



MEMBERSHIP AND ACCOUNT AGREEMENT

This Membership and Account Agreement covers your rights and responsibilities concerning your accounts and the rights and responsibilities of Niagara's Choice Federal Credit Union (Credit Union). In this Agreement, the words "you," "your," and "yours" mean anyone who signs a Membership Account Authorization Signature Card or any other account opening document, or for whom membership and/or service requests are approved through the Credit Union's online application and authentication process.

Your account type(s) and ownership features are designated by you on your Membership Account Authorization Signature Card or through the Credit Union's online application and authentication process. By signing an Account Signature Card or authenticating your request, each of you, jointly and severally, agree to the terms and conditions in this Agreement, and any Account Card, Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Fund Transfer Agreement and Disclosure, Privacy Disclosure, the Credit Union's bylaws and policies, and any amendments to these documents from time to time that collectively govern your membership and accounts.

MEMBERSHIP ELIGIBILITY

To join the Credit Union, you must meet the membership requirements.

- You must purchase and maintain the minimum required share(s) ("membership share") as set forth in the Credit Union's bylaws. Niagara's Choice FCU requires the purchase of at least one (1) share to join the Credit Union.
- Eligibility is open to individuals (including businesses) who live, work, worship, volunteer or attend school in Niagara or Erie County, as well as immediate family members of existing members are eligible for Credit Union membership. Immediate family members are defined as: spouse, child, sibling, parent, grandparent, grandchild, stepparents, stepchildren, stepsiblings, adoptive relationships, or anyone residing in the same household.
- To verify your eligibility for the accounts and services you request, you authorize the Credit Union to check your account, credit and employment history, and to obtain reports from third parties, including credit reporting agencies.

MEMBERSHIP RETENTION

A member may be subject to limited services if all shares are withdrawn, the member fails to purchase the required number of shares within the time period set forth in the Credit Union's bylaws, or causes a loss to the Credit Union. The membership of such a person shall terminate in accordance with the Credit Union's bylaws.

INDIVIDUAL ACCOUNTS

An individual account is an account owned by one (1) member (individual or other organization) qualified for Credit Union membership. If the account owner dies, the interest passes, subject to applicable law, to the account owner's estate or Payable on Death (POD) beneficiary/payee. The account ownership transfer is subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death, and to any security interest or pledge granted by the account owner, and subject to our statutory lien rights.

JOINT ACCOUNTS - A joint account is an account owned by two (2) or more persons.

- **Rights of Survivorship** - Unless otherwise stated on the Account Signature Card or documented through the Credit Union's online application and authentication process, a joint account includes rights of survivorship. This means that when one (1) owner dies, all sums in the account will pass to the surviving owner(s). For a joint account without rights of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.
- **Control of Joint Accounts** - Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature or authenticated request of any other owner(s). Any owner may withdraw or transfer funds, pledge to us all or any part of the shares or stop payment on items without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners in order to act. A Joint Owner may remove their name from an account that is in not negative and is in good standing by signing a Joint Owner Change Form at one of the Credit Union's locations. Only the Primary Member on an account is authorized to terminate or close the account.
- **Joint Account Owner Liability** - If an item deposited in a joint account is returned unpaid, a joint account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of the indebted owner, including all funds in the joint account, regardless of who contributed the funds.

ACCOUNTS FOR MINORS

We may require any account established by a minor to be a joint account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction.

AGENCY DESIGNATION ON AN ACCOUNT

An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or credit union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent.

DEPOSIT OF FUNDS REQUIREMENTS

Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories, or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit.

- **Endorsements** - We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one (1) or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft, or item that is payable to two (2) or more persons is ambiguous as to whether it is payable to either or both, we will process the check, draft, or item as though it is payable to all such persons. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the check or draft within 1½ inches of the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.
- **Collection of Items** - We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail or unstaffed facilities are not our responsibility until we receive them. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account.
- **Restrictive Legends** - Some checks and drafts contain restrictive legends on the front of the item. Examples of restrictive legends include “two signatures required,” “void after 60 days,” and “not valid over \$500.00.” We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restriction or limitation.
- **Final Payment** - All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.
- **Direct Deposits** - We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfers by filling out a separate form. You must notify us at least thirty (30) calendar days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.
- **Crediting of Deposits** - Deposits made after the deposit cutoff time and deposits made on holidays or days other than our business days will be credited to your account on the next business day.

ACCOUNT ACCESS

- **Authorized Signatures** - Your signature on the Account Signature Card, or authentication and approval of your account, authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any check or draft that appears to bear your facsimile signature, even if it was made by an unauthorized person. You authorize us to honor transactions initiated by a third person to whom you have given your account information, even if you do not authorize a particular transaction.
- **Access Options** - You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, Internet access, automatic transfer, or telephone, as applicable). We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a check or draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We may refuse to honor a power of attorney if our refusal is conducted in accordance with applicable state law.
- **Credit Union Examination** - We may disregard any information on any check or draft other than the signature of the drawer, the amount, and any magnetic encoding as our procedures do not provide for sight examination.

FUND TRANSFERS

Except as amended by this Agreement, electronic fund transfers we permit that are subject to Article 4A of the Uniform Commercial Code will be subject to such provisions of the Uniform Commercial Code as enacted by the state where the main office of the Credit Union is located. We may execute certain requests for an electronic fund transfer by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J. You may order an electronic fund transfer to or from your account. We will debit your account for the amount of the electronic fund transfer and will charge your account for any fees related to the transfer. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account. We are not obligated to execute any order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your account. We are not liable for errors, delays, interruptions, or transmission failures caused by third parties or circumstances beyond our control. We will not provide you with next day notice of ACH transfers, wire transfers, and other electronic payments credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received. If we fail to properly execute a payment order, and such action results in a delay in payment to you, we will pay you dividends or interest for the period of delay as required by applicable law. The dividends or interest paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period. Payment orders we accept will be executed within a reasonable time of

receipt but may not necessarily be executed on the date they are received. Cutoff times may apply to the receipt, execution and processing of fund transfers, payment orders, cancellations, and amendments. If a request for a fund transfer, payment order, cancellation, or amendment is received after a cutoff time, it may be treated as having been received on the next fund transfer business day. Information about any cutoff times is available upon request. From time to time, we may need to suspend processing of a transaction for greater scrutiny or verification in accordance with applicable law, and this action may affect settlement or availability of the transaction. When you initiate a wire transfer, you must identify the recipient and any financial institution by name and by account or identifying number. The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or identifying number, even if the number identifies a different person or financial institution. We may refuse any request to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request that we accept to amend or cancel a payment order will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order.

ACCOUNT RATES AND FEES

We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosure and Schedule of Fees and Charges. We may change the Truth-in-Savings Disclosure or Schedule of Fees and Charges at any time and will notify you as required by law.

TRANSACTION LIMITATIONS

- **Withdrawal Restrictions** - We will pay checks or drafts, permit withdrawals, and make transfers from available balance in your account. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure. We may also pay checks or drafts, permit withdrawals, and make transfers from your account from insufficient available balance if you have established an overdraft protection plan or, if you do not have such a plan with us, in accordance with our overdraft payment policy.
- **Cash Withdrawal Limitations** - We reserve the right for the safety and security of our members as well as for managing adequate branch cash controls to limit daily cash withdrawals to \$5,000.00 in cash per day. Cash withdrawal requests above this limit require advance notice of five (5) business days and approval by management.
- **Transfer Limitations** - We may limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or your Electronic Fund Transfers Agreement and Disclosure.

CERTIFICATE ACCOUNTS

Any certificate account allowed by state law offered by the Credit Union, is subject to the terms of this Membership and Account Agreement. The Truth-in-Savings Disclosure, and the Certificate Account Receipt for each account outlines the terms of which are incorporated herein by reference.

OVERDRAFTS

- **Payment of Overdrafts** - If, on any day, the available balance in your share or deposit account are not sufficient to pay the full amount of a check, draft, transaction, or other item, plus any applicable fee, that is posted to your account, we may return the item or pay it, as described below. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your account does not have sufficient funds available to pay an item. Whether we pay or return the item, your account may be subject to a fee as set forth in the Fee Schedule Disclosure. We may charge a fee each time an item is submitted or resubmitted for payment, causing you to be assessed more than one fee as a result of a returned item and resubmission(s) of the returned item.
- **Overdraft Transfer from Savings** - The Credit Union is authorized to charge payments for approved items against the savings in your account. The Credit Union may pay such approved items to your account in the amount of the resulting overdraft, plus the fee for overdraft transfers from your savings as set forth in the Fee Schedule Disclosure.
- **How Transactions are Posted to Your Account.** Basically, there are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.
 - **Credits** - Deposits are generally added to your account when we receive them. However, in some cases when you deposit a check, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure provided at the time you opened your account for details regarding the timing and availability of funds from deposits.
 - **Debits** - There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.
 - o **Checks** - When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. The Credit Union processes payment of checks as follows:
 - Checks negotiated in person at one of our branch locations are cleared upon presentment against available funds in the account.
 - Checks or drafts presented on the same day in our Share Draft File clear in check number order.
 - o **ACH Payments** - We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments you have authorized. ACH transactions for your account are posted throughout the day in order of receipt.
 - o **PIN-Based Debit Card Purchase Transactions** - These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant,

- o a PIN-based transaction may not be immediately presented for payment.
- o **Signature-Based Debit Card Purchase Transactions** - These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase. However, merchants may not require your signature for certain transactions. Merchants may seek authorization for these types of transactions. The authorization request places a hold on funds in your account when the authorization is completed. The “authorization hold” will reduce your available balance by the amount authorized but will not affect your actual balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received in real time throughout the day and are posted to your account when they are received.
The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your card for payment. For example, if you use your debit card at a restaurant, a hold will be placed in an amount equal to the bill presented to you; but when the transaction posts, it will include any tip that you may have added to the bill. This may also be the case where you present your debit card for payment at gas stations, hotels, and certain other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

This is a general description of certain types of transactions. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.

UNDERSTANDING YOUR BALANCE

Your checking account has two kinds of balances: the actual balance and the available balance. Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending. Your available balance is the amount of money in your account that is available for you to use. Your available balance is your actual balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds and minimum balance requirements or to comply with court orders. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. In such cases, subsequent posting of the pending transactions may further overdraw your account and be subject to additional fees. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance through your online access at niagaraschoice.org or via our Mobile App, at an ATM, by visiting a credit union branch or by calling us at 716-284-4110.

STOP PAYMENT ORDERS

- **Stop Payment Order Request** - You may request a stop payment order on any check or draft drawn on your account. To be binding, the order must be signed and dated, include the exact account number, the check or draft number, and the exact amount of the check or draft. This information is necessary for the Credit Union’s computer to identify the check or draft. If incorrect or incomplete information is received, we will not be responsible for failing to stop payment on the check or draft. The Credit Union must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity to act on it. 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 recredit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the check or draft, and to assist us in any legal action.
- **Duration of Order** - You may make an oral stop payment order which will lapse within 14 calendar days unless you confirm it in writing. Written stop payment orders for checks or drafts are effective for six (6) months and may be renewed for additional six (6) month periods by requesting in writing that the stop payment order be renewed within a period during which the stop payment order is effective. We are not required to notify you when a stop payment order expires.
- **Liability** - Fees for stop payment orders are set forth in the Fee Schedule Disclosure. Payment on any certified check, cashier’s check, teller’s check, or any other check, draft, or payment guaranteed by us may be stopped only according to the provisions of Section 4-403 of the Uniform Commercial Code as enacted by the State of New York. Although payment of an item may be 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 joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

CREDIT UNION LIABILITY

If we do not properly complete a transaction according to the Membership and Account Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution’s negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Membership and Account Agreement. Any conflict between what you and our employees say or write will be resolved by reference to this Membership and Account Agreement.

REMOTELY CREATED CHECKS OR DRAFTS

A remotely created check or draft is generally created by a third-party payee as authorized by the owner of the account on which the check or draft is drawn. Authorization is normally made over the telephone or through on-line communication. A remotely created check or draft is not signed by the

owner on the account. The remotely created check or draft usually bears a statement that the owner authorized the check or draft or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created check or draft against your account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check or draft for which the third party has proof of your authorization.

ELECTRONIC CHECKS

Pursuant to Regulations CC, electronic checks may be treated the same as paper checks for check collection and processing purposes.

SUBSTITUTE CHECKS

To make check processing faster federal law permits financial institutions to place original checks with "substitute checks". These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of the substitute states: "This is a legal copy of your check. You can use it in the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks you receive back from us may be substitute check(s).

PLEDGE/STATUTORY LIEN

If you owe us money as a borrower, guarantor, endorser or otherwise, we have a statutory lien on the account 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 without further notice to you 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. All accounts are non-assignable and non-transferrable to third parties.

LEGAL PROCESS

If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

ACCOUNT INFORMATION

Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure complies with the law or a government agency or court order; or (4) you give us written permission.

NOTICES

- **Name or Address Changes** - You are responsible for notifying us of any name or address change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Fee Schedule Disclosure.
- **Notice of Amendments** - Except as prohibited by law, we may change the terms of this Membership and Account Agreement at any time. We reserve the right to waive any terms of this Agreement. Any such waiver shall not affect our right to future enforcement.
- **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. Notice to any account owner is considered notice to all account owners.
- **Electronic Notices** - If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

TAXPAYER IDENTIFICATION NUMBER AND BACKUP WITHHOLDING

Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

STATEMENTS

- **Contents** - If we provide a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one (1) statement is necessary for a joint account. For checking accounts, you understand and agree that your original check, when paid, becomes property of the Credit Union, and may not be returned to you. Copies retained by the Credit Union or payable-through other financial institutions may be made available upon your request. You understand and agree that statements are made available to you on the date they are mailed to you. You also understand and agree that checks or copies thereof are made available to you on the date the statement is mailed to you.
- **Examination** - You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement if you fail to notify us within thirty (30) calendar days of the date we mailed the statement to you.
- **Notice to Credit Union** - You agree that the Credit Union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes, and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement.

INACTIVE/DORMANT ACCOUNTS

If your account falls below any applicable minimum balance and/or you have not made any transactions over a period specified in the Truth-in-Savings Disclosure or Fee Schedule Disclosure, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee, as set forth in the Fees Schedule Disclosure for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds, and if you choose to reclaim such funds, you must apply to the appropriate state agency.

SPECIAL ACCOUNT INSTRUCTIONS

You may request that we facilitate certain will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your will or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection. Account changes requested by any account owner, such as adding or closing an account or service, will require the appropriate Credit Union document which evidences a change to an account and must be accepted by us.

TERMINATION OF ACCOUNT

We may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. Only the primary Member on an account is authorized to terminate or close the account. A Joint Owner may remove their name from an account that is in not negative and is in good standing, by signing a Joint Owner Change Form at one of the Credit Union's locations. We are not responsible for payment of any check, draft, withdrawal, transaction, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.

TERMINATION OF MEMBERSHIP

You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share(s) and closing all your accounts. You may be denied services for causing a loss to the Credit Union.

DEATH OF ACCOUNT OWNER

We may continue to honor all transfer orders, withdrawals, deposits, and other transactions on an account until we know of a member's death. Once we know of a member's death, we may pay checks or drafts or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) calendar days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks, drafts, or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Membership and Account Agreement will be binding upon any heirs or legal representatives of any account owner.

UNLAWFUL INTERNET GAMBLING AND OTHER ILLEGAL ACTIVITIES

You agree that you are not engaged in Unlawful Internet Gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices or services for Unlawful Internet Gambling or other illegal activities. We may terminate your account relationship if you engage in unlawful Internet gambling or other illegal activities.

SEVERABILITY

If a court holds any portion of this Membership and Account Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Membership and Account Agreement.

ENFORCEMENT

You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Membership and Account Agreement. You authorize us to deduct any such losses, costs, or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post judgment collection actions.

GOVERNING LAW

This Membership and Account Agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state in which the Credit Union's main office is located, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Membership and Account Agreement shall be brought in the county in which the Credit Union is located.

NEGATIVE INFORMATION NOTICE

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