

# BUSINESS MEMBERSHIP ACCOUNT AGREEMENT

**DEFINITIONS.** Throughout this Agreement, these terms have the following meaning:

- "You," "your," "account owner," and "party" refer to the depositor named on the account.
- "We," "our," and "us" refer to the financial institution.
- The acronym "NOW" means Negotiable Order of Withdrawal.
- "Item" or "items," as defined by Article 4 of the Uniform Commercial Code (UCC), means an instrument or a promise or order to pay money handled by a financial institution for collection or payment. The term includes a check but does not include a payment order governed by Article 4A of the UCC or a credit or debit card slip. The term includes a "check" or "checks." The terms "check" and "checks" represent share drafts or checks.
- "Debit transactions," "debit," or "debits" refer to funds that are taken out of your account. Common types of debits may include: checks that you have written, ACH payments, wire transfers, PIN-based debit card transactions, and signature-based debit card transactions.
- "Credit transactions," "credit," or "credits" refer to deposits of funds into your account. Common types of credits include: cash deposits, direct deposits, check deposits, and ACH and wire transfers made payable to you. Credits are generally added to your account and are made available to you in accordance with our funds availability schedule.

**GENERAL AGREEMENT.** You understand that the following Account Agreement ("Agreement") governs your account with us, along with any other documents applicable to your account, such as our Funds Availability Policy or Privacy Policy ("Disclosures"), which are incorporated herein by reference. By providing a written or electronic signature on the Account Information document or other agreement to open your account, or by using any of our deposit account services, you and any identified account owners agree to the terms contained in this Account Agreement.

**GENERAL RULES.** The following rules apply to your account:

**1. Deposits.** Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions initiated by mail until we actually receive and record them. We may refuse to accept particular items as a deposit to your account at our discretion. The terms of our Disclosures will control the determination of the banking day deposits are deemed received by us and when they will be available for withdrawal. If any item you deposit to your account is returned unpaid, we have the right to debit your account for the amount of such item and adjust any related interest earned. You will, in any event, be liable to us for the amount of any item you deposit to your account that is returned unpaid, plus our costs and expenses associated with collection of all or any part of such amount from you, including reasonable attorney fees whether incurred at trial, on any appeal therefrom or otherwise. Deposits may be subject to a service charge.

**2. Collection of Deposited Items.** In receiving items for credit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits. We shall have the right to forward items to correspondents including all Federal Reserve Banks, and we shall not be liable for default or neglect of said correspondents for loss in transit, nor shall any correspondent be liable except for its own negligence. You specifically authorize us or our correspondents to utilize Federal Reserve Banks to handle such items in accordance with provisions of Regulation J (12 CFR Part 210), as revised or amended from time to time by the Federal Reserve Board. In the event we are subject to local clearinghouse rules, you specifically authorize us to handle such items in accordance with the rules and regulations of the clearinghouse.

If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. Except as may be attributable to our lack of good faith or failure to exercise ordinary care, we will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.

This provision also applies to any remotely created check/share draft that you may deposit into your account. A remotely created check/share draft, as defined in Regulation CC, means a check/share draft that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. By having a deposit account with us, you certify that all remotely created checks/share drafts deposited to your account(s) will be expressly and verifiably authorized by the payor. And we reserve the rights to refuse for deposit any such remotely created check/share draft if we have any reason to believe that the check/share draft is fraudulent in any manner, and to obtain from you the payor's express, verifiable authorization for any such check.

**3. Unlawful Internet Gambling.** Restricted transactions are prohibited from being processed through your account with us as required by the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG. A restricted transaction is a transaction or transmittal involving any credit, funds, instrument, or proceeds in connection with the participation of another person in unlawful Internet gambling. You will notify us if your business practices regarding Internet gambling change in the future.

**4. Lien Impressments.** We may set-off funds in your account and any other accounts held by you to pay any debt you may owe us. This right does not apply to this account if the debtor's right of withdrawal arises only in a representative capacity or any other restrictions are imposed by state or federal law. In addition, you grant to us a security interest in your deposit accounts to secure any debt you may owe us in any non-consumer transaction.

**5. Claims.** In response to any garnishment, attachment, restraining order, injunction, levy, citation to discover assets, judgment, reclamation, other order of court or other legal process ("Claim(s)"), we have the right to place a hold on, remove from your account(s) and/or remit to the designated third-party(ies) any amount on deposit in your account(s) as set forth in and required by such Claim(s). In addition, we may charge against your account(s) any fee authorized by law in connection with the Claim(s) or as otherwise set forth in the Fee Schedule.

**6. Expenses.** You agree to be liable to us for any loss, cost or expense that we incur as a result of any dispute, attachment, garnishment, levy or subpoena of records involving your account, including reasonable attorneys' fees to the extent permitted by law, and you authorize us to deduct such loss, cost or expense from your account without prior notice to you. This obligation includes disputes between yourself and us involving the account and situations where we become involved in disputes between you and an authorized signer, another joint owner, or a third-party claiming an interest in the account. It

also includes situations where you, an authorized signer, another joint owner, or a third-party takes action with respect to the account that causes us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

**7. Dormant/Inactive Accounts.** You understand that if your account is dormant or inactive, you may be charged the fee specified in the Fee Schedule and we may stop paying interest to the extent permitted by law. Your account balance may be escheated (that is, turned over to the state) in accordance with state law. If your account balance is escheated, you agree that we are relieved of all responsibility for the balance escheated.

**8. Business Accounts.** Business accounts are those established by any partnership, corporation, association or other entity operated on a for-profit basis; all corporations and associations operated on a not-for-profit-basis; and any individual who intends to use the account for carrying on a trade or business. We reserve the right to require separate written authorization, in a form acceptable to us, telling us who is authorized to act on your behalf. We are authorized to follow the directions of a person designated to having authority to act on the entity's behalf until we receive written notice that the authority has been terminated and have had a reasonable time to act upon that notice.

**9. Escrow, Trust, Fiduciary and Custodial Accounts.** When your account is set up as an escrow, trust, fiduciary or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature. We have no obligation to act as trustee or to inquire into your powers or responsibilities over this account. We reserve the right to require the documentation necessary under applicable law to establish, maintain, manage, and close this account. There may be additional terms and conditions that apply to this account that are governed by a separate agreement.

**10. Additional Documents to Open Account.** You agree to supply us with a separate authorization informing us of the authorized signer(s), if requested to do so, and to provide any other related document requested by us. We may require that the individual opening the account be a member and that all or a majority of the owners or business entity principals be individually eligible for membership.

**11. Signatures.** Your signature on the Membership Application form is your authorized signature. You authorize us, at any time, to charge you for all share drafts /checks, drafts, orders, or other items for the payment of money, that are drawn on us regardless of by whom or by what means (including facsimile signature(s)) may have been affixed so long as they resemble the signature specimen in our files. For withdrawal and for other purposes relating to any account you have with us, we are authorized to recognize your signature; and we will not be liable to you for refusing to honor signed instruments or instructions if we believe in good faith that one or more of the signatures appearing on the instrument or instruction is not genuine. If your items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You agree that no facsimile signature you have authorized us to honor may be considered a forgery or an unauthorized signature, and that every authorized facsimile signature shall be effective as the signatory's own original, manual signature. You accept sole responsibility for maintaining security over any device affixing the signature as such signature will be effective regardless of whether the person affixing it was authorized to do so. Your authorization notwithstanding, we are not obligated to accept or pay any items bearing facsimile signatures.

Further, most share drafts/checks, orders, or other items are processed automatically, i.e., without individual review of each item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of share drafts/checks or other items for more than one signer, you agree that we are acting within common and reasonable banking practices by automatically processing these items. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees) that you or we may suffer or incur as a result of this practice.

**12. Restrictive Legends.** We are not required to honor any restrictive legend on share drafts/checks you write unless we have agreed to the restriction in a writing signed by an officer of the credit union. Examples of restrictive legends are "two signatures required", "must be presented within 90 days" or "not valid for more than \$1,000.00."

**13. Fees, Service Charges, and Balance Requirements.** You agree to pay us and are responsible for any fees, charges or balance/deposit requirements as provided in the Fee Schedule or Disclosures. We also reserve the right to impose a service charge for cashing checks and other items drawn on your account if the person cashing the check or item is not a customer of this financial institution.

**14. Amendments and Alterations.** Except as prohibited by law, we may amend this Agreement by adding, removing, or changing terms at any time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendments. Notices will be sent to the most recent address shown on the account records.

**15. Notice.** You are responsible for notifying us of any address change or other information affecting your account. Notices must be in a form and manner acceptable to us with enough information to allow us to identify the account. Notice sent by you to us is not effective until we have received it and have a reasonable opportunity to act on it. Written notice sent by us to you is effective when mailed to the last address supplied to us.

**16. Certified Beneficial Owner Information.** If you are obligated to certify beneficial owner information at the time the account is opened, you are responsible for notifying us of any changes to the certified beneficial ownership information that was provided to us. Notice should be made to us as soon as practical upon a change to the beneficial ownership information in a form and manner acceptable to us.

**17. Telephone and Electronic Communication.** You agree that we may call or send text messages to you at the telephone numbers that you provide to us, including a cell phone number, which may result in charges to you, for informational purposes regarding your account(s) with us. These calls and text messages may be made from an automatic telephone dialing system (i.e., an autodialer) or from an artificial or prerecorded voice message system. Additionally, you agree that we may send electronic communication to you at the email addresses you provide to us. You may contact us at any time if you no longer want to receive these communications from us. You also agree that we may monitor and record telephone and electronic communications that affect your account(s) with us to the extent permitted by law. We need not provide further notice to you or receive additional approval.

**18. Online or Mobile Services.** If you open an account or obtain a product or service from us using our online or mobile services, we may record your personal information from a scan or a copy of your driver's license or other personal identification card, or we may receive an image or make a copy of your driver's license or other personal identification card. We may store or retain this information to the extent permitted by law.

**19. Closing Account.** We may close the account at any time, with or without cause, after sending you notice if advance notice is required by law. We have the authority to pay an otherwise properly payable item at our discretion, which is presented after the closing of your account. Such termination will not release you from any fees or other obligations incurred before the termination. We will send a share draft/check for the balance in our possession to which you are entitled.

**20. Transfers and Assignments.** We may assign or transfer any or all of our interest in this account. You cannot assign or transfer any interest in your account unless we agree in writing.

**21. Effective Applicable Laws and Regulations.** You understand that this Agreement is governed by the laws of the state where this account is opened except to the extent that federal law is controlling and includes, but is not limited to, Article 4A of the Uniform Commercial Code. Changes in these laws and regulations may modify the terms and conditions of your account. We do not have to notify you of these changes, unless required to do so by law. If any of the terms of this Agreement conflict with applicable law and are declared to be invalid or unenforceable, those terms will be ineffective to the extent of the conflict and the applicable law will govern. The remaining provisions will remain unaffected.

**22. ACH and Wire Transfers.** This Agreement is subject to Article 4A of the Uniform Commercial Code - Funds Transfers as adopted by the state in which the account is opened. If you send or receive a wire transfer, you agree that Fedwire® Funds Service may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire® Funds Service. When you originate a funds transfer for which Fedwire® Funds Service is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. If you are a party to an Automated Clearing House ("ACH") entry, you agree that we may transmit an entry through the ACH, and you agree to be bound by the National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines, the rules of any local ACH, and the rules of any other systems through which the entry is made.

**Provisional Payment.** Credit we give you is provisional until we receive final settlement for that entry. If we do not receive final settlement, you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**Notice of Receipt.** We will not provide you with notice of our receipt of the order, unless we are so requested by the transfer originator in the order. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Choice of Law.** We may accept on your behalf payments to your account which have been transmitted, that are not subject to the Electronic Fund Transfer Act, and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state where we are located.

**International ACH Transactions.** If your transaction originates from a financial agency that is outside of the territorial jurisdiction of the United States, it may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If additional review is required, the International ACH transaction will not be available to you until it passes final verification.

**23. Real-Time Payments.** We may offer real-time payment services for you to send or receive certain payments or payment-related messages through a real-time payments system. Real-time payments are credit transfers that enable you to send and receive funds with near immediacy twenty-four (24) hours a day, seven (7) days a week, and fifty-two (52) weeks a year. These transfers are subject to transaction value limits (e.g., \$100,000) and settlement is final and irrevocable. Real-time payments are intended for domestic payments only. Payments sent or received by a person outside of the United States are prohibited. Transfers using a real-time payments system are subject to the applicable operating or governing rules of the real-time payments system used, as well as the Uniform Commercial Code 4A in effect in the state in which we are located, the Electronic Fund Transfer Act (Regulation E), and the rules of OFAC.

**24. Share Drafts/Checks.** All negotiable paper ("share drafts/checks") presented for deposit must be in a format that can be processed and we may refuse to accept any share draft/check that does not meet this requirement. All endorsements on the reverse side of any share draft/check deposited into your account must be placed on the left side of the share draft/check when looking at it from the front, and the endorsement must be placed so as to not go beyond an area located 1-1/2 inches from the left edge of the share draft/check when looking at it from the front. It is your responsibility to ensure that these requirements are met and you are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

**25. Electronic Share Drafts/Electronic Checks and Electronically-Created Items.** Pursuant to Regulation CC, electronic share drafts/checks may be treated the same as paper share drafts/checks for share draft/check collection and processing purposes. See the Substitute Checks section for more information.

Electronically-created items ("ECI") are check-like items created in electronic form that never existed in paper form. For example, you set up automatic bill payments with us to pay your utility bill. From your account information, we create an ECI that is sent to your utility company for payment. An ECI cannot be used to create a substitute check since it never existed in paper form.

**26. Substitute Checks.** To make share draft/check processing faster, federal law permits financial institutions to replace original share drafts/checks with "substitute checks." These checks are similar in size to original share drafts/checks with a slightly reduced image of the front and back of the original share draft/check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original share draft/check. Some or all of the share drafts/checks that you receive back from us may be substitute check(s). An electronic check can be used to create a substitute check since the electronic image and electronic information was derived from its paper form.

**27. Remote Deposit Capture.** Remote deposit capture ("RDC") allows you to make deposits to your account from remote locations by electronically transmitting digital images of your original paper checks, which are drawn on or payable through United States financial institutions in United States dollars to us. We may then use the digital image to create an electronic check or substitute check for collection. If you use our RDC services, if applicable, we may require you to endorse the back of the paper check to indicate that it has been remotely deposited. For example, "for mobile deposit only."

**28. Preauthorized Checks or Drafts.** You should guard information about your account (such as your routing number and your account number) as carefully as you would guard blank checks. If you voluntarily give such information about your account to a party which is seeking to sell you goods or services, without physically delivering a check to it, any debit to or withdrawal from your account it initiates will be deemed authorized by you.

**29. Stale or Postdated Share Drafts/Checks.** We reserve the right to pay or dishonor a share draft/check more than 6 months old without prior notice to you. You agree not to postdate any share draft/check drawn on the account. If you do and the share draft/check is presented for payment before the date of the share draft/check, we may pay it or return it unpaid. We are not liable to you for paying any stale or postdated share draft/check, and you agree to reimburse us for any loss we might suffer as long as we acted in good faith or exercised ordinary care. Any damages that you incur, and which we may be liable for, are limited to actual damages not to exceed the amount of the share draft/check.

**30. Verifying Funds Availability for Share Draft/Check.** You authorize us to release funds availability information about your account to individuals or merchants who represent to us that they have received a share draft/check or other item from you.

**31. Check Safekeeping.** If you can write checks on your account and utilize check safekeeping or any other system offered by us for the retention of your checks, you understand that the canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. At your request, we will provide without charge up to 25 canceled instruments or legible copies of the fronts and backs thereof per calendar year. Additional copies may be subject to a fee, as indicated in the Fee Schedule. If for any reason we cannot provide you with a copy of a check, our liability will be limited to the lesser of the face amount of the check or the actual damages sustained by you.

**32. Non-Sufficient Funds and Overdrafts.** If your account lacks sufficient funds to pay a debit transaction or item presented for payment as determined by your available account balance or actual (ledger) balance, we may (1) return the debit or item or (2) pay the debit or item at our discretion.

**Available Balance.** We use an available balance method to determine if there are sufficient funds in your account to pay a debit transaction or item and to assess non-sufficient funds and overdraft fees.

**How We Decide to Pay a Debit or Item.** The available balance reflects deposits and transactions that have been posted to your account and transactions that have not posted to your account, including the following: share drafts/checks you have written, if applicable; deposit holds; and holds on debit card transactions that have been authorized but not yet posted (i.e., preauthorization holds). These pending transactions and holds reduce your available balance. For example, you have \$100 in your account and a pending transaction of \$30. Your available balance is \$70 because the pending \$30 transaction reduces your available account balance.

**How We Assess Fees.** If there are insufficient funds to pay a debit transaction or item based on your available balance, we may either: 1) return the debit or item or 2) pay the debit or item at our discretion. We may charge you fees if we return the debit or item or pay the debit or item on your behalf.

**Return Item for Non-Sufficient Funds.** If we do not pay the debit or item on your behalf and return the debit or item, we may charge you non-sufficient funds fee. Pursuant to National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines and other applicable laws, a debit or item may be presented for payment more than one time.

**Overdrafts.** If we pay the debit or item on your behalf, you will be responsible for the overdrawn balance, and we may charge you overdraft fees. As discussed above, subsequent pending transactions and holds impact your available balance, which may cause your account to become overdrawn and subject to overdraft fees. For example, you have \$100 in your account. You use your debit card at a gas station and a preauthorization hold of \$60 is placed on your account because the amount of the transaction is not known at the time of authorization even though your gas was only \$50. The authorization hold reduces your available account balance to \$40. You then spend \$50 on groceries. If we pay this debit on your behalf, you will be responsible for paying the overdrawn balance, and we may charge you overdraft fees.

**Actual (Ledger) Balance.** We use an actual (ledger) balance method to determine if there are sufficient funds in your account to pay a debit transaction or item and to assess non-sufficient funds and overdraft fees.

**How We Decide to Pay a Debit or Item.** The actual (ledger) balance method calculates your account balance only based on transactions that have settled, and it does not reflect pending transactions or share drafts/checks, if applicable, that have not posted to your account. For example, you have \$100 in your account and a pending transaction of \$30. Your actual (ledger) balance is \$100 because the pending \$30 transaction does not reduce your actual (ledger) account balance until it posts to your account.

**How We Assess Fees.** If there are insufficient funds to pay a debit transaction or item based on your actual (ledger) balance, we may either: 1) return the debit or item or 2) pay the debit or item at our discretion. We may charge you fees if we return the debit or item or pay the debit or item on your behalf.

**Return Item for Non-Sufficient Funds.** If we do not pay the debit or item on your behalf and return the debit or item, we may charge you non-sufficient funds fee. Pursuant to National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines and other applicable laws, a debit or item may be presented for payment more than one time.

**Overdrafts.** If we pay the debit or item on your behalf, you will be responsible for the overdrawn balance, and we may charge you overdraft fees.

We use an available balance to determine if we pay a debit or item and we use an actual (ledger) balance to assess fees. If this is the case, the applicable rules described above will apply.

If applicable, overdrafts may be covered by our standard overdraft practice that comes with your account or an overdraft protection plan, such as a link to an account or a line of credit. As part of our offered standard overdraft practice, we do not authorize and pay overdrafts on ATM or everyday debit card transactions unless you request us to do so. Please refer to the Overdraft Services Consent Form for more information about overdrafts and our standard overdraft policies, if applicable, and refer to your Truth In Savings disclosure for more information about our overdraft privilege policy.

**33. Processing Order.** We will process debit and credit transactions in accordance with our processing order policy. The processing order of these debits and credits is important because if your account balance has insufficient funds to pay for the items in the order that they are processed, we may charge you non-sufficient funds fees if we return the debit or charge you overdraft fees if we pay the debit on your behalf.

#### 34. Stop Payments.

**Stop Payments on Checks/Share Drafts.** If you request us to stop payment on a share draft/check you have written, you will give written or other confirmation as allowed by us within 14 days of making the request. If you fail to confirm an oral stop payment request within the 14 days, unless our policy provides otherwise, we reserve the right to cancel the request. Your stop payment request must describe the share draft/check or account with reasonable certainty and we must receive the request in a time and way that gives us a reasonable opportunity to act on it. A stop payment on a share draft/check you have written will remain in effect until the earlier of 1) six months or other time period not less than six months as specified in the Stop Payment Order, or 2) until we receive written revocation of the stop payment. If the share draft/check on which a Stop Payment Order has been placed has not yet cleared or been returned to you by the payee, you may renew the Stop Payment Order for an additional six months by providing a request to us in a record or writing within the time period the Stop Payment Order is in effect. Our acceptance of a stop payment request does not constitute a representation by us that the share draft/check has not already been paid or that we have had a reasonable opportunity to act on the request. We may accept a stop payment request on lost or stolen share drafts/checks, whether a single share draft/check or series, unless our policy requires we open a new account for you to ensure your security. Written communication includes communication by electronic record.

**Stop Payments on ACH Debits.** A Stop Payment Order may be placed on either a one-time debit transfer or on a multiple debit entry transfer. If you request a Stop Payment Order on an Electronic Check Conversion or other one-time debit transfer, we must receive the request, orally or in a record or writing, in a period of time that provides us a reasonable opportunity to act on it prior to acting on the debit entry, otherwise the Stop Payment Order shall be of no effect. If you requested a stop payment on a multiple or future debit entry transfer, we must receive the Stop Payment Order, orally or in a record or writing, at least three business days before a scheduled debit entry. Requests to stop all future payments on an ACH debit transfer may require additional documentation to be supplied to us. Oral stop payment orders are binding on us for 14 calendar days only, unless our policy provides otherwise, and must be confirmed by you in a record or writing within that period. A Stop Payment Order on an ACH debit remains in effect until the earlier of 1) your withdrawal of the Stop Payment Order, 2) the return of the debit entry, or, where a Stop Payment Order is applied to more than one debit entry under a specific authorization involving a specific payee (Originator), the return of all such debits, or 3) six months from the date of the Stop Payment Order, or other time period not less than six months as specified in the Stop Payment Order, unless you renew the Stop Payment Order. You may renew the Stop Payment Order for an additional six months to prevent the transfer from being paid by providing a request to us within the time period the Stop Payment Order is in effect. When a stop is placed on a multiple or future debit entry transfer, we may require your confirmation in a record or writing stating that you have canceled your authorization for the transfer with the payee (a Stop Payment Order does not revoke authorization). Written communication includes communication by electronic record.

The Stop Payment Order shall be governed by the provisions of Article 4A of the Uniform Commercial Code as adopted by the state in which the account is opened, the Electronic Fund Transfer Act (Regulation E), Nacha Operating Rules, and any applicable state law. You may be charged a fee every time you request a Stop Payment Order and for each Stop Payment Order renewal you make. You understand that we may accept the stop payment request from any of the joint owners of the account regardless of who signed the share draft/check or authorized the transfer. A release of the Stop Payment Order may be made only by the person who initiated the stop payment request.

**35. Statements.** If your account is a Share Draft/Checking, Money Market or Statement Share Account, we will provide you with a periodic statement showing the account activity. The last address you supply us in writing will be deemed the proper address for mailing this statement to you. You must exercise reasonable care in reviewing your statement and reasonable promptness in notifying us of any discrepancies, such as alterations or forged or unauthorized signatures, even if by the same wrongdoer. You must notify us within 30 days after we mail or otherwise make the statement available to you of any discrepancies, except for transfers governed by the Wire Transfer Agreement. If you fail to notify us with reasonable promptness, you will have no claim against us to the extent permitted by law. Additionally, you agree that we will not be liable for discrepancies reported to us after one year after we mail or otherwise make the statement or items available to you, even if we failed to exercise reasonable care. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending your statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.

**36. Electronic Statements and Notices.** You may have the option to have statements and notices regarding this account provided to you in an electronic form, including to a designated e-mail address, through an online banking portal, or other electronic method, upon your authorization. The authorization may be withdrawn at any time to return to a mailed paper form by providing written notice to us at the address provided. The fees for receiving in either form, and for receiving paper copies, are described in your account opening documents. In order to receive your account information in an electronic form, the receiving system may have to meet specific requirements. We will keep you informed of any change to the minimum hardware or software requirements.

**37. Payment of Dividends.** By law we are prohibited from guaranteeing the payment of dividends or that the dividends we do pay are at the contracted rate. We must base our dividend payments to you upon the money we rate. We must base our dividend payments to you upon the money we actually earn and that is available for distribution at the end of the dividend period.

**38.**  This account pays interest instead of dividends. For purposes of this Agreement, the term "dividends" has the same meaning as "interest".

**39. Special Notice Accounts.** If any of your shares are received as special notice accounts, they are subject to the following limitations. Except as provided otherwise relative to dividends on such shares, neither the whole nor any part of such shares may be withdrawn other than pursuant to the terms of a withdrawal notice of 90 days or more signed by you or any joint owners named on the account and received by us. Such notice shall state that you or any joint owners propose to withdraw such shares in whole or in specified part during a withdrawal period commencing upon a day specified, which day shall not be less than 90 days following the receipt by us of such withdrawal notice and terminating upon the expiration of the ninth day following or, if such ninth day shall be a Saturday, Sunday or legal holiday, upon the expiration of the business day next succeeding such ninth day. Any ordinary, extra or additional dividends on such shares may be withdrawn pursuant to a permanent dividend order signed by you or any joint owner and received by us prior to the day upon which such dividend becomes payable or pursuant to a demand made by you or any joint owner within one year after the day upon

which such dividend became payable. If not withdrawn, no such dividends shall be withdrawn except as previously stated.

**40 Our Waiver of Rights.** You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement shall affect or preclude our future exercise of that right, remedy, power or privilege.

**41. Your Waiver of Notice.** By signing the signature card/Account Information form, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your deposit account to the extent permitted by law. For example, if a check that you deposited is dishonored and returned to us, we are not required to notify you of the dishonor.

**42. Death or Incompetency.** Neither the death nor the legal adjudication of incompetence of any individual authorized to act on your behalf, or in the case of sole proprietorships, neither your death nor the legal adjudication of incompetence, revokes our authority to accept, pay, or collect items until we know of the fact of death or of an adjudication of incompetence and have a reasonable opportunity to act on it.

**43. Account Security.**

**Duty to protect account information and methods of access** - It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to issue an electronic debit or to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (an employee, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized and we have had a reasonable period of time to act on that notification.

Your account number can also be used to electronically remove money from your account, and payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

**Positive pay and other fraud prevention services** - You agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered. You will not be responsible for such transactions if we acted in bad faith or to the extent our negligence contributed to the loss. Such services include positive pay or commercially reasonable security procedures. If we offered you a commercially reasonable security procedure which you reject, you agree that you are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure that you have selected. The positive pay service can help detect and prevent check fraud and is appropriate for account holders that issue: a high volume of checks, a lot of checks to the general public, or checks for large dollar amounts.

**44. Credit Verification.** You agree that we may verify credit and employment history by any necessary means, including preparation of a credit report by a credit reporting agency.

**45. Large Cash Withdrawals.** We recommend you take care when making large cash withdrawals because carrying large amounts of cash may pose a danger to your personal safety. As an alternative to making a large cash withdrawal, you may want to consider a cashier's check or similar instrument. You assume full responsibility of any loss in the event the cash you withdraw is lost, stolen, or destroyed. You agree to hold us harmless from any loss you incur as a result of your decision to withdraw funds in the form of cash.

**46. Telephone Transfers.** A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing.

**47. Claims of Loss.** If you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you.

You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

**ACCOUNT SPECIFIC PROVISIONS.** In addition to the General Rules, the following rules apply to specific types of accounts:  
**SHARE DRAFT/CHECKING ACCOUNTS**

**Withdrawals.** Deposits will be available for withdrawal consistent with the terms of the Disclosures. We reserve the right to require you to notify us of your intention to withdraw shares or to withdraw funds from this account as explained in the Disclosures. Withdrawals may be subject to a service charge.

**MONEY MARKET AND SAVINGS ACCOUNTS**

**Withdrawals.** We have the right to require seven (7) days prior written notice from you of your intent to withdraw any funds from your account. Withdrawals may be subject to a service charge.

**Transaction Limitations.** Our policy allows us to restrict the number of transfers or withdrawals you can make on a Money Market Account and Savings Account, or we may allow you to make an unlimited number of transfers or withdrawals from these accounts.

**Restrictions on Money Market and Savings Accounts.** If we restrict the number of transfers or withdrawals you can make on these accounts, you understand that we will not allow more transfers or withdrawals than the maximum number specified in the account opening documents, and we may close your account, take away your ability to transfer funds, charge you a fee, or convert the account to a checking or other transaction account if the restriction is violated.

**No Restrictions on Money Market and Savings Accounts.** If we do not restrict the number of transfers or withdrawals you can make on these accounts, your account may still be subject to other transaction limitations. Please refer to the account opening documents to understand which transaction limitations, if any, apply to your account.

## SHARE CERTIFICATE ACCOUNTS

**Account Terms.** The Certificate bears dividends at the rate and basis as set forth on the Certificate. The terms of the Certificate, such as the dividends rate(s), Annual Percentage Yield ("APY"), length of term period, renewability, and date of maturity are specified on the Certificate and as otherwise defined at the time of account opening. Dividends will not be compounded unless noted and will be paid to you at the frequency and in the method noted. If interest compounds during the term of the Certificate and may be withdrawn prior to maturity, the withdrawal of interest prior to maturity will affect the APY.

**Withdrawal Prior To Maturity.** You have contracted to keep the account funds on deposit from the issue date until the maturity date. We may accept a request by you for withdrawal of some or all of the account funds prior to the maturity date at our discretion.

**Additional Deposits During The Term.** No additional deposits will be allowed to this account during its term unless otherwise indicated at account opening.

**Early Withdrawal Penalty.** We may assess an early withdrawal penalty on any withdrawal, either partial or in whole, that we allow you to make from your account prior to the account's maturity date as indicated at account opening.

**Renewal.** Automatic Renewal Certificates will renew automatically on the stated maturity date of its term. Such renewal will be for a time period equal or similar to the original term and subject to these terms and conditions. Dividends for that renewal term will be paid at the dividends rate then in effect at this financial institution for similar accounts. If you close the Certificate within the grace period following the maturity date, we will not charge an early withdrawal penalty for that withdrawal.

**Single Maturity.** Single Maturity Certificates will not automatically renew at maturity. To ensure a continuation of dividends earning, you must arrange for a new investment of the account balance.

## Addendum to First Citizens' Federal Credit Union Business Membership Account Agreement, effective as of

This Addendum ("Addendum") amends the First Citizens' Federal Credit Union Business Membership Account Agreement between you and us. READ THIS ADDENDUM CAREFULLY AS IT AFFECTS HOW LEGAL DISPUTES BETWEEN YOU AND US ARE RESOLVED. Solely for purposes of this Addendum, the terms "we," "us," "our" and financial institution in addition to referring to First Citizens' Federal Credit Union, also refer to First Citizens' Federal Credit Union's employees, officers, directors, parents, agents, subsidiaries, affiliates, successors and assigns.

From time to time, you may have concerns having to do with your account or other matters. Most concerns can be resolved by calling our representatives at . In the event that a Dispute (as defined below) arises between you and us about the Business Membership Account Agreement or any services that we provide, you and we agree to work in good faith to resolve such Dispute.

If we are not able to resolve a Dispute within thirty (30) days after we receive a Notice of Dispute (as described below) and it is within the jurisdiction of a small claims court, either party may seek relief in small claims court of having jurisdiction over the Dispute.

If we are not able to resolve a Dispute within thirty (30) days after we receive a Notice of Dispute (as described below) and it is *not* within the jurisdiction of a small claims court, you and we agree to resolve the Dispute exclusively through binding individual arbitration before the American Arbitration Association ("AAA") in accordance with terms set forth in this Addendum. Some rights (such as the right to obtain information from the other party and the right to appeal a decision) may be more limited in arbitration than they would be in a court proceeding. You and we agree and acknowledge that in our relationship arising from the First Citizens' Federal Credit Union Business Membership Account Agreement and your account, the parties are participating in transactions that involve interstate commerce, and that the Federal Arbitration Act ("FAA") governs the interpretation and enforcement of this Addendum.

**JURY TRIAL WAIVER.** YOU AND WE AGREE TO WAIVE ANY RIGHT YOU OR WE MAY HAVE TO A JURY TRIAL OR TO THE OPPORTUNITY TO LITIGATE ANY DISPUTE IN COURT (EXCEPT IN SMALL CLAIMS COURT).

**CLASS ACTION WAIVER.** YOU AGREE TO WAIVE ANY RIGHT YOU MAY HAVE TO BRING A CLASS ACTION OR OTHER REPRESENTATIVE ACTION AGAINST US OR TO PARTICIPATE IN A CLASS ACTION OR OTHER REPRESENTATIVE ACTION BROUGHT BY SOMEONE ELSE TO LITIGATE ANY DISPUTE. You agree not to join in a Dispute with anyone other than persons who are joint account owners or beneficiaries on your account.

**Disputes Covered.** The term "Dispute" includes any and all claims, disputes, actions or other controversies, whether based in contract, tort, statute, fraud or any other legal or equitable theory, that arise out of or are related to this deposit account agreement; your account; any transaction, service, product or fee related to your account; or any other aspect of the relationship between you and us. Disputes subject to arbitration include those based on present, future or past events (including events that occurred before the effective date of this Addendum or any earlier agreement governing the terms and conditions of your account), whether asserted as original claims, counterclaims, cross-claims, third-party claims, interpleaders, or in any other form.

**Mail a Notice of Dispute.** If you have a Dispute and our representatives cannot resolve it, you agree to send a written Notice of Dispute to the Notice Address listed above. The Notice must describe your Dispute and clearly state what you want us to do. If we do not reach an agreement to resolve the Dispute within 30 days after we receive the Notice, either you or we may commence an arbitration proceeding or seek relief in small claims court as specified above.

**Initiating Arbitration.** To start an arbitration, a party must send a Commercial Arbitration Rules Demand for Arbitration ("Demand") to the other party and submit a copy of the Demand and filing fee to the AAA. The form of Demand, the ways to submit a Demand to the AAA, and other information about the arbitration process are available at [www.adr.org](http://www.adr.org) or 1-800-778-7879.

**Arbitration Procedures.** The AAA will conduct the arbitration under its Commercial Arbitration Rules ("AAA Rules"), as they may be modified by this Addendum. Any Dispute submitted for arbitration shall be heard and decided by a single arbitrator.

For Disputes less than \$10,000.00, the arbitration will be conducted pursuant to the AAA's Procedures for the Resolution of Disputes through Document Submission unless the arbitrator determines that an in-person, telephone or videoconference hearing is necessary. For Disputes \$10,000.00 or greater, arbitration may be conducted in person, through the submission of documents, or by phone or videoconference, and the parties' right to a hearing will be determined by AAA Rules.

Proceedings that cannot be conducted through the submission of documents or by phone or videoconference will take place at a location reasonably convenient for both of us, or if we are unable to agree, at a location determined by the arbitrator.

The arbitrator shall have exclusive authority to resolve any disagreement or controversy relating to the validity, interpretation, scope or enforcement of this Addendum, or any other part or term of this deposit account agreement, or the existence or validity of this deposit account agreement as a whole (subject to the appellate and judicial review rights set forth below). All statutes of limitation, defenses, and attorney-client and other privileges that would apply in a court proceeding shall apply in and to the arbitration. The arbitrator shall apply Massachusetts law to all claims, counterclaims, and defenses. The parties shall not be permitted to seek punitive, consequential, or indirect damages relating under any theory of liability. Judgment upon any arbitration award may be entered in any court having jurisdiction.

The arbitrator's award shall be final and binding on all parties, except for any right of appeal provided by the FAA. However, if the arbitrator determines that the Class Action and Class Arbitration Waiver is invalid, void or unenforceable for any reason, in whole or in part, that determination is immediately reviewable by a court of law, and the parties hereby submit to the jurisdiction of such court for such purpose. The arbitration shall be stayed during the pendency of any such judicial review, including any appeals, requests for rehearing or petitions for certiorari.

**Costs of Arbitration.** If you submit a Demand to the AAA, you will pay the initial filing fee unless you get a fee waiver under the AAA Rules. If we submit a Demand, we pay the initial filing fee. All other fees will be allocated as provided by the AAA Rules and applicable law.

Each party will bear the expense of that party's attorneys, experts, and witnesses, and other expenses, regardless of which party prevails, but a party may recover any or all expenses from another party if the arbitrator, applying applicable law, so determines. Each party will be entitled to recover attorneys' fees in arbitration to the same extent you or we could in court, in accordance with applicable law.

**Preservation of Remedies.** You or we can do the following without giving up the right to require arbitration:

- Seek remedies in small claims court on an individual basis for Disputes within that court's jurisdiction, unless these Disputes are transferred, removed, or appealed to a different court. If so, either you or we can require the transfer of these Disputes to arbitration. Disputes filed in a small claims court are not subject to arbitration, so long as the matter remains in such court and advances only an individual (non-class, non-representative) Dispute.
- Exercise self-help remedies and take measures that do not involve a court or arbitration, including, but not limited to, setting off against your account(s).
- Comply with other contractual or mandatory regulatory procedures before a Dispute may be brought to arbitration.

**Modification.** Notwithstanding our right to amend the terms of this Addendum, arbitration of any Dispute will be conducted pursuant to the terms of this Addendum in effect at such time as we receive Notice of the Dispute, in writing, at the Notice Address listed above. If we make a change to this Addendum (other than address changes), you may reject that change by sending us written notice, within 30 days of the change, to the Notice Address listed above. If you do so, the most recent version of this Addendum that was in effect before the change you rejected will apply. This Addendum shall survive the closing of your account and remain binding on you and your heirs, legal representatives, successors and assigns.

**Severability.** If any term of this Addendum, other than the Class Action and Class Arbitration Waiver, is deemed or found to be invalid, void or unenforceable for any reason, that term shall be deemed severable and shall not affect the validity or enforceability of any remaining term. The Class Action and Class Arbitration Waiver is non-severable and if, following the conclusion of the judicial review process described above, it is deemed or found to be invalid, void or unenforceable for any reason, this entire Addendum shall be null and void.