

# CATHOLIC FEDERAL CREDIT UNION DISCLOSURE BOOKLET

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*Revised January 2009*

This is the Agreement between you, the member, and Catholic Federal Credit Union, a Federally Chartered Credit Union, of Bay City, Essexville, Saginaw and Vassar, Michigan, regarding your accounts with the Credit Union. By establishing an account with the Credit Union, you agree that this Agreement is a binding contract between you and the Credit Union.

Thank you for establishing a membership account with Catholic Federal Credit Union. You should retain a copy of the agreement and feel free to call the Credit Union at (989) 799-8744 / (800) 798-2328 if you have any questions. By signing a Membership Card, you agree to be bound by, and acknowledge receipt of, this Agreement, along with certain disclosures required under the Truth-In-Savings Act and National Credit Union Administration (NCUA) and Federal Reserve Board regulations and commentary, the Electronic Fund Transfer Act (Regulation E), the Michigan Electronic Funds Transfers Act, the Funds Availability Act (Regulation CC), Regulation D, Uniform Commercial Code Article 4A, and the NCUA Privacy Regulations. The words "you" and "your" mean the member and any joint members or co-depositors or co-borrowers. The words "we", "our", "us", and "Credit Union" mean Catholic Federal Credit Union.

## Membership

Membership in Catholic Federal Credit Union is open to members of Catholic Parishes located in the Diocese of Saginaw\*, which includes Arenac, Bay, Clare, Gladwin, Gratiot, Huron, Isabella, Midland, Saginaw, Sanilac and Tuscola counties. Employees of the Saginaw Diocese (or Catholic Parishes) Catholic or Non-Catholic. Students and employees of Catholic Schools in the Saginaw Diocese. Relatives of a Catholic Federal Member regardless of where they live, what their religion is or their relationship to the member, by blood or marriage.

\*Excluding: Christopher Credit Union.

Membership in the Credit Union is a lifetime membership provided that you keep your membership in good standing. The Credit Union's bylaws provide that "once a member, always a member" so that even if you retire, change or move to a new location outside of the field of membership, you may remain a member of the Credit Union.

**Becoming a Member:** To become a member of the Credit Union, you must complete a Membership Card and open a Prime Daily Savings Account. *The basic share deposit that you must always keep in your Prime Daily Savings Account to retain membership is \$5.00.*

**Share Insurance.** The Credit Union's funds are insured by the National Credit Union Administration (NCUA), which is the governing body of all federal credit unions. Share accounts in federally insured credit unions are insured up to the Standard Maximum Share Insurance Amount (SMSIA), \$250,000 as of October 3, 2008. The Emergency Economic Stabilization Act of 2008 increased the insurance coverage on all accounts up to \$250,000 until December 31, 2009.

You may obtain additional separate coverage on multiple accounts, but only if you have different ownership interests or rights in different types of accounts and you properly complete account forms and applications. For example, if you have a regular share account and an Individual Retirement Account (IRA) at the same credit union, the regular share account is insured up to \$250,000 and the IRA is separately insured up to \$250,000. However, if you have a regular share account, a share certificate, and a share draft account, all in your own name, you will not have additional coverage. Those accounts will be added together and insured up to \$250,000 as your individual account. Additionally, shares denominated in foreign currencies are insured as outlined in NCUA Rules and Regulations.

Coverdell Education Saving Accounts, formerly education IRAs, are insured as irrevocable trust accounts and will be added to a member's other irrevocable trust accounts and insured up to the SMSIA. Roth IRAs will be added together with traditional IRAs and insured up to \$250,000.

Additional coverage is available on revocable trust or payable on death accounts on a per beneficiary basis. A co-owner's interest in all joint accounts in the same credit union will be added together and insured up to the SMSIA.

**Signature Card Membership.** I hereby make application for membership in and agree to conform to the Bylaws, as amended, of Catholic Federal Credit Union. I certify that: I am within the field of membership of this Credit Union; the information provided on this application is true and correct; and my signature on this card applies to all accounts under my name at this Credit Union. I also agree to be bound to the terms and conditions of any account that I have in the Credit Union now or in the future.

Under penalties of perjury, I certify: (1) That the number shown on this form is my correct taxpayer identification number; and (2) that I am not subject to backup withholding under the provisions of Section 3506(a)(1)(c) of the Internal Revenue Code either because I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service (IRS) has notified me that I am no longer subject to backup withholding. (Instruction: If you have been notified by the IRS that you are subject to backup withholding due to payee under-reporting and you have not received a notice from the IRS that the backup withholding has terminated, you must strike out the language in clause 2 of the above certification regarding withholding.)

I am a U.S. person (including a U.S. resident alien).

"The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding."

**Certification if Awaiting Number.** Under penalties of perjury, I certify (1) that a taxpayer identification number has not been issued to me, and that I mailed or delivered an application to receive a taxpayer identification number to the appropriate Internal Revenue Service Center or Social Security Administration Office (or I intend to mail or deliver an application in the near future), and (2) that I am not subject to backup withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service (IRS) has notified me that I am no longer subject to back up withholding. I understand that if I do not provide a taxpayer identification number to the credit union within 60 days, the credit union is require to withhold 20 percent of all reportable payments thereafter made to me until I provide a number.

**Joint Share Account Agreement (Not Transferable).** The Catholic Federal Credit Union is hereby authorized to recognize any of the signatures subscribed in the payment of funds or the transaction of any business for this account. The joint owners of this account hereby

agree with each other and with said credit union that all sums now paid in on shares, or heretofore or hereafter paid in on shares by any of all of said joint owners to their credit as such joint owners with all accumulations thereon, are and shall be owned by them jointly, with 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 said credit union from any liability for such payment. The joint owners also agree to the terms and conditions of the account as established by the credit union from time to time. Any or all said joint owners may pledge all or any part of the shares in this account as collateral security to a loan or loans from the credit union. The right or authority of the credit union under agreement shall not be changed or terminated by said owners, or any of them except by written notice to said credit union, which shall not affect transactions theretofore made.

### Policy for Minor Accounts

**Minors that qualify for membership infants thru age 15:** The minimum balance required to establish this account is \$5.00. If the minor is an infant through 15 years of age the account is required to be opened jointly with an adult.

Any adult who is a joint owner on an account established for a minor who is an infant through age 15 must provide the credit union with a valid government-issued photo ID, such as a driver's license or passport to ensure compliance with Federal "Customer Identification Program" regulations.

The minor's TIN (Social Security Number) must be used and all named joint owners will have equal access to any funds in the account.

Funds in these accounts are owned by the minor and adult joint owner(s) jointly, with right of survivorship. These funds will 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 Catholic Federal Credit Union for any liability for such payment. Any and or all Bee Savings Club of said joint owners may pledge all or any part of the shares in this account as collateral for a loan or loans from Catholic Federal. Since the funds belong to all named owners, the funds are subject to the credit union's rights of offset.

**Bee Savings Club:** A Bee Savings Club account is like our Prime Daily Savings Account, the member must qualify for membership, and the minimum balance is \$5.00. The Bee Savings Club account is for members 12 and under. There are many incentive programs to encourage children to make frequent deposits. An adult age 18 or older must be the contractual signer on the Bee Savings Club accounts.

**Minors that qualify for membership age 16 through 17:** May apply for the following services only if you have a qualified co-signer, age 18 or older:

- Checking account
- Debit Card
- Visa Credit Card
- Auto Loans

These minor accounts may be individual or joint debit accounts. A minor age 16 or 17 opening an account must provide the credit union with either (i) a valid government-issued photo ID, such as a driver's license or passport; or (ii) a valid school identification card (with photo), to ensure compliance with Federal "Customer Identification Program" regulations. The minor's TIN (Social Security Number) must be used and all named joint owners will have equal access to any funds in the account. Funds in these accounts are owned by the minor and adult joint owner(s) jointly, with right of survivorship. These funds will 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 will discharge Catholic Federal Credit Union for any liability for such payment. Any and or all of the said joint owners may pledge all or any part of the shares in their account as collateral for a loan or loans from Catholic Federal Credit Union. Since the funds belong to all named owners, the funds are subject to the credit union's rights of offset.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

### Prime Daily Savings

**Deposits:** After you have established your Prime Daily Savings Account, you may make additional deposits into that account, or establish other types of accounts as described below, at any time and in any amount. We may establish minimum amounts for deposits in your Prime Daily Savings Account or other accounts.

You can make deposits in person or by mail. Also, you can arrange to have one or more of the following deposits made directly to your Prime Daily Savings Account: (1) payroll deduction deposits, (2) net pay deposits, (3) Social Security deposits, (4) pension plan deposits, (5) stock dividends or (6) other miscellaneous deposits. If you have an automatic teller machine (ATM) card, you can also make a deposit through one of the automated teller machines equipped to accept deposits. By utilizing CU Online or Express Telephone you can also transfer funds from one account to another,

**Withdrawing Money from Your Prime Daily Savings Account:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union.

**Rate and Annual Percentage Yield ("APY"):** Your Prime Daily Savings Account will earn what are known as dividends. Dividends are paid to this account. The Board of Directors sets the rate of interest for accounts. The rates are reviewed from time to time, and dividends are not guaranteed. This is a variable rate account. The Credit Union estimates a prospective dividend rate and prospective annual percentage yield (APY) on your Prime Daily Savings Account for each dividend period. The dividend rate and APY may change every

calendar month as determined by the Board. The dividend rates will be available each business day at our office. The words "dividend" and "interest" may be used interchangeably in this Agreement.

**Compounding.** We compound your dividends, even though the law does not require it. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual percentage rate (APR).

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends will be compounded monthly. The prospective dividend rate for each quarter will be determined in the last month of the previous quarter. The dividend declaration date follows the ending date of a dividend period, and for the example above is February 1st.

**Crediting Dividends:** Dividends will be credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't credit them to your account until the first day of the subsequent dividend period. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive the accrued dividends.

**Minimum Balance to Earn Dividends:** You earn dividends on your Prime Daily Savings Account each day that your account balance is \$5 or more. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain the minimum deposit balance requirement, we reserve the right to close your account. Dividends will begin to accrue on the first business day you place non-cash items (for example, checks) to your account. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate them on a daily basis, which applies a daily periodic rate to the principal in the account each day. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

**Funds Availability:** Funds from deposits you make into your Prime Daily Savings Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed below in the "Other Terms and Conditions" section of this Agreement.

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

**Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized withdrawal, automatic transfer, telephone order of instruction, Express Telephone (ET) or by CU Online. If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and /or we may be required to close your account.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

**Fees:** See Fee Schedule

## Mega Money Market Account

**Establishing Account and Rate:** A Mega Money Market Account may be established by filling out a Money Market signature card. Money Market accounts are savings accounts that generally earn a higher rate of interest than our Prime Daily Savings Accounts. The interest rate and Annual Percentage Yield (APY) for our Money Market Account may change every month as determined by the credit union Board of Directors.

**Deposits:** After you have established your Money Market Account, you may make additional deposits into that account at any time and in any amount.

**Minimum Balance to Earn Dividend:** You earn dividends on your Money Market Account each day that your account balance is more than \$1000. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain any such minimum deposit balance requirements we may close your Money Market Account. If during any day of the month, your account falls below the required minimum daily balance; your account will be subject to loss of dividends for that month.

**Account Structure:** Tier 1= up to \$9,999  
Tier 2 = \$10,000 plus

**Withdrawing Money from Your Money Market Account:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union.

**Dividend Period:** For this account, the dividend period is monthly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the end date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is February 1<sup>st</sup>.

**Compounding and Crediting Dividend:** Dividends will be compounded daily and credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the first day of the subsequent month. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate it on a daily basis. Therefore, if you make a withdrawal, you won't receive any further interest on that amount from the day you make the withdrawal until the day that interest is credited.

**Funds Availability:** Funds from deposits you make into your Money Market Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed in the "Other Terms and Conditions" section of this Agreement.

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

**Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized withdrawal, automatic transfer, telephone order of instruction, Express Telephone (ET) or by CU Online. If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and /or we may be required to close your account.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

**Fees:** See Fee Schedule

## Super Saver Club Account

**Establishing Account and Rate:** A Super Saver Club Account may be established by filling out a Super Saver Club Account signature card. Super Saver Club accounts are savings accounts that generally earn a higher rate of interest than our Prime Daily Savings Accounts. The interest rate (APR) and Annual Percentage Yield (APY) for our Super Saver Club Account may change every quarter as determined by the credit union Board of Directors.

**Deposits:** After you have established your Super Saver Club Account, you may make additional deposits into that account at any time and in any amount.

**Minimum Balance to Earn Dividend:** You earn dividends on your Super Saver Club Account each day that your account balance is more than \$25,000. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain any such minimum deposit balance requirements we may close your Super Saver Club Account. If during any day of the quarter, your account falls below the required minimum daily balance; your account will be subject to loss of dividends for that quarter.

**Account Structure:**  
Tier 1 = \$25,000 to \$49,999  
Tier 2 = \$50,000 plus

**Withdrawing Money from Your Super Saver Club Account:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union.

**Dividend Period:** For this account, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the end date of such dividend period is March 31. The dividend declaration date follows the ending date of a dividend period, and for the example above is April 1<sup>st</sup>.

**Compounding and Crediting Dividend:** Dividends will be calculated on the actual daily balance without compounding and credited quarterly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the first day of the subsequent quarter. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate it on the actual daily balance. Therefore, if you make a withdrawal, you won't receive any further interest on that amount from the day you make the withdrawal until the day that interest is credited.

**Funds Availability:** Funds from deposits you make into your Super Saver Club Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed below in the "Other Terms and Conditions" section of this Agreement.

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

**Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized withdrawal, automatic transfer, telephone order of instruction, Express Telephone (ET) or by CU Online. If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and /or we may be required to close your account.

This account is accessible through Express Telephone or CU Online. You are able to make deposits into, or transfers out of the account using our remote services.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

**Fees:** See Fee Schedule

### **Share Club Accounts (Tuition Club, Vacation Club, Christmas Club)**

**Establishing Account and Rate:** You can elect to open a Share Club Account. The dividend rate and annual percentage yield on your share account may change. The dividend rate and annual percentage yield may change every month as determined by the credit union Board of Directors.

**Minimum balance to open a Share Club Account:** None

**Deposits:** After you have established your Share Club Account, you may make additional deposits into that account at any time and in any amount.

**Withdrawing Money from Your Share Club Account:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union.

**Rate and Annual Percentage Yield ("APY"):** Your Account will earn dividends, at rates established by the Credit Union's Board each month. The Credit Union reviews the annual percentage yield (APY) it pays on your Club Accounts monthly. The dividend rate and APY may change every month as determined by the Board. This is a variable rate account. The dividend rates will be available each business day at our office.

**Compounding Dividends:** We compound your dividends, even though the law does not require it. Compounding is more favorable to you, because once dividends have been earned on your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual percentage rate (APR).

**Dividend Period:** For this account type, the dividend period is monthly. For example, the beginning date of the first interest period of the calendar year is January 1 and the ending date of such interest period is January 31. All other dividend periods follow this same pattern of dates. Dividends will be compounded monthly. The prospective dividend rate for each month will be determined in the last week of the previous dividend period.

**Crediting Dividends:** Dividends will be credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit it to your account until the first day of the subsequent dividend period. Dividends that are credited to your account will be added directly to your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

**Minimum Balance to Earn Dividend:** You earn dividends on your Share Club Accounts each day that your account balance is more than \$1.00.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate it on a daily basis. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

**Funds Availability:** Funds from deposits you make into your Share Club Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed below in the "Other Terms and Conditions" section of this Agreement.

**Distribution of Account for Christmas Club:** When you open your Christmas Club Account you can designate what you would like to do with the money you have saved. In October each year the funds will be disbursed according to how you designated.

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

**Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized withdrawal, automatic transfer, telephone order of instruction, Express Telephone (ET) or by CU Online. If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and /or we may be required to close your account.

This account is accessible through Express Telephone or CU Online. You are able to make deposits into, or transfers out of the account using our remote services.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

### Share Draft Checking Account

**Regular Share Draft (Checking) Agreement:** I/We authorize Catholic Federal Credit Union to establish the Checking Account for me/us. The Credit Union is authorized to pay share drafts signed by me (or by any of us) and to charge all such payments against the shares in this Account. It is further agreed that:

- Only share drafts and other methods approved by the Credit Union may be used to make withdrawals from this Account.
- The Credit Union is under no obligation to pay a share draft that exceeds the fully paid and collected share balance in this Account unless overdraft reimbursement options are available.
- The Credit Union may pay a share draft on whatever day it is presented for payment, notwithstanding the date (or any limitation on the time of payment) appearing on the share draft.
- When paid, share drafts become the property of the Credit Union and will not be returned either with the periodic statement of this account or otherwise. Copies of such share drafts will be provided, if requested, and the credit union may charge a fee for providing such copies.
- Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or nonpayment of a share draft.
- Any objection respecting any item shown on a periodic statement of this Account is waived unless made in writing to the Credit Union before the end of 60 days after statement is mailed.
- This Account is subject to the Credit Union's right to require advance notice of withdrawal, as provided in its bylaws.
- This Account is also subject to such other terms, conditions and service charges as the Credit Union may establish from time to time.

If this Agreement is signed by more than one person, the signers shall be the joint owners of this Account which, in that event, shall be subject to additional terms and conditions.

**Additional Terms and Conditions (Joint Checking Agreement).** The Credit Union is hereby authorized to recognize any of the signatures subscribed on the Share Draft Agreement in the payment of funds or the transaction of any business for this Account. The joint owners of this Account hereby agree with each other and with the Credit Union that all sums now paid in on shares, or heretofore or hereafter paid in on shares by any or all of said joint owners to their credit as such joint owners with all accumulations thereon, are and shall be owned by them jointly, with right of survivorship and be subject to withdraw or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge the Credit Union from any liability for such payment. The right or authority of the Credit Union under this agreement shall not be changed or terminated by said owners, or any of them except by written notice to the Credit Union, which shall not affect transactions theretofore made.

**Overdraft Reimbursement Options:** I/We hereby authorize the Credit Union to reimburse itself of any draft drawn on this Account which the Credit Union pays, to the extent which such draft exceeds the share balance in this Account, by making loan advances from the loan account.

**Beneficiary Information and Provisions:** Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(ies) listed below who is alive at that time. In addition, each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this agreement.

**Establishing Account and Rate:** A Checking Account is established by a member who has qualified for the Checking Account after completing an application and once a credit report is ran.

**Deposits.** After you have established your Checking Account, you may make additional deposits into that account at any time and in any amount subject to the terms of this Agreement and any other additional disclosures we provide you. There is no minimum balance required to open your Checking Account, but you must maintain a basic membership share of \$5.00 on deposit in your Prime Daily Savings Account to retain any other type of sub account.

You can make deposits in person or by mail. You can also arrange to have one or more of the following deposits made directly to your Checking Account: (1) payroll deduction deposits, (2) net pay deposits, (3) Social Security deposits, (4) pension plan deposits, (5) stock

dividends or (6) other miscellaneous deposits. If you have an automatic teller machine ATM/Debit card, you can also make a deposit through one of the automated teller machines equipped to accept deposits. You can also transfer funds from one account to another by utilizing Express Telephone or CU Online Homebanking.

**Withdrawing Money from Your Checking Account:** As long as you have money in your Checking Account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from this account by any method approved by the Credit Union. Checks can be ordered through the Credit Union or on CU Online. Your account will be charged for the cost of those checks, which will vary depending on the style ordered. You may select checks from the current styles available.

**Transaction Limitations:** No transaction limitations apply to this account unless otherwise stated.

**Funds Availability:** Funds from deposits you make into your Checking Account may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

**Payment of Checks:** The Credit Union is under no obligation to pay a check, which is more than 6 months old. Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a check. We may return checks drawn on your Checking Account unpaid for any reason that checks are normally returned, such as, for example, insufficient funds, uncollected funds, or litigation.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

**Overdraft Protection:** The Credit Union is under no obligation to pay a check you have written if it would result in this Checking Account being overdrawn (a check written against your Checking Account when insufficient available funds are not on deposit in the account is known as an NSF check). However, the Credit Union may pay the check and charge the amount of the resulting overdraft plus any applicable service charge against a designated share account. Payment of NSF items into overdraft is a discretionary service and can cease at any time without prior notice. Types of transactions that may be approved for an overdraft are a check, debit card, preauthorized automatic debits or other electronic transfers.

If you have been approved for an Overdraft Line of Credit, the Credit Union may pay the check and add the amount of the resulting overdraft to the balance of your Overdraft Loan, in accordance with the terms and conditions of Overdraft Line of Credit Agreement. The Credit Union has the option of honoring an NSF check or dishonoring it to avoid the creation of an overdraft. Honoring of past overdrafts does not obligate the Credit Union to honor them in the future. You agree to immediately deposit sufficient funds to cover any overdraft and service charges.

If this is a joint account (that is, if two or more people are parties to this account), all of the joint owners are jointly and severally liable to repay the Credit Union the amount of any overdraft and service charges, regardless, which of the parties writes the draft that creates an overdraft.

**Truncated Checks: Statements.** Your canceled checks will not be returned to you; they will become Credit Union property and be held by us ("truncated") for you. Your monthly statement will itemize your canceled checks by number, date of clearing and the amount of the draft. Any objection respecting any item shown on a periodic statement is waived unless made in writing to the Credit Union before the end of sixty days (60) after the statement is mailed. A copy of any check will be available to you as required by law. You can also view checks online by utilizing CU Online Homebanking services. There may be a fee to obtain a copy of a check (see the Fee Schedule for a list of fees).

**Stop Payment Order Request:** You may request a stop payment order on any check drawn on your account. To be binding, an order must be dated, signed within 14 days, and describe the account and check number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the check, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the check. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the check. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the check. If we re-credit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the check, and to assist us in any legal action.

**Duration of Order:** A stop payment order is effective at the time we are requested to do so and will not be removed until requested to do so, for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.

**Liability:** Fees for stop payment orders are set forth in the Fee Schedule. You generally may NOT stop payment on any certified check, teller's check or any other check, or payment guaranteed by us. Even if payment of such an item is stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party, account owner, payee, or endorser in failing to stop payment of an item as a result of incorrect information provided by you.

**Payment of Checks after Death:** The Credit Union may, after the date of your death, pay checks drawn before death unless ordered to stop payment by the Personal Representative or other appropriate person claiming an interest in the account.

**Fees:** Please see Fee Schedule.

## Individual Retirement Share Account

**Establishing Account:** A member completing an IRA Simplifier Form, and making a contribution may establish an Individual Retirement Account. These accounts are savings accounts that earn interest in the same manner as regular share accounts. Only the individual designated as the primary member on the account may be an owner of an IRA. This Account is not a multiple party account.

**Deposits:** After you have established your IRA, you may make additional deposits into that account at any time and in any amount. We may establish minimum amounts for deposits in these Accounts from time to time.

**Withdrawing Money from Your IRA:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by filling out the appropriate IRA Withdrawal form for reporting purposes. There are no Over the Counter withdrawals for this account.

**Rate and Annual Percentage Yield ("APY"):** Your Account will earn a monthly dividend, at the rate established by the Credit Union's Board of Directors. The Board reviews the annual percentage yield (APY) it pays on your IRA Account each dividend period. The dividend rate and APY may change every month as determined by the Board. The dividend rates will be available each business day at our office.

**Compounding Dividends:** We compound your dividends, even though the law does not require it. Compounding is more favorable to you, because once dividends have been earned on your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual dividend rate.

**Dividend Period:** For this account type, the dividend period is monthly. For example, the beginning date of the first interest period of the calendar year is January 1st and the ending date of such interest period is January 31st. All other dividend periods follow this same pattern of dates. Dividends will be compounded monthly. The prospective dividend rate for each month will be determined in the last week of the previous dividend period.

**Crediting Dividends:** Dividends will be credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit it to your account until the first day of the subsequent dividend period. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

**Minimum Balance to Earn Dividend:** You earn dividends on your IRA each day that your account balance is more than \$1.00. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain any such minimum deposit balance requirements we may charge you a monthly maintenance fee.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate it on a daily basis. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

**Funds Availability:** Funds from deposits you make into your IRA Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed in the "Other Terms and Conditions" section of this Agreement.

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

**Transaction Limitations:** Please refer to your original Individual Retirement Account Agreement. IRA's have transaction and withdrawal restrictions.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

## IRA Super Saver Club Account

**Establishing Account and Rate:** A member completing an IRA Simplifier Form, and making a contribution may establish a Super Saver Individual Retirement Account (IRA). These accounts are savings accounts that earn interest in the same manner as regular share accounts. Only the individual designated as the primary member on the account may be an owner of an IRA. This Account is not a multiple party account. The interest rate and Annual Percentage Yield (APY) for the IRA Super Saver Club Account Money Market Account may change every quarter as determined by the Credit Union Board of Directors.

**Deposits:** After you have established your IRA Super Saver Club Account, you may make additional deposits into that account at any time and in any amount.

**Minimum Balance to Earn Dividend:** You earn dividends on your IRA Super Saver Club Account each day that your account balance is more than \$25,000. We reserve the right to adjust minimum deposit balance requirements from time to time. If you do not maintain any such minimum deposit balance requirements we may close your IRA Super Saver Club Account. If during any day of the quarter, your account falls below the required minimum daily balance; your account will be subject to loss of dividends for that quarter.

**Account Structure:**  
 Tier 1 = \$25,000 to \$49,999  
 Tier 2 = \$50,000 plus

**Withdrawing Money from Your IRA Super Saver Club Account:** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by filling out the appropriate IRA Withdrawal form for reporting purposes for an IRA. There are no Over the Counter withdrawals for this account.

**Dividend Period:** For this account, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the end date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example above is April 1<sup>st</sup>.

**Compounding and Crediting Dividend:** Dividends will be calculated on the actual daily balance without compounding. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the first day of the subsequent quarter. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive any accrued dividends.

**Accrual of Dividends on Non-Cash Deposits:** Dividends will begin to accrue on the first business day you place non-cash items (for example, checks) to your account.

**How Withdrawals Affect Dividends:** Even though we don't credit your dividends to your account until the date specified above, we calculate it on the actual daily balance. Therefore, if you make a withdrawal, you won't receive any further interest on that amount from the day you make the withdrawal until the day that interest is credited.

**Funds Availability:** Funds from deposits you make into your IRA Super Saver Club Account may not always be immediately available for withdrawal. Information about our funds availability policy is discussed below in the "Other Terms and Conditions" section of this Agreement.

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

**Transaction Limitations:** There is a limit of three (3) withdrawals per month from this Super Saver IRA Account. IRA's have transaction and withdrawal restrictions. Please refer to your original Individual Retirement Account Agreement.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

**Fees:** Please see Fee Schedule.

### Term Share Certificate /IRA Certificate Account

**Establishing Account and Rate:** 3-month Share certificate Accounts, 6-month Share certificate Accounts, 12-Month Share certificate Accounts, 18-Month Share certificate Accounts, 24-Month Share certificate Accounts, 36-Month Share certificate Accounts, 48- Month Share certificate Accounts and 60-Month Share certificate Accounts as well as any special term offered through the Credit Union (we will refer to these as "Certificates") may be established by a member authorization deposit. Certificates are savings accounts (also known as "Term Share Accounts") that generally earn a higher rate of interest than other savings accounts. The interest rate and APY for Certificates is fixed. Once you purchase a Certificate, your interest rate will not be changed or recalculated during the term of that certificate. The APY assumes that interest earned will remain on deposit until maturity. A withdrawal from this account will reduce earnings.

**Withdrawing Money from Your Term Share Certificate Account.** As long as you have money in your account, and subject to any applicable state or federal laws and regulations, the transaction limitations in this Agreement, including the Truth in Savings Disclosure, and the Credit Union's Bylaws, money can be withdrawn from your account by any method approved by the Credit Union. If you withdraw any principal before the maturity date of the Certificate, you will be assessed a penalty of 90 days of dividends for a certificate of 3-23 months, 180 days of dividends for a certificate of 24-36 months, and 365 days for a certificate of 48-60 months, limited to the dividend earned to date on the Certificate. IRA withdrawals need special handling for reporting purposes.

**Rate and Annual Percentage Yield ("APY"):** Your Account will earn a monthly dividend, at the rate established by the Credit Union's Board of Directors. The Board reviews the annual percentage yield (APY) it pays on your Certificate Account each dividend period. The dividend rate and APY may change every month as determined by the Board. The dividend rates will be available each business day at our office.

**Compounding Dividends.** . Compounding is more favorable to you, because once dividends have been earned on your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual dividend rate. For this account type, the dividend period for a certificate of 3 to 11 months, is monthly, for certificates from 12-60 months it is quarterly. Dividends will be compounded monthly or quarterly as applicable.

**Crediting Dividends.** Dividends will be credited monthly or quarterly depending on the term of the certificate. 3-11 months is monthly, 12-60 months is quarterly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit it to your account until the first day of the subsequent dividend period. Dividends that are credited to your account will be added directly into your account unless you make prior arrangements at the time of purchasing the certificate. If you close your account before dividends are paid, you will not receive any accrued dividends.

**Minimum Balance to Earn Dividend.** You earn dividends on your Certificate each day that your account balance is more than \$500.00 for Youth and Coverdell IRA, or \$1,000.00 for all other types of share certificates. We reserve the right to adjust minimum deposit balance

requirements from time to time. If you do not maintain any such minimum deposit balance requirements we may charge you a monthly maintenance fee.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account until the date specified above, we calculate it on a daily basis. Therefore, if you make a withdrawal, you won't receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

**Funds Availability.** Funds from deposits you make into your Certificate may not always be immediately available for withdrawal. Information about our funds availability policy is discussed below in the "Other Terms and Conditions" section of this Agreement.

**Renewal Policy.** There is no grace period in regard to renewing your certificate. You must notify us in advance of the renewal date, or it will automatically renew, from its last maturity date. You may contact the Credit Union at (989) 799-8744 or (800) 798-2328 to find out the interest rate and APY that will apply to the Certificate if it is renewed. Renewed certificates will be reinvested in another Certificate of equal term at the interest rate and annual percentage yield in effect on the date of maturity. The Credit Union's Board of Directors on or before maturity shall determine the interest rate for the renewed Certificate, and that information will be available upon maturity. All other terms and conditions, including the term length of the Certificate, shall be the same as the previous Certificate unless the Credit Union shall, prior to renewal, have written notice of a change in such terms and conditions.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

## Fiduciary Accounts

**Accounts for Trusts.** Members who maintain a minimum \$5.00 membership share in the Credit Union can open a separate membership account for a Revocable Living Trust provided all Settler-Trustees of that Trust are members of the Credit Union in their own right.

**Products and Services.** The following types of financial products and services will be available to Trusts:

- Regular Share Accounts
- Checking Accounts
- Money Market Accounts
- Term Share certificate Accounts
- Super Saver Accounts
- Loan Products

To the extent applicable and not superseded by this section, the terms and conditions governing those types of accounts for individuals govern accounts established for Trusts.

**Documentation.** In order to open an account for a Trust, you agree to provide such documentation as is required by the Credit Union with regard to the Trust, including, but not necessarily limited to, the Trust document itself and/or an Abstract or Affidavit of Trust prepared by the attorney who drafted the Trust. Revocable trust agreements must be drawn up by a licensed attorney.

The Credit Union reserves the right to refuse membership to a Trust when it is not drafted in accordance with and governed by the laws of the State of Michigan.

**Distribution of Accounts.** If you have opened an account for a Trust, you as Trustee(s) understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Trust Agreement on file at the Credit Union, and you, on behalf of the Trust, all beneficiaries of the Trust, and all Successor Trustees forever indemnify and hold the Credit Union harmless for distributions made pursuant to that Trust made in good faith reliance on that Trust Agreement. You further agree that it is your responsibility to notify the Credit Union when a Trust for which an account has been opened has been revoked, rescinded, revised, or in any way modified.

**Withdrawals.** All sums paid to the Credit Union on shares/deposits (less setoff allowed by law and/or provided by contract) shall be paid on proper withdrawal demand. The Settler-Trustees as indicated on the Membership Card must make such demand for Accounts Opened by Fiduciaries. The Credit Union has no obligation to monitor the further distribution of any funds withdrawn from the account. Only methods approved by the Credit Union may be used to make withdrawals from the account.

**Account for Conservator, Guardian, Personal Rep, Rep Payee, etc....** Members who maintain a minimum \$5.00 membership share in the Credit Union can open a separate membership account as a Fiduciary for another named Person or estate. For example, an account can be opened by a Conservator, Guardian, Personal Representative, Representative Payee, etc. These accounts are referred to collectively as "Fiduciary Accounts", and the individuals or estates for whose benefit they are opened are referred to collectively as "Protected Persons." The member opening the account will be referred to as the "Fiduciary." As Fiduciary, you understand and agree that you owe the Protected Person a fiduciary responsibility to care for his or its property, including funds held on deposit in this Account, and you understand and agree that funds in this Account may not be pledged as security for any purpose.

**Products and Services.** The following types of financial products and services will be available to Fiduciary Accounts:

- Regular Share Accounts
- Checking Accounts
- Money Market Accounts
- Term Share certificate Accounts
- Super Saver Accounts

We reserve the right not to allow certain accounts to be opened as Fiduciary Accounts. To the extent applicable and not superseded by this section, the terms and conditions governing those types of accounts for individuals govern Fiduciary Accounts.

**Documentation.** In order to open a Fiduciary Account, you agree to provide such documentation as is required by the Credit Union with regard to the Fiduciary relationship, including, but not necessarily limited to, Letters of Authority naming you as Conservator, Guardian, Personal Representative, etc.

The Credit Union reserves the right to refuse to open a Fiduciary Account when such documentation does not derive from the authority of the laws of the State of Michigan.

**Distribution of Accounts.** If you have opened an account for a Protected Person, you as Fiduciary understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Letters of Authority or other documentation on file at the Credit Union, and you, on behalf of the Protected Person forever indemnify and hold the Credit Union harmless for distributions made in good faith reliance on those Letters of Authority or other documentation. You further agree that it is your responsibility to notify the Credit Union when your authority as a Fiduciary has been revoked, rescinded, revised, or in any way modified.

**Withdrawals.** All sums paid to the Credit Union on shares/deposits (less setoff allowed by law and/or provided by contract) shall be paid on proper withdrawal demand by the named Fiduciary. The Credit Union has no obligation to monitor the further distribution of any funds withdrawn from the account, unless required to do so by Court Order.

**Share Insurance:** Information pertaining to Share Insurance is provided at the beginning of this agreement.

### Other Terms and Conditions

The following paragraphs apply to all Accounts opened with the Credit Union.

**Accrual of Dividends on Non-Cash Deposits.** Dividends will begin to accrue on the business day you deposit non-cash items (for example, checks) to your account.

**Transaction Limitations.** During any calendar month, you may not make more than six transfers or withdrawals, or a combination of such transfers and withdrawals, from any account other than an S4 Checking Account to another account or to a third party by means of a preauthorized or automatic transfer or telephonic agreement, order or instruction, and no more than three of the six such transfers may be initiated by check, draft, or similar order. If you exceed the transfer limitations set forth above in any month, the account in question may be subject to fees and/or closure by the Credit Union.

**Endorsement.** All endorsements placed on the reverse side of any check or draft which you deposit to your account must be placed so that they are on the left side of the item when looking at it from the front and must be placed so they do not go beyond an area located 1 and ½ inches from the left edge of the item when looking at it from the front. The Credit Union may refuse to accept any item that does not meet this requirement, and, if the Credit Union does accept it, you agree that you are completely responsible for any loss we incur which is premised on an endorsement not meeting this requirement, including any court costs and reasonable attorney fees.

**Inactive Accounts.** The Credit Union will consider your account inactive after 4 years of no deposits or withdrawals on your account. This excludes interest or dividends credited to your account by the Credit Union. Michigan Escheats Law permits the Credit Union to turn these funds over to the State after two years of no activity, and requires the Credit Union to turn these funds over to the State after five years of no activity. Before turning funds from inactive accounts over to the State of Michigan, the Credit Union will send notices as required by Michigan law advising you of your rights.

**Statement.** You will receive a periodic statement (normally quarterly) for your Prime Daily Savings Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement. You will receive a periodic statement (normally monthly) for your S4 Checking Account. We reserve the right not to send statements for accounts we consider inactive, or for those accounts for which we do not have a valid address on file.

You should examine each periodic statement carefully and reconcile the account. If there are any discrepancies, you should notify us within 60 days of the statement date.

**Agreement.** This Agreement shall be effective and shall govern all deposit accounts with us. By signing a signature card, making deposits or withdrawals, or 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.

**Amendment.** We may change any of the items 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 in this Agreement. When we change this 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.

**Notice of Name or Address Changes.** You are responsible for notifying us of any address or name change. Whenever we are required to send you notice, the Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us in writing. The Credit Union requires all notices of change in address or name to be in writing. Notices to us should be sent to:

**Catholic Federal Credit Union  
P. O. Box 6338  
Saginaw MI 48608-6338**

**Other Notices.** All notices regarding the account will be posted in our office lobbies or will be sent to you to the address shown on your statement. In the event of joint ownership, notice by or to any one joint owner shall be deemed notice by or to all. We reserve the right not to send notice for accounts we consider inactive.

**Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address.

**Indemnity.** If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities or damages including actual attorneys' fees. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions, or we may require a bond or other protections.

**Severability.** If any of this Agreement is found by any other court or regulatory body of competent jurisdiction to be invalid or unenforceable in whole or in part for any reason whatsoever, the authority of the remaining provisions or portions hereof shall not be affected thereby.

**Accounts not Transferable.** None of your accounts are transferable, except on the Credit Union's books and records.

**Waiver.** We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. If we choose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

**Offset.** Except for debts that are secured by your principal residence, if you owe us money as a borrower, guarantor, endorser or otherwise, we have a lien on the funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence, unless prohibited by applicable law. We will notify you if we have exercised our right of offset.

**Telephone Requests.** You agree (for joint accounts, all joint owners agree jointly and severally) that funds in any of your accounts with us can be transferred upon the telephone request of any signer on the account. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any telephone request or order.

**Facsimile Signatures.** You agree (for joint accounts, all joint owners agree jointly and severally) that the Credit Union may accept and rely on facsimiles of your signature(s) on any deposit or withdrawal form, order or other notices, requests or instructions regarding any account under this Agreement or with the Credit Union. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any facsimile request or order.

**Information About Your Accounts and About You.** Generally, we will not disclose information to third parties about your accounts or about you without your permission. However, we may disclose information: (1) when it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (2) to our accountants, attorneys or other professional advisors; (3) to Credit Union or financial institution regulators; (4) to exchange, in the regular course of business, credit information with other financial institutions or commercial enterprises, directly or through credit reporting agencies; (5) to advise third parties of accounts closed for misuse; (6) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; (7) to comply with government agency or court orders, or to furnish any information required by statute; (8) to furnish information about the existence of an account to a judgment creditor of yours who has made a written request for such information; (9) when we are attempting to collect an obligation owed to us; or (10) unless otherwise prohibited by law. In addition, you understand and agree that we may, from time to time, request and review credit reports and other information about you prepared by credit reporting agencies or others.

**Section Headings.** Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this Agreement.

**Joint Accounts.** If two or more parties have signed a membership account application, you are creating, and intend to create, a "joint tenancy with rights of survivorship." That is, you as the owners of the account agree with yourselves and the Credit Union that all sums paid in shares or other deposits (as applicable), together with all accumulations, prior to now or hereafter, less setoffs as allowed by law for any sums due the Credit Union by any party, shall be owned by all of you jointly with full right of survivorship, and shall be subject to withdrawal or receipt by any of you in whole or in part. Payment to any of you or the survivor(s) of you, or your personal representatives, administrators or assigns of the last survivor(s) of you, shall be valid and discharge the Credit Union from any liability for such payment and amount. Each signer appoints each other signer to be his or her irrevocable attorney in fact: to make deposits to the account; to endorse, for cash or deposit, any checks or other items whether payable to one of the signers alone or with others; and to receive and receipt for all funds all without obligation to us to inquire into the source or application of funds. To induce us to act there under, each person signing the membership application jointly and singly agrees to hold the Credit Union harmless and indemnify us from loss, cost, and damage in all respects in connection with any of the foregoing, including court costs and attorney's fees, except as may be limited by applicable law. Unless specifically prohibited in writing from doing so, any or all of the joint owners may pledge all or part of the shares or deposits in the account as collateral for security on a loan(s). No authority or obligation of the Credit Union may be changed or terminated by one or more of the joint owners without prior written notice to the Credit Union, and any such change or termination shall affect transactions already made. Further, each joint owner is subject to the terms and disclosures of this Agreement, and hereby acknowledges receipt of the Agreement.

Except as modified in this Agreement, joint accounts shall be subject to and governed by PA 41 of the Public Acts of 1968, as amended, being MCLA 490.51, and commonly known as the Credit Union Multiple-Party Accounts Act.

**POD Account Designation.** A Payable on Death (POD) account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD beneficiary/payee. Once an account becomes payable, all then-living beneficiaries/payees own the account jointly without rights of survivorship. The Credit Union is not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

## Funds Availability

The following information describes the Credit Union's policy of holding items deposited into an S4 Checking Account (also known as "transaction accounts") before funds are made available to you for withdrawal. This is what is called a Funds Availability Policy. Generally, transaction accounts are accounts which would permit an unlimited number of payments by check or other order to third persons, and also an unlimited number of telephone and preauthorized transfers to third persons or other accounts you may have with us. Funds availability policies for accounts that are not transaction accounts are described elsewhere in this Agreement.

In general, our policy is to make funds from your deposits made to your transaction accounts available to you on the day we receive your deposit. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

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

**Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you on the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. However, the first \$100.00 of your deposits will be available immediately.

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

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000.00 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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

**Deposits at Automated Teller Machines.** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) may not be available until the second business day after the day of your deposit. If you make a deposit at an ATM after 12 noon or on a day Catholic Federal Credit Union offices are not open, we may consider the deposit made on the next business day we are open.

**Holds on Other Funds (Check Cashing).** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available had you deposited it.

**Holds on Other Funds (Other Account).** If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately, but delay your ability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

**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 deposit to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the tenth business day after the day of your deposit. If your deposit of these checks (other than U.S. Treasury checks) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available in accordance with the previously stated availability schedule.

## Section A: "Same-Day" Availability

The following checks will be given "same-day" availability, if payable to you and all endorsement guidelines are met. Same-day availability means that no holds will be placed on the check. These checks include:

1. U.S. Treasury Checks which include social security, civil service, military payments, federal agency check salaries, IRS returns, and VA compensation and railroad annuities.
2. U.S. Postal Money Orders.
3. Federal Reserve Bank or Federal Home Loan Bank checks.
4. State of Michigan and local Michigan government checks including city, county, township and village checks.
5. "Depository checks" including local cashiers checks that can be verified and certified checks.

## Section B: Delayed Availability

There will be delayed availability of funds from some checks that are deposited into your accounts. During the delay, you may not withdraw the funds in cash and Catholic Federal Credit Union will not use the funds to pay checks that you have written.

1. The “delayed availability” will apply to the following types of checks: (a) Personal checks; (b) Money Market Account checks; (c) Cash Management Account checks; (d) VISA or MasterCard checks; and (e) Money Orders other than U.S. Postal Money Orders; (f) others as determined by the Credit Union.
2. The length of delay is counted in business days from the day of your deposit. Every day except Saturday, Sunday, and federal holidays. A deposit is considered received when it is accepted at a Catholic Federal branch office with all appropriate endorsements. A deposit accepted while the data processing system is not on line will be considered received when the transaction is posted in the Catholic Federal Credit Union records.
3. The types of checks listed in Section B.1 will be subject to delayed availability as follows:
  - a. There will be “next-day/same-day availability” of the first \$100 (or the amount of the check or checks, whichever is less.) This means that the first \$100 of the checks may be taken in cash at the time the checks are presented. However, if the checks are deposited into an account, \$100 will be available for withdrawal on the first business day after the day of deposit.
  - b. The amount of the check or checks over \$100 will be available for withdrawal on the second business day after the day of deposit, if a “local” check and on the fifth business day after the day of deposit, if a “non-local” check.
  - c. To see whether a check is local or non-local, look at the routing number on the check. Checks or share drafts drawn on an institution located in the lower peninsula of Michigan or containing a routing number which starts with any of the following sequences of four digits shall be considered local: 0720/2720/0724/2724

All other checks or share drafts will be considered non-local.

## Section C: Not Accepted Into Checking Accounts

Negotiable instruments, which are subject to collection or special condition, this category includes insurance drafts and sight drafts.

**Questions.** In case you have any questions regarding our Funds Availability Policy, please contact us at 989-799-8744 or 1-800-798-2328.

### Wire Transfer Agreement and Notification (Uniform Commercial Code Article 4A)

The following rules shall apply to all wire transfers services provided by the Credit Union.

Catholic Federal Credit Union may accept, on your behalf, payments to your account that have been submitted by Fedwire. Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Subpart B—Funds Transfers Through Fedwire. These regulations and state law are applicable to funds transfers involving your account.

If you give us a payment order that identifies a beneficiary (the person to whom you are wiring funds) by name and account or some other identifying number (such as a Social Security, Taxpayer I.D. or drivers license number), we may pay the beneficiary on the basis of the number provided to us by you and consider that number to be proper identification. This will be true even if the number you provided to us identifies a person different from the named beneficiary, unless otherwise provided by law or regulation. For security reasons you must also supply us with a password to take wire transfer orders over the phone. These must be submitted in writing before any transactions can occur.

You may not be provided with separate notification each time we receive a wire transfer into your account. We will provide you with notification of an incoming wire transfer as part of your periodic statement. In the event we accept payments to your account through one or more Automated Clearing Houses (“ACH”), the operating rules of the National Automated Clearing House Association (“NACHA”) will be applicable to ACH transactions involving your account. These rules do not require that we provide you with next day notice of receipt of an ACH item. Therefore, we will provide you with notification of the receipt of these items as part of your periodic statement.

In addition, if we are ever obligated to pay interest on the amount of the transfer, you will be paid interest on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorneys fees, unless otherwise provided by law or regulation.

We may accept, on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses and that are not subject to the Electronic Funds Transfer Act (“Regulation E”). Your rights and obligations with respect to such payments shall be governed and construed in accordance with the applicable Federal Reserve Bank Operating Circular. Whenever an ACH is used as part of a transaction, its rules will govern that part of the transaction. Where none of the above stated rules apply, the transactions contemplated by this agreement shall be governed by the laws of the State of Michigan, including Article 4A of the Michigan Uniform Commercial Code.

Credit given by us to you with respect to an ACH entry is provisional until we receive final settlement for the credit entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified that we are entitled to a refund of the amount credited to you in

connection with the credit entry. Moreover, you are hereby notified that the party making payment to you (originator) shall not be deemed to have paid you the amount of the credit entry.

## CU Online/Internet Banking

### Types of Transactions

You may access your account(s) you maintain with us by computer using your account number, assigned PIN number and Password by accessing the online banking service. You may use the online banking service to perform the following functions:

- Transfer funds between Accounts
- Obtain balance information on Accounts
- Review transactions on Accounts
- View Debit Card / ATM authorizations
- Certificate Transactions
- Account Maintenance
- Enroll in & View E-statements
- Make Loan Payments
- Advance Funds from Credit Line excluding Visa
- View Visa Transactions
- Free Online Bill Payment
- Apply for loans
- Obtain a copy of a check
- Stop Payments
- Check Orders

### Limitations on Frequency and Amount:

For regulatory purposes, there are limits on the frequency and amount of transfers you may make using this Online Banking Service.

**Reg D Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized or automatic transfer or telephonic order of instruction.\* If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and/or we may be required to close your account.

### Fees and Charges for Online Service:

There is no charge for accessing CU Online.

## E.T. Express Telephone

CU Online is the name of the service offered through the internet available 24 hours a day 365 days a year via your PC. You understand that E.T. must be accessed with a Personal Identification Number (PIN), which is established when your account is opened. You are responsible for the safekeeping of your Express Telephone PIN. If your PIN is disclosed to anyone other than a joint owner on your account, you will notify the Credit Union immediately and send written confirmation. You understand that you are responsible for any transactions completed by anyone to whom you have disclosed your PIN. You waive all claims against the Credit Union for loss or damage not caused by the Credit Union's negligence, which you might incur through unauthorized use of your PIN.

Due to computer scheduling, there will be times when E.T. will be unavailable, or times when only account inquiries will be possible. The most likely time this may happen is between 6:30 a.m. – 8:30 a.m. on business days, and all evening on the last day of the month.

You understand that the Credit Union reserves the right to discontinue access to E.T. without notice and will not be liable for failure to honor any E.T. transactions. Transactions made through E.T. are binding on the Credit Union only after verification by the Credit Union.

The total dollar amount of transactions by E.T. is subject to limits set by the Credit Union and sufficient verified funds must be available to satisfy transaction instructions.

### Fees and Charges for Express Telephone:

There is no charge to access Express Telephone at this time.

**Reg D Transaction Limitations:** During any calendar month, you may not make more than six (6) withdrawals or transfers from your share accounts to another credit union account of yours or to a third party by means of preauthorized or automatic transfer or telephonic order of instruction.\* If you exceed the transfer limitations set forth above in any monthly period, your account may be subject to any applicable fees, we may eliminate your ability to make such transfers and/or we may be required to close your account.

\*Transfer to loans or from checking is excluded.

**Fees:** Please see Fee Schedule.

## Electronic Fund Transfer Agreement

Electronic funds transfers are electronically initiated transfers of money involving an account at the Financial Institution. The following disclosure sets forth your and our rights and responsibilities concerning the electronic funds transfers. In this Agreement, the words “you” and “your” mean those who sign as applicants or any authorized user(s). The words “we”, “us” and “our” mean the Financial Institution. The abbreviation “PIN” or word “code” means a personal identification number.

**Account Agreement.** The other terms and conditions of the Membership/Account Agreements relating to your accounts with us remain in effect except to the extent modified by this section.

**Accounts Affected.** Each of the following-types of accounts in the Credit Union can be subject to some kind of “electronic fund transfer” service: Prime Daily Savings (S1) Accounts and Checking (S4) Accounts, and other share accounts as permitted.

You may notify us if you do not want your accounts to be to be subject to any particular type of “electronic transfer” service, and you may change those instructions in the future. We will, in all cases, follow your instructions to the extent our “electronic funds transfers” programs permit at that time.

**Minimum Balance.** You must always maintain a minimum of \$5.00 in your Prime Daily Savings Account to be entitled to make, by use of ATM, Debit Card, ET or CU Online system, “electronic fund transfers” affecting your account(s). PINs for use with electronic access devices will not be issued to members whose loan payments to us are more than 30 days delinquent. We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least 30 days advance written notice.

**Fees for Electronic Funds Transfers:**

- We do not charge for direct deposits to any type of account.
- We do not charge for pre-authorized withdrawals from any type of account.
- Except as indicated elsewhere, we do not charge for electronic funds transfers.

**Excluded Transactions.** Include automatic transfers from your account(s) to pay your loan(s) owing to us and automatic transfers between your own accounts in the Credit Union. The terms and conditions of this disclosure only apply to those services and transfers that are “electronic fund transfers” as described above; they do not apply to other transactions that, although electronic in nature, do not constitute “electronic fund transfers” described in that section. Consumer transactions only, Corporate EFT’s not subject to Regulation E.

We reserve the right to charge fees, which you agree to pay, for various electronic fund transfers services. Refer to our Fee Schedule for specific fees. We reserve the right to change such fees from time to time. We will give you at least 30 days advance written notice before imposing or increasing any such fees.

**Electronic Check Conversion:** You may authorize a merchant to use your check as a source of information to initiate an EFT from your account. Electronic check conversion is a payment process in which a merchant (after obtaining your authorization) uses your check to gather routing, account, and check number information to initiate a one-time EFT. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

**Re-presented Check Transaction and Fees:** You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction, if debited as an EFT from a consumer account, is covered by the Electronic Funds Transfer Act and this disclosure, however, the transaction is not covered by the Electronic Funds Transfer Act.

**EFT Stop Payments:** (1) If you authorized payments out of your account, you can stop any of these payments by contacting the Credit Union. We must receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put the request in writing and get it to us within 14 days after you call. There is a charge for each stop payment order you give of \$27.50 each. (2) Notice of varying amounts. If these regular 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. (3) Liability for failure to stop payment of preauthorized transfer. If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages. (4) Stop Payment orders are valid for 6 months.

**Errors or Questions:** In case of errors or questions about your electronic transfers contact the Credit Union as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. (1) Tell us your name and account number. (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 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. You can contact the credit union at (989) 799-8744 or (800) 798-2328 or by mail at P.O. Box 6338, Saginaw, MI 48608.

**Our Liability for Failure to Make “Electronic Fund Transfers”.** If we do not complete an “EFT” as described above, to or from your accounts, on time and in the correct amount according to our agreements with you, we will be liable for your losses or damages.

Exceptions:

- If, through no fault of ours, you do not have enough money in your account to make the transfer;
- If there is not enough money in your account, in excess of amounts you have pledged to us as collateral for a loan, to make the transfer;
- If funds in your account are subject to garnishment or other legal process;
- If we have, because of your default on a loan, exercised our rights against the funds on deposit in an account;
- If the transfer would take the balance on your overdraft loan (if applicable) over the credit limit;
- If the automated teller machine where you made the transfer did not have enough cash;
- If the automated teller machine where you are making the transfer was not working properly and you knew about the breakdown when you started the transfer;
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken;
- If you operate the machine improperly;
- If your line of credit or any other obligation owing to us is delinquent;

We will also be excused from such liability if you fail to observe the terms of this agreement, or our account agreements with you, which relate to such “electronic fund transfers”.

**Illegal Use of a Card or Other EFT Service.** You understand and agree that electronic fund transfer services, including but not limited to use of a Card, may not be used for any illegal transaction. You further understand and agree that illegal use of an electronic fund transfer service will be deemed an action of default and/or breach of contract, and as a result your account and other related services might be terminated at the discretion of the Credit Union. You further agree, should illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it, and, additionally, to indemnify and hold the Credit Union harmless from any suits or other legal action or liability directly or indirectly resulting from such illegal use.

Internet gambling may be illegal in the jurisdiction in which a member is located, including the United States and elsewhere. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are legal in the jurisdiction in which the member is located. The Credit Union may decline to authorize any transaction the Credit Union believes poses an undue risk of illegality or unlawfulness.

**Warranty.** Except where expressly contained herein, the Credit Union makes no warranties, expressed or implied, pertaining to the use of any electronic fund transfer services.

### **ATM Card**

**Types of Transactions:** You may use the automated teller machine (ATM) card and personal identification number (PIN) issued to you to initiate transactions at ATMs of ours, ATMs within the networks identified on your card and such other facilities as we may designate. Unless you specify a different account during ATM transactions, your Prime Daily Savings will be used for your transactions.

**Available Transactions:**

- Withdraw cash from your savings or checking account
- Make deposits to your savings or checking account
- Transfer funds between your savings and checking accounts
- Obtain balance information regarding your account(s)
- Point of Sale Transactions

**Limitations on Frequency and Amount:**

You may withdraw up to a maximum of \$500.00 (If there are sufficient funds in your account) per 24 hour period.

POS/PIN purchases/limits are \$1,000.00 per 24 hour period.

**Fees and Charges for ATM Transactions:**

Unlimited free withdrawals at our on-site ATM locations.

6180 State St. Saginaw, MI (Walk Up and Drive Up terminal)

915 South Euclid Ave. Bay City, MI (Drive Up)

1504 Cass Ave Bay City, MI (Drive Up)

3015 Center Ave., Essexville, MI (Drive Up) – Expected Open Date: February 2009

You are permitted 10 free foreign ATM withdrawals per month. After the first ten withdrawals during the month, \$1.00 per withdrawal will be deducted from your Credit Union Prime Daily Savings Account if you use a machine that is not owned by us.

**ATM Surcharges.** If you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used to complete the transaction.

## Debit Card

**Debit Card.** Your Debit Card can be used to pay for purchases at many merchants in place of writing a check. Use your card for a point-of-sale/debit payment anywhere MasterCard is accepted. Your purchase will be automatically deducted from your checking account.

**Types of Transactions:** You may use the card and PIN issued to you to pay for purchases from merchants who have agreed to accept the card at Point of Sale (POS) terminals within the networks identified on your card. Point of Sale (POS) transactions will be deducted from your Checking Account. Point of Sale (POS) transactions involving a refund will be credited to your Checking Account. You may also use the card with your signature anywhere MasterCard is accepted.

**Limitations on Frequency and Amount:**

POS/PIN purchases/limits are \$1,000.00 per 24 hour period.

Signature based purchases/limits are \$1,000.00 per 24 hour period.

**Liability for Unauthorized Debit Card and Point of Sale Transactions.** Notify the Credit Union if you believe your debit card has been lost or stolen or of any unauthorized transactions. Your liability for unauthorized use of your debit card will not exceed:

(A) Zero dollars (\$0.00) if the conditions set forth below have been met, or

(B) If those conditions have not been met, the lesser of fifty dollars (\$50.00) or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us.

Zero liability will apply only if:

(1) You can demonstrate that you have exercised reasonable care in safe-guarding your card from risk of loss or theft; and

(2) You have not reported two or more incidents of unauthorized use to us within the preceding twelve (12) months and

(3) Your account is in good standing.

These consumer liability limits apply only to United States issued MasterCard branded consumer cards. If the transaction does not meet the conditions set forth above, these limits with respect to unauthorized transactions may be exceeded to the extent allowed under applicable law (see Liability for Unauthorized Transfers paragraph below).

“Unauthorized user” means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and for which you receive no benefit. To notify us of lost or stolen cards, or of unauthorized transactions, call or write to us at the telephone number or address set forth below. This will help prevent unauthorized access to your account and minimize any inconvenience. MasterCard is a registered trademark of MasterCard International Incorporated.

**Consumer Liability.** Tell us at once if you believe your card or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus your maximum overdraft line of credit. If you tell us within 2 business days after you learn of the loss or theft of your card or PIN, you can lose no more than \$50 if someone used your card or PIN without your permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your card or PIN and we can prove we could have stopped someone from using your card or PIN without your permission if you had told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, including those made by card, PIN or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days, providing we can prove that we could have stopped someone from taking the money had you told us in time.

If you believe your card/PIN has been lost or stolen contact the Credit Union.

**Personal Identification Number (PIN).** The ATM PIN or POS PIN issued to you is for your security purposes. The numbers are confidential and should not be disclosed to third parties or recorded on the card. You are responsible for safekeeping your PIN(s). You agree not to disclose or otherwise make your ATM PIN or POS PIN available to anyone not authorized to sign on your accounts.

**Termination of ATM and Debit Card Services:**

You agree that we may terminate this Agreement and your use of the ATM Card or Debit Card, if:

- You or any authorized user of your ATM/Debit or PIN breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your ATM/Debit card or PIN;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement. You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

**Regulatory Agency.** This agreement and the EFT services provided hereunder are governed in part by federal and Michigan law. You may notify the National Credit Union Administration or the Office of Financial and Insurance Services division of the State of Michigan Department of Consumer and Industry Services of any violation of law at:

National Credit Union Administration - Division of Consumer Affairs  
1775 Duke Street - Alexandria, Virginia 22314

State of Michigan - Office of Financial and Insurance Regulation  
P O Box 30224 - Lansing, MI 48909

**Amendments/Termination.** We reserve the right to amend this section of the Agreement at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances: however, in the specific cases mentioned earlier, we will

give you at least 30 days advance written notice. We also reserve the right to terminate this disclosure (agreement) by sending a notice of such termination by first class mail to your last known address on our records, which notice shall be effective when mailed.

**Secrecy of PIN.** If we have issued a PIN or password to you, you agree to keep your PIN or password secret, and you also agree that you will not write any PIN on your ATM Card or Debit Card or on any item you keep with your cards.

**Crediting of Deposits and Payments.** Deposits or payments made in an ATM, whether in cash, check, draft or money order, are subject to verification, and the funds of such deposits and payments to share, share draft or loan accounts may be held until they can be collected from the machine, verified and entered into our accounting systems. Further delay may occur if the transaction is made on or immediately prior to a Saturday, Sunday or holiday on which we are closed. If you place a check, draft or money order in the machine as a deposit or payment, it is subject to collection in accordance with your account agreement with Regulation CC.

**Transaction receipts.** If you make a transfer at an ATM, a receipt describing the transaction will be furnished to if you so choose. Usually the ATM will provide it at the time you make the transfer. If the machine fails to provide a receipt at that time, please contact the Credit Union and we will send you a proper receipt promptly.

**Illegal Use of a Card or Other EFT Service.** You understand and agree that electronic fund transfer services, including but not limited to use of a Card, may not be used for any illegal transaction. You further understand and agree that illegal use of an electronic fund transfer service will be deemed an action of default and/or breach of contract, and as a result your account and other related services might be terminated at the discretion of the Credit Union. You further agree, should illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it, and, additionally, to indemnify and hold the Credit Union harmless from any suits or other legal action or liability directly or indirectly resulting from such illegal use.

Internet gambling may be illegal in the jurisdiction in which a member is located, including the United States and elsewhere. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are legal in the jurisdiction in which the member is located. The Credit Union may decline to authorize any transaction the Credit Union believes poses an undue risk of illegality or unlawfulness.

**Warranty.** Except where expressly contained herein, the Credit Union makes no warranties, expressed or implied, pertaining to the use of any electronic fund transfer services.

## Common Features

**Bylaw Requirements:** You must open and maintain the required minimum balance of your share/savings account for Credit Union membership. If you fail to maintain the minimum balance, or violate withdrawal restrictions, your membership in the Credit Union will be subject to termination as established in the Credit Union's bylaws.

**Transaction Limitation:** We reserve the right to, at any time, require not less than seven days notice in writing before each withdrawal from a dividend bearing account other than a certificate or from any other savings account as defined by Regulation D.

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

**National Credit Union Share Insurance Funds:** Member accounts in this Credit Union are federally insured by the National Credit Union Share Insurance Funds.

**Billing Rights:** This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

**Notify us in Case of Errors or Questions about your Statement:** If you think your statement is wrong, or if you need more information about a transaction on your statement, contact the Credit Union within 60 days of receiving the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. If you submit a letter, please provide us the following information: Your name and account number, the dollar amount of the suspected error, describe the error and explain if you can, why you believe there is an error. If you need more information, describe the item you are not sure about. If you have authorized us to pay a credit card account automatically from your share account or share draft account, you can stop the payment on any amount you think is wrong. To stop payment, your letter must reach us three business days before automatic payment is scheduled to occur. You can contact the credit union at (989) 799-8744 or (800) 798-2328 or by mail to P.O. Box 6338, Saginaw, MI 48608.

**Your Rights and our Responsibilities after we receive your Written Notice:** We must acknowledge your letter within 30 days unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to send statements to you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any finance charges related to any unquestioned amount. If we didn't make a mistake, you may have to pay finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to tell us within ten days that you still refuse to pay, we must tell anyone we report you to that you have a question about your

statement. And, we must tell you the name of anyone we reported you to. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is. If we don't follow those rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

**Ownership.** All ATM Cards, Debit Cards, PINS, CU Online Home banking and ET Express Telephone passwords remain the property of the Credit Union and may be revoked or canceled at any time without giving you prior notice. If this agreement is terminated, you agree to surrender any card(s) to us. You agree not to use your card for a transaction that would cause your account balance to go below zero. You also agree not to make an ET Express Telephone system or CU Online home banking transaction that would cause your account balance to go below zero. We will not be required to complete any such transaction, but if we do, you agree to pay us the amount of the improper withdrawal, or transfer, upon request.

**Notices:** All notices from us will be effective when we have mailed them or delivered them to your last known address on our records. Notices from you will be effective when received by us at the telephone number or the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least thirty (30) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing your account and any future changes to those regulations.

**Enforcement:** In the event either party brings a legal action to enforce this Agreement or collect amounts owing as a result of any account transaction, the Credit Union is entitled to attorneys' fees and costs, including fees on any appeal.

## Privacy Policy

Catholic Federal is committed to making available financial products and services that will enable you to meet your financial needs and reach your financial goals. Protecting your non-public personal information is a high priority for everyone associated with the Credit Union. We wish to thank you for becoming a member, whether you have been one for years, joined just recently or are joining now. Your privacy and confidentiality have always been our utmost priority.

You will always have access to your information (except when we're prohibited by law). We will tell you how and where to conveniently access your account information (with the above exception) and how to notify us about errors and make necessary changes to ensure that our records are complete and accurate.

**Information We Collect About You.** Catholic Federal Credit Union will collect only the non-public personal information that is necessary to conduct your financial business. This information may be gathered from several different areas (applications, credit reports, information that you may have provided to another institution that Catholic Federal may have a business connection with, information obtained when verifying the information you have provided on our applications or other forms, this may be obtained from your current or past employers, or from other institutions where you conduct financial transactions). We may disclose the information we collect, as listed above, as permitted by law.

**Parties Who Receive Information From Us.** We may disclose non-public personal information about you to the following types of third parties:

- Financial service providers, such as insurance companies, mortgage service companies, securities broker-dealers and credit union auditing firms.
- Non-financial companies, such as consumer reporting agencies, data processors, and check/share draft printers, financial statement publishers, retailers, marketing/research firms and plastic card processors.

To protect your privacy, we only work with companies that agree, by contract, to maintain strong protections and limit the use of information we provide. Under no circumstances will Catholic Federal authorize these firms to charge your account without your express consent, and we will not sell member information to telemarketing firms. These companies may include financial service providers such as insurance companies and non-financial companies such as consumer reporting agencies.

Catholic Federal will only share your information when absolutely necessary. For example:

- To administer and conduct the credit unions' operations, products and services
- When required to do so by the government
- When we partner with another business
- Follow your instructions as you authorize
- Protect the security of the credit union's financial records

**Disclosure of Information to Parties that Provide Services to Us.** The categories of non-public personal information that we may disclose are as follows:

- Information received from you on applications or other forms, such as names, addresses, social security numbers, assets, and income.
- Information about your transactions with our affiliates, others, or us such as your account balances, payment history, parties to transactions and credit card usage.
- Information received from a consumer-reporting agency such as a credit worthiness and credit history.

**How We Protect Your Information.** Catholic Federal has strong security controls to ensure that your information in our files and computers is protected. When appropriate, we will use security-coding techniques to protect against unauthorized access to personal records, as well as ensuring accuracy and integrity of communications and other transactions. This policy also covers any information you may enter on Catholic Federal's website. We restrict access to non-public personal information about you to those employees who have a specific business purpose in utilizing your data. Catholic Federal Credit Union's employees are trained in the importance of maintaining

confidentiality and member privacy. We maintain physical, electronic and procedural safeguards that comply with federal regulations and leading industry practices to safeguard your nonpublic personal information.

**What You Can Do to Help.** All of us working for you at the Credit Union hope that you will assist us in safeguarding your privacy by following these simple guidelines:

- Protect your account number, card numbers, PIN (personal identification number) and passwords. Never keep your PIN with your debit or credit card, which can provide free access to your accounts if your card is lost or stolen.
- Use caution when disclosing your account numbers, social security numbers, etc. to other persons. Official Credit Union staff will have your information and will not need to ask for it.
- Keep your information with us current. It is important that we have current information on how to reach you. If we detect potentially fraudulent or unauthorized activity or use of an account, we will attempt to contact you immediately. If your address or phone number changes, please let us know. Disclosure of Information about Former Members. **If you decide to terminate your membership with Catholic Federal Credit Union, we will not share information we have collected except as may be permitted or required by law.**