

# IMPORTANT ACCOUNT INFORMATION FOR OUR MEMBERS

## WELCOME TO COMMUNITY FINANCIAL MEMBERS FEDERAL CREDIT UNION

This “Important Account Information for Our Members” Agreement contains the Privacy Notice, Terms and Conditions, Electronic Fund Transfers Disclosures, Funds Availability Policy, Truth in Savings Act Disclosures, and other disclosures required under the Uniform Commercial Code Article 4A, and National Credit Union Administration and Federal Reserve Board regulations that govern your Accounts at Community Financial Members Federal Credit Union. Additionally, this Agreement contains rules for transactions or events which the law does not regulate, or for which the law permits variation by agreement. In this Agreement your share/savings, checking, money market, share certificate and retirement Accounts at Community Financial Members Federal Credit Union will each be referred to as an “Account”. The words “you”, “your”, and “Accountholder” mean the member and any joint members or co-depositors, and anyone with the authority to deposit, withdraw, or exercise control over the funds in the Account. The words “we,” “our,” “us,” “Credit Union,” and “Community Financial” mean Community Financial Members Federal Credit Union. Unless it would be inconsistent to do so, words and phrases used in this Agreement should be construed so the singular includes the plural and the plural includes the singular. The headings in this Agreement are for reference only and will not govern the interpretation of the terms and conditions of your Accounts.

**For Business Accounts:** The Privacy Notice, Electronic Fund Transfers, Funds Availability, and Truth in Savings sections of the Agreement, or portions thereof, address consumer specific regulations, and therefore, may not apply to your Account. Please read this Agreement carefully and retain it for future reference. Feel free to call or visit Community Financial if you have any questions.

## TERMS AND CONDITIONS

By signing an Account Membership Application (“signature card”) or other Account documentation, making a deposit to an Account, continuing to use an Account, or keeping an Account open, you acknowledge receipt of this Agreement and required disclosures, and that your Accounts with us are governed by this Account Agreement and the signature card for each Account, as amended from time to time, and all applicable federal and state laws and regulations. You further agree that you or a joint Accountholder qualify as a Community Financial member. This Agreement is a binding contract between you and Community Financial, and its provisions shall be binding upon you, your heirs, agents, representatives, trustees, beneficiaries and all other successors to your interest in your Account. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this Agreement. The Credit Union may enforce any of its rights under this Account Agreement even if it chooses not to exercise any right in a particular transaction. The Credit Union shall not be responsible for damages, or be subject to any liability to its members, except for gross negligence or willful misconduct. The obligation to exercise ordinary care in handling deposit and withdrawal items shall be measured by the reasonableness of the procedures established for the transaction involved. If any provision of this Agreement is found to be unenforceable, all remaining provisions will continue in full force and effect. Any variation to this Agreement must be agreed to in writing by Community Financial. This Agreement is effective on the date indicated in this Agreement and supersedes all previous Account Agreements.

## BYLAWS

Our bylaws, as amended from time to time, establish basic rules about our Credit Union policies and operations which affect your Account and membership. You may obtain a copy of the bylaws on request. In accordance with our bylaws, you must deposit \$5 (one share) in any Account as a condition of admission to membership. You must maintain a minimum balance of \$5 in at least one of your Accounts at all times to maintain your membership status. For joint accounts, each owner seeking membership is required to fulfill all of the membership requirements, including purchasing and maintaining at least one share in an account.

## IMPORTANT ACCOUNT OPENING INFORMATION

Federal law requires us to obtain taxpayer information and sufficient information to verify your identity. You may be asked questions and to provide one or more forms of identification to fulfill this requirement. The Credit Union may also request additional information from third parties including account information services and credit reporting agencies, at the time the Account is opened or any time thereafter. You agree that we may verify identifying information, and financial credit, and employment history by any necessary means, including without limitation, preparation of a credit report by a credit reporting agency. The information you or others provide is protected by our privacy policy and federal law. At our discretion, the Credit Union may refuse to open an Account, refuse to accept additional deposits into an Account, terminate check writing or other Account access privileges, or close an Account.

## CURRENT INFORMATION

It is your responsibility to keep your information current with us. You must inform us of any changes in your address, email address and telephone(s) numbers: home, work and cell. If you have a permanent or temporary change, we ask that you advise us immediately. A signature is required for a permanent or temporary address change, and may be required for other changes. Please visit a Community Financial office and advise a financial sales representative, or go online at [www.cfcu.org](http://www.cfcu.org) to print a Member Address Change Request form. If you are planning to temporarily relocate to a different address over the winter months, we will ask you to provide the alternate address, and a Start Date and Stop Date. If you relocate every year, you must request an alternate address each year. If you are going to be out of the country, please notify us by visiting a Community Financial office or calling (877) 937-2328, or by emailing [cumail@cfcu.org](mailto:cumail@cfcu.org). We may rely on the information you provide to us until you notify us of a change and we have a reasonable time to act on the new information.

## DIVIDEND WITHHOLDING

If you do not certify that you provided us with the correct taxpayer identification number for your Account, we may be required to withhold a certain percentage of your dividend income. Withheld dividends will be forwarded to the Internal Revenue Service in accordance with federal regulations.

## TYPES OF ACCOUNTS

The Credit Union offers savings, checking, money market, share certificate, and retirement accounts for our members. This Agreement provides details about the accounts and related services that are available to help you determine which accounts best suit your needs. Under these terms and conditions, Accounts must be established primarily for personal, family or household purposes. We reserve the right to close your Account or transfer funds to a commercial account if it is used for business purposes.

## OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION

Ownership and survivorship features of Accounts, other than business Accounts, are listed below. At the time of Account opening, you will designate the form of ownership and beneficiary, if any, for your Account. We reserve the right to refuse some forms of ownership on any Accounts. The Credit Union uses the ownership and beneficiary designation to determine to whom we pay or release Account funds. We may act on the oral or written instructions of any one Account owner or authorized signer on the Account. In all cases, our release of Account funds is subject to any previous pledge to which we have agreed. We make no representations as to the appropriateness or effect of these designations. The Credit Union requires appropriate documentation before releasing any funds to any estate, beneficiary or representative.

### Individual Account

An individual Account is an account in the name of one person. If the Accountholder dies, the balance in the Account belongs to his or her estate.

### Joint Account with Survivorship

(And Not as Tenants in Common)

An Account with more than one Accountholder may be established as a joint tenancy with right of survivorship, and not as tenants in common. The Credit Union may act upon the direction of one or more Accountholders and may pay funds to any Accountholder. Each of you may deposit to and withdraw from the Account. Any action by any Accountholder shall be binding upon all Accountholders, and each Accountholder agrees to release the Credit Union from all liability in connection with any payments the Credit Union makes to any joint Accountholder. If a joint Accountholder dies, the balance in the Account passes to the surviving joint Accountholder(s) as joint tenants with right of survivorship and not as tenants in common.

### Joint Account No Survivorship

(As Tenants in Common)

Tenancy in Common Accounts may be established by two or more persons, but none of you intend (merely by opening this Account) to create any right of survivorship in any other person. Each Accountholder owns an equal share of the Account unless you advise us in writing to the contrary. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the “number of signatures” necessary for withdrawal. Each Accountholder authorizes the Credit Union to accept for deposit to this Account items payable to one or more of the Accountholders, whether or not such items bear their endorsement. The signatures of all Accountholders, or their legal representatives, are required to withdraw funds from a tenancy in common Account. If an Accountholder dies, the Accountholder’s share of the Account belongs to his or her estate.

### Payable on Death Account

A Payable on Death (POD) Account is established in order to designate any surviving POD beneficiary/payee of an individual or joint Account, excluding IRA Accounts. For joint accounts with rights of survivorship, upon the death of one owner, the funds belong to the surviving owner(s) of the account. Upon the death of the final owner, the funds remaining in the account, if any, belong to the named POD beneficiary(ies); i.e., any remaining funds will not be disbursed to any beneficiary until the death of all account owners. Account benefits pass to beneficiaries, without rights of survivorship. We are not required to inform the beneficiary of the establishment of any such account or his or her vesting interest in any account, unless required by law. If no person designated as a POD beneficiary is living at the time of the death of the last surviving owner, the account shall be considered part of the owner’s estate.

### Revocable Trust Account

You may establish a revocable trust Account for one or more beneficiaries. As the trustee of the Account, you can withdraw from or close the Account, change account types, or change the beneficiary(ies). If two or more of you create such an Account as named trustees, you hold the Account jointly with right of survivorship. Beneficiaries or their legal representative cannot withdraw unless all trustees die and the beneficiary is then living. If two or more beneficiaries are named and survive the death of all trustees, such beneficiaries will own this Account in equal shares, without right of survivorship. If no beneficiary is living at the time of the death of the last surviving trustee, the proceeds of the Account vest in the estate of the last surviving trustee.

**Custodian Account**

Custodian Accounts are subject to the Michigan Uniform Transfers to Minors Act. You may deposit or transfer money into a custodian Account. The transfer to the minor is not revocable. You may name yourself or another adult as custodian and may appoint a successor custodian. Generally, the custodian is authorized to handle this Account on behalf of the minor child until the minor child reaches 18 years of age, at which time the custodian shall transfer the property to the minor. Funds in this Account may not be pledged as security for any purpose. Any action that the custodian takes, including withdrawals from this Account, must be made in the capacity as custodian.

**Fiduciary Account**

You may establish Accounts for the benefit of another person. These Accounts may be opened by a legal representative of another party, such as a personal representative, guardian, or trustee under a trust agreement. We may require you to provide us with documents, satisfactory to us, that authorize you to act as a fiduciary before we establish a fiduciary Account for you. You hold the Credit Union harmless for distributions made in good faith. It is your responsibility to notify the Credit Union when your authority as a fiduciary has been revoked, rescinded, revised, or in any way modified.

**Health Savings Account**

We offer a Health Savings Account that is also governed by a separate disclosure and agreement that we will furnish to you at the time the Account is opened.

**Retirement Account**

We offer a selection of retirement Accounts that are also governed by separate disclosures and agreements that we will furnish to you at the time the Account is opened.

**Youth Account**

A youth Account is established in the name of an individual who is under the age of 24. We may require that withdrawals be co-signed by the parent or guardian of the youth as designated on the signature card. If the Account holder dies, the balance in the Account belongs to the youth's estate.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

Accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Fund.

**MEMBER REWARDS**

Please visit [www.cfcu.org](http://www.cfcu.org) for Member Rewards Club benefits that may apply to your Account.

**ACCOUNT NUMBERS**

The Credit Union may require that your Account number be provided for deposits to or withdrawals from your Account. The Credit Union is not responsible for a transaction if an Account number is not written, or otherwise provided, or an incorrect Account number is used.

**ACCOUNT CHANGES, TRANSFER AND PLEDGES**

Your Accounts cannot be pledged, transferred or assigned without the Credit Union's written consent. Even if we consent, we may require that you close the account and that the new Account owner open a new account.

You agree to notify us in writing of any change in ownership or authorized signers on your Account or if an owner or authorized signer on the Account dies or is adjudicated incompetent.

If there is more than one owner and/or authorized signer on your Account, any account owner or authorized signer may request the Account be closed without consent of any other account owner or authorized signer. Any one account owner may request, and we may, at our option, permit removal of any account owner or authorized signer without consent of any other account owner or authorized signer on the account. You agree that we may, but need not, require a new signature card to be completed before any change in account owners or authorized signers becomes effective. You also acknowledge and agree that we may require you to close your Account in the event of any change in ownership or change in the authorized signers. We may take a reasonable period of time to act on and implement the change.

If you or we suspect that your Account is or may be compromised, we may require that you close your Account and open a new account. If we require or recommend that you close your Account and you do not do so, the Credit Union is not liable to you for subsequent losses, expenses or damages due to unauthorized transactions. When you open a new account, you are responsible for notifying any third parties that need to know your new account number.

**AUTHORIZATION**

An authorized signer may be designated to conduct transactions on your behalf. We undertake no obligation to monitor transactions to determine that they are on your behalf. If you follow our established procedures or use your personal identification number ("PIN") to authorize any transactions, modifications or additional services in connection with your Accounts or to establish additional Accounts, using electronic, telephonic or any other means, you authorize the Credit Union to treat your request as if it is made in writing and signed by you.

**TEMPORARY ACCOUNT AGREEMENT**

Each person who signs in the space designated for signature on the signature card may perform transactions on this Account. If a temporary signature card is provided or other information or Account documentation is required, we may at some time in the future restrict or prohibit further use of the Account if you fail to comply with the imposed requirements within a reasonable period of time.

**BUSINESS DAYS**

Every day is a business day except Saturdays, Sundays, federal holidays and days we are closed. A transaction that occurs on a non-business day, or after our daily cut-off time on a business day, will be treated as if it occurred on the next business day that we are open. Deposits and other transactions by mail or outside depository are not considered received by the Credit Union, and we are not responsible for these transactions until we record them.

**DEPOSITS**

We may accept, accept for collection only, refuse, or return all or part of any deposit. If we accept checks or other items for deposit or cashing, you are responsible if there is a subsequent problem with the checks or other items. When we receive a check or other item for deposit or collection, we assume no responsibility beyond the exercise of ordinary care, and are not responsible for errors or delays made by others in the collection process. The Credit Union may credit a deposit to an account based solely on the account number provided. You are responsible for any claim, cost, loss or damage caused by your failure to properly identify the account to which a deposit is to be made. We may charge your Account at any time, without prior notice to you, for the amount of any check or other item not paid for any reason, even if we previously made the funds available to you, or if this causes your Account to become overdrawn. The Credit Union may accept a check or other item for deposit to your Account from anyone, without questioning the authority of the person making the deposit. The Credit Union may refuse to accept any item for deposit or cashing, including items that are improperly endorsed or otherwise unacceptable to us. We may not accept a remotely created check (an unsigned draft or a preauthorized draft) for deposit unless we have previously agreed in writing to do so. If you deposit a remotely created check into your Account, you warrant and guarantee that the remotely created check is authorized according to the terms on its face by the person identified as the drawer, and agree to indemnify us from any loss, expense and liability related to a claim that such check or draft was not authorized by the persons on whose account it was drawn. All non-cash items for deposit should be endorsed by all parties to whom they are made payable. You agree to hold the Credit Union harmless for supplying or guaranteeing your missing endorsement or for accepting illegible or improper endorsements on items deposited into your Account. You agree that you will not knowingly deposit an item into your Account that does not have either a true original signature or authorized facsimile signature of the person on whose account it is drawn. At the Credit Union's discretion, we may refuse endorsements by third parties or require them to be verified or guaranteed. All deposits are subject to our subsequent verification and adjustment, even if you have already withdrawn all or part of the deposit. We will give provisional credit only until collection is final for any items other than cash that we accept for deposit (including items drawn "on us") with the following exception. We will only give credit for checks drawn on foreign financial institutions and deposits of, or payable in foreign currency, at the exchange rate in effect, on final collection in U.S. dollars. All negotiable instruments presented for deposit must be in a format that can be processed and photographed. The Credit Union may refuse to accept any check that does not meet this requirement. You agree to pay any fees for collecting on items deposited. If you give us cash that is determined to be counterfeit, we will retain the counterfeit currency. If you give us cash that we later determine to be counterfeit, we may charge your Account for the amount we determine to be counterfeit. We reserve the right not to pay dividends on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited dividends). If your Account is overdrawn, the Credit Union may use a deposit to pay the overdraft and any fees you owe. If funds to which you are not entitled are deposited to your Account in error, we may deduct these funds from your Account without giving you any prior notice or demand.

**DIRECT DEPOSITS**

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

**WITHDRAWALS**

You may withdraw funds from your Account in person at one of our branches, or by check, pre-authorized transfer, by use of an automated teller machine ("ATM") or point-of-sale ("POS") terminal, telephone transfer or other electronic means, to the extent that these services are available for your Account. ATM and POS transactions are subject to the terms under "ELECTRONIC FUND TRANSFERS – YOUR RIGHTS AND RESPONSIBILITIES" in addition to other applicable terms and conditions. Online transactions are also subject to the terms of applicable online services agreements.

Unless clearly indicated otherwise on the Account records, any of you, acting alone, who signs a signature card may withdraw or transfer all or any part of the Account balance. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to the Account or any other transaction with us. The signature on all checks and withdrawals must be as it appears on the signature card for your Account on file with the Credit Union. If we accept your power of attorney, your check or withdrawal may be signed by the person with authority to sign for you.

If you voluntarily disclose your account number to another person orally, electronically, in writing, or by any other means, you are deemed to authorize each item, including electronic debits, which result from your disclosure. The Credit Union may pay these items and charge your account.

We may refuse and are not liable for any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the Account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. The Credit Union may refuse any withdrawal request against uncollected or non-sufficient funds. The fact that we may honor withdrawal requests that overdraw the available Account balance does not obligate us to do so later.

See "FUNDS AVAILABILITY" for information about when you can withdraw funds you deposit. You can also ask us when you make a deposit when those funds will be available for withdrawal.

#### **PAYMENT OF CHECKS**

The Credit Union may refuse to cash or pay a check drawn on your Account if you have insufficient available funds to cover the amount of the check. At the Credit Union's discretion, we may refuse to cash or pay a check that is improperly endorsed or unacceptable to us, including any check bearing more than one endorsement, payable to a business, presented by a non-member, or when fraud is suspected. You agree that we may disregard any restrictive legend on checks you write unless we have agreed in writing to the restriction. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000." We may pay a check before the date of the check, unless we have received written notice of the postdating and request for non-payment in time to have a reasonable opportunity to act. The Credit Union may, but is under no obligation to, honor a check which is more than six months old. If you do not want us to pay a post-dated or stale-dated check, you must place a stop payment order on it.

You agree to be responsible for any expense or loss resulting from your use of check stock that contains defects, such as printing errors, faulty magnetic ink, or duplicate serial numbers; or if you elect to have your checks printed by a vendor that has not been approved by us; or if you use check stock or features, e.g., security features, or if you make your check out in a way, e.g., using a lightly colored ink, that causes critical data to disappear or be obscured when the checks you write are converted into electronic images during the check collection and return processes.

#### **PAYMENT ORDER OF ITEMS**

The law permits us to pay checks or other items drawn on your Account in any order. Payment order is important if there is not enough money in your Account to pay all of the items that are presented. There is no policy that is favorable in every instance. If the smallest items are paid first, you may have fewer non-sufficient funds ("NSF") or overdraft fees, but the largest, and perhaps more important items (such as rent or mortgage payments) might not be paid. If an item is presented without sufficient funds in your Account to pay it, we may, at our discretion, pay the item, creating an overdraft, or return the NSF item. We encourage you to make careful records and practice good account management. This will help you to avoid withdrawals or the writing of checks without sufficient funds and incurring the resulting overdraft and NSF fees that are disclosed in our fee schedule.

#### **LOST OR STOLEN CHECKS**

You agree to immediately advise a Community Financial representative if your checks are lost or stolen. For your protection, you further agree that your Account will be closed and a new one may be opened if checks are lost or stolen.

#### **CASH WITHDRAWALS**

The Credit Union may require reasonable advance notice for large cash withdrawals, and may refuse to honor a request to withdraw funds in cash from your Account or to cash a check if we believe that the amount is unreasonably large and that honoring the request would cause a security risk to you or to us. Such withdrawals made by you are at your sole risk.

#### **OVERDRAFTS AND OVERDRAFT PROTECTION**

Your Account will be overdrawn if a check or an item is charged against, or a withdrawal or transfer is made from your Account for more money than you have in the Account. At the Credit Union's discretion, we may dishonor or return any such transaction if there are uncollected funds or an insufficient balance in your Account to pay the item. The Credit Union may pay a check or honor a withdrawal or transfer request, and charge the amount of the resulting overdraft plus any applicable service charge against a share or loan Account.

Funds in your Account are not available to cover a check or other item if at the time we process the item we determine that the funds are subject to a hold, dispute, or legal process. For example, holds include deposit holds and authorization holds we place on the Account for debit card transactions. You can avoid fees for overdrafts and returned items by making sure that your Account always contains sufficient available funds to cover all of your transactions.

Honoring of past overdrafts does not obligate the Credit Union to honor them in the future. The Credit Union is not required to send prior notice of checks returned unpaid due to uncollected or insufficient funds, and you agree to immediately deposit sufficient funds to cover any overdraft and related service charges, expenses, and reasonable attorneys' fees, including the cost of any attorney employed by us. All joint owners of the Account are jointly and severally liable to repay the Credit Union the amount of any overdraft and related service charges, expenses and fees, regardless of which of the parties wrote the check or authorized the withdrawal that created an overdraft. The charges for each check or item returned or paid on an Account that has uncollected funds, non-sufficient funds, or is overdrawn are listed in our fee schedule.

#### **Overdraft Protection for Checking Accounts**

You may choose to enroll in Overdraft Protection to help protect your checking account from overdrafts and returned items. You may choose to link an eligible savings account(s), an eligible Community Financial credit card, and/or an eligible line of credit for Overdraft Protection on an eligible checking account. Some checking accounts are not eligible for Overdraft Protection. You authorize the Credit Union to debit the designated linked accounts and to charge an Overdraft Protection transfer fee to your checking account for each transfer. Overdraft Protection transfer fees may be less expensive than those for overdrafts and returned items. We generally make Overdraft Protection transfers in a minimum amount so we may not make a transfer if you do not have at least the minimum transfer amount available. To link accounts under Overdraft Protection, at least one of the owners of the checking account must also be an owner of the savings, credit card or line of credit account.

##### Overdraft Protection from Your Savings Account

When you do not have enough available funds in your checking account to cover an item, we may automatically transfer funds from the available balance in your eligible savings account(s). Funds you deposit into your savings account may not be available immediately for overdraft protection transfer. Each transfer counts as one of the six limited transactions you are allowed each month from your savings accounts. We may charge an Overdraft Protection fee for each transfer.

##### Overdraft Protection from Your Credit Card

When you do not have enough available funds in your checking account to cover an item, we may automatically advance funds from your linked credit card account and transfer the funds to your checking account. The advance is made under and is subject to the terms and conditions described in the applicable credit card agreement. We may not advance funds from your credit card account if you are in default under the credit card agreement. The funds advanced for each transfer generally may not exceed the amount of your available credit on your credit card account, and in addition to the Overdraft Protection transfer fee, are subject to fees and finance charges under your credit card agreement.

##### Overdraft Protection from Your Line of Credit

When you do not have enough available funds in your checking account to cover an item, we may automatically advance funds from an eligible, linked line of credit, and transfer the funds to your checking account. The advance is made under and is subject to the terms and conditions described in the applicable line of credit agreement. We may not advance funds from your line of credit if you are in default under the line of credit agreement. The funds advanced for each transfer generally may not exceed the amount of available credit under your line of credit, and in addition to the Overdraft Protection transfer fee, are subject to the fees and finance changes under your line of credit agreement.

#### **DISPUTES**

If we have actual knowledge of, or otherwise believe in good faith that there may be a bona fide dispute between the signers, beneficiaries, payees, or other persons concerning their rights to the Account, or if we are otherwise uncertain as to who is entitled to the Account funds, we may notify all signers, beneficiaries, payees or other persons claiming an interest in the account of the dispute or uncertainty; and we make take one or more of the following actions: Continue to rely on current account documents; freeze all or part of the funds until the dispute is resolved to the Credit Union's satisfaction; honor a claim upon receipt of evidence we deem satisfactory supporting the claim; close the Account and send a check for the Account balance, payable to you or to each claimant; pay the funds to an appropriate court for resolution; or refuse to disburse Account funds to any person until all persons claiming an interest in the Account consent in writing to a resolution of the dispute, or an appropriate court authorizes or directs the payment, or the person with a conflicting claim withdraws the claim in writing. You agree that you are liable for and we may charge your Account for all expenses and fees we incur relating to the dispute, including attorneys' fees.

#### **LEGAL CLAIMS**

The Credit Union may restrict your use of your Account if it is subject to any legal proceedings such as a tax levy, garnishment, citation to discover assets, attachment, bankruptcy proceeding or injunction. The Credit Union may assess a fee against any Account subject to legal proceedings. You agree to pay our costs, expenses and reasonable attorneys' fees, including the costs of any attorney employed by us, if the Credit Union must appear in, or respond to, any legal

proceedings involving your Account. You agree to indemnify the Credit Union from any legal claim involving your Account if we followed your instructions or acted properly in handling your Account. We reserve the right not to pay dividends on amounts subject to garnishment, levy or other legal process.

#### **STOP PAYMENTS**

If you do not want us to pay a check or ACH payment order drawn on your Account, you may make a stop payment order directing us not to pay the item, whether you signed the item or not, if you have an equal or greater right to withdraw from the Account than the person who signed the item. You may notify us orally or in writing provided that you allow us a reasonable amount of time to act on the stop payment order. The stop payment order must identify the Account number, date, payee, amount and number of the check. You must confirm an oral stop payment order in writing within 14 days or we may not continue to honor the stop payment order. A stop payment on a check is effective for six months. A stop payment order on a check may be renewed for additional six month periods by notifying the Credit Union in writing within a period during which the stop payment order is effective. A stop payment on an ACH payment order is effective permanently. The Credit Union may charge you for each stop payment order. The person who initiated the stop payment order may cancel it at any time by making a request in writing. Limitations on our obligation to stop payment are provided by law.

#### **REPLACEMENT OF CASHIER'S CHECKS**

If a cashier's check is lost, stolen or destroyed and you request its replacement, the Credit Union is not obligated to pay the amount of the check until you provide us with appropriate documentation, and after the end of a 90-day waiting period. Claims must be made in a form that is satisfactory to the Credit Union. The Credit Union may charge you for placing a stop payment order on the original check.

#### **TELEPHONE TRANSFERS**

Telephone transfers of funds from one Account to another Account may be made by the same persons, and are subject to the same terms, conditions, and fees, generally applicable to written withdrawals.

#### **AUTOMATED CLEARING HOUSE ("ACH") AND WIRE TRANSFERS**

This Agreement is subject to federal regulation and Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the State of Michigan. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. The Credit Union will not be liable to make any refund to you for canceled requests until after the Credit Union receives the returned funds. The Credit Union has no influence or responsibility for fees or surcharges imposed by other financial institutions involved in the transfer of the funds. You agree to be bound by National Automated Clearing House Association rules. These rules provide, among other things that payments made to you or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive final settlement, we are entitled to a refund from you in the amount credited to your Account, and the party originating such payment will not be considered to have paid the amount so credited. If we receive a credit to an Account you have with us by wire or ACH, we will provide you with notification of receipt as part of your periodic statement.

#### **STATEMENTS AND NOTICES**

The Credit Union will send you periodic (monthly, quarterly, and or annual) Account statements. We will also send you Account notifications. It is important that you notify us of your address changes, if any. We may stop sending you statements and notices if your statements or notices are returned by the post office.

If you so choose, your statements and notices may be sent via our electronic eStatement Service. A valid email address is required. You are responsible for providing your current email address and any subsequent changes to your email address to the Credit Union.

You will not receive any original check or item after it is paid. A copy of a check or copy of a substitute check, or image will be available to you as required by law. There may be a fee to obtain a copy of a check or substitute check.

You should notify the Credit Union of any errors or irregularities in your Account transactions within 30 days from the time we mail your statement to you. If you do not notify us within this 30 day period of any forgeries, unauthorized signatures, alterations or errors (other than electronic fund transfers as defined in the Electronic Fund Transfers Disclosure), you waive all claims that you may have against the Credit Union regarding these problems, regardless of whether we used ordinary care.

#### **RELEASE OF INFORMATION**

You can obtain information about your account at a Credit Union office, by telephone, by mail and through online banking. We believe that we have adopted reasonable security measures, but cannot ensure against unauthorized inquiries or intrusions. You agree that we are not responsible for the release of information to anyone who has gained possession of your ATM Card, Visa Check Card, or other code or access device or who has learned your identifying characteristics such as personal identification number, account number or social security number, even if you have not authorized them to obtain the information.

We may disclose information to third parties about you or your Account in accordance with Community Financial's Privacy Notice, or if you give us your written permission to do so.

#### **DORMANT ACCOUNTS**

The Credit Union considers Accounts, except share certificates and retirement Accounts, dormant two years after the last deposit, withdrawal or non-automated transfer to or from the Account. Dormant Accounts remain subject to the conditions contained in this Agreement. An inactive account fee will be assessed against dormant Accounts.

#### **ABANDONED PROPERTY**

The Credit Union is required under state law to turn over all property presumed to be abandoned, to the state of the last known residency of the Accountholder. In Michigan, your Account will be presumed abandoned after five years unless you make a deposit to or withdrawal from your Account, write a letter to the Credit Union regarding your Account, or sign a Credit Union form indicating your interest in your Account. Share certificates are presumed abandoned in accordance with state law. Individual Retirement Accounts (IRAs) are generally not presumed abandoned earlier than five years after the Accountholder reaches the age when distributions are required.

#### **RIGHT TO REPAYMENT OF INDEBTEDNESS**

If you owe the Credit Union money, and when permitted by law, we may offset funds from any Account in which you have an interest to pay the debt, including dividends on the Account. The Credit Union may charge or offset the entire amount of all debts owed to us now or in the future, fees (including reasonable attorneys' fees, which may include the cost of any attorney employed by us), costs or expenses owed to us by an Accountholder against all of the funds in any Account in which the Accountholder has an interest. We may apply funds in any order to pay off your indebtedness.

Our contract rights or rights under a statutory lien do not apply to this Account if: (a) it is an individual retirement account or other tax deferred retirement account; or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest); or (c) the debtor's right of withdrawal arises only in a representative capacity. By not enforcing a lien, we do not waive our right to enforce it later.

We will not be liable for the dishonor of any check or withdrawal when the dishonor occurs because we charge and deduct an amount you owe us from your Account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment. We will notify you if we have exercised our right to repayment.

#### **GOVERNING LAW**

This Agreement and your and our rights and obligations under this Agreement, are governed by federal law and the laws of the State of Michigan. If state and federal law are inconsistent, or if state law is preempted by federal law, federal law governs.

#### **INDEMNIFICATION AND LIMITATION OF LIABILITY**

The Credit Union is not liable to you for errors that do not result in a financial loss to you. We may take any action authorized under this Agreement without being liable to you, even if such action causes you to incur fees, expenses or damages. We are not liable for any claim, cost, loss or damage caused by an event that is beyond the reasonable control of the Credit Union; or for any action required by any guideline, rule or regulation of any governmental or regulatory authority, or actions by third parties, including those by another financial institution, or your act, omission, negligence or fault. Unless required by applicable law, we are not liable for special, incidental, exemplary, punitive or consequential losses or damages of any kind. Our liability for a claim, if any, will be limited to the face value of a transaction or an item improperly dishonored or paid or the actual value of any deposits not properly credited to or withdrawals not properly debited from your Account. You agree that the amount of any claim you have against us is subject to reduction to the extent that negligence or failure to use reasonable care on your part, or on the part of any of your agents or employees, contributed to the loss which is the basis of your claim; and the damages could not be avoided by our use of ordinary care. Any loss recovery you obtain from third parties on a particular claim, including, without limitation, any insurance proceeds you receive or are entitled to receive, will reduce the amount of any obligations we may have to you on that claim, and you agree to pursue and immediately notify us of any such recovery.

#### **AMENDMENTS, NOTICES AND TERMINATION**

The Credit Union may change our bylaws and the terms and conditions governing your Account, as well as our separate fee schedule at any time without prior notice to you if a change is favorable to you. We will ordinarily give you notice at least 30 days in advance of other changes by methods permitted by law. However, we may make changes without prior notice unless otherwise required by law. When we change this Agreement, the then current version of this Agreement supersedes all prior versions and governs your Account.

You may close the Account if you do not agree to a change. If you continue to use the Account or keep the Account open after the effective date of any change, you will be deemed to have agreed to the change.

Notice to you is deemed effective when posted in our lobbies or mailed to your most recent address as listed in our records. You must keep us informed of your current name and address at all times. Notice to the Credit Union is effective when we receive it. Notice to or from any one joint Accountholder is effective to or from all Accountholders.

We may close the Account if your membership in the Credit Union terminates, or by tendering the Account balance in person or by mail. Your rights to services may be suspended by the Credit Union if you violate these terms and conditions. If at any time we believe that your Account may be subject to irregular, unauthorized, fraudulent or illegal activity, we may, at our discretion, freeze the funds in any of your Accounts, limit Account services, and/or close one or more of your Accounts and/or related cards used to access your Account. If we decide to close your Account, we may, at our discretion, either accept or return deposits, checks or other items that we receive without being liable to you.

### **ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES**

This disclosure includes the additional rights and responsibilities that you may have pertaining to electronic fund transfers, and applies only to Accounts established primarily for personal, family, or household purposes. Electronic fund transfers include transfers of funds initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit an Account. Examples of electronic fund transfers are automated teller machine ("ATM"), point-of-sale ("POS"), and Visa® Check Card transactions, direct deposits, pre-authorized withdrawals of funds, computer-initiated transactions, electronic check conversion transactions and telephone transfers. A separate agreement governing online banking and bill payment services is provided to members enrolling for those services.

#### **FOR YOUR ACCOUNT SAFETY & SECURITY**

It is your responsibility to keep your information current with us. You must inform us of any changes in your address, email address and telephone(s) numbers: home, work and cell. If you have a permanent or temporary change, we ask that you advise us immediately. A signature is required for a permanent or temporary change. Please visit a Community Financial office and advise a financial sales representative, or go online at [www.cfcu.org](http://www.cfcu.org) to print a Member Address Change Request form. If you are planning to temporarily relocate to a different address over the winter months, we will ask you to provide the alternate address, and a Start Date and Stop Date. If you relocate every year, you must request an alternate address each year. If you are going to be out of the country, please notify us by visiting a Community Financial office or calling (877) 937-2328, or by emailing [cumail@cfcu.org](mailto:cumail@cfcu.org).

#### **ACCOUNT ACCESS**

You must maintain a minimum Account balance of \$5 in at least one Account as a condition of using an access device (card and/or identification code) to accomplish a transfer. Also, some of the electronic fund transfers listed below may not apply to your Account. All transactions are subject to receipt, verification and collection by the Credit Union.

#### **ATM TRANSACTIONS**

You may use your Community Financial ATM or Visa Check Card at any Community Financial ATM, as well as at ATMs that are linked to networks in which the Credit Union participates.

You may access your designated Accounts by ATM using your ATM/Visa Check Card and personal identification number ("PIN") to:

- Make deposits to checking or savings Accounts.
- Withdraw cash from checking or savings Accounts. If you have sufficient available funds, you may withdraw no more than \$300 per day, unless another amount has been agreed to by the Credit Union.
- Transfer funds between your savings to checking Accounts.
- Transfer funds from a line of credit to checking or savings Accounts.
- Make payments from checking or savings Accounts on designated Credit Union loans.
- Obtain information about the Account balance of your checking or savings Accounts.

Some of these services may not be available at all ATM terminals.

#### **ELECTRONIC FUND TRANSFERS INITIATED BY THIRD PARTIES**

You may authorize a third party to initiate electronic fund transfers between your Account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House ("ACH") or other payment networks.

Your authorization to the third party to make these transfers may occur in a number of ways. In some cases, your authorization can occur when the merchant posts a sign informing you of their policy. In all cases, the transactions will require you to provide the third party with your Account number and Credit Union information. This information can be found on your checks. You should only provide your Credit Union and Account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include:

- Pre-authorized credits – You may make arrangements for certain direct deposits to be accepted into your checking or savings Accounts.
- Pre-authorized payments – You may make arrangements to pay certain recurring bills from your checking or savings Accounts.
- Electronic check conversion – You may provide your check to a merchant or service provider who will scan the check for the encoded Credit Union and Account information. The merchant or service provider will then use this information to convert the transaction into an electronic fund transfer. This may occur at the point of purchase, or when you provide your check by other means such as by mail or drop box.
- Electronic check conversion by the Credit Union – When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction. When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment, and you will not receive your check back. A check or electronic entry may be represented if returned unpaid.
- Electronic returned check charge – The Credit Union and some merchants or service providers may initiate an electronic fund transfer to collect a charge in the event a check is returned for insufficient funds.

#### **DIRECT DIAL 24 TELEPHONE TRANSFERS AND WEBPB INTERNET TRANSFERS**

You may access your Account by telephone 24 hours a day at (734) 453-4560 or (800) 455-2328 using your PIN, a touch tone phone, and your Account numbers, or through the Internet 24 hours a day at [www.cfcu.org](http://www.cfcu.org) using your PIN and your Account numbers, to:

- Transfer funds between checking and savings;
- Transfer funds from savings to savings;
- Transfer funds from a line of credit to checking or savings;
- Make payments from checking or savings to loan Accounts with us; or
- Obtain information about;
  - Your checking or savings Account balances;
  - Deposits to checking or savings Accounts;
  - Withdrawals from your checking or savings Accounts; or
  - Checks that have cleared.

#### **POINT-OF-SALE TRANSACTIONS**

You may use your Community Financial Visa Check Card at places that have agreed to accept Visa to access your checking Accounts to purchase goods (in person), pay for services (in person), and get cash from a merchant, if the merchant permits.

#### **LIMITATIONS ON FREQUENCY OF TRANSFERS**

No more than six pre-authorized, automatic or telephone transfers or withdrawals are permitted from your savings and money market Account per statement cycle to the extent that these services are available for your Account. A charge may be assessed for each check (including electronic check conversion transactions) or draft that exceeds these limitations in accordance with our fee schedule. The Credit Union may close your Account if you continue to exceed these limitations.

For security reasons, there may be other limits on transfers you can make using your Community Financial ATM or Visa Check Card, including POS transactions.

#### **LIMITATIONS ON DOLLAR AMOUNT OF TRANSFERS**

The amount you may withdraw from an ATM and the amount of goods and services that you can purchase through POS transactions each day when you use your ATM or Visa Check Card and/or code is stated on the information you receive with your card, when applying for the card, or on other written correspondence that you receive from the Credit Union. In all cases, the amount of withdrawals and purchases is limited by the amount of available funds in your Account and any applicable overdraft arrangements. You also have the option to limit the amount of cash that can be withdrawn by your ATM card and/or code to \$50 per day or some other amount acceptable to us.

#### **CHARGES FOR TRANSFERS**

Please refer to our separate fee schedule for a listing of fees.

When you use an ATM not owned by us, you may be charged a fee by the ATM operator, any network used, or Community Financial including, but not limited to, a fee for a balance inquiry, even if you do not complete a fund transfer. We will charge you to replace a Community Financial ATM or Visa Check card as indicated in our fee schedule. We will also charge you for transaction adjustments when you enter an incorrect amount for a deposit made at any ATM.

## RECEIPTS AND STATEMENTS

### ATM and POS Transactions

You can get a receipt at the time you make a transfer to or from your Account using an ATM or a POS terminal.

### Pre-Authorized Credits

If you have arranged to have direct deposits made to your Account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money. You can call us at (734) 453-4560 or (800) 455-2328 to find out whether or not the deposit has been made. If you have arranged to have direct deposits, you will get a monthly statement from us.

### Periodic Statements

Under National Automated Clearing House Association (NACHA) operating rules, which are applicable to all ACH transactions involving your account, we are not required to and will not give next day notice to you of the receipt of an ACH item. We will continue to notify you of the receipt of payments in your periodic statement. You will get a monthly Account statement from us for your checking Accounts and for savings Accounts if there are electronic fund transfers during the month. In any case you will get savings Account statements at least quarterly.

### Notice for Varying Debit Amounts

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

## PRE-AUTHORIZED TRANSACTION STOP PAYMENTS

### Right to Stop Payment and Procedure

If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Call or write us at the telephone number or address shown in the "Credit Union Contact" section of this disclosure, in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

### Fee for Stop Payment Orders

We will charge you for each stop payment order you give as indicated in our separate fee schedule.

### Liability for Failure to Stop Payment of Pre-Authorized Transfers

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 be liable for your losses or damages.

## LOST OR STOLEN CARDS AND UNAUTHORIZED TRANSFERS

### Consumer Liability and Contact in Event of Unauthorized Transfer

Contact us IMMEDIATELY at the telephone number listed in the "Credit Union Contact" section of this disclosure if you believe your Community Financial ATM and/or Visa Check Card and/or code is lost or stolen, or that someone has transferred or may transfer money from your Account without your permission. Telephoning is the best way of keeping your possible losses down.

If you do not notify the Credit Union of a lost or stolen card and/or code or unauthorized transfer immediately, you could lose all of the money in your Accounts, plus your maximum overdraft line. If you believe that your card and/or code has been lost or stolen, and you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card and/or code without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

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

### CREDIT UNION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your Account to make the transfer;
- If the transfer would go over the credit limit on your overdraft line, if you have an overdraft line;
- If the ATM where you are making the transfer does not have enough cash;
- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer;
- If circumstances beyond our control, such as fire or flood, prevent the transfer, despite reasonable precautions that we have taken; or
- There may be other exceptions stated in our agreement with you.

## BUSINESS DAYS

The Credit Union's business days are every day except Saturdays, Sundays and federal holidays and the days we are closed.

## REGULATORY AUTHORITY

This Agreement and the electronic fund transfers described in it are governed by state and federal law. If you believe that a provision of the Michigan Electronic Funds Transfer Act or federal law has been violated, you may address your complaint to the National Credit Union Administration, 9 Washington Square, Washington Avenue Extension, Albany, NY 12205, and Office of Financial and Insurance Services, Division of Financial Institutions, P.O. Box 30224, Lansing, MI 48909.

## ERROR RESOLUTION NOTICE

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

- (1) Tell us your name and Account number (if any).
- (2) 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.
- (3) Tell us the dollar amount of the suspected error.

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

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new Account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new Account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will provisionally credit your Account within 10 business days (20 business days if the transfer involved a new Account) 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. Your Account is considered a new Account for the first 30 days after the first deposit is made, unless prior to the opening of this Account, each of you already has an established Account with us that has been open for more than 30 days.

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 and you will be required to repay the amount that was provisionally credited to your Account. You may ask for copies of the documents that we used in our investigation.

## CREDIT UNION CONTACT

COMMUNITY FINANCIAL  
500 S. HARVEY STREET, P.O. BOX 8050  
PLYMOUTH, MI 48170-8050

Business Days: Monday through Friday, excluding federal holidays  
Phone: (734) 453-1200 or (877) 937-2328

### Report Lost or Stolen Cards or Fraud on Your Visa Check Card

During Business Hours: (734) 453-1200 or (877) 937-2328  
After Hours: (800) 543-5073

## CHOICE OF LAW

We may accept on your behalf payments to your account which have been transmitted through one or more automated clearing houses and which are not subject to the Electronic Funds Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of Michigan as provided by the NACHA operating rules.

## FUNDS AVAILABILITY

Our policy is to delay the availability of funds from your deposits. The length of the delay will vary depending on the type of deposit that you make as explained below. During the delay, you may not withdraw the funds in cash, and we will not use the funds to pay checks that you have written or other debits to your Account. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposits.

### DETERMINING THE AVAILABILITY OF A DEPOSIT

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit on Saturday, or after closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open. The length of the delay varies depending on the type of deposit and is explained below. If you make a deposit at an ATM owned and operated by Community Financial before 11:30 p.m. Monday through Friday 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 at an ATM after 11:30 p.m. Monday through Friday or on a day we are not open, we will consider that the deposit was made on the next business day we are open. Any deposit you make through the mail will be considered deposited on the business day that the deposit is received by the Credit Union. Any deposit you make to a night depository will be considered deposited on the business day the deposit is removed from the night depository.

### DEPOSITS AT AUTOMATED TELLER MACHINES

Accounts less than six months old will have no immediate cash availability from any deposit with the exception of our President's and Sterling Club members (cash deposits will be made available the next business day). President's and Sterling Club members and members with Accounts that are more than six months old will have a \$300 immediate availability from any deposit. All check deposits made at a proprietary ATM (one that is owned and operated by Community Financial) are subject to Community Financial's Funds Availability Policy. All deposits made at a non-proprietary ATM will have a five business day hold, regardless of cash or check. All ATMs that we own or operate are identified as our machines.

### SAME-DAY AVAILABILITY

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

- Electronic direct deposits,
- U.S. Treasury checks that are payable to you,
- Wire transfers, or
- Checks drawn on Community Financial

If you make a deposit in person to one of our employees, funds from the following deposits are also available on the day we receive your deposit:

- Cash,
- State and local government checks that are payable to you, or
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and U.S. Postal Service money orders, if these items are payable to you.

If you do not make your deposit in person to one of our employees, for example, if you mail the deposit, funds from these deposits will be available on the second business day after the day of your deposit.

### LOCAL CHECK DEPOSITS

Our policy is to generally make funds from local checks, i.e., checks drawn on U.S. financial institutions, available as follows.

To determine whether a check is a local check, contact a Community Financial representative. You will need to provide the routing number on the check.

Some checks are marked "payable through" and have a four or nine-digit number nearby. For these checks, you will need the four-digit number (or the first four digits of the nine-digit number), not the routing number, on the bottom of the check, to determine if these are local checks.

Local Checks: The first \$200 from a deposit of local checks will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit. For example, if you deposit a local check of \$700 on a Monday, \$200 of the deposit is available on Tuesday. The remaining \$500 is available on Wednesday.

If we cash a check for you or accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your availability to withdraw a corresponding amount of funds that you have on deposit in an Account with us. The funds in the Account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited or cashed.

#### Personal Check

Pay to the order of \_\_\_\_\_ \$ \_\_\_\_\_ 20 \_\_\_\_  
dollars  
(Financial institution name and location) \_\_\_\_\_  
123456789 000000000 000  
Routing Number

#### Business Check

Pay to the order of \_\_\_\_\_ \$ \_\_\_\_\_ 20 \_\_\_\_  
dollars  
(Financial institution name and location) \_\_\_\_\_  
000000000 123456789 000000000 000  
Routing Number

### LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period under the following circumstances:

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

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh business day after the day of your deposit. Funds you deposit by check may also be delayed for a longer period for deposits made to a time/savings account.

Funds from foreign checks, i.e., checks drawn on financial institutions outside of the United States, are not covered by this Policy, are subject to the clearing rules of the country in which they are drawn, and may be delayed for longer periods. In some cases, the funds from foreign checks may not be available to you until receipt of the funds by the Credit Union.

### SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your Account is open. Funds from electronic direct deposits into your Account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the day we receive your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available no later than 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 \$5,000 will not be available until the second business day after the day of your deposit. Funds from deposits of local checks will be available on the seventh business day after the day of your deposit.

## IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT

### SUBSTITUTE CHECKS AND YOUR RIGHTS

#### What is a substitute check?

To make check processing faster, federal law permits financial institutions to replace original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

### **What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (e.g., bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to dividends on the amount of your refund if your account is a dividend-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other laws.

If you use this procedure, you may receive up to the lesser of the amount of your check and fees charged as a result of the withdrawal or \$2,500.00 of your refund (plus dividends if your account earns dividends) within ten business days after we received your claim, and the remainder of your refund (plus dividends if your account earns dividends) no later than 45 calendar days after we received your claim.

We may reverse the refund (including any dividends on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at (734) 453-1200 or (877) 937-2328 toll free, and/or [cumail@cfcu.org](mailto:cumail@cfcu.org). You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances. We may require that you provide your claim in writing.

Your claim must include –

- A description of why you have suffered a loss (e.g., you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: The account on which the check was drawn, the check number, the date of the check, the name of the person to whom you wrote the check, and the amount of the check.

## **TRUTH IN SAVINGS**

### **COMMON FEATURES**

#### **For Dividend-Bearing Accounts**

- Transaction limitation - We reserve the right to at any time require not less than seven days notice in writing before each withdrawal from a dividend-bearing Account other than a time deposit, or from any other savings Account as defined by Federal Reserve Regulation D.
- Dividend period - The dividend period is monthly, unless otherwise indicated. For example, the beginning date of the dividend period of the calendar year is January 1, and the ending date of the dividend period is January 31. All monthly substitute periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period and for the example above is January 31.
- Accrual of dividends on noncash deposits - Dividends will begin to accrue on the business day you deposit noncash items (for example, checks) to your Account.
- Daily balance computation method - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the Account each day.
- Nature of dividends - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

#### **Fees**

Please refer to our separate fee schedule for a listing of fees. The Credit Union may amend the fee schedule that applies to your Account from time to time. Check printing fees depend on the style and quantity of checks ordered. Additional information regarding fees is included below.

You agree to pay all fees applicable to your Account and authorize the Credit Union to deduct these charges from any of your Accounts. The Credit Union reserves the right to waive fees at our discretion.

### **BASIC SAVINGS ACCOUNT**

#### **Compounding and Crediting**

Dividends will be compounded every month. Dividends will be credited to your Account every month.

#### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5. You will not earn dividends for any day your ending balance is less than \$300. You must maintain a minimum daily balance of \$300 in your Account each day to obtain the disclosed annual percentage yield.

#### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order of instruction. Withdrawals in excess of the limitations will not be processed.

#### **Fees and Charges**

A maintenance fee will be charged each month. This fee will be waived if you have an average aggregate \$300 balance for that month in any savings Account (excluding certificates).

### **SUPER SAVER ACCOUNT**

#### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month.

#### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$1,000. You will not earn dividends for any day your ending balance is less than \$1,000. You must maintain a minimum daily balance of \$1,000 in your Account to avoid a maintenance fee. If, during any month, your Account falls below the required minimum daily balance, your Account will be subject to a maintenance fee for that month. You must maintain a minimum daily balance of \$1,000 in your Account each day to obtain the disclosed annual percentage yield.

#### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order of instruction. Withdrawals in excess of the limitations will not be processed.

### **GOAL-SETTER SAVINGS ACCOUNT**

#### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month. If the automatic monthly deposit is not made during any calendar month, the Account will not earn dividends for that month. If the principal amount is withdrawn prior to the end of the term, you will forfeit any/all dividends earned on the account.

#### **Minimum Balance Requirements**

The minimum balance to open this account is \$5.00. Member may choose a Goal-Setter savings term of 24 or 60 months.

#### **Transaction Limits**

Automatic monthly deposits equal to 1/24th or 1/60th of the Account savings goal are required for this account. Additional deposits are allowed at any time. Withdrawals are not allowed from this account. The entire balance, principal plus dividends earned, may be withdrawn at term end. At the end of the savings term (24 or 60 months) dividends are no longer earned and it's recommended that funds be transferred to an alternate savings product.

#### **Fees and Charges**

There are no minimum balance fees or other fees associated with this account.



## **FREE CHECKING ACCOUNT**

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5. There is no minimum daily balance required. There are no monthly maintenance fees or excess check fees.

### **Transaction Limitations**

Overdraft protection from other deposit Accounts is not available on this Account.

## **BASIC CHECKING ACCOUNT**

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5. You must maintain a minimum daily balance of \$500 in your Account to avoid a maintenance fee. If, during any month, your Account balance falls below the required minimum daily balance, your Account will be subject to a maintenance fee for that month. This fee will not be charged if you have direct deposit of your payroll to this Account.

### **Transaction Limitations**

No transaction limitations apply to this Account unless otherwise stated.

## **CHECKING PLUS ACCOUNT**

### **Compounding and Crediting**

Dividends will be compounded every month. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$2,500. You will not earn dividends for any day your ending balance is less than \$2,500. You must maintain a minimum daily balance of \$2,500 in your Account to avoid a maintenance fee. If, during any month, your Account balance falls below the required minimum daily balance, your Account will be subject to a maintenance fee for that month. You must maintain a minimum daily balance of \$2,500 in your Account each day to obtain the disclosed annual percentage yield.

### **Transaction Limitations**

No transaction limitations apply to this Account unless otherwise stated.

## **HIGH YIELD CHECKING ACCOUNT**

### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5. You must maintain a minimum daily balance of \$2,500 in your Account to avoid a maintenance fee. If, during any month, your Account balance falls below the required minimum daily balance, your Account will be subject to a maintenance fee for that month.

### **Transaction Limitations**

No transaction limitations apply to this Account unless otherwise stated.

## **MONEY MARKET, ASSET MANAGEMENT, PRESTIGE ASSET MANAGEMENT, SELECT MONEY MARKET AND PREMIER MONEY MARKET ACCOUNTS**

### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balances required to open and maintain these Accounts are shown below. You will not earn dividends for any day your ending balance is less than the amount listed below. You must maintain the stated minimum daily balance in your Account each day to obtain the disclosed annual percentage yield. If your balance drops below the minimum balance requirement, your Account will be subject to closure by the Credit Union. We reserve the right to restrict any or all withdrawals which bring your Account below the stated minimum balance.

Money Market Account: \$5,000

Asset Management Account: \$20,000

Prestige Asset Management Account: \$50,000

Select Money Market Account: \$100,000

Premier Money Market Account: \$250,000

### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order or instruction. Withdrawals in excess of the limitations will not be processed.

## **HEALTH SAVINGS ACCOUNT**

### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5.

### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order or instruction. Withdrawals in excess of the limitations will not be processed. Withdrawal penalties may apply based on IRS rules.

### **Fees and Charges**

A maintenance fee will be charged each month. This fee will be waived if you have an average aggregate \$300 balance for that month in any savings Account (excluding certificates).

## **IRA SAVINGS ACCOUNT**

### **Compounding and Crediting**

Dividends will be compounded every day. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5.

### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order or instruction. Withdrawals in excess of the limitations will not be processed. Withdrawal penalties may apply based on IRS rules.

### **Fees and Charges**

A maintenance fee will be charged each month. This fee will be waived if you have an average aggregate \$300 balance for that month in any savings Account (excluding certificates).

## **HOLIDAY CLUB ACCOUNT**

### **Compounding and Crediting**

Dividends will be compounded every month. Dividends will be credited to your Account every month.

### **Minimum Balance Requirements**

The minimum balance required to open this Account is \$5.

### **Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another Credit Union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order or instruction. Withdrawals in excess of the limitations will not be processed.

**YOUTH SAVINGS ACCOUNT (For Members Under 24)**

**Compounding and Crediting**

Dividends will be compounded every month. Dividends will be credited to your Account every month.

**Minimum Balance Requirements**

The minimum balance required to open this Account is \$5.

**Transaction Limitations**

During any calendar month, you may not make more than six withdrawals or transfers to another credit union Account of yours or to a third party by means of a pre-authorized or automatic transfer, computer transfer, or telephonic order or instruction. Withdrawals in excess of the limitations will not be processed.

**Fees and Charges**

Basic savings account fees will apply upon conversion to a basic savings Account at the age of 24. A parent or guardian signer on a Youth Account may not utilize the Account to avoid fees or charges or obtain such benefits.

**\_\_\_\_\_ TERM SHARE CERTIFICATE**

Share Certificates are offered with terms of 90 days to 5 years.

**Minimum Balance Requirements**

The minimum balance required to open and maintain this Account is \$1,000. The minimum balance required to open and maintain as a designated IRA is \$500. The minimum balance required to open and maintain as a designated Youth Share Certificate is \$100.

**Rate Information**

The dividend rate on your certificate is \_\_\_\_\_% with an annual percentage yield of \_\_\_\_\_%. You will be paid this rate until first maturity.

**Compounding Frequency**

For terms of 90 days or less, dividends will not be compounded. For terms over 90 days, unless otherwise paid, dividends will be compounded every quarter.

**Crediting Frequency**

For terms of 90 days or less, dividends are payable on the maturity date by credit to your Account unless we agree to pay them in another manner. For terms over 90 days, dividends will be credited to your Account every quarter. Alternatively, you may choose to have dividends paid to you or to another Account monthly rather than credited to this Account.

**Dividend Period**

For Accounts with terms of 90 days or less, the dividend period is the same as the term, beginning on the date the Account is opened, and ending on the stated maturity date. For Accounts with terms over 90 days, the dividend period is quarterly. However, if you choose to have dividends paid out to you or to another Account each month, the dividend period is monthly.

**Daily Balance Computation Method**

Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the Account each day.

**Transaction Limitations**

After the Account is opened, you may not make additions into the Account until the maturity date stated on the Account. You may make withdrawals of principal from your Account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. You can only withdraw dividends before maturity if you make arrangements with us for periodic payments of dividends in lieu of crediting.

**Time Requirements**

Your certificate will mature on \_\_\_\_\_.

Early withdrawal penalties

A penalty on the principal amount withdrawn may be imposed for withdrawals taken before maturity. If your certificate has a term of 182 days or less, you will forfeit 90 days of dividends, whether the dividend is earned or unearned. If your certificate has a term of 183 days or more, you will forfeit 180 days of dividends, whether the dividend is earned or unearned. There are certain circumstances such as death or incompetence of an owner where we may waive or reduce this penalty.

Withdrawal of Dividends Prior to Maturity

The annual percentage yield is based on an assumption that dividends will remain in the Account until maturity. A withdrawal will reduce earnings.

Automatically Renewable Account

This Account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the Account at maturity (or within the grace period mentioned below) or, we receive written notice from you within the grace period mentioned below. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, dividends will not accrue after final maturity. Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new certificates on the maturity date which have the same term, minimum balance, if any, and other features as the original certificate. You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

**YOUR ACCOUNT**

These are the Accounts you have opened or inquired about. Further details about these Accounts are in this Agreement. The dividend rate and annual percentage yield are for the current dividend period. At the Credit Union's discretion, we may change the dividend rate and annual percentage yield on your Account at any time.

**BASIC SAVINGS ACCOUNT**

With a minimum daily balance of \$300, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**SUPER SAVER ACCOUNT**

With a minimum daily balance of \$1,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**GOAL-SETTER SAVINGS ACCOUNT**

The prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%. Savings goal \$ \_\_\_\_\_ by \_\_\_\_\_ ("savings term end").

**FREE CHECKING ACCOUNT**

**BASIC CHECKING ACCOUNT**

**CHECKING PLUS ACCOUNT**

The prospective dividend rate(s) and prospective annual percentage yield(s) on the minimum daily balances shown below are:

	Rate	Yield
\$2,500 - \$9,999	_____	_____
\$10,000 - \$49,999	_____	_____
\$50,000 - \$99,999	_____	_____
\$100,000+	_____	_____

**HIGH YIELD CHECKING ACCOUNT**

**Tier 1**  
A prospective dividend rate of \_\_\_\_\_% will be paid only on the portion of your daily balance that is less than \$10,000 with a prospective annual percentage yield of \_\_\_\_\_%.

**Tier 2**  
A prospective dividend rate of \_\_\_\_\_% will be paid only on the portion of your daily balance that is \$10,000 or more, with a prospective annual percentage yield ranging from \_\_\_\_\_% to \_\_\_\_\_%, depending on the balance in the Account, for this dividend period.

**MONEY MARKET ACCOUNT**

With a minimum daily balance of \$5,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**ASSET MANAGEMENT ACCOUNT**

With a minimum daily balance of \$20,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**PRESTIGE ASSET MANAGEMENT ACCOUNT**

With a minimum daily balance of \$50,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**SELECT MONEY MARKET ACCOUNT**

With a minimum daily balance of \$100,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**PREMIER MONEY MARKET ACCOUNT**

With a minimum daily balance of \$250,000, the prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**HEALTH SAVINGS ACCOUNT**

The prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**IRA SAVINGS ACCOUNT**

The prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**HOLIDAY CLUB ACCOUNT**

The prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**YOUTH SAVINGS ACCOUNT**

The prospective dividend rate on your Account is \_\_\_\_\_% with a prospective annual percentage yield of \_\_\_\_\_%.

**BONUS**

You will be paid \$\_\_\_\_\_ or receive \_\_\_\_\_ as a bonus for the \_\_\_\_\_ Account opened on \_\_\_\_\_.  
(Description of Item) (Share Type) (Today's Date)

You will receive this bonus on \_\_\_\_\_.  
(Date bonus is or will be provided)

To obtain/earn the bonus:  
(Complete as applicable)

You must maintain a minimum \_\_\_\_\_ balance of \$\_\_\_\_\_.  
(Daily, average daily, etc.)

Your entire principal must remain on deposit for \_\_\_\_\_ until \_\_\_\_\_.  
(Time Period) (Date)

Other (describe)

This bonus may be considered as taxable income.



**COMMUNITY FINANCIAL**

Members Federal Credit Union

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