

**NOTICE OF ARBITRATION PROVISION**

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

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

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

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

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

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

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

# AMENDMENT TO AGREEMENTS AND DISCLOSURES

This Amendment to Agreements and Disclosures ("Amendment") amends the Agreements and Disclosures governing Your deposit relationship with the Credit Union (the "Agreement").

Except as otherwise provided in this Amendment, if any provision contained in this Amendment is in conflict with, or inconsistent with, any provision in any of the Agreement, the provision contained in this Amendment shall govern and control.

**This Amendment contains important membership information. Please review this Amendment carefully. If You have any questions regarding this Amendment, please contact us at 877.937.2328 or visit any branch.**

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## **1. Your Liability for Overdrafts. The following provision is added to the Agreement:**

### **YOUR LIABILITY FOR OVERDRAFTS:**

**PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS "YOUR LIABILITY FOR OVERDRAFTS" SECTION, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 877.937.2328 OR VISIT ANY BRANCH.**

#### **A. GENERAL.**

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

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

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

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

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

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

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

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

## **B. YOUR AVAILABLE BALANCE.**

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

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

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

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

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

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

## **C. AUTHORIZATION HOLDS FOR DEBIT CARD TRANSACTIONS.**

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

**2. How Does an Authorization Hold Affect Your Available Balance?** Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to You for other purposes. At some point after You sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after You signed for it, depending on the merchant and its processing company.

We have no control over when a merchant may present an item for payment. Merchant payment requests are received in real time throughout the day and are posted to Your account as they are received.

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

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

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

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

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

When the Credit Union authorizes an everyday debit transaction, the amount of the transaction is subject to a preauthorization hold. This means that the amount of the transaction is subtracted from Your actual balance. It is important to understand that even if You have sufficient available funds in Your account at the time the transaction is authorized, it is possible that the settlement of the transaction may result in an overdraft to Your account, and the incurring of a fee.

The following everyday debit card transaction scenarios are provided as examples to help illustrate when transactions are authorized and settled to Your accounts and how it affects the available balance calculation. These examples are for illustration purposes only. Members are encouraged to contact Community Financial if they have questions about how specific transactions may affect their available account balances and related overdraft fees.

**EXAMPLE 1 [Authorized positive/Settlement negative]**

Description	Transaction	Available Balance	Ledger/Actual Balance
<u>Day 1</u>			
Opening Balance		\$100	\$100
Signature-based (non-PIN) debit transaction - authorized	(\$80)	\$20	\$100
<u>Day 2</u>			
Check - Posted	(\$40)	(\$20)	\$60
<b>Overdraft Fee</b>	(\$25)	(\$45)	\$35
<u>Day 3</u>			
Signature-based (non-PIN) debit transaction - settled	(\$80)	(\$45)	(\$45)

In Example 1, a member made an \$80 purchase on Day 1 with a debit card. The available balance was greater than the transaction amount of \$80, so there was a positive available balance amount after authorization. Therefore, there was no overdraft fee associated with that transaction when it was authorized on Day 1.

On Day 2, a \$40 check was debited and it settled to the account causing the available balance to go negative. Since the settling of the check caused the available balance to go negative, an overdraft fee occurred when the check was settled.

On Day 3, when the \$80 debit card transaction made on Day 1 was settled to the account, the available balance was negative. However since the Day 1 authorization occurred at the time when the available balance was positive, no overdraft fee applied to the \$80 transaction despite the negative available balance on Day 3.

#### **EXAMPLE 2 [Authorized negative/Settlement positive]**

<b>Description</b>	<b>Transaction</b>	<b>Available Balance</b>	<b>Ledger/Actual Balance</b>
<u>Day 1</u>			
Opening Balance		\$50	\$50
Signature based (non-PIN) debit transaction - authorized	(\$80)	(\$30)	\$50
<u>Day 2</u>			
Cash Deposit	\$200	\$170	\$250
<u>Day 3</u>			
Signature-based (non-PIN) debit transaction - settled	(\$80)	\$170	\$170

In Example 2, a member made an \$80 transaction on Day 1 with a debit card. Since the available balance became negative because the authorization was for more than the available balance amount, there is the possibility that an overdraft fee may occur if the available balance was not positive in an amount enough to cover the \$80 debit card transaction when it settled on Day 3.

On Day 2, the member made a cash deposit that brought the available account balance above the Day 1 authorization amount of \$80.

On Day 3, the \$80 transaction was settled to the member's available account balance. However, no overdraft fee occurred because the available balance in the account when the Day 1 debit card transaction was settled on Day 3 was greater than \$80.

#### **EXAMPLE 3 [Authorized negative/Settlement negative]**

<b>Description</b>	<b>Transaction</b>	<b>Available Balance</b>	<b>Ledger/Actual Balance</b>
<u>Day 1</u>			
Opening Balance		\$50	\$50
Signature based (non-PIN) debit transaction - authorized	(\$80)	(\$30)	\$50
<u>Day 2</u>			
Check - Posted	(\$40)	(\$70)	\$10
<b>Overdraft Fee</b>	(\$25)	(\$95)	(\$15)
<u>Day 3</u>			
Signature-based (non-PIN) debit transaction – settled	(\$80)	(\$95)	(\$95)
<b>Overdraft Fee</b>	(\$25)	(\$120)	(\$120)

In Example 3, a member made an \$80 transaction on Day 1 with a debit card. Since the available account balance became negative because the authorization was for more than the available balance amount, there was the possibility that an overdraft fee may occur if the available balance was not enough to cover the authorization amount prior to when the \$80 debit card transaction settled on Day 3.

On Day 2, a \$40 check settled to the account that brought the available balance more negative. Since the check settled when the account was negative, an overdraft fee occurred.

On Day 3, the \$80 transaction settled to the member's account. At the time of settlement, the available balance was negative. Since the available balance was negative when the \$80 debit card transaction was both authorized and settled, an overdraft fee occurred on Day 3 at the time of the debit card settlement.

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

If Your available balance is insufficient to cover a merchant's authorization request, and You have opted in to Courtesy Pay for everyday debit transactions, we may choose to approve the authorization request. In the instance where Your available balance was insufficient to cover a merchant's authorization request at the time of authorization without causing the account to have a negative balance, and we choose to authorize the transaction using Courtesy Pay, we will charge a Courtesy Pay Fee on that transaction when it posts if the available balance in the account at the time of posting is insufficient to cover the authorized amount.

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

#### **D. PAYMENT OF OVERDRAFTS.**

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

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

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

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

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

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

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

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

## **E. HOW TRANSACTIONS ARE POSTED TO YOUR ACCOUNT.**

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

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

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

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

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

## **F. OPTIONAL OVERDRAFT PROTECTION PLAN – OVERDRAFT TRANSFER SERVICE.**

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

With this service, You authorize us to make transfers of available funds automatically from Your regular savings account, plus the overdraft transfer fees, to cover overdrafts in Your checking account. Each transfer counts as one of the six (6) limited transactions You are allowed each month from Your regular savings. The Overdraft Transfer Service is an optional feature that can be added to Your eligible checking accounts upon Your request. To request or terminate the Overdraft Transfer Service: (1) call us at 877.937.2328; (2) visit any branch and speak with a Representative; or (3) mail a request to Community Financial, 500 South Harvey St., Plymouth, MI 48170.

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

If You decline or terminate the Overdraft Transfer Service and are not eligible for Courtesy Pay, and there are insufficient available funds in Your checking account to pay an item, Your item will not be paid unless it was a previously

authorized everyday debit card transaction. The items will be returned, and an NSF fee will be charged, **each time an item is presented for payment and returned unpaid due to an insufficient available balance**. It is important to remember that we have no control over how many times an intended payee may present the same item for payment. Multiple presentments of the same item will result in multiple fees. Transfers will appear on Your periodic statements for each applicable account.

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

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

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

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

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

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

**4. Termination of Overdraft Transfer Service.** We may terminate the Overdraft Transfer Service at any time with or without notice to You. Any owner of the checking account or any owner of a linked regular savings account used for overdraft protection may decline the Overdraft Transfer Service. To terminate the Overdraft Transfer Service: (1) call us at 877.937.2328; (2) visit any branch and speak with a Representative; or (3) mail notice of Your decision to decline the Overdraft Transfer Service to Community Financial, 500 South Harvey St., Plymouth, MI 48170. Your election to decline will be effective after we have received notice and have had a reasonable time to act on it.

## **G. COURTESY PAY OVERDRAFT SERVICE**

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

The way we determine the dollar limit that is applied to Your Courtesy Pay Overdraft Service is via an automated system that performs a continual evaluation of all Your accounts to determine an overdraft limit based on algorithms,



or a set of rules, that weigh numerous factors and account behaviors including a member's account usage patterns or relationship with us to assess Your ability to repay an overdrawn balance. Per this dynamic, automated system:

- Your overdraft limit may change as frequently as daily.
- Your overdraft limit may be reduced to \$0.00.

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

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

ATM transactions  
Everyday Debit Card transactions

We do not require You to authorize Courtesy Pay for Your ATM and everyday debit card transactions as a condition of us providing Courtesy Pay to You for Your checks, ACH transactions or other transactions. If You want the Credit Union to authorize and pay overdrafts for ATM and everyday debit card transactions through Courtesy Pay, You must provide us with Your consent by: (1) calling us at 877.937.2328; (2) visiting any branch and speaking with a Representative; or (3) mailing notice of Your decision to opt in to Courtesy Pay for ATM and everyday debit card transactions to Community Financial, 500 South Harvey St., Plymouth, MI 48170.

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

You are not making regular deposits into Your checking account;

You do not bring Your checking account to a positive balance for at least one full business day within a thirty (30) day period;

Your membership is not in good standing;

You are more than thirty (30) days past due or are in default in any other respect on any loan or other obligation to us;

You have an outstanding balance due on an overdraft repayment plan;

Your savings account does not have a positive balance;

Your checking account is subject to any legal or administrative orders or levies;

You have insufficient credit or negative credit history;

You are a party to a bankruptcy proceeding;

Any or all of Your account(s) with us are being reviewed for improper activity or transactions;

Your checking account is classified as inactive;

You use the Service to pay items written to check cashing agencies;

You have an unresolved prior loss with us; or

We believe You are not managing Your checking account in a responsible manner which may harm You or us.

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

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

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

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

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

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

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

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

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

**14. Your Right to Decline Courtesy Pay. Any owner of the checking account may decline the service.** If You prefer not to have the Service, visit us in a branch, contact us at 877.937.2328, or write to us at Community Financial, 500 South Harvey St., Plymouth, MI 48170, and include Your name, member number and a statement that You are declining the Credit Union's Courtesy Pay Service and we will remove the Service from Your checking account.

If You decline the Service, You will still be charged an NSF Fee for each item returned each time an item is presented for payment and returned unpaid due to an insufficient available balance.

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

**THE BEST WAY TO KNOW HOW MUCH MONEY YOU HAVE AND AVOID PAYING OVERDRAFT FEES IS TO RECORD AND TRACK ALL OF YOUR TRANSACTIONS CLOSELY. PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT 877.937.2328 OR VISIT ANY BRANCH.**

**2. ARBITRATION.** The following provision is added to the Agreement:

**BINDING ARBITRATION AND CLASS ACTION WAIVER - RESOLUTION OF DISPUTES BY ARBITRATION:** THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

**Agreement to Arbitrate Disputes.** Either You or we may elect, without the other's consent, to require that any dispute between us concerning Your membership, Your deposit accounts ("Accounts") and the services related to Your membership and Accounts, including but not limited to all disputes that You may raise against us, must be resolved by binding arbitration, except for those disputes specifically excluded below.

**No Class Action or Joinder of Parties.** YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by You and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on Your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

**Disputes Covered by Arbitration.** YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of Your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after Your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability or interpretation of any of these arbitration provisions. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

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

**Disputes Excluded from Arbitration.** Disputes filed by You or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-

class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this Resolution of Disputes by Arbitration provision. Our Claims or disputes against You arising from Your status as a borrower under any loan agreement with the Credit Union or to collect any funds You may owe us are also excluded from this Resolution of Disputes by Arbitration provision.

**Commencing an Arbitration.** The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If You initiate the arbitration, You must notify us in writing at:

**Community Financial Credit Union**  
**Attention: Counsel – Legal Affairs/Compliance**  
**500 S. Harvey St.**  
**Plymouth, MI 48170**

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

American Arbitration Association  
1-800-778-7879 (toll-free)  
[www.adr.org](http://www.adr.org)

JAMS  
1-800-352-5267 (toll-free)  
[www.jamsadr.com](http://www.jamsadr.com)

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

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

**Costs.** The party initiating the arbitration shall pay the initial filing fee. If You file the arbitration and an award is rendered in Your favor, we will reimburse You for Your filing fee. If there is a hearing, We will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that You cannot afford to pay them or finds other good cause for requiring us to do so, or if You ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

**Right to Resort to Provisional Remedies Preserved.** Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or

garnishment by a court having appropriate jurisdiction; provided, however, that You or we may elect to arbitrate any dispute related to such provisional remedies, except in an action by us against You that has been initiated by us to collect funds that You may owe to us.

**Arbitration Award.** The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

**Governing Law.** You and we agree that our relationship includes transactions involving interstate commerce and that these arbitration provisions are governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Michigan shall apply.

**Severability, Survival.** These arbitration provisions shall survive (a) termination or changes to Your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of Your Accounts or any related services. If any portion of this Resolution of Disputes by Arbitration provision is deemed invalid or unenforceable, the remainder of this Resolution of Disputes by Arbitration provision shall remain in force. No portion of this Resolution of Disputes by Arbitration provision may be amended, severed, or waived absent a written agreement between You and us.

**Applicability.** Arbitration will not apply to Your Account as long as You are an active duty Service Member.

### **3. PERMITTED TIME FOR FILING A LAWSUIT. The following provision is added to the Agreement:**

You must file any lawsuit or arbitration against us within one year after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This limit is in addition to limits on notice as a condition of making a claim.

### **4. LIMITATION OF LIABILITY. The following provision is added to the Agreement:**

EXCEPT WHERE REQUIRED BY LAW OR THIS AGREEMENT SPECIFICALLY PROVIDES OTHERWISE, WE WILL NOT BE LIABLE FOR ANY ACTION OR INACTION EXCEPT FOR OUR INTENTIONAL MISCONDUCT OR GROSS NEGLIGENCE. EXCEPT AS MAY BE OTHERWISE REQUIRED BY LAW, YOU AGREE THAT IN NO EVENT SHALL THE CREDIT UNION'S LIABILITY TO YOU EXCEED YOUR ACTUAL DAMAGES OR THE SUM OF \$10,000, WHICHEVER IS LESS. IN NO EVENT WILL CREDIT UNION BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS OR OTHER ECONOMIC LOSS IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT.

### **5. DISPUTES. The following provision is added to the Agreement:**

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.

### **6. LEGAL CLAIMS. The following provision is added to the Agreement:**

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.

**7. AMENDMENTS. The following provision is added to the Agreement:**

**Agreements And Disclosures**

This Agreement shall be effective and shall govern all of Your share and deposit Accounts with us. By signing a Membership Application, by signing any application to add an account, by making deposits or withdrawals, or by leaving amounts on deposit, You agree to the terms of this Agreement and to all Amendments to this Agreement. This Agreement shall supersede all previous agreements for such Accounts.

**Amendments**

We may change any of the terms and conditions of this Agreement at any time without prior notice to You if the change is favorable to You. We may make changes that are adverse to You only if we provide You with any notice required by law or required by this Agreement. When we change the Agreement, You may close the Account if You do not agree to the changes; if You continue to use the Account or keep the Account open after the effective date of such change, You will be deemed to have agreed to the changes. When we amend the Agreement, the then current version of the Agreement supersedes all prior versions and governs Your Account.

**8. NOTICES. The following provision is added to the Agreement:**

All notices will be posted in our office lobbies or will be mailed to You to the most recent address listed in our records. Notices may be provided to You electronically if You have consented to receive notices and disclosures electronically. Notice to or from one joint Accountholder is effective to or from all Accountholders. We reserve the right not to send notice for accounts we consider inactive. Any written notice You give us is effective when we receive it. Any written notice we give to You is effective when it is deposited in the U.S. Mail, postage prepaid, and addressed to You at the most recent address listed in our records, or upon transmission, if provided electronically.

**9. SUSPENSION OR TERMINATION OF ACCOUNTS AND SERVICES. The following provision is added to the Agreement:**

We, in our sole discretion, may terminate, suspend, limit or restrict, as we in our sole discretion deem appropriate, any of Your account(s) or service(s), including but not limited to loan services and electronic services, or place a freeze on any sums on deposit with us at any time without notice or require You to close Your account(s)/service(s). We may also require You to apply for a new account(s)/service(s) if: (1) there is a request to change the owners or authorized users; (2) there is a fraud/forgery or unauthorized use committed or reported; (3) there is a dispute as to ownership of any account or sum on deposit; (4) there are any share drafts that are lost or stolen; (5) there are returned unpaid items-transactions not covered by an overdraft protection plan with us or any abuse of any such plan per our assessment thereof; (6) there is any misrepresentation regarding any account(s) or service(s) or any other abuse of any of Your accounts(s) or service(s); (7) the Credit Union incurs any loss or believes it may incur any loss relating to any loan(s), account(s) or service(s) You have with us; (8) if we believe You have been negligent in protecting any access devices or codes; (9) we deem it necessary to protect the Credit Union from any risks or losses, or otherwise deem it to be in the best interests of the Credit Union, our members or our employees; (10) You breach any promise under this Agreement or any other agreements with us including but not limited to any default or other delinquency with regard to any loan or other agreements; (11) if bankruptcy or any other insolvency proceeding is filed by or against You, or if we otherwise deem You to be insolvent or incapable of meeting Your obligations to us; (12) You refuse or fail to cooperate as provided in this Agreement; or (13) You violate any Credit Union policy, procedure or standard or any law, regulation or rule. We, on our own accord, may place a stop payment on any share draft, item or transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If You do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends. You may terminate Your account by notifying us in writing. We have the right to require the written consent of all owners to terminate a joint account. We are not responsible for any draft, withdrawal, item or transaction after Your account is terminated. However, if we pay any item after termination, You agree to reimburse us. Closed accounts remain subject to the conditions contained in the Agreement and Disclosures.

**10. OUR RIGHT TO PLACE A HOLD ON YOUR ACCOUNT(S). The following provision is added to the Agreement:**

If at any time we believe that Your Account may be subject to irregular, unauthorized, fraudulent or illegal activity, we may, in our discretion, freeze the funds in the Account and in other Accounts You maintain with us, without any liability to You, until such time as we are able to complete our investigation of the account and transactions. If we do freeze Your Account funds, we will provide notice to You as soon as reasonably possible. Notice may be made by mail or

verbally or provided by other means, such as online banking or text alerts as permitted by law. We may not provide this notice to You prior to freezing the Account if we believe that such notice could result in a security risk to us or to the owner of the funds in the account.

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Except as otherwise provided in this Amendment, if any provision contained in this Amendment is in conflict with, or inconsistent with, any provision in any of the Agreement, the provision contained in this Amendment shall govern and control. Except as otherwise provided in this Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

If You have any questions regarding this Amendment, please contact us at 877.937.2328 or visit any branch.

**THESE AGREEMENTS AND DISCLOSURES CONTAIN IMPORTANT MEMBERSHIP INFORMATION, NECESSARY TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES, ELECTRONIC SERVICES AGREEMENT AND DISCLOSURES, FUNDS AVAILABILITY POLICY AND PRIVACY POLICY DISCLOSURE. PLEASE BE CERTAIN TO READ THESE AGREEMENTS AND DISCLOSURES CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.**

Throughout these Agreements and Disclosures, the references to "We," "Us," "Our" and "Credit Union" mean COMMUNITY FINANCIAL CREDIT UNION. The words "You" and "Your" mean each person applying for and/or using any of the services described herein. "Account" means any account or accounts established for You as set forth in these Agreements and Disclosures. The word "Card" means any automated teller machine (ATM) Card or MasterCard Debit Card issued to You by Us and any duplicates or renewals We may issue, whereas Our Audio Response system is hereinafter referred to as "Direct Dial 24," and Our Internet Account Access System is hereinafter referred to as "Online Banking." "E-Check" means any check which You authorize the payee to process electronically. For joint Accounts, read singular pronouns in the plural.

## COMMUNITY FINANCIAL CREDIT UNION MEMBERSHIP

To apply for membership with Community Financial Credit Union You must complete, sign and return an application for membership.

Your signature on Your application for membership informs the Credit Union that You would like to join the Credit Union and that You agree to conform to the Credit Union's Bylaws and Amendments.

Credit Union membership is granted to applicants within Community Financial Credit Union's common bond as outlined in the Credit Union's Bylaws.

Eligibility also includes a deceased member's spouse who has not remarried a person who is ineligible for membership; Credit Union employees; persons retired as pensioners or annuitants from organizations within the Credit Union's common

bond; and organizations of such persons. By signing Your application for membership, You acknowledge receipt of these Agreements and Disclosures, including the terms and conditions which apply to Your Accounts.

### FAMILY MEMBERSHIP

Credit Union members in good standing and whose status is currently within the Credit Union's common bond (as outlined therein) may sponsor immediate family members and possibly other members of Your household for Credit Union membership. Eligible family members may include for instance: father, mother, brother, sister, son, daughter, grandmother, grandfather, grandchildren, aunt, uncle, niece, nephew and spouse (which may include anyone living in Your residence that You maintain a single economic unit with).

## ACCOUNT AGREEMENT

**YOU AGREE AND ACKNOWLEDGE THAT THIS AGREEMENT CONTROLS YOUR ACCOUNT(S) WITH COMMUNITY FINANCIAL CREDIT UNION, TOGETHER WITH ANY OTHER RELATED DOCUMENT SUCH AS OUR FUNDS AVAILABILITY POLICY AND ELECTRONIC SERVICES AGREEMENT AND/OR AGREEMENTS AND DISCLOSURES, ALL OF WHICH, TO THE EXTENT APPLICABLE, ARE INCORPORATED INTO THIS AGREEMENT BY REFERENCE.**

### ACCOUNT OWNERSHIP

**JOINT ACCOUNTS.** If Your Account is owned jointly, then all funds on deposit are owned by any of the joint Owners with the right of survivorship. The joint Owners of the Accounts hereby agree with each other and with Us that all sums, whenever paid into the Accounts by any or all of the joint Owners to the credit of the joint Owners with all accumulations thereon, are and shall be owned by them jointly, with the right of survivorship, and be subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors, shall be valid and discharge Us from any liability for such payment. You authorize Us to recognize any of the signatures subscribed in Your application for membership for the payment of funds or the transaction of any business for the Accounts. We can release or pay any amount on deposit in Your Account to any Owner. We can honor checks, withdrawals, orders or requests from any Owner. All Owners are liable to Us for any overdrafts that may occur on Your Account, regardless of whether or not a benefit occurred and checks cashed against any Account are subject to collectability from such Account if returned unpaid. Any Owner may provide Us written notice to freeze funds on deposit and We may, at Our option, honor such written request. If We do, then the Account will remain frozen until We receive subsequent written notice signed by all Owners of the Account as to a disposition of funds on deposit. Any or all of the joint owners may pledge all or any part of the shares in the Accounts as collateral security to a loan or loans and any funds on deposit may be utilized to satisfy any debt or garnishment of any Owner of the Account. The right or authority of the Credit Union under these Agreements and Disclosures shall not be changed or terminated by said owners or any of them except by written notice to Us, which shall not affect transactions made prior to such notice. It is the responsibility of joint account Owners to determine any legal effects of opening and maintaining a joint account.

**CUSTODIAL ACCOUNTS.** Any custodial Account is subject to the Michigan Uniform Transfers to Minors Act and it is Your responsibility to determine any legal effects related to this type of Account. You understand and agree that the gift of money to the minor named at the time You open such Account includes all dividends thereon and any future additions thereto, is irrevocable and is made in accordance with and is to include all provisions of the Michigan Uniform Transfers to Minors Act, as it is now or hereafter amended. The age of delivery by custodian to the minor shall be upon the age of 18, unless otherwise specified by the custodian.

**TRUST ACCOUNTS.** Trust Accounts will only be opened by the Credit Union if the Trust documentation presented by You to the Credit Union is in a manner acceptable to Our policies. It is Your responsibility to determine and understand any legal effects related to this type of Account. We require all Trust Accounts to name a beneficiary. You agree that all sums, whenever paid to the Trust Account, shall be held by the Trustee(s) in trust for the beneficiary(ies) named, subject to the right of the Trustee(s) to revoke the same in whole or in part by, and to the extent of, the withdrawal of sums from the Account. Upon the death of the Trustee (or if more than one, upon the death of the last surviving Trustee), the balance remaining in the Account shall be distributed by the Credit Union to the beneficiary or, if there is more than one beneficiary, then to the beneficiaries then living in equal shares unless otherwise designated in the Trust documentation. Where more than one Trustee appears on the Account, withdrawals and the pledge of shares against loans may be made by any Trustee acting alone (unless two signatures are required). Shares paid in by the Trustees shall be owned equally. Upon the death of one Trustee, all rights in and to the Account shall belong to any surviving Trustee. In the event of conflicting demands for funds under the Account, the Credit Union may require the signatures of each of the Trustees. For Revocable and Living Trust Accounts, the individual establishing the Trust (the "Settlor") must be a member of the Credit Union and any withdrawal of Trust Account funds will be deemed a revocation of the Trust to the extent of any such withdrawal unless otherwise provided for in the Trust documentation. If the Account Designation shows a payable-on-death status, any Beneficiary has rights to the Account: (a) if the Beneficiary is a natural person, only if the Beneficiary is alive and only if the Settlor is deceased; (b) if the Beneficiary is a charity or other non-profit organization, only if the charity or non-profit organization is in operation as a validly constituted, registered and/or licensed entity under applicable state law, and only if the Settlor is deceased. If the Beneficiary dies (in the case of a natural person), or is no longer in operation as a validly constituted, registered and/or licensed entity under applicable state law (in the case of a charity or non-profit organization), the Trust is terminated. The Settlor may change the Beneficiary at any time by providing Us adequate proof of such change in a manner acceptable to the Credit Union. If at any time, the Trustee is deemed incompetent by a court of legal jurisdiction or is unable or unwilling to serve, the Trust documentation shall determine the successor Trustee.

**AUTHORIZED SIGNERS.** If You establish Your Account with authorized signers, or You subsequently appoint any authorized signers, You understand and agree the transactions may not be processed in the order in which they occurred that the Credit Union will not at any time be liable for the actions of such authorized signers and/or be obligated to ensure that their actions are in accordance with any



instructions You have provided to them. Any appointment of an authorized signer, together with any subsequent revocation or change must be in writing and in a form acceptable to Us. It is Your responsibility to determine any legal effects related to Your appointing any authorized signers on Your Account.

**PAYABLE-ON-DEATH STATUS.** If the Account Designation shows a payable-on-death status, any Beneficiary has rights to the Account: (a) if the Beneficiary is a natural person, only if the Beneficiary is alive and only if You and any joint Owners are deceased; (b) if the Beneficiary is a charity or other non-profit organization, only if the charity or non-profit organization is in operation as a validly constituted, registered and/or licensed entity under applicable state law, and You and any joint Owners are deceased. Upon Your death and the death of any joint Owners, the funds on deposit will be paid to the beneficiary(ies) of record in equal shares unless You designated otherwise. If, however, none of the payable-on-death beneficiaries You named is alive (or in operation as a validly constituted, registered and/or licensed entity under applicable state law in the case of a charity or non-profit organization) at Your death, the funds will be paid to the party or parties as required by applicable law. It is the responsibility of all Account Owners to determine any legal effects of opening and maintaining an Account with payable-on-death status.

**FIDUCIARY ACCOUNTS.** If Your Account is established as a fiduciary Account, You warrant that You are authorized to open a fiduciary Account and understand that such Accounts will only be opened by the Credit Union if the documentation presented by You to the Credit Union is in a manner acceptable to Our policies. In no event will the Credit Union be liable for the actions of the fiduciary and/or obligated to ensure that the fiduciary's actions are in accordance with any instructions that have been provided to them. It is Your responsibility to determine and understand any legal effects related to this type of Account.

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

**POWER OF ATTORNEY.** If You name a person to act as Your attorney-in-fact or agent in any way with Your Account, We are only obligated to deal with such person if We, in Our sole judgment, approve of the form of appointment and the supporting documentation.

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

**COLLECTION AND PROCESSING OF ITEMS.** In processing items You have deposited for collection, We are only Your agent and assume no responsibility beyond the exercise of ordinary care. Any item deposited is subject to final settlement in cash or credit. We may use any method We feel is appropriate to collect items, which may include use of a Federal Reserve Bank. We are not responsible for the acts of any third party We use for the collection of items including responsibility for lost items. If We use a local clearinghouse in the collection of items, You authorize Us to do so and to act in accordance with any applicable rules and regulations. We may permit You to withdraw funds from Your Account before final settlement has been made, however, if final settlement is not made, We have the right to charge Your Account or otherwise require You to repay such funds. In processing items presented for payment on Your Account, We will pay such items each business day based solely on an order of Our choosing. This means that the transactions may not be processed in the order in which they

occurred and that You could incur multiple fees in a single day should there be insufficient funds to pay all items presented that day.

**NOTICE OF RECEIPT OF ACH ITEMS.** Under the operating rules of the National Automated Clearing House Association which are applicable to ACH transactions involving Your account and as permitted by law, We are not required to give You next day notice of receipt of an ACH item, and We will not do so. We will continue to notify You of the receipt of payments in the periodic statements We provide to You.

**PROVISIONAL PAYMENT (ACH ORIGINATION).** Credits given by any Receiving Depository Financial Institution to the receiver with respect to any automated clearing house credit entries subject to Article 4A of the Uniform Commercial Code (UCC-4A), are provisional until the Receiving Depository Financial Institution has received final settlement through a Federal Reserve Bank, or has otherwise received payment as provided in §4A-403(a) of UCC-4A. If the Receiving Depository Financial Institution does not receive such final settlement or payment, then they shall be entitled to a refund from the receiver of the amount so credited, and We shall not be deemed to have paid the receiver the amount of such entry.

**PROVISIONAL PAYMENT (ACH RECEIPT).** Credit given by Us to You with respect to any automated clearing house credit entry is provisional until We receive final settlement for such entry through a Federal Reserve Bank. If We do not receive final settlement, You are hereby notified and agree that We are entitled to a refund of the amount credited to You in connection with such entry, and the party making payment to You via such entry (i.e., the originator of the entry) shall not be deemed to have paid You the amount of such entry.

**CHOICE OF LAW.** We may accept payments on Your behalf for Your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Fund 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 New York as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving Your account, except to the extent that We may otherwise stipulate in a separate document provided concurrent with these Agreements and Disclosures.

**EXPENSES.** If We incur any costs or expenses as a result of any attachment, garnishment or levy against Your Account, You will reimburse Us for such costs or expenses or We may charge them to Your Account.

**INACTIVE OR DORMANT ACCOUNTS.** If no activity occurs in Your account within the time period specified by applicable state law, the property in Your account may be subject to transfer to the appropriate state authority ("escheatment"). We have no liability if Your Account becomes dormant and is therefore subject to escheatment in accordance with applicable state law.

**LIEN IMPRESSMENT AND SET-OFF.** You agree that We may impress and enforce a statutory lien upon Your Accounts with Us to the extent You owe Us any money and We may enforce Our right to do so without further notice to You. We have the right to set-off any of Your money or property in Our possession against any amount You owe Us. The right of set-off and Our impressed lien does not extend to any Keogh, IRA or similar tax deferred deposit You may have with Us. If Your Account is owned jointly, Our right of set-off and Our impressed lien extends to any amount owed to Us by any of the joint Owners.

**CREDIT REPORTING NOTICE.** We may report information about Your account to credit bureaus. Late payments, missed payments, or other defaults on Your account may be reflected in Your credit report.

**CREDIT REPORTS.** You understand and agree that We may obtain a consumer report from a consumer reporting agency when We have a legitimate business need for the information, such as: (i) in connection with a business transaction that is initiated by You (e.g. when You submit an application for membership, credit, or other services); or (ii) to review Your account(s) to determine whether You continue to meet the terms of such account(s); or (iii) the collection of amount(s) You owe to Us.

For transactions not initiated by You, and except to the extent outlined above, We may only obtain a consumer report from a consumer reporting agency if: (i) You directly authorize the agency to provide such report to Us; or (ii) the transaction consists of a firm offer of credit or insurance; and (a) the consumer reporting agency has complied with all applicable regulations; (b) there is not in effect an election by You, made in accordance with all applicable regulations, to have Your name and address excluded from lists of names provided by the agency pursuant to such regulations; and (c) Your consumer report does not contain a date of birth that shows that You have not attained the age of 21, or, if the date of birth on the consumer report shows that You have not attained the age of 21, and You have consented to the consumer reporting agency to such furnishing.

**MINIMUM BALANCE REQUIREMENTS, FEES AND SERVICE CHARGES.** You agree to pay Us any applicable fees or charges, and are responsible for any minimum balance requirements and deposit requirements called for in Our Agreements and Disclosures provided to You when You opened Your Account. In any case and with proper notice to You, fees, charges, balance requirements and deposit requirements may be changed by Us from time to time.

**ASSIGNABILITY.** You may not assign or transfer any interest in Your Account.

**STOP PAYMENTS.** You may ask Us orally to stop payment on a check. For any such request to remain valid, however, You must also supply Us with a written request within 14 days after You make any such oral request. Stop payment requests are also subject to the terms and conditions of the Order For Stop Payment form related to any such request. Your request must be given to Us in a timely manner so that We have a reasonable opportunity to act on Your request. A written stop payment request is effective for six months. If at the end of 6 months You request Us to continue the stop payment order, that request will be treated as a new request. We are not liable if We pay a check which You have requested Us to stop payment on as long as We act in good faith and exercise ordinary care.

In any event, any damages that We might otherwise be liable for shall not exceed the amount of the involved check. If We do pay a check for which You have requested stop payment and as a result any other item is returned unpaid by Us due to nonsufficient funds, We are not liable for any consequences resulting from such action. If Your Account is a joint Account, any Owner of the Account may request a stop payment. Any release of a stop payment order must be made by the person who made the request. If You ask Us to stop payment on a pre-authorized transfer, Your request will be processed under the provisions of Our Electronic Fund Transfer Agreement with You.

You may also ask Us to replace a lost, destroyed or stolen cashier's, teller or certified check and if You do, You agree to execute a declaration of loss and claim for reimbursement form together with any other documentation We may require, such as an affidavit. Regardless of the type of documentation presented to Us, the request must be in a form acceptable to the Credit Union and given to Us in a timely manner so that We have a reasonable opportunity to act on such request. Such declaration of loss and claim for reimbursement will not become effective until the later of: (a) the 90th day after the date of the check (or 90th day following the date of acceptance, in the case of a certified check); or (b) the date We receive the declaration of loss and claim for reimbursement together with any other required documentation.

**CHECKS AND OTHER ACCOUNT ACCESS DEVICES.** Any check or other Account access device which does not meet Our standards for acceptance may be rejected by Us, whether such standards are established by law, regulation or Our own policy.

**POSTDATED, STALE OR OVERDRAFT CHECKS.** You understand that postdating a check will have no effect on whether or not it is honored prior to or after the date of any check. A stale check is any check received by Us that is dated 6 months or more prior to the date of receipt. We may pay or refuse to pay any postdated, stale or overdraft check, or other item presented for payment on Your Account without any liability.

**CHECK SAFEKEEPING.** Check Safekeeping is automatic on Your Account and Your cancelled checks will not be returned to You. You understand that cancelled checks retained by Us are later destroyed after a reasonable period of time. If You subsequently request a copy of a check and We are unable to supply it, then We shall not be liable for any damage You may sustain in excess of the face amount of the involved check.

**PERIODIC STATEMENTS.** You will be provided with a periodic statement showing activity on Your Account. If You believe any statement reflects discrepancies, You must notify Us of such discrepancies within 30 days from the date We mailed the statement to You. If the discrepancy noted is the result of an electronic fund transfer, then the provisions of Our Electronic Fund Transfer Agreement with You will control resolution of the matter.

**NOTIFICATION OF ADDRESS CHANGE.** You will notify Us promptly in writing with Your signature if You move or otherwise have a change of address. In the event We are unable to locate You, You agree to pay all fees associated with maintaining an invalid address in Our records and any costs and locator fees incurred in Our locating efforts.

**WAIVERS.** You agree and understand that Our failure or delay to exercise any right, remedy, power, or privilege available to Us pursuant to this Agreement shall not affect or disallow Our future exercise of that right, remedy, power or privilege.

**ELECTRONIC COMMUNICATIONS.** By applying for membership in the Credit Union, You authorize Us to send You, from time to time, and to the extent permitted by applicable law, electronic communications regarding the status of any savings, checking, and/or term Account(s) You maintain with Us. You also authorize Us to send You electronic communications regarding any other accounts You may maintain with Us from time to time including, but not limited to, loan accounts, credit line accounts, and credit card accounts. These electronic communications are sometimes referred to as "transactional or relationship messages."

You authorize Us to contact You using any wireless, cellular, mobile or other telephone number You have provided to Us on Your membership application, and at any wireless, cellular, mobile or other telephone number You may furnish to Us or We may obtain for You in the future. We may contact You using any electronic means We choose, which may include but is not limited to, voice messages, text messages and other similar electronic methods of communication. If You have furnished Us with any e-mail address(es), You understand and agree that We may send You e-mail messages regarding Your Account(s) with Us from time to time. If You have or subsequently enter into any separate consent to receive electronic documentation form, any communications covered by such disclosure and consent shall be subject to the terms and conditions set forth in that disclosure and consent.

You understand that the nature of electronic communications is such that anyone with access to Your wireless, cellular, mobile or other telephonic device or e-mail may be able to read or listen to such transactional or relationship messages from Us, and You agree that any person or party sending or leaving such messages shall have no liability for any consequences resulting from the interception of such messages by any other party. Without limitation, You also agree that You are responsible to pay all costs that You may incur as a result of any contact method We choose including, but not limited to, charges for telecommunications, wireless and/or internet charges.

**CONSENT TO CONTACT AGREEMENT.** *You agree that We may, subject to applicable law, initiate telephone calls to any residential line (wireline service), cellular telephone service, or other wireless service associated with Your Account through use of pre-recorded or artificial voice messages and/or the use of automatic telephone dialing systems, in order for Us to service Your Account, prevent fraud, collect any amounts owed to Us by You, and otherwise conduct Our business with You. If You furnish Us with one or more cellular telephone numbers in connection with Your Account, You represent You are or will be the cellular telephone subscriber with respect to each such number, and that Your consent extends to all such numbers You provide to Us. You understand that the telephone calls We may initiate may result in charges to You by any cellular telephone, internet, or other digital or electronic service to which You subscribe, and You understand and agree that You are solely responsible for the payment of any such charges.*

**CONSENT TO RECORDING.** You provide Your express consent to Our monitoring and recording of conversations and other communications with You. Your consent applies to Our monitoring and recording of telephone conversations, electronic messages, electronic records, or other data transmissions between You and Us regarding Your Account or other products and services offered by Us.

**GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Michigan, except to the extent that federal law controls.

## ACCOUNT DISCLOSURES

**THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.**

### SPECIFIC TERMS APPLICABLE TO YOUR PRIMARY SAVINGS ACCOUNT

**Variable Rate Information.** This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00. In order to earn the disclosed APY, You must maintain a balance at least equal to \$100.00 each day. Once You reach Your 24th birthday, in order to avoid a Maintenance Fee, during each day You must: (i) maintain deposit Account or loan balances with Us equal to or exceeding \$7,500.00 (exclusive of term share Accounts and real estate secured, first-lien position loans); or (ii) maintain direct deposit to Your Credit Union checking Account; or

## ACCOUNT DISCLOSURES (continued)

(iii) maintain an average aggregate daily balance at least equal to \$100.00, for all of Your savings Accounts combined.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR IRA SAVINGS ACCOUNT

**Variable Rate Information.** These Accounts are subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00. In order to earn the disclosed APY, You must maintain a balance at least equal to \$300.00 each day. In order to avoid a Maintenance Fee, You must maintain a balance at least equal to \$100.00 each day.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

Individual Retirement Accounts (IRAs) are also subject to limitations imposed by the Internal Revenue Service. Please consult Your IRA agreement or tax advisor for additional information.

### SPECIFIC TERMS APPLICABLE TO YOUR GROW YOUR CHANGE SAVINGS ACCOUNT

**Variable Rate Information.** This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the separate Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** In order to avoid a Maintenance Fee, You must: (i) have at least one Grow Your Change automatic transfer post to Your Account every six months; or (ii) maintain an average daily balance that is at least equal to \$100.00 in Your Account during each dividend period.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR HIGH YIELD SAVINGS ACCOUNT

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** No minimum balance requirements apply to this Account.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR HOLIDAY CLUB ACCOUNT

**Variable Rate Information.** This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR HEALTH SAVINGS ACCOUNT (HSA)

**Variable Rate Information.** This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying

Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

Health Savings Accounts (HSAs) are subject to limitations imposed by the Internal Revenue Service. Consult Your HSA Agreement or tax consultant for the specific limitations that will be imposed by the Internal Revenue Service.

### SPECIFIC TERMS APPLICABLE TO YOUR ZERO DIVIDEND SAVINGS ACCOUNT

**Dividend Information.** No dividends are paid on this Account.

**Minimum Balance Requirements.** No minimum balance requirements apply to this Account.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR MONEY MARKET ACCOUNT

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5,000.00. In order to earn the disclosed APY, You must maintain a balance at least equal to \$5,000.00 each day.

**Transaction Limitations.** The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

### SPECIFIC TERMS APPLICABLE TO YOUR FREE CHECKING ACCOUNT

**Dividend Information.** No dividends are paid on this Account.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00.

**Transaction Limitations.** No transaction limitations apply to this Account.

**Additional Information.** For instances in which You have elected to participate in the Grow Your Change Savings program, We will transfer to Your Grow Your Change Savings Account a sum equal to the difference between the actual transaction (rounded up to the nearest \$1.00 minus the actual transaction amount) for each Mastercard Debit Card transaction.

For accounting purposes, each individual transaction that You make will be posted as such, and the amount transferred to Your Grow Your Change Savings Account will be shown as a single transaction for the sum total of all such "Grow Your Change" amounts that occurred that day. For example, a single transaction of \$25.17 would result in \$0.83 being transferred to Your Grow Your Change Savings Account, whereas a subsequent transaction that same day of \$26.01 would result in \$0.99 being transferred to Your Grow Your Change Savings Account. These transactions would then be recorded as follows: (i) the first transaction of \$25.17; (ii) the subsequent transaction of \$26.01; and (iii) the Grow Your Change sum of \$1.82.

### SPECIFIC TERMS APPLICABLE TO YOUR FRESH START CHECKING ACCOUNT

**Dividend Information.** No dividends are paid on this Account.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00.

**Transaction Limitations.** No transaction limitations apply to this Account.

**Additional Information.** For instances in which You have elected to participate in the Grow Your Change Savings program, We will transfer to Your Grow Your

Change Savings Account a sum equal to the difference between the actual transaction (rounded up to the nearest \$1.00 minus the actual transaction amount) for each Mastercard Debit Card transaction.

For accounting purposes, each individual transaction that You make will be posted as such, and the amount transferred to Your Grow Your Change Savings Account will be shown as a single transaction for the sum total of all such "Grow Your Change" amounts that occurred that day. For example, a single transaction of \$25.17 would result in \$0.83 being transferred to Your Grow Your Change Savings Account, whereas a subsequent transaction that same day of \$26.01 would result in \$0.99 being transferred to Your Grow Your Change Savings Account. These transactions would then be recorded as follows: (i) the first transaction of \$25.17; (ii) the subsequent transaction of \$26.01; and (iii) the Grow Your Change sum of \$1.82.

#### SPECIFIC TERMS APPLICABLE TO YOUR PREMIER CHECKING ACCOUNT

**Tiered Variable Rate Information.** This Account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** The minimum balance required to open this Account is \$5.00.

**Transaction Limitations.** No transaction limitations apply to this Account.

**Additional Information.** In order to earn dividends at the disclosed rate, during each qualification cycle You must: (a) have at least one direct deposit post and settle to Your Account as evidenced by Your monthly statement; (b) using Your MasterCard Debit Card You must make 15 or more point of sale transactions that post and settle to Your Account as evidenced by Your monthly statement; (c) You must consent to receive Your periodic statements electronically; and (d) at least once each month, log into Online Banking.

Each monthly qualification cycle will begin on the first day of each month, and end on the last day of the month ("qualification cycle").

For instances in which You have elected to participate in the Grow Your Change Savings program, We will transfer to Your Grow Your Change Savings Account a sum equal to the difference between the actual transaction (rounded up to the nearest \$1.00 minus the actual transaction amount) for each Mastercard Debit Card transaction.

For accounting purposes, each individual transaction that You make will be posted as such, and the amount transferred to Your Grow Your Change Savings Account will be shown as a single transaction for the sum total of all such "Grow Your Change" amounts that occurred that day. For example, a single transaction of \$25.17 would result in \$0.83 being transferred to Your Grow Your Change Savings Account, whereas a subsequent transaction that same day of \$26.01 would result in \$0.99 being transferred to Your Grow Your Change Savings Account. These transactions would then be recorded as follows: (i) the first transaction of \$25.17; (ii) the subsequent transaction of \$26.01; and (iii) the Grow Your Change sum of \$1.82.

#### SPECIFIC TERMS APPLICABLE TO YOUR TERM SHARE CERTIFICATE ACCOUNT

**Variable Rate Information.** This Account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** For the minimum balance required to open this Account, refer to the accompanying Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

**Maturity Date.** Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

**Early Withdrawal Provisions.** We will impose a penalty if You withdraw any of the funds before the maturity date. For Accounts with a term to maturity equal to or less than 182 days, the penalty imposed will equal 90 days of dividends. For Accounts with a term to maturity greater than 182 days, the penalty imposed will equal 180 days of dividends.

**Renewal Policies.** Your Account will renew automatically at maturity and You will have a grace period of 7 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

**Transaction Limitations.** Once Your Account is established, You may not make additional deposits to Your Account prior to the Maturity Date. The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal. Your initial deposit may not exceed \$3,000,000.00.

#### SPECIFIC TERMS APPLICABLE TO YOUR TRADITIONAL IRA AND ROTH IRA TERM SHARE CERTIFICATE ACCOUNTS

**Variable Rate Information.** These Accounts are subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** For the minimum balance required to open these Accounts, refer to the accompanying Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

**Maturity Date.** Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

**Early Withdrawal Provisions.** We will impose a penalty if You withdraw any of the funds before the maturity date. For Accounts with a term to maturity equal to or less than 182 days, the penalty imposed will equal 90 days of dividends. For Accounts with a term to maturity greater than 182 days, the penalty imposed will equal 180 days of dividends.

**Renewal Policies.** Your Account will renew automatically at maturity and You will have a grace period of 7 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

**Transaction Limitations.** Once Your Account is established, You may not make additional deposits to Your Account prior to the Maturity Date. The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal.

Individual Retirement Accounts (IRAs) are also subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see Your IRA Agreement, or Your tax advisor for additional information.

#### SPECIFIC TERMS APPLICABLE TO YOUR ONE PRIDE TERM SHARE CERTIFICATE ACCOUNT

**Variable Rate Information.** This account is subject to a Variable Rate. For the current dividend rate and corresponding APY, refer to the accompanying Account Disclosure Rate Supplement which We have included with and made a part of this Disclosure.

**Minimum Balance Requirements.** For the minimum balance required to open this Account, refer to the separate page titled Account Disclosure Rate Supplement. You must maintain a balance equal to the minimum balance required to open Your Account each day to obtain the disclosed APY and to keep Your Account open.

**Maturity Date.** Your Account will mature after the term indicated on the accompanying Account Disclosure Rate Supplement.

**Early Withdrawal Provisions.** We will impose a penalty if You withdraw any of the funds before the maturity date. The penalty imposed will equal 180 days of dividends.

**Transaction Limitations.** Once Your Account is established, You may not make additional deposits to Your Account prior to the Maturity Date. The Credit Union reserves the right to require a member intending to make a withdrawal to give written notice of such intent not less than seven days and up to 60 days before any such withdrawal. Your initial deposit may not exceed \$3,000,000.00.

**Renewal Policies.** Your Account will renew automatically at maturity and You will have a grace period of 7 calendar days following the Maturity Date to make deposits or withdrawals without penalty.

#### GENERAL TERM APPLICABLE TO ALL ACCOUNTS

**Member in Good Standing.** The Account services described in these Agreements and Disclosures are available to those members in good standing with the Credit Union. We reserve the right to suspend or cancel services to a member who is not in good standing, which includes, but is not limited to members that have:

- a delinquent loan.
- a primary share Account balance below the \$5.00 minimum.

## ACCOUNT DISCLOSURES (continued)

- an unresolved deposited returned check.
- any unpaid and uncollected fees.
- a negative balance on an Account.
- failed to comply with the terms and conditions of any lawful obligation with Us, and as a result, caused Us to suffer a financial loss.
- manipulated or otherwise used Our services or products in the furtherance of an illegal purpose.
- committed, or threatened, acts of violence against Our employees, agents or members.
- failed to conduct themselves in a civil and businesslike manner.
- committed or attempted to commit fraud.
- used a personal account for commercial purposes.

**Minimum Balance Requirements.** To be a member and maintain Accounts with Us You must purchase 1 share in the Credit Union. The par value of a share in this Credit Union is \$5.00. If the balance in Your primary share Account drops below 1 share (\$5.00), at any time, We may, at Our option, close Your Account.

**Nature of Dividends.** All dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**Withdrawal of Dividends Prior to Maturity.** For term share certificates, the Annual Percentage Yield assumes that dividends remain on deposit until maturity. A withdrawal will reduce earnings.

**Compounding and Crediting.** For all dividend-bearing Accounts, dividends will be earned daily for each day on which Your balance exceeds the minimum balance requirement for Your Account.

For all Accounts (except Health Savings (HSA), Primary Savings, High Yield Savings, Holiday Club and term share Accounts), the dividend period is monthly, and dividends will be compounded daily and credited to Your Account monthly. Accrued but uncredited dividends will not be paid at the time You close Your Account, but will instead be paid at the end of the dividend period.

For Health Savings (HSA), Primary Savings, High Yield Savings and Holiday Club Accounts, the dividend period is monthly, and dividends will be compounded and credited to Your Account monthly. Accrued but uncredited dividends will not be paid at the time You close Your Account, but will instead be paid at the end of the dividend period.

For term share Accounts having a term to maturity equal to or less than 90 days, dividends will not be compounded and instead credited to Your Account at maturity. For term share Accounts having a term to maturity greater than 90 days, dividends will be compounded and credited to Your Account quarterly. Accrued but uncredited dividends will not be paid if You close Your Account prior to the maturity date.

**Balance Computation Method.** For all Accounts, dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the Account each day.

**Accrual on Noncash Deposits.** For all dividend bearing Accounts, dividends will begin to accrue on the business day that You deposit noncash items (e.g. checks) into Your Account.

**Fees and Charges.** Any fees and charges applicable to Your Account are disclosed on the accompanying schedule of fees and charges provided in conjunction with these Agreements and Disclosures.

## ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE

**THIS IS YOUR ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE. IT INCLUDES NECESSARY FEDERAL STATEMENTS AS REQUIRED BY THE ELECTRONIC FUND TRANSFER ACT (15 U.S.C. SECTION 1693 ET SEQ) AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR ATM CARD OR MASTERCARD DEBIT CARD ("CARD"), OUR AUDIO RESPONSE SYSTEM ("DIRECT DIAL 24"), AND OUR INTERNET ACCOUNT ACCESS SYSTEM ("ONLINE BANKING"), EACH WITH THEIR CORRESPONDING PERSONAL IDENTIFICATION NUMBER (PIN) OR ACCESS CODE, AND ANY CHECKS YOU AUTHORIZE TO BE PROCESSED ELECTRONICALLY ("E-CHECK").**

**ATM CARD, MASTERCARD DEBIT CARD, DIRECT DIAL 24, ONLINE BANKING, AND E-CHECK AGREEMENT.** This Agreement applies to any electronic fund transfer made to or from Your Account(s) by You or by any user who has access to Your Account with actual, apparent or implied authority for use of Your Account. Electronic fund transfers to and from Your Account can be made through the use of, but may not be limited to the following: (a) Your Card in Automated Teller Machines (ATMs) or at any place that it is honored including those transactions made through the use of the appropriate PIN in conjunction with Your Card; (b) Our Direct Dial 24 system; (c) Our Online Banking system; and (d) any check which You authorize the payee to process electronically. An electronic fund transfer is any transfer of funds which is performed through the use of Your Card, Our Direct Dial 24 system, Our Online Banking system, E-Check or other electronic device. You understand that Your Card and any Personal Identification Numbers (PINs) or Access Codes are issued by Us and are not transferable. The use of Your Card, PIN and/or any other Account access device is subject to the following terms. You agree: (a) to abide by Our rules and regulations as amended related to the use of Your Card, PIN and/or other Account access device; (b) that We may follow all instructions given to Machines; (c) not to use Your Card for illegal transactions including, but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law; and (d) that each withdrawal by You or by any authorized user of Your Card or PIN may be charged to Your savings or checking Account, as appropriate, and will be treated as though it were a share withdrawal except that: (1) We may charge withdrawals to Your savings Account in any order We determine; and (2) We cannot honor stop payment requests on ATM and POS withdrawals.

We may, but are under no obligation to do so, process an Electronic Fund Transfer that exceeds the available balance in Your savings and/or checking Account. In the event that any such transfer occurs, You agree to immediately pay Us the overdrawn amount and to the extent permitted by law, any associated fees and charges. For security reasons there are limits on the number of transactions that may be processed each day.

Health Savings Accounts (HSAs) are a form of trust account under federal law (Internal Revenue Code, 26 U.S.C. § 223(d)). Although Your HSA Savings Account is a non-transaction Account into which, and from which, funds may be transferred electronically, it is not an "account" for purposes of the Electronic Fund Transfers Act and Regulation E (12 C.F.R. 1005.2(b)(3)), and is therefore not subject to the limitations and liability protections that apply to other accounts under Regulation E.

### ISSUANCE OF PERSONAL IDENTIFICATION NUMBERS AND ACCESS CODES.

You will be issued a Personal Identification Number (PIN) to be used in conjunction with ATM Card and MasterCard Debit Card transactions, and separate Access

Codes to be used in conjunction with Direct Dial 24, and Online Banking. Your use of Your PIN or Access Code is Your authorization to Us to withdraw available funds from Your savings Account or Your checking Account to cover such transactions.

**OTHER AGREEMENT.** If electronic fund transfer transactions involve other agreements You have with Us, the terms of those agreements will apply as well.

**BUSINESS DAYS.** Every day is a business day except Saturdays, Sundays and holidays.

**DELAYED FUNDS AVAILABILITY NOTICE.** Subject to Our Delayed Funds Availability Policy, deposits made at Community Financial Credit Union locations may not be posted to Your Account until they are received and verified by Us. All deposited items are removed from machines each business day. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope. See Our Funds Availability Policy Disclosure for Our policy regarding the availability of Your deposits.

## TYPES AND LIMITATIONS OF SERVICES

**ATM CARD TRANSACTIONS.** Except for Fresh Start Checking Accounts, You may use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate, to deposit cash and checks to Your savings and checking Account(s). You may also use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate to make the following transactions: (a) withdraw available cash from Your savings and checking Account(s); (b) transfer available funds between Your savings and checking Account(s); (c) take advances on Your line of credit with Us and have the amount deposited into Your savings and checking Account(s); (d) make payments on Your Credit Union loans from Your savings and checking Account(s); and (e) make balance inquiries on Your savings and checking Account(s) with Us. You may also use Your Card in conjunction with Your PIN to purchase goods and services ("POS") at any business establishment where the Card is accepted.

ATM withdrawals may not exceed \$700.00 per calendar day. At Your option, limits can be set as low as \$50.00 per day (savings, checking and line of credit combined), subject to the available funds in Your Account. POS withdrawals may not exceed the available funds in Your Account. At Your option, limits can be set as low as \$50.00 per day (savings, checking and line of credit combined).

**MASTERCARD DEBIT CARD TRANSACTIONS.** You may use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines

or facilities as We may designate, to deposit cash and checks to Your savings and checking Account(s). You may also use Your Card in conjunction with Your PIN in any of Our network of ATMs and such other machines or facilities as We may designate to make the following transactions: (a) withdraw available cash from Your savings and checking Account(s); (b) transfer available funds between Your savings and checking Account(s); (c) take advances on Your line of credit with Us and have the amount deposited into Your savings and checking Account(s); (d) make payments on Your Credit Union loans from Your savings and checking Account(s); and (e) make balance inquiries on Your savings and checking Account(s) with Us. You may also use Your Card in conjunction with Your PIN to purchase goods and services ("POS") at any business establishment where the Card is accepted.

ATM withdrawals may not exceed \$700.00 per calendar day. At Your option, limits can be set as low as \$50.00 per day (savings, checking and line of credit combined), subject to the available funds in Your Account. POS withdrawals may not exceed the available funds in Your Account. At Your option, limits can be set as low as \$50.00 per day (savings, checking and line of credit combined).

**DIRECT DIAL 24 TRANSACTIONS.** You may use Direct Dial 24 in conjunction with Your Access Code and a touch tone telephone for the following services: (a) transfer available funds between Your savings and checking Account(s); (b) take advances on Your line of credit with Us and have the amount deposited into Your savings and checking Account(s); (c) make payments on Your Credit Union loans from Your savings and checking Account(s); and (d) make miscellaneous inquiries on Your Credit Union deposit and loan balances, deposits, withdrawals and transactional information. Direct Dial 24 operates 24 hours every day. If You attempt to use the system and are told that "the system is not available," please try again later when service is restored.

**ONLINE BANKING TRANSACTIONS.** You may use Online Banking in conjunction with Your Access Code, an internet connection and a personal computer for the following services: (a) transfer available funds between Your savings and checking Account(s); (b) take advances on Your line of credit with Us and have the amount deposited into Your savings and checking Account(s); (c) make payments on Your Credit Union loans from Your savings and checking Account(s); and (d) make miscellaneous inquiries on Your Credit Union deposit and loan balances, deposits, withdrawals and transactional information. Online Banking operates 24 hours every day. If You attempt to use the system and receive a message that "the system is not available," please try again later when service is restored.

**E-CHECK TRANSACTIONS.** You may authorize a merchant or other payee to make a one-time electronic payment from Your checking Account using information from Your check ("E-Check") to: (a) pay for purchases; or (b) pay bills.

**OWNERSHIP OF ACCESS DEVICES.** Your Card and/or any other Account access device will remain Our property and any such Card or other Account access device we may issue may be cancelled or its use restricted by Us at any time without notice, except as may be required by applicable law. You agree to surrender any such Card and/or access device and to discontinue its use immediately upon Our request. You will be required to return any Account access device(s) to Us immediately upon the closing of Your Account.

**NOTIFICATION OF PRE-AUTHORIZED DEPOSITS.** If You have arranged to have direct deposits made to Your Account at least once every 60 days (from Your employer, the federal government or other payor), You can call Us at (734) 453-1200, to find out whether or not the deposit has been made.

**RIGHT TO STOP PRE-AUTHORIZED PAYMENTS.** If You want to stop any pre-authorized payments, call Us at (734) 453-1200, or write to Us at P.O. Box 8050, Plymouth, MI 48170-8050 in time for Us to receive Your stop payment request 3 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. To be sure that a third party does not bill You again for the "stopped" payment or to cancel the entire pre-authorized payment arrangement, contact the third party.

To ensure that recurring preauthorized charges established and authorized by You are not interrupted in the event that Your Card or other Access Device is reissued, We may, but are under no obligation to do so, enroll Your account in automatic account information update services that communicate new Card/Access Device information to the service providers with whom You have established preauthorized recurring charges, the purpose of which is to ensure charges You authorize continue without interruption.

**NOTICE OF VARYING AMOUNTS.** If regular pre-authorized payments may 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.

**OUR LIABILITY FOR FAILURE TO STOP PAYMENT.** If You order Us to place a stop payment on one of Your pre-authorized payments 3 business days or more before the transfer is scheduled, and We do not do so, We will be liable for losses or damages, to the extent provided by law.

**TRANSACTION SLIPS.** You can get a receipt at the time You make any transaction to or from Your Account (except for Direct Dial 24, Online Banking, mail-in transactions, and certain small-value transactions). When an electronic transfer has been made during any given month, You will receive a monthly statement to reflect all electronic fund transfers to or from Your Account during that statement period. In any case, You will receive a statement at least quarterly.

**FEES.** We may assess reasonable charges against Your Account for transactions performed at electronic terminals. If so, We will specify any charges for these or other types of electronic transactions, including automatic transfers, on an accompanying pricing document. We will explain the charges to You when You open Your Account. You will be provided with a fee schedule, and Direct Dial 24, and Online Banking information after Your Account is established. Additional fee schedules are available at any of Our office locations. When You use an ATM not owned by Us, You may be charged a fee by the ATM operator, or any network used, and You may be charged a fee for a balance inquiry even if You do not complete a fund transfer.

**LIABILITY FOR FAILURE TO COMPLETE TRANSACTIONS.** If We do not properly complete a transaction to or from Your Account according to this Agreement, We will be liable for Your losses or damages. However, We will not be liable if: (a) Your Account does not contain enough available funds to make the transaction through no fault of Ours; (b) the ATM where You are making the transfer does not have enough cash; (c) the terminal was not working properly and You knew about the breakdown when You started the transaction; (d) circumstances beyond Our control prevent the transaction despite reasonable precautions that We have taken; (e) Your Card is retrieved or retained by an ATM; (f) Your Card or PIN has been reported lost or stolen and We have blocked the Account; (g) the money in Your Account is subject to legal process or other claim; (h) there are other lawful exceptions established by Us and You are given proper advance notice of them; (i) You exceed any limits on Your Account; and (j) the MasterCard network does not allow the transaction to proceed due to anti-fraud or similar consumer protections employed by that network.

**LIABILITY FOR UNAUTHORIZED USE.** Telephone Us at once at (734) 453-1200, or write to Us at P.O. Box 8050, Plymouth, MI 48170-8050 if You believe Your Card or PIN have been lost or stolen or if You believe that an electronic fund transfer has been made without Your permission using information from Your check. Telephoning is the best way of keeping Your possible losses down. You could lose all of the money in Your Account (plus Your maximum overdraft line of credit, if applicable). If You tell Us within 2 business days after You learn of the loss or theft of Your Card or PIN, You can lose no more than \$50.00 if someone uses Your Card or PIN without Your permission.

If You fail to tell Us within 2 business days after You learn of the loss or theft of Your Card or PIN and We can prove that We could have stopped someone from using Your Card or PIN without Your permission if You had told Us, then You could lose as much as \$500.00.

Also, if Your statement shows transfers that You did not make, including those made by Card, PIN or other means, You will 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 valid reason (such as a long trip or hospital stay) keeps You from giving Us notice, We will extend the time periods.

**Exception:** You will have no liability for the unauthorized use of Your MasterCard Debit Card as long as You used reasonable care in safeguarding Your Card from loss or theft and, upon becoming aware of such loss or theft, promptly report that loss or theft to the Credit Union. **This exception does not apply to a transaction conducted with a Card that is: (a) issued to an entity other than a natural person; (b) issued for a commercial purpose, except to the extent that such exception shall apply to transactions conducted for a small-business program; and (c) issued to a person until such time as that person's identity is registered by or on behalf of the Credit Union in connection with such issuance, which registration may include customer identification program requirements.**

**REVERSAL OF AN ELECTRONIC FUND TRANSFER.** We will reverse an electronic fund transfer initiated by You to a third party in payment for goods or services and re-credit Your Account for the full amount of the transfer if all of the following occur:

- (1) You notify Us that You have made a good faith attempt to resolve Your dispute with the third party and assure Us that You have returned the goods

in dispute to the third party where returnable goods are involved. This does not imply that reversibility applies only to goods.

- (2) The amount of the transfer is \$50.00 or more.
- (3) Within four calendar days following the transaction, We receive from You during Our normal business hours a written or oral request for reversal.
- (4) You verify the reverse order, notice and assurance in writing within 14 days following oral notification, on a form We provide for that purpose. If You do not furnish written verification, We will reinstate the original debits and credits involved in the transaction to the extent of the available Account balance.

**IN CASE OF ERRORS OR IF YOU HAVE QUESTIONS ABOUT ELECTRONIC TRANSFERS.** Telephone Us at (734) 453-1200, or write to Us at P.O. Box 8050, Plymouth, MI 48170-8050 as soon as You can, if You think Your statement or receipt is wrong or if You need more information about a transaction listed on the statement or receipt. We must hear from You no later than 60 days after We send You the first statement on which the problem or error appeared.

- (1) Tell Us Your name and Account number.
- (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 after We hear from You and will correct any error promptly. If We need more time, however, We may take up to 45 days to investigate Your complaint or question. If We decide to do this, We will credit Your account within 10 business days for the amount You think is in error, so that You will have the use of the money during the time it takes Us to complete Our investigation. If We ask You to put Your complaint or question in writing and We do not receive it within 10 business days, We may not credit Your account.

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

We will tell You the results within 3 business days after completing Our investigation. If We decide that there was no error, We will send You a written explanation. You may ask for copies of the documents that We used in Our investigation.

**UNAUTHORIZED TRANSFERS.** To report a lost or stolen Card, PIN, Access Code or any combination thereof, You will call Us at (734) 453-1200. You may also

report the loss of a Card, PIN, Access Code or any combination thereof, by writing to Us at P.O. Box 8050, Plymouth, MI 48170-8050. You should also call the number or write to the address listed above if You believe a transfer has been made using the information from Your check without Your permission.

**FOREIGN TRANSACTIONS.** For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. Dollars) will be: (a) a rate selected by MasterCard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard itself receives; or (b) the government-mandated rate in effect for the applicable central processing date. In each instance You will be charged 9/10th of 1.00% calculated on the final settlement amount for transactions that are initiated in foreign countries, and if Your transaction is also initiated in a foreign currency You will be charged an additional 2/10th of 1.00% calculated on the final converted settlement amount. Transactions initiated via the internet with merchants or other parties located outside of the United States of America are deemed to occur in the foreign country where the merchant or other party is located.

**DISCLOSURE OF ACCOUNT INFORMATION.** We may disclose information to third parties about Your Account or transfers You make: (1) when it is necessary to complete an electronic transaction; or (2) in order to verify the existence and conditions of Your Account for a third party such as a credit bureau or merchant; or (3) in order to comply with a government agency or court order, or any legal process; or (4) if You give Us written permission.

**TERMINATION.** We may terminate Your right to use Your Card, PIN or Access Code, or cancel this Agreement at any time upon written notice. You may request termination of these services in writing.

**CHANGE IN TERMS.** We may change the terms and charges for the services shown in this Agreement and may amend this Agreement from time to time upon proper notice to You.

**REGULATORY AUTHORITY.** If You believe We may have violated the laws governing Electronic Fund Transfers You may contact:

Department of Insurance and Financial Services  
Office of Consumer Services  
P.O. Box 30220  
Lansing, MI 48909

**GOVERNING LAW.** This Agreement is controlled and governed by the laws of the State of Michigan, except to the extent that such laws are inconsistent with controlling federal law.

## FUNDS AVAILABILITY POLICY DISCLOSURE

**EXCEPT FOR CHECKS DRAWN ON FOREIGN BANKS IN FOREIGN COUNTRIES, THIS DISCLOSURE DESCRIBES YOUR ABILITY TO WITHDRAW FUNDS FROM TRANSACTION ACCOUNTS AT COMMUNITY FINANCIAL CREDIT UNION. YOU SHOULD ALSO REFER TO THE SECTION OF THESE AGREEMENTS AND DISCLOSURES THAT DESCRIBES THE DETAILS OF YOUR SPECIFIC ACCOUNT TYPE FOR ADDITIONAL INFORMATION.**

**Your Ability to Withdraw Funds.** Our general policy is to delay the availability of funds from Your cash and check deposits. Electronic direct deposits will be available on the day We receive the deposit. Once they are available, You can withdraw the funds in cash and We will use the funds to pay checks that You have written.

**Determining the Availability of a Deposit.** The length of the delay is counted in business days from the day of Your deposit. For determining the availability of Your deposits, every day is a business day except Saturdays, Sundays, and Federal holidays.

For all deposits, except those made at Our ATM(s) and night depositary(ies), If You make a deposit prior to closing on a business day that We are open, We will consider that day to be the day of Your deposit. However, if You make a deposit after closing or on a day We are not open, We will consider that the deposit was made on the next business day We are open.

For all deposits made at Our ATM(s), if You make a deposit prior to 12:00 Noon on a business day that We are open, We will consider that day to be the day of Your deposit. However, if You make a deposit after 12:00 Noon or on a day We are not open, We will consider that the deposit was made on the next business day We are open.

For all deposits made at Our night depositary(ies), We will consider that the deposit was made on the day on which the deposit is removed from such facility and is available for processing.

The length of the delay varies depending on the type of deposit and is explained below.

### **Same-Day Availability**

Funds from the following types of deposits will be available on the day We receive the deposit:

- Funds from electronic direct deposits to Your Account.

### **Next-Day Availability**

If You make the deposit in person to one of Our employees, funds from the following types of deposits will be available on the first business day after the day We receive the deposit:

- U.S. Treasury checks that are payable to You.
- Wire transfers.
- Checks drawn on Us.

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 2nd business day after the day We receive Your deposit.

### **Next-Day Availability**

If You make the deposit in person to one of Our employees, funds from the following types of deposits will also be available on the first business day after the day of Your deposit:

- Cash.
- State and local government checks that are payable to You.
- Cashier's, certified, and teller's checks that are payable to You.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to You.

## FUNDS AVAILABILITY POLICY DISCLOSURE (continued)

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 2nd business day after the day We receive Your deposit.

### **Other Check Deposits**

The first \$225.00 of funds from other check deposits will be available on the 1st business day after the day of Your deposit. The remaining funds will be available on the 2nd business day after the day of Your deposit. For example, if You deposit a check of \$700.00 on a Monday, \$225.00 of the deposit is available on Tuesday. The remaining \$475.00 is available on Wednesday.

**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 \$5,525.00 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn Your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communication 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 7th business day following the day of Your deposit. In any case, We reserve the right to refuse an item for deposit or encashment.

**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 to Your Account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers and the first \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day We receive the deposit, if the deposit meets certain conditions. For example,

the checks must be payable to You. The excess over \$5,525.00 will be available on the 9th business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,525.00 will not be available until the 2nd business day after the day of Your deposit. Funds from all other check deposits will be available on the 9th business day after the day of Your deposit.

**ATM Deposits.** For deposits made at ATMs owned and operated by the Credit Union, deposits will become available for withdrawal based on the availability schedule described above. For deposits made at ATMs not owned and operated by the Credit Union, deposits will become available for withdrawal on the 5th business day following the day of deposit. All ATMs that We own or operate are identified as Our machines.

**Holds on Other Funds.** If We cash a check for You that is drawn on another institution, We may withhold the availability of a corresponding amount of funds that are already in Your Account. Those funds will be available to You at the time that the funds from the check We cashed for You would have been available if You had deposited it. If We accept for deposit a check that is drawn on another institution, We may make funds from the deposit available for withdrawal immediately but delay Your availability to withdraw a corresponding amount of funds that You have on deposit in another account with Us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this policy for the type of check that You deposited.

**Location of Check Endorsements.** Federal law requires all check endorsements to be in the first 1-1/2 inches of the trailing edge of the back of the check. The trailing edge is opposite the left side of the face of the check, the side of the check just behind Our address. You will be responsible for any costs incurred by Us due to delays in returning checks deposited into Your Account that do not comply with the endorsement standards.

**Dividend Payment Policy.** See the Account Disclosures section in these Agreements and Disclosures for Our policy on the payment of dividends.

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# FACTS

## WHAT DOES COMMUNITY FINANCIAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?

<b>Why?</b>	Financial companies choose how they share Your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires Us to tell You how We collect, share, and protect Your personal information. Please read this notice carefully to understand what We do.
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<b>What?</b>	<p>The types of personal information We collect and share depend on the product or service You have with Us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and income</li> <li>• account balances and payment history</li> <li>• credit history and credit scores</li> </ul> <p>When You are <i>no longer</i> Our member, We continue to share Your information as described in this notice.</p>
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<b>How?</b>	All financial companies need to share customers' personal information to run their everyday business. In the section below, We list the reasons financial companies can share their customers' personal information, the reasons Community Financial Credit Union chooses to share, and whether You can limit this sharing.
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Reasons We can share Your personal information	Does the Credit Union share?	Can You limit this sharing?
<b>For Our everyday business purposes</b> - such as to process Your transactions, maintain Your account(s), respond to court orders and legal investigations, or report to credit bureaus	<b>YES</b>	<b>NO</b>
<b>For Our marketing purposes</b> - to offer Our products and services to You	<b>YES</b>	<b>NO</b>
<b>For joint marketing with other financial companies</b>	<b>YES</b>	<b>NO</b>
<b>For Our affiliates' everyday business purposes</b> - information about Your transactions and experiences	<b>NO</b>	<b>WE DON'T SHARE</b>
<b>For Our affiliates' everyday business purposes</b> - information about Your creditworthiness	<b>NO</b>	<b>WE DON'T SHARE</b>
<b>For non-affiliates to market to You</b>	<b>NO</b>	<b>WE DON'T SHARE</b>

<b>Questions?</b>	Contact Us by telephone at (734) 453-1200, or go to <a href="http://www.cfcu.org">www.cfcu.org</a>
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What We do	
How does Community Financial Credit Union protect my personal information?	To protect Your personal information from unauthorized access and use, We use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Community Financial Credit Union collect my personal information?	<p>We collect Your personal information, for example, when You</p> <ul style="list-style-type: none"> <li>open an account or apply for a loan</li> <li>use Your credit or debit card</li> <li>pay Your bills or deposit money</li> </ul> <p>We also collect Your personal information from others, such as credit bureaus, affiliates, or others.</p>
Why can't I limit all sharing?	<p>Federal law gives You the right to limit only</p> <ul style="list-style-type: none"> <li>sharing for affiliates' everyday business purposes - information about Your creditworthiness</li> <li>affiliates from using Your information to market to You</li> <li>sharing for non-affiliates to market to You</li> </ul> <p>State laws and individual companies may give You additional rights to limit sharing.</p>
Definitions	
<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li><i>Community Financial Credit Union has no affiliates.</i></li> </ul>
<b>Non-Affiliates</b>	<p>Companies not related by common ownership or control. They can be financial and non-financial companies.</p> <ul style="list-style-type: none"> <li><i>Community Financial Credit Union does not share with non-affiliates so they can market to You.</i></li> </ul>
<b>Joint Marketing</b>	<p>A formal agreement between non-affiliated financial companies that together market financial products or services to You.</p> <ul style="list-style-type: none"> <li><i>Our joint marketing partners include insurance companies.</i></li> </ul>