update your address in our records without a request from you if (1) we identify a need to rely on another address you have provided us; or (2) we receive an address change notice from the U.S. Postal Service or information from another party in the business of providing correct address details that does not match the address in our records for your account or card.

**Your Responsibility to Review Account Statements and Notices and Notify Us of Errors:** You are obligated to:

- Examine your account statement promptly and carefully.
- Notify us promptly of any errors.
- Notify us within 60 days after we have made your account statement available to you of any unauthorized transaction on your account. Note: If the same person has made two or more unauthorized transactions and you fail to notify us of the first one within this 60-day period, we won't be responsible for unauthorized transactions made by the same wrongdoer.
- Notify us within six months after we have made your account statement available to you if you identify any unauthorized, missing, or altered endorsements on your items.

For specific information on unauthorized card transactions, see "Zero Liability protection" in the "Debit Cards" section of this Agreement.

**Consumer Accounts Only:** Electronic fund transfers are subject to different time periods for notification of errors, as described in the "Electronic Fund Transfer Services" section of this Agreement. Common examples of electronic fund transfers are ATM, debit card, and Bill Pay transactions.

**Unauthorized Transactions:** A transaction is an unauthorized transaction when it's

- Missing a required signature or other evidence showing you have authorized it, or
- Altered (for example, the amount of a check or the payee's name is changed).

**Actions We Take When You Report an Unauthorized Transaction:** We investigate any reports of unauthorized activity on your account. After you submit a claim, we may require you to:

- Complete and return the claim form and any other documents we require, and
- Ask that you Notify law enforcement (if you do not do so, we may do so if we may incur any loss or damage associated with the claim).

We can reverse any credit made to your account resulting from a claim of unauthorized transaction or error.

For specific information on unauthorized card transactions, see "Zero Liability protection" in the "Debit Cards" section of this Agreement.

**Consumer Accounts Only:** For specific information on unauthorized electronic fund transfers, see the "Electronic Fund Transfer Services" section of this Agreement.

**Adverse Claims Against Your Account:** An adverse claim occurs when

- Any person or entity makes a claim against your account or funds in your account,
- We believe a conflict exists between or among your account's owners, or
- We believe a dispute exists over who has account ownership or authority to withdraw funds from your account.

In these situations, we may take any of the following actions without any responsibility or liability to you:

- Continue to rely on the documents we have on file for your account.
- Honor the claim against your account funds if we're satisfied the claim is valid.
- Freeze all or a part of the funds in your account until we believe the dispute is resolved to our satisfaction.
- Close your account and send a check or other item for the available balance in your account payable to you or to you and each person or entity who claimed the funds.
- Pay the funds into an appropriate court and/or petition the court to resolve the dispute.

We also may charge you and/or any account you keep with us for our fees and expenses in taking these actions (including attorney's fees and expenses, and court costs).

**If You Carry Special Insurance for Employee Fraud/Embezzlement - (Business Accounts Only):** If you have special insurance for employee fraud/embezzlement, we may require you to file your claim with your insurance company before making any claim against us. In such event, we'll consider your claim only after we have reviewed your insurance company's decision, and our liability to you, if any, will be reduced by the amount your insurance company pays you.

**Other Insurance - (Business Accounts Only):** If you make any claim that relates to a business account, you agree to pursue all rights you may have under any insurance coverage you maintain before making any claim against us in connection with any transaction involving your accounts. You will provide us with all reasonable information about your coverage, including the name of your carrier, policy number, policy limits and applicable deductibles. Any liability we may have to you is reduced by the amount of all insurance proceeds you receive or are entitled to receive. At our request, you agree to assign to us your rights under your insurance policy(ies).

**Restricting Access to Your Account:** If we suspect any suspicious, irregular, fraudulent, unauthorized, dispute as to ownership or unlawful activities, we can prevent, delay or decline transactions, freeze all or some of the funds in any account with us that you keep or control, and otherwise restrict access to your account. We may take these actions in our sole discretion and without liability to you, but we are not obligated to take any such actions.

**Converting Accounts:** We can convert your account to another type of deposit account (by giving you any required notice) if:

- You use it inappropriately or fail to meet or maintain the account's requirements, including minimum balance requirements, or
- We determine an account is inappropriate for you based on your use, or
- We stop offering the type of account you have, or
- You use a personal account for business activities.

**Sharing Information About Your Account with Others:** Generally, if we don't have your consent, we won't share information about your account. However, we may share information about your account in accordance with our separately provided Privacy Notice.

**Tax Identification Number Certification Requirements:** U.S. Treasury regulations require us to determine the tax residency of all customers and payees who could receive income that is reportable to the IRS. We accomplish this by obtaining a Form W-9 from all U.S. taxpayers and a type of Form W-8 from all foreign customers.

- We use Form W-9 or a substitute equivalent to document U.S. tax residency and obtain a Taxpayer Identification Number ("TIN") from the primary owner of each account. Until we have received the Form W-9 and TIN, we are required to apply backup withholding to any income earned.
- Foreign individuals (also referred to as nonresident aliens) and foreign entities document their tax residency outside the U.S. on the applicable type of Form W-8 or an acceptable substitute equivalent. That form also allows us to apply the correct withholding rate or exemption to your income earned in the U.S. If you don't provide a valid type of Form W-8, we're required to apply the 30% withholding rate, or in some cases, presume you're an uncertified U.S. taxpayer subject to backup withholding on all income and gross proceeds regardless of whether or not it's U.S. sourced.
- Accounts jointly owned by at least one foreign individual or entity must provide a Form W-8 or Form W-9, as applicable, for all of the joint owners.
- Foreign individuals provide a Form W-8BEN. Foreign entities that are the beneficial owner of the income provide a Form W-8BEN-E unless they can make a special withholding exemption claim and instead provide either a Form W-8EXP or Form W-8ECI.
- Entities that act as intermediaries or flow-through entities receiving income on behalf of someone else provide a Form W-8IMY. In some cases, that Form W-8IMY must also include a withholding statement that allocates the income to each of the beneficial owners and copies of the tax certification documentation for those underlying beneficial owners.

If you own your account as an individual or sole proprietor, upon your death, we must be provided with the estates or successor's IRS Form W-9 or Form W-8. If these are not provided, we may either refuse to pay interest earned on your account from the date of your death or apply backup withholding on the income earned after the date of your death.

**Your Tax Responsibility:** You're responsible for paying applicable state and local sales taxes on your account fees. These taxes vary by location. You also agree to pay an amount equal to any other applicable taxes, including backup withholding tax. We will charge you for all the foregoing taxes and amounts. You also agree to pay an amount equal to any other applicable taxes, including backup withholding tax.

**Applicable Exchange Rate:** In addition to any applicable fees, we make money when we convert one currency to another currency for you. The exchange rate used when we convert one currency to another is set at our sole discretion, and it may include a markup. The markup is designed to compensate us for several considerations including, without limitation, costs incurred, market risks, and our desired return. The applicable exchange rate does not include, and is separate from, any applicable fees. The exchange rate we provide to you may be different from exchange rates you see elsewhere. Different members may receive different rates for transactions that are the same or similar, and the applicable exchange rate may be different for foreign wire transfers. Foreign exchange markets are dynamic and rates fluctuate over time based on market conditions, liquidity, and risks. We're your arms-length counterparty on foreign exchange transactions. We may refuse to process any request for a foreign exchange transaction.

#### **Communications About Your Account:**

**Contacting You for Servicing and Collection:** We may contact you by phone, text, email, or mail to service your account or collect amounts you owe us. You will provide us accurate and current contact information. We can contact you at any address, phone number, or email address you provide.

When you give us a phone number, you expressly consent that we (and any party acting on our behalf) may contact you by phone call or text message at that number. When we call you, you agree that we may leave prerecorded or artificial voice messages. You also agree that we may use automatic telephone dialing systems in connection with calls or text messages sent to any phone number you give us, even if the receiving number is a mobile phone or other service for which the party called may be charged.

**Communicating with Authorized Signers:** We may provide you or an authorized signer with information about your account. When we receive information from an authorized signer, we treat it as a communication from you. You agree to notify us promptly in writing if an authorized signer no longer has authority on your account.

### **TERMINATION OR RESTRICTION OF ACCOUNT(S) AND SERVICE(S) AND POLICY ON MEMBER/USER/VISITOR CONDUCT AND BEHAVIOR:**

The credit union is committed to delivering exceptional products and services to members. To that end our employees are trained to handle interpersonal interactions effectively and to address any service issues with Credit Union members. The credit union's policies define the circumstances under which services may be limited for members who engage in "improper or abusive conduct;" and also address other circumstances where membership and/or services may be terminated or limited. The policy is not intended to restrict the rights and freedoms of any particular group or individual, but to protect Credit Union employees and members by addressing unacceptable conduct. You also understand and expressly agree that the credit union is a non-profit organization and that the rights addressed in this section are necessary to protect the credit union for the benefit of all members. This section applies to all members, users, persons who have interactions with us and visitors.

**Examples for Termination, Limitation or Restrictions by the Credit Union:** You further agree that we can limit or terminate your membership rights, any account or service including any rewards program for cause based on any of the circumstances defined in this Agreement; without notice or further action. We, in our sole discretion, may terminate, limit or restrict, or change the terms, as we in our sole discretion deem appropriate, any of your account(s) or service(s), including but not limited to loan services, or place a freeze on any sums on deposit with us at any time without notice or require you to close your account(s)/service(s) and apply for a new account(s)/service(s) if:

**Termination for Non-Participation:** Pursuant to the Federal Credit Union Act, we will periodically terminate the membership of “nonparticipating” members. When determining whether a membership is subject to termination per this policy, we may consider whether a member has voted in annual elections, whether the member maintains deposits at the credit union, whether the member maintains loans at the credit union, and whether the member receives other services from the credit union or its subsidiaries. Members who do not maintain the par value as required by the Bylaws are considered to be nonparticipating and may be terminated as provided by the Bylaws.

**Electronic Banking Privileges End when Account is Closed:** All of your electronic banking privileges will be terminated if your account is closed. If you’re enrolled in online banking, refer to the Digital Banking Agreement for specific terms governing online access to your account.

**Notice on Actions We May Take Upon Termination as Set Forth Above:** We, on our own accord, may place a stop payment on any share draft, item or Transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If you do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends. Club accounts may be terminated if deposits are not made within certain time periods in successive periods. We are not responsible for any draft, withdrawal, item or Transaction after your account is terminated. However, if we pay any item after termination, you agree to reimburse us upon demand.

**Joint Accounts or Services:** If our application of the credit union’s policies or the above remedies affects any accounts or services with multiple parties, we may require the party to whom the restrictions or termination is applied be: (1) removed; (2) the account be closed and then a new account may be reopened absent the affected party; or (3) the restrictions may be applied to the account or service. The credit union has no obligation to provide any specific information regarding the basis for taking action under this section to any other owners or parties.

**Residence Outside the U.S., its Possessions or Territories:** We may require that all checking accounts and related services be closed or deactivated if you move your residence to a country or place outside the U.S., its possessions or territories. The credit union may close your checking account(s) and related services if you do not do so.

**Limitations on Account and Services for Members who Reside in Non-US Countries or Territories; or in Certain US States:** (For the laws of Non-US Countries or Territories ) The credit union may limit, refuse, close or terminate any account or service if: (1) we deem it necessary due to legal/regulatory requirements of a foreign country that are not directly applicable to US residents; or (2) we deem it to be in the credit union’s best interests to not provide accounts or services due to potential exposures or obligations under non-US laws, rules or regulations.(For Certain States as determined by the credit union from time to time) The credit union may also limit, refuse, close or terminate any account or service if: (1) we deem it necessary due to legal/regulatory requirements of a state in which we do not maintain a physical presence and/or provide services only to a limited number of persons residing in that state; or (2) we deem it to be in the credit union’s best interests to not provide accounts or services due to potential exposures or obligations arising or related to the laws of a state where we do not maintain a physical presence.

**Closing Your Account if the Balance is Zero or Negative:** Accounts with a zero or negative balance will continue to be charged applicable fees (like the monthly service fee) until we close or you request to close your account. We may close an account with a zero or negative balance on the fee period ending date or at month end without prior notification to you. Once an account is closed (either by you or us), no fees will be assessed on the account.

- To prevent closure by us, an account with a zero or negative balance must have a qualifying transaction posted within the last two months of the most recent fee period ending date.
- Examples of qualifying transactions are deposits and withdrawals made at a branch, ATM, online, mobile, or via telephone; one-time and recurring transfers made at a branch, ATM, online, mobile, or via telephone; automatic or electronic deposits, such as from payroll or government benefits; automatic or electronic payments, including Bill Pay; one time and recurring purchases or payments; made using a card or mobile device; and checks paid from the account.
- Credit Union-originated transactions, like monthly service or other fees, are not considered qualifying transactions that will prevent closure of an account with a zero or negative balance.

This does not limit or impair our ability to close, restrict or terminate service as otherwise addressed herein.

**Dormant Accounts:** Your account may be declared dormant pursuant to applicable state laws. Unless specifically prohibited by applicable law, we may also charge a service fee set forth on the Rate and Fee Schedule for processing your dormant account. Unless prohibited by applicable law, we further reserve the right to transfer your dormant account funds to a general Credit Union account and to suspend any further account statements.

## ADDITIONAL TERMS & SERVICES

**Laws Governing Your Account:** This Agreement and your and our rights and obligations under this Agreement and any other relationships to which this Agreement applies, are governed and interpreted according to federal law and the law of the State of Maryland. If state law and federal law are inconsistent, or if state law is preempted by federal law, federal law governs in all respects. Our web site and the electronic services that we provide (excluding linked sites) are controlled by the credit union from its principal offices in the State of Maryland. While you may choose to access our web site and electronic services from other locations, we make no representation that any information, materials, or functions included in our web site or via our electronic service are appropriate or authorized for use in other jurisdictions. Your access from other locations is made on your own initiative; and you are solely responsible for compliance with any applicable local laws and regulations. Section headings in this Agreement are for convenience of reference only. If any law or judicial ruling renders any term or condition of this Agreement unenforceable, the remaining terms and conditions shall remain in full force and effect. We reserve the right to waive enforcement of any of the terms set forth in this Agreement regarding any Transaction or series of Transactions. Any such waiver will not affect our right to enforce any of our rights with respect to any owner, user or other applicable person/party; or to enforce any of our rights with respect to other Transactions. Any such waiver shall not modify the terms and conditions of this Agreement.

**Controlling Language:** English is the controlling language of our relationship with you, including the terms of this Agreement. Items you write such as checks or withdrawal slips must be written in English. For your convenience, we may, but are not obligated to (unless required by law), translate some forms, disclosures, and advertisements into another language, but if there's a discrepancy, the English version prevails over the translation.

**Order of Precedence Between Agreements:** If a service we offer has a separate agreement, and there's a conflict between the terms of this Agreement and the separate agreement, the conflicting terms of the separate agreement will apply.

**Legal Process:** Legal process includes any levy, garnishment or attachment, tax levy or withholding order, injunction, restraining order, subpoena, search warrant, government agency request for information, forfeiture or seizure, and other legal process relating to your account.

We may accept and act on any legal process we believe to be valid regardless of how and where it is served, including if process is served in locations, states, or jurisdictions other than where the account was opened or where the account, property, or records are located.

We may, but are not required to, provide notice of legal process relating to your accounts. We may comply with legal process even though it affects the interests of only one owner or authorized signer of a joint account.

Any fees, expenses (including attorney's fees and expenses), or losses we incur as a result of responding to legal process related to your account are your responsibility. We may charge these costs to you or any account you maintain with us.

**Legal Dispute Location:** Any lawsuit, claim, or other proceeding arising from or relating to your account or this Agreement, will take place exclusively in the Circuit or District Court of Allegany County, Maryland.

**Changes to this Agreement:** We may change the terms of this Agreement, including account fees and features, at any time by adding new terms or conditions, or by modifying or deleting existing ones. Changes to any account or account service requested by any member or account owner can only be made with the express consent of the credit union. The credit union, in its sole discretion, may: (1) change or modify any term or condition of this Agreement, including the method for determining dividends; (2) we may add new terms, conditions and requirements that we deem necessary or in the credit union's best interests; and (3) we may make operational changes. We may make all such amendments or changes as described at any time without notice except as expressly required by applicable law, and any change in the Agreement shall be effective at the earliest time allowed by applicable law. If applicable laws provide no express time period, then notice 10-days or more in advance of the effective date of any change shall be deemed sufficient. We may agree in writing to waive a term of this Agreement, including a fee, and we may revoke any waiver.

**Modification of Invalid Terms:** Any term of this Agreement that is inconsistent with the laws governing your account will be excluded to the extent of such invalidity. The invalid term will be considered modified by us and applied in a manner consistent with such laws. Such modification won't affect the enforceability or validity of the remaining terms of this Agreement.

**Timing of Notices:** Any notice you send us is effective once we receive it and have a reasonable opportunity to act on it.

**Responsibilities and Liabilities Between Credit Union and You:** We're responsible for exercising ordinary care and complying with this Agreement.

When we take an item for processing by automated means, ordinary care does not require us to examine the item. In all other cases, ordinary care requires only that we follow standards that don't vary unreasonably from the general standards followed by similarly situated financial institutions.

Except to the extent we fail to exercise ordinary care or to comply with this Agreement, you agree to indemnify and hold us harmless from all claims, demands, losses, liabilities, judgments, and expenses (including attorney's fees and expenses) arising out of or in any way connected with our performance under this Agreement. This indemnification will survive termination of this Agreement.

We won't be liable for anything we do when following your instructions. In addition, we won't be liable if we don't follow your instructions if we reasonably believe that your instructions would expose us to potential loss or civil or criminal liability, or conflict with customary banking practices. In no event will either Credit Union or you be liable to the other for any special, consequential, indirect, or punitive damages. The limitation doesn't apply where the laws governing your account prohibit it. We won't have any liability to you if your account does not have sufficient available funds to pay your items due to actions we have taken in accordance with this Agreement.

Circumstances beyond your control or ours may arise and make it impossible for us to provide services to you or for you to perform your duties under this Agreement. If this happens, neither Credit Union nor you will be in breach of this Agreement. If we waive a right with respect to your account on one or more occasions, it does not mean we're obligated to waive the same right on any other occasion.

**Your Obligation to Pay Our Fees:** We're permitted to either directly debit your account or bill you for our fees, expenses and taxes incurred in connection with your account and any service. If the available funds in your account are not sufficient to cover the debit, we may create an overdraft on your account.

**Virtual Currency:** We do not accept accounts transacting in any type of virtual currency (crypto-currency) services or transactions. We do not accept any type of virtual currency for loan payments or for payment of any other obligations to the credit union. Prohibited transactions include but are not limited to: (i) wires (incoming/outgoing) (ii) ACH transactions (incoming/outgoing) (iii) privately owned ATMs dealing specifically with crypto-currency (iv) credit or debit card transactions. We may not be able to monitor or limit such transactions and you agree we have no responsibility to detect, block, or limit your transactions in virtual currencies should you choose to engage in such activity despite these prohibitions.

**Monitoring:** We use our best efforts to monitor all members and transactions to limit or deny prohibited activity, suspicious activity, and unsatisfactory account handling. This does not create any obligation between us; and this monitoring is solely to protect the credit union and no other party; and to seek to comply with any applicable laws governing us. If any such activity is observed by us, we may review the account and take actions we feel are necessary, which may include limiting services or closing the account.

**Right to Reject, Delay or Suspend:** We will not be obligated to honor, in whole or in part, (or may delay or suspend) any transaction or instruction which:

- Is not in accordance with any term or condition applicable to the relevant account;
- We reasonably believe may have been requested or issued without proper authority;
- Involves funds subject to a hold, dispute, restriction or legal process which we believe prevents withdrawal;
- We reasonably believe might violate the laws or regulations of the United States or any State, including without limitation, regulations of the Office of Foreign Asset Control (OFAC)

- Would violate any applicable provision of any risk control program of any state or federal agency or authority;
- Is not in accordance with any other requirement of our applicable policies, procedures or practices; or,
- We reasonably decline to honor for your or our protection.

You agree that any such action allowed above is a permissible under the terms of this Agreement and all laws and regulations applicable to the availability of funds held in deposit accounts and otherwise.

**Natural Disasters, Pandemics or Significant Health Concerns and other Acts of God:**

**Force Majeure.** Neither Party will be liable for any failure or delay in performing an obligation under this Agreement that is due to any of the following causes, to the extent beyond its reasonable control: acts of God, accident, riots, war, terrorist act, epidemic, pandemic, quarantine, civil commotion, breakdown of communication facilities, natural catastrophes, governmental declarations, acts or omissions, changes in laws or regulations, national strikes, fire, explosion, generalized lack of availability of raw materials or energy. For the avoidance of doubt, Force Majeure shall not include (a) financial distress nor the inability of either party to make a profit or avoid a financial loss, (b) changes in market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder. This clause shall continue to apply for a reasonable period of time after the cause addressed above has subsided sufficient to allow resumption of services.

**Official Health Guidance:** All Credit Union offices reserve the right to follow/implement official health guidance issued by governmental entities and/or health organizations which may include but are not limited to: Closure of Credit Union Offices; Social Distancing; Requiring the use of Personal Protective Equipment (masks, gloves, clear eye coverings or other requirements). These requirements may vary from office to office; and may change from time to time.

**Face Masks/Coverings:** For security reasons all face masks or other coverings are prohibited unless medically required. If a mask is medically required, members/non-members, contractors and staff, will be asked to temporarily remove it before assistance may be provided and completing a transaction for proper identification. If you feel you cannot remove you mask temporarily for identification in the branch you may use the credit union's Drive-Thru as an alternative. We will also consider any requests for special appointments where your identity can be verified before entering Credit Union property.

**Sharing Information with other Persons, Co-Borrowers, Co-Signers/Guarantors, Owners of Collateral Pledged and Others:** You hereby consent and agree that we may share any information regarding your obligations with us or collateral pledged to secure any obligations you owe to the credit union with the persons listed in this subsection if we receive a request which we in good faith believe to be related to any such obligations, refinancings, sales, trades, transfers, exchange or Transactions. Also, you consent and agree that we may provide pay-off or payment information to persons or entities who seek to make payments on your behalf, including potential "pay-offs". This may include account numbers and information necessary to process payments.

**Access to Third Parties.** When you give another party access to your accounts or account information you understand and agree that we have no liability or obligation for any errors, claims or losses of any type of nature whatsoever relating to any transactions initiated as a result of your relationship with that third party, including any claims or losses that may arise from any access to your accounts or personal information.

**Third Parties:** To expedite the matters herein for your benefit, you agree that we can rely on the representations made to us by a third party, and our duties to you hereunder do not require us to investigate or document a request for such information.

**"E-mail" and Facsimile Communications/Consent to Communications by E-mail:** You acknowledge and agree that the Internet is considered inherently insecure. Therefore, should you undertake to communicate with us via general email, you agree that we have no liability to you whatsoever for any loss, claim or damages arising or in any way related to our response(s) to any e-mail or other electronic communication, which we in good faith believe you have submitted to us. We have no duty to investigate the validity or to verify any e-mail or other electronic communication; and may respond to an e-mail at either the address provided with the communication, the e-mail address in your Membership Account Agreement and Signature Card, or any other application or written communication actually received by us. Any account owner, co-borrower, or authorized user may change the e-mail address for notices, statements or other information provided by us at any time. The credit union may not immediately receive e-mail communications that you send. Although we may use general email as provided herein, we reserve the right to require any notices from you be submitted to us in writing; and we may refuse to send certain information through unsecured e-mail communications. You agree and consent that we may provide to you any communication, documentation or information required by applicable laws or which we deem necessary or appropriate, which is not expressly subject to both consent and verification pursuant to laws such as the E-Signatures Act.

**Powers of Attorney:** You agree that regardless of any laws, rules or regulations we may in our sole discretion refuse to honor or accept a power of attorney to open, close, deposit, or make transactions on any account or to supply endorsements on checks or any other items or to take any other action with respect to an account, loan or other service. The credit union may allow a third person acting as your attorney-in-fact to make Transactions regarding your account(s) or conduct other business on your behalf without any liability to you, pursuant to a Power of Attorney, but have no obligation to do so. You agree that we have no obligation to verify the scope, authenticity, and validity of any Power of Attorney presented to us. If we accept the Power of Attorney, the credit union has no duty to inquire as to the use or purpose of any transaction(s) by your attorney-in-fact, and may restrict or refuse account access, withdrawals and Transactions.

You further agree we may require that a Power of Attorney be registered with the appropriate recording authorities. We may restrict the types or amounts of Transactions we permit an attorney-in-fact to conduct. We may require a separate form for each account or service for which you want to grant power of attorney. If your agent or attorney-in-fact does not present the original form, we may either accept or refuse to honor any power of attorney you grant and with no liability to you. If we accept a power, we may continue to recognize the authority of your agent or attorney-in-fact until we receive written notice of revocation from you and have had a reasonable time to act on it.

We within our discretion may not recognize a power of attorney given by one owner of a Joint Account without the consent of the other Joint Account holder(s).

You agree to indemnify and hold the credit union harmless for accepting and/or honoring any power of attorney, or copy thereof, which we accept in good faith and believe to be valid and authorized by you.

**Costs, Expenses and Attorneys' Fees - ALL ACCOUNTS/SERVICES:** All owners of account(s) or service(s) with us agree, jointly and severally, to pay us for all costs and expenses, including attorneys' fees we may incur: (1) If it is necessary for us to bring any legal or other action to collect any sum you owe the credit union; (2) If we incur any costs or expense as a result of any order or instruction received from any owner or any owner's agent under this Agreement, any adverse claim, legal process; your failure to comply with any obligation in this Membership Agreement or otherwise; (3) If we incur any expense as a result of any dispute, adverse or inconsistent claims; (4) If we bring any action contemplated in this Agreement; (5) If we successfully defend any claim against the credit union brought by any owner, agent, personal representative, executor, heir or other party in interest brought via any formal or informal process (including but not limited to arbitration

or mediation) involving your accounts or services with us; or (6) If we deem it necessary to seek the advice or opinion of legal counsel or other professionals regarding the bona fides or legality of any transaction(s) to/from your accounts or involving any services with us, or any request for information or documentation regarding any of your accounts and/or services with us. If you are responsible to pay us any costs of collection or legal expenses incurred in collecting any amount you owe; in enforcing or protecting our rights under this Agreement or otherwise; or as provided in this subsection, including but not limited to costs of repossession, repair, appraisal, and all other costs or expenses, you agree to pay us the actual amount of such costs and expenses together with reasonable attorneys' fees. In the case of any collection action, you agree that 20% of the unpaid balance or such greater sum as may be appropriate based on the circumstances shall be a reasonable amount, unless applicable law specifically provides otherwise. Further, you agree to pay the credit union an additional sum for any costs, legal expenses or attorneys' fees incurred in any appellate, bankruptcy or post-judgment proceedings, except as limited or prohibited by applicable law. Any costs, expenses or fees hereunder will be paid from any of your account(s) with the credit union before payment to any owner or other party. If the amounts in your account(s) are not sufficient, then the owner(s) of the affected account(s) or parties to any applicable services will immediately pay any difference.

**Telephone Requests; Recording Data/Communications and Consent to Communications from the credit union:** You agree that funds in any account(s) with us can be transferred, upon the telephone request of any signer on the account, or to another account with us. Furthermore, we reserve the right to refuse to execute any telephone request or other order. You consent that any communications by any means with us or our affiliates may be monitored and recorded. When you access any services, we offer/provide including online and mobile banking to conduct transactions, the information you enter may also be recorded. By providing a telephone number(s) to us, now or at any later time, you authorize us and our affiliates and designees to contact you regarding your account(s) with the credit union and its affiliates at such numbers using any means, including but not limited to placing calls using an automated dialing system to cell, VoIP or other wireless phone number, or by sending prerecorded messages or text messages, even if charges may be incurred for the calls or text messages.

**Use of Biometrics/Fingerprints:** The credit union or various apps you may choose to use may provide access to your accounts and services through the use of fingerprints or other biometrics. You agree to the use of such biometrics, and will cooperate with the credit union in implementing any requirements we or the third party may require associated with this technology. Biometric technologies may be used for authentication. A biometric identifier measures an individual's unique physical characteristics and compares it to a stored digital template for authentication. A physical characteristic can be a thumbprint, fingerprint, facial recognition or iris pattern. A biometric identifier can be used as a single or multifactor process. We may require the use of biometrics and/or fingerprinting with regard to any service we offer; and any refusal to cooperate with such use shall allow us to refuse to make any transaction, including but not limited to cashing any on-us item presented by any holder.

**Important Notice on Biometrics:** When you enable biometric access every person with an enrolled fingerprint on your accounts, services or device used to access your accounts and services will have access to your accounts and services, and may access your accounts, view your information, conduct transactions on your behalf, and has your authority to engage in these activities. Enrolled biometrics expand the number of persons who have access to your account regardless of the signers listed on your account agreement with us. CREDIT UNION ADVISES YOU TO REVIEW AND CONFIRM THAT ALL REGISTERED BIOMETRICS BELONG TO INDIVIDUALS WITH AUTHORITY AS DESCRIBED ABOVE. BY ACTIVATING ACCESS/SERVICES REQUESTED BY YOU THE CREDIT UNION RELIES ON YOUR REPRESENTATION THAT ANYONE WITH A REGISTERED BIOMETRIC HAS PROPER AUTHORITY TO ACCESS AND USE YOUR ACCOUNTS AND ASSOCIATED ACCOUNT INFORMATION.

## GLOSSARY:

These terms govern the interpretation of the above Agreement.

**Access device:** Any tool or means that allows you to access your account or conduct transactions. This can include, but is not limited to, debit cards, credit cards, mobile banking apps, online banking services, biometric data, and payment tokens.

**ACH:** The Automated Clearing House Network

**ACH Debit Entry:** An electronic instruction requesting the withdrawal of funds from your account through ACH.

**ACH Transaction:** A deposit or payment transferred to or from your account through an ACH.

**Arbitration:** When an impartial third party will hear the dispute between Credit Union and you and provide a decision. Binding arbitration means the decision of the arbitrator is final and enforceable. A dispute is any unresolved disagreement between Credit Union and you. A dispute may also include a disagreement about this Arbitration Agreement's meaning, application, or enforcement.

**Authorized Signer:** A person who has actual or apparent authority to use your account even if they have not signed the Membership Agreement.

**"Authorized User" and "Authorized Use":** Means any person who has actual, implied or apparent authority, or to whom any owner has at any time given any information, access device or documentation that enables such a person to access, withdraw, make transactions to or from your accounts, or to use any of your account services. Suggestion: If you have a joint owner on an account that has any access to the joint account (online or otherwise) you understand that this owner or authorized user may access all accounts and services associated with the account and all other accounts having the same account prefix (i.e., account number and all suffixes associated with said account number). If you authorize anyone to use your access devices that authority shall continue until you specifically revoke such authority by notifying the credit union in writing or as required by applicable laws. If we or any of our agents contact you regarding any transaction(s) and you verify the transaction(s) you agree we may rely on your verification; and that any such transaction(s) shall be deemed authorized by you. If you fail to maintain the security of these access codes and the credit union suffers a loss or otherwise makes a determination that the credit union is at risk for potential loss, we may terminate any or all of your account services immediately. This definition is intended to be construed broadly and includes without limitation all users acting under a written document such as a power of attorney as well as any person or entity that is authorized to make deposits or debits to or from your accounts with us. An authorized signer may stop payment on an item they have drawn or otherwise ordered, but may not close any account(s) or terminate any services without the owner's specific written consent.

**Available Balance:** Our most current record of the amount of money available for your use or withdrawal. For more information, see the "Available Balance, Posting Transactions, and Overdraft" section in this Agreement.

**Business Account:** Any deposit account, other than one of Credit Union's commercial deposit accounts, which isn't established and kept for personal, family, or household purposes. Common examples of ownership include an individual acting as a sole proprietor, a partnership, a limited partnership, a limited liability partnership, a limited liability company, a corporation, a joint venture, a nonprofit corporation, an employee benefit plan, or a governmental unit including an Indian tribal entity.

**Business Day:** Every day except Saturday, Sunday, and federal holidays.

**Cannabidiol Business (CBD):** Businesses engaged in the production or sale of hemp-derived cannabinoids intended for human or animal consumption as regulated by the FDA.

**Cannabis-Related Business (CRB):** The umbrella term for any Marijuana-Related Business, Hemp-Related Business, or Cannabidiol Business.

**Card:** Every type of debit card offered by the credit union.

**Collected Balance:** The ending daily balance in your account after all credits and debits have posted, minus deposited items that have not yet been collected from the originating financial institution. The collected balance is the balance on which dividends are calculated for all dividend-bearing checking accounts and for all savings accounts.

**Consumer Account:** Any deposit account which is established and kept for personal, family, or household purposes and isn't intended for business use. A consumer account can be owned by one or more individuals.

**Direct Deposit:** An automatic electronic deposit of your salary, pension, Social Security, or other regular income deposited through the ACH network to your Credit Union deposit account by your employer or an outside agency.

**Endorsement:** A signature, stamp, or other mark on the back of a check to transfer, restrict payment, or make the signer responsible for the check.

**Hemp-Related Business (HRB):** Businesses (agricultural or industrial) licensed by the federal (USDA) or state regulatory agency to grow, test, or otherwise prepare hemp.

**International Service Assessment (ISA):** A fee charged by Visa to merchants whenever a customer chooses to use a credit or debit card issued by a financial institution outside of the United States

**Item:** Any order, instruction, or authorization to withdraw or pay funds or money from or to an account. Examples include a check, draft, money order, ACH, wire transfer, Bill Pay, other electronic transfer, ATM withdrawal, teller withdrawal, debit card purchase, and fee.

**Marijuana-Related Business (MRB) - direct:** Businesses, whether licensed to provide Medical Marijuana or licensed to provide marijuana for adult-use, by the state cannabis regulatory agency.

**Marijuana-Related Business (MRB) - indirect:** Businesses that derive a significant percentage of their revenue, defined as 51% or more, from Direct MRBs.

**Mobile Device:** A smartphone, tablet, or any other hand-held or wearable communication device that allows you to electronically store or electronically present your debit card or debit card number (digital card number) to make debit card transactions.

**Overdraft:** An available balance of less than \$0.00 in your account.

**Returned Item/Non-Sufficient Funds (NSF):** A term used to indicate when an item presented for payment is returned unpaid because the available balance in your deposit account is less than the amount of the item when presented.

**Shares:** For the purpose of your pledge to secure your obligations to the credit union, our common law right of set-off, and otherwise, "share(s)" mean all deposits in any share savings, share draft, club, share certificate, P.O.D., revocable trust or custodial account(s), whether jointly or individually held -- regardless of contributions, that you have on deposit now or in the future, all of which are deemed "general deposits," for the purpose of your pledge. Your pledge does not include any I.R.A., Keogh, tax escrow, irrevocable trust or fiduciary account in which you do not have a vested ownership interest.

**Statement Period:** The dates of your statement period are located on your account statement, which provides you a record of all transactions posted during that period. Statement periods can be of varying length, including monthly, quarterly, semi-annual, or annual.

**Transaction or Transaction:** Means any deposit, order, transfer, payment, purchase via POS transaction or otherwise, withdrawal or other instruction relating to any account or account service provided by the credit union.



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