



MEMBERSHIP AND ACCOUNT AGREEMENT



LIFEFCU.COM

Effective as of November 1, 2018

TERMS AND CONDITIONS

This Agreement covers your and our rights and responsibilities concerning Account(s) offered to you by LiFE Federal Credit Union (Credit Union). In this Agreement, the words “you”, “your” and “owner” means anyone who signs a Membership Application or any other application in connection with the opening of any Account with LiFE Federal Credit Union, any such person or entity who maintains an Account with us, any Joint owner, and any other person or entity authorized to use or having access to any such Account. The words “we,” “us,” and “our” mean the Credit Union. The word “account” means any one or more accounts you have with the Credit Union.

The classification and form of ownership of your accounts is set forth on your Account Card or other account-opening document. By signing an Account Card or other account-opening document, each of you, jointly and severally, agree to the terms and conditions in this Agreement, the Account Card, Funds Availability Policy Disclosure, the Rate and Fee Schedule or the Rate and Fee Schedule for Business and Trust Accounts, as applicable, any Account Receipt, the Credit Union's Bylaws and policies, any other agreements provided to you when your account is opened, and any amendments of these documents from time to time.

In case of any conflict between the terms of this Account Agreement and the Truth-In-Savings Account Disclosures and Rate and Fee Schedule or the Rate and Fee Schedule for Business and Trust Accounts, the terms appearing in the Truth-In-Savings Disclosures or in the Rate and Fee Schedule for Business and Trust Accounts will control. The Truth-In-Savings Account Disclosures and Rate and Fee Schedule and the Rate and Fee Schedule for Business and Trust Accounts, as applicable, are incorporated into this Agreement.

Unless expressly provided in another account agreement, this Agreement supersedes any other account agreements s you may have with us and, in the event of any conflict between the provisions of this Agreement and any other agreement superseded by this Agreement, the terms and conditions set forth in this Agreement will control.

U.S. PATRIOT ACT NOTICE

Important Information About Procedures for Opening a New Account: To help the U.S. Government fight the funding of terrorism and money laundering activities, law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

1. Membership Eligibility.

To be eligible for membership in the Credit Union you must be an individual or organization qualifying within our field of membership and must purchase and maintain at least one share in a primary savings account as required by the Credit Union's Bylaws. You authorize us to check your employment history, and obtain a credit report from third parties, to verify your eligibility for the accounts and services you request.

2. Single Party Accounts.

A single party account is an account owned by one member including any individual, trust, or other organization. If the account is a single party account the interest of a deceased individual owner will pass, subject to applicable law, to the decedent's estate or Payable On Death (POD) beneficiary, 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.

3. Multiple Party Accounts.

An account owned by two or more persons is a multiple party account. If more than one person signs as an accountholder they become joint tenants. Joint tenants share legal ownership of the account.

A. Joint Account with Right of Survivorship. If an account is opened by two or more parties, the account will be a joint or multiple party account with right of survivorship. All funds deposited into that account, including any earnings thereon, shall be owned by you jointly, along with all others who sign the Application, with right of survivorship. On the death of one party to a joint account, all sums in the account on the date of the death vest in and belong to the surviving party(s). Payment to any owner shall be valid and discharge the Credit Union from any and all liability for such payments. The Credit Union may accept instructions from any joint owner or act at the request of any joint owner with regard to any such account without the consent of any other owner, and each joint owner authorizes the other to act on his or her behalf with respect to the account. Any joint owner may pledge all of the shares in the account to secure any indebtedness owing to the Credit Union or may designate the account to provide overdraft protection for any other account, without the consent of any other joint owner and without regard to his or her interest in the account.

B. Multiple Party Account Owner Liability. If any item deposited in a multiple party account is returned unpaid, an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple party account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the multiple party account regardless of who contributed the funds to the account.

In the event that any Account may be accessed by means of Electronic Fund Transfer, including the use of an ATM card issued in connection with the Account or any telephone or computer access program, each Owner grants to every other Owner actual authority to initiate any such transfer, to use any such ATM card issued or to use any Personal Identification Number issued in connection with any such telephone or computer access program. You agree to hold us harmless from any loss or liability in connection with any survivorship designation. You understand that you should consult applicable law or your attorney if you have any question regarding the validity, effectiveness, or fitness of a survivorship designation for any purpose.

A member opening a Joint or Multiple Party Account may, without notice to any other Owner of such Account, and upon written notice to the Credit Union in such form as the Credit Union may require, remove any other Owner from any such Account, change the form of the Account, or stop or vary payment under the terms of the Account. Any such action by that member will terminate any interest that the removed Owner may have in such Account.

4. POD/Trust Accounts.

A Payable On Death (POD) account or trust account designation is an instruction to the Credit Union that an account so designated is payable to the owner or owners during their lifetimes, and upon the death of the last account owner, payable to any named and surviving POD or trust beneficiary designated on your account card. Accounts payable to more than one surviving beneficiary are owned jointly by such beneficiaries without rights of survivorship. Any POD or trust beneficiary designation shall not apply to Individual Retirement Accounts (IRAs), which shall be governed by a separate beneficiary designation.

At our option, payment may be made at the request of any named P.O.D. beneficiary then living, and any payment made upon the request of any surviving P.O.D. beneficiary discharges us from any and all liability to that P.O.D. beneficiary and any remaining P.O.D. beneficiaries or their heirs, executors and personal representatives. You, your heirs, executors and personal representatives, agree to defend, indemnify and hold the Credit Union harmless from any claim asserted by any person or estate as a result of the payment of funds deposited in the Account designated.

5. Accounts for Trusts.

At our option, we may issue shares or receive deposits in a revocable trust subject to such membership requirements as we may impose from time to time in keeping with applicable law. If you request that we open an Account in the name of a trust, you agree that we are authorized to release the funds in any such Account upon the signature of any Trustee. You agree that if we make payment to any Trustee or Successor Trustee, or at the direction of any one of the Trustees or Successor Trustees named, that payment shall be valid and shall discharge us from any liability for the sums paid. You agree that we shall have no fiduciary responsibility or obligation in connection with any such Account beyond our obligations set forth in this Agreement, and that we shall serve solely as a depository for the trust funds.

6. Accounts For Minors.

For any account established by a minor, the Credit Union reserves the right to require the minor account to be a multiple party account with an owner who has reached the age of majority under state law who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid charges or amounts on such account. The Credit Union may make payments of 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 right to access the account. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or any account owner. The Credit Union shall not change the account status when the minor reaches the age of majority, unless authorized in writing.

7. Uniform Transfers/Gifts To Minors Account.

A Uniform Transfers/Gifts To Minors Account (UTTMA/UGMA) is an individual account established by a member as a custodian by depositing funds as an irrevocable gift to a minor. The minor to whom the gift is made is the owner and beneficiary of the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor, and barring a court order otherwise, is the only party entitled to make deposits to, withdrawals from, or close the account. The Credit Union has no duty to inquire of the use or purpose of any transaction by the custodian. In the event of the custodian's death, the Credit Union may place a hold on the account, until it receives instructions from any person authorized by law to withdraw funds or a court order authorizing such withdrawal.

8. Corporation, Partnership and Organizational Accounts.

At our option, we may issue shares and accept deposits in the name of corporations, partnerships or other organizations upon such terms and conditions, and upon such membership requirements as we may establish from time to time. In the event that the Credit Union permits the opening of such an Account, and if you establish a corporate, partnership or organizational Account, you agree to provide us with such

documentation as we may require. You agree that we may rely upon the signature of any person authorized to transact business on behalf of any such corporation, partnership or organization and that any such authorization shall continue in effect until we receive, and give written acknowledgment of the receipt of written revocation thereof. The Credit Union shall not be liable for any loss occasioned by the fraud, negligence or misapplication of funds on the part of any officer, director, employee or agent of any such corporation, partnership or organization.

9. Deposit of Funds Requirements.

A. Endorsements. You authorize the Credit Union, in its discretion, to accept transfers, checks, and other items for deposit into any of your accounts if they are made payable to, or to the order of, any one or more owners on the account, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements of any owners if the Credit Union chooses to supply such endorsements. If, in our opinion, a check requires an endorsement, the Credit Union may require endorsement as set forth on the item. Endorsements must be placed in the space on the back of the check between the top edge and one and a half inches from the top edge. The Credit Union may accept checks with endorsements outside of this space. However, if any such endorsement or any other markings you or any prior endorser has made on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.

You authorize us to pay a check presented for payment even though the signature or signatures thereon do not correspond exactly with the signatures on the Application. We are not obligated to honor a check unless the signature or signatures do correspond exactly with the signatures on the Application. We may recognize facsimile signatures, signatures imprinted by mechanical devices or any authentication, including orders to pay that are received electronically or telephonically. You agree to indemnify and hold us harmless from any losses resulting from our honoring an item which bears or purports to bear a facsimile signature resembling a facsimile signature on file with us, regardless by whom or by what means the actual purported signature was affixed to the item. You agree to such verification procedures as we may implement from time to time. You agree that we may maintain copies of Account records, including copies maintained electronically, in lieu of any original and that any such copy will be considered an original record for any purpose including admissibility in evidence as an original record before any court or administrative agency.

B. Collection of Items. The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. The Credit Union will not be liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence.

C. Final Payment. All items or ACH (Automated Clearing House) transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of such items or ACH transfers or both and impose a return item charge on your account. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

D. Direct Deposits. The Credit Union offers direct deposit options allowing you to preauthorize deposits (i.e., payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits to your accounts in writing. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse any entity for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

E. Crediting of Deposits. Deposits made after the deposit cutoff time and deposits made on Credit Union holidays and on days that are not business days of the Credit Union will be credited to your account on the next business day. Deposits received at unstaffed facilities such as night depositories will be credited on the day the funds are removed and processed by the Credit Union. Any deposits made or payable in foreign currency will be given credit in U.S. dollars when we receive final collection of the item. If a deposit item is not paid, we will reduce your account balance by this amount. In this case, we may charge a "returned check fee" or "NSF (Non Sufficient Funds) draft charge."

10. Account Access.

A. Authorized Signature. In order to access any account, the Credit Union must have an authorized signature of yours on an account card. The Credit Union may recognize any signatures on the account application card. Any fax signature of yours may be held equally enforceable as your genuine signature. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. The Credit Union may pay a check even though signatures do not correspond exactly with those on the application. If you have authorized the use of a facsimile signature, the Credit Union may honor any check that appears to bear your facsimile signature even if it was made by an unauthorized person.

B. Access Options. You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., check, automated teller machines [ATMs], in person, by mail, automatic transfer, or telephone, as applicable). If the Credit Union accepts any check that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the check. The Credit Union may return as unpaid any check that is not drawn on the form provided by the Credit Union. The Credit Union has the right to review and approve any form of power of attorney.

C. Wire Transfers, Automated Clearing House (ACH) Transactions, and Other Payment Order Transactions.

- 1. Governing Regulations.** If you send or receive a wire transfer, Fedwire may be used. Federal Reserve Board Regulation J is the law which covers transactions made over Fedwire. If you are a party to an Automated Clearing House (ACH) entry, you acknowledge and agree that any such entry will be governed by the National Automated Clearing House Association (NACHA) Operating Rules, the Rules of any local ACH, and the Rules of any other system through which the entry was made. Other payment orders you make may be governed by Article 4A of the Texas Business and Commerce Code.
- 2. Notification.** Under NACHA Rules we are not required to give you next day notice of the receipt of a wire transfer or ACH entry and we will not do so. However, we will notify you in your Account Statement.
- 3. Provisional and Final Payment.** If we credit your Account for an ACH entry or wire transfer, the credit is provisional until we receive final settlement for the item. If we do not receive final settlement, or if we credit your Account by mistake, we are entitled to a refund of the amount credited and you agree that, at our option, we may reverse the credit or require that you reimburse us by way of direct payment.
- 4. Identifying Account Numbers.** You agree that we can rely upon any identifying or Account number given to us in connection with any ACH or wire transfer, even if the number identifies a person different than the named beneficiary, or a financial institution different from the named financial institution. You agree that neither we nor any other institution involved in the transaction have a duty to determine whether the number given matches the intended beneficiary or the named financial institution.
- 5. Interest Payable.** Any rate of interest that we might be obligated to pay to you as a matter of law for a delay or incorrect transfer arising out of our error will be the lower of federal funds rate at the time of the correction, or the dividend rate which we pay on the Account to or from which the funds transfer should have occurred.
- 6. Security Procedures.** You agree that we may verify the authenticity of payment orders using our security procedures in place at the time of any such order which may include signature verification, call back procedures, the use of identifying words or numbers and identification via employee ID badge, valid driver's license or other photo identification document.
- 7. Cutoff Times.** International transfers received after 10:00 a.m., and domestic transfers received after 3:30 p.m., on each weekday we are open which is not a holiday may be treated as having been received on the next banking day and processed accordingly.
- 8. Stop Payment of Point-of-Purchase Debit Entries.** You acknowledge and agree that in accordance with the NACHA Rules, a stop payment order must be placed on a point-of-purchase debit transaction at least three banking days prior to the scheduled date of entry in order for it to be effective. A stop payment order must state the precise amount, date, merchant number, originator name and any other information that we may reasonably require. If that information is not provided we will not be responsible if we are unable to stop payment.
- 9. General.** You agree that only our forms, methods, and procedures may be utilized. You also agree that in the event of an error, we may correct any such error without prior approval by you. Any authorization you make to initiate paperless debit or credit entries will remain in effect until we receive written notice from you that your authorization has been revoked, in a manner and in time to provide us with a reasonable opportunity to act on it.

D. Credit Union Examination. The Credit Union may disregard information on any check other than the signature of the drawer, amount of the item and any magnetic encoded information. You agree the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

You agree that it will be your responsibility to verify the accuracy of information appearing on any checks, deposit slips or other forms, and you agree that we will not be liable for any printing errors on any such forms.

11. Account Rates and Fees.

The Credit Union's payment of earnings on your account is subject to the account rates and fees, payment and balance requirement as set forth in the Rate and Fee Schedule. The Credit Union may charge you fees for accounts and services provided by the Credit Union. The fees and charges that may be assessed against your account are set forth on the Rate and Fee Schedule. You agree the Credit Union may change the Rate and Fee Schedule at any time, and you will be notified of such changes as required by law.

12. Transaction Limitation.

A. Withdrawal Restrictions. The Credit Union may permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan with available credit. Checks or other transfers or payment orders which are drawn against insufficient funds will be subject to a service charge, set forth in the Rate and Fee Schedule. If there are sufficient funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient funds in any order at the Credit Union's discretion.

The Credit Union may also refuse to allow a withdrawal in other cases; for example: there is any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal); a legal garnishment or attachment is served; the account secures any obligation to the Credit Union; any required documentation has not been presented; or if you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account of not less than seven (7) days and up to sixty (60) days in accordance with applicable law.

B. Automatic Savings Transfer Limitation. This disclosure specifically applies to your savings accounts. Federal Reserve Regulation D (Reg D) requires the Credit Union to restrict automatic transfers from your savings accounts to six or less per checking statement period. According to the law, transfers from savings completed by telephone and automatic transfers made from savings to your checking account to cover overdrafts count toward your period total.

13. Savings Certificates.

Any savings certificate account allowed by law and offered by the Credit Union, is subject to the terms of this Agreement and the specific terms and disclosure set forth on the Rate and Fee Schedule.

14. Withdrawals.

You may make withdrawals by written order. We will subtract your withdrawals from collected funds first. We may refuse any withdrawal request against uncollected funds.

A. If on any day, the available funds in your Account are not sufficient to pay the full amount of the item posted to your Account plus any applicable fees as stated in the Fee Schedule, we may pay or return the overdraft. We do not have to notify you if your Account does not have sufficient available funds to pay an overdraft. Your Account may be subject to a charge for each overdraft regardless of whether we pay or return the overdraft. For ATM and one-time debit card transactions, you must consent to the Credit Union's overdraft Privilege Pay service plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from the types of transactions.

If we exercise our right to pay an overdraft, we do not agree to pay overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay an overdraft or impose a fee that overdraws your Account, you agree to pay the overdraft amount in accordance with your overdraft protection plan, or if you do not have such a plan with us, in accordance to our overdraft payment policy.

Each party to any of your Accounts will be jointly and severally liable for overdrafts caused by any other party or parties to such Account. In the event that the Credit Union reasonably believes that your use of your Account or Accounts is abusive due to excessive checks drawn or insufficient funds, excessive activity, or otherwise, your Account may be closed.

B. The Credit Union is under no obligation to pay a check, which: (1) was issued more than six (6) months ago; and/or (2) exceeds the balance in the checking account unless this is the type of account which authorizes the payment of overdrafts by: (a) increasing the outstanding loan balance from an approved loan account under this same account number according to the terms of the loan agreement and deposits to this account the proceeds of such loan in any sum necessary (up to maximum stated in loan agreement) to cover the overdrafts. All advances by this method will be in increments of \$100; and/or (b) transferring from your primary savings account (or other pre-approved savings accounts) and depositing to this account such transfer in any sum necessary to cover such overdraft(s) up to the available balance in such savings accounts. Transfers will be in increments of \$100. The fee for overdraft transfers, if any, is set forth on the Rate and Fee Schedule.

C. Privilege Pay (a discretionary overdraft service). We are not obligated to pay any item presented for payment if your account does not have sufficient collected funds. Rather than automatically returning, unpaid, any non-sufficient funds that you may have, if your eligible checking account (primarily used for personal, family and household purposes) has been open for at least ninety (90) days and thereafter you maintain your account in good standing, which includes at least: (1) continuing to make deposits consistent with your past practices, and depositing at least \$300 or more in your account within each thirty (30) day period, (2) you are not in default on any loan obligation to the Credit Union, (3) you bring your account to a positive balance (not overdrawn) at least once every fifteen (15) days, and (4) your account is not subject of any legal or administrative order or levy, we will consider, without obligation on our part, approving your reasonable overdrafts. This discretionary* service will generally be limited to a \$300 overdraft (negative) balance for eligible accounts with a recurring monthly direct deposit of at least that amount, or \$700 overdraft (negative) balance for eligible accounts with a recurring monthly direct deposit of at least that amount. Our customary fees and charges, including without limitation our insufficient funds/overdraft fees as set forth in our current Rate and Fee Schedules, will be

included in these limits and will be charged for each non-sufficient (NSF) item that will or would overdraw your account including, but not limited to, checks, debit drafts (paper), ACH debits, bill pay debits, authorized POS (point of sale) purchases, and Credit Union teller cashed checks.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You may be notified of any non-sufficient funds items paid or returned that you may have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts plus our in-sufficient funds/overdraft fees that you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner of the signature card, each owner, and agent if applicable, drawing/presenting the item creating the overdraft, shall be jointly liable for such overdrafts plus our in-sufficient funds/overdraft fees.

D. Member Opt Out. You or a joint owner on your account may choose at any time not to participate in our Privilege Pay service by notifying us. This Opt Out request will remain in effect until you or your joint owner on the account requests that Privilege Pay be added to the account. In the event of conflicting requests for the checking account owners, we may decline to extend the Privilege Pay service.

***Limitations:** We may limit the number of accounts eligible for the Privilege Pay service to one account per household. In addition, this service does not constitute an actual or implied agreement between you and the Credit Union. This service represents a purely discretionary courtesy or privilege that the Credit Union may provide to you from time to time and which may be withdrawn or withheld by us at any time without prior notice or reason or cause.

15. Postdated, Staledated, Incomplete and Conditional Items.

You agree to hold us harmless from any and all loss and liability which we may incur due to our inadvertent payment of incomplete or postdated items, items endorsed "without recourse," or conditional items. You authorize us to accept and pay any check without regard to the date of the check even if the check is presented for payment before its date, unless you notify the Credit Union of the postdating. We are under no obligation to pay a postdated or staledated check, one that is presented more than six (6) months after issue date.

16. Stop Payment.

You may stop payment of items drawn on your accounts. You agree to hold us harmless from any claim, loss, damage or expense incurred, including attorney's fees, by virtue of our refusing payment of any item on which you have stopped payment, as well as for payment of any item after your stop payment order has expired. A stop payment order will be effective for six (6) months and may be renewed upon a request made in writing to us. A stop payment order, a renewal of any such order, or a revocation of any such order shall not be effective unless it is delivered to us in writing. Further, a stop payment order, renewal or revocation shall not be effective until we have had a reasonable opportunity to act on any such order. We will not be liable for the payment of an item over a stop payment order if the order is received after 10:00 a.m. on the next banking day after the banking day on which we received the item. A stop payment order must state the amount, date, check number, name of payee and any other information that we may reasonably require. If that information is not provided, we will not be responsible if we are unable to stop payment. If we honor an oral stop payment order, it will only be binding for twenty-four hours (24) hours after which it must be renewed in writing. Any stop payment order, renewal or revocation will incur a charge which is set forth on the Rate and Fee Schedule. You agree that we may honor a stop payment order, revocation or renewal if made by any person who is authorized to transact business relating to the account. You agree that we will not be liable for any inadvertent payment of any item, notwithstanding a stop payment order, if we have used ordinary care and followed our usual practices in handling such an order. If an item is inadvertently paid over a valid stop payment order, you agree that we are not required to recredit your account until, in our discretion, you prove to us that you have suffered a loss, and you establish the amount of the loss. You agree that we will never be liable for more than your actual loss and that we will not be liable for any consequential damages. If we do recredit your account after paying an item over a valid stop payment order, you will take whatever action we deem necessary to transfer to us all of your rights against the payee or holder of the item and to assist us if we take legal action against the payee or any other person. For information concerning your right to stop payment of preauthorized electronic fund transfers, please refer to the Electronic Fund Transfers Disclosure which appears below. You may not stop payment of transactions initiated through the use of an ATM card or similar device used at an ATM or a point-of-sale terminal.

17. Lost or Stolen Cashier's Check or Credit Union Check.

If you or a third party payee claims that he/she has the right to payment on a cashier's check or credit union check which is lost, destroyed or stolen, this person will be a claimant who will be required to give the Credit Union a written notarized declaration of loss. The declaration must state that the claimant lost possession of the check; that the claimant is the drawer, remitter or payee of the check; that the loss of possession was not the result of a transfer by the claimant or a lawful seizure; and that the claimant cannot reasonably obtain possession of the check because the check was destroyed, its whereabouts cannot be determined or it is in the wrongful possession of an unknown person or persons who cannot be found or is not amenable to service of process. The claim becomes enforceable the 90th day following the date of the check or the time of the claim, whichever is later.

18. Credit Union Liability.

Except for losses caused by our failure to exercise ordinary care or our failure to act in good faith, you agree that we will not be liable for any action or inaction regarding the payment or nonpayment of items, collection of items, other withdrawals or the transfer of funds in satisfaction of overdrafts. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

19. Contractual Lien.

In addition to any lien we have as a matter of law, you grant us a contractual lien on all shares and dividends in any account in which you have an interest to the extent of any loans made to you and any other obligation of yours which you owe to us, which lien secures repayment of any such loan or obligation. You agree that, if any such account is a joint account, the entire amount in such account shall be subject to our lien and shall secure the indebtedness of each joint owner owing to us. You agree that we may exercise our lien and apply the entire amount in any such account against the indebtedness of any joint owner owing to us notwithstanding the interest of any other joint owner in the account, and without notice. You agree to hold us harmless for expenses and costs, including attorney's fees, which we may incur in enforcing our right to exercise our lien against the indebtedness of any one or more joint owners, and you agree that we will not be liable for dishonoring checks or other items where the exercise of our lien or any right of offset which may exist results in there being insufficient funds in the account to honor such items. If we cash a check for you and any such check is subsequently returned unpaid for any reason, you agree that we may charge the amount of the item against your Account. If we elect not to enforce our lien at any time, we do not waive our right to enforce that lien on subsequent occasions. The lien secures all direct and indirect indebtedness which you may owe to us whether as a borrower, co-maker, guarantor or otherwise. You agree that, with regard to any indebtedness owing to us secured by your principal residence, our lien shall not be construed so as to permit the modification of any claim we may have under 11 U.S.C. §1322(b)(2), and to the extent that this lien is so construed, it shall be void.

20. Legal Process.

If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may pay out funds according to the terms of the levy. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law.

21. Dispute Resolution.

The Credit Union may freeze an account if a dispute exists between parties to the account, if a party is incompetent to manage his or her affairs, if there are competing claims to the money or deposit in the account(s), if the Credit Union is in doubt regarding the party's interests or in matters of pending probate, divorce or other legal situations, if we suspect that fraudulent misconduct is or has taken place or, if we are notified that a party to an Account has died. In these instances, the Credit Union will disallow all access to the account until the parties provide written agreement resolving the dispute or competing claim or until a written court order or other written legal resolution is provided to the Credit Union proving competence or otherwise resolving the dispute in question. The Credit Union is not obligated to recognize any power of attorney. The Credit Union may also recover any costs or fees associated with a dispute resolution. You agree, further, that the Credit Union may impose withdrawal limitations on any of your Accounts at any time, including your ability to access your Accounts electronically or otherwise, if you are delinquent under any obligation you owe to the Credit Union.

22. Account Information.

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (1) it is necessary to complete the transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure is in compliance with the law, government agencies or court orders; (4) you give us your written permission; or (5) it is necessary for the purpose of maintaining, processing or servicing of an account you have with the credit union. We may, however, report information about your account(s) to credit bureaus due to late loan or VISA payments, missed loan or VISA payments or other defaults on any of your account(s).

23. Notices.

A. Name or Address Changes. It is your responsibility to notify the Credit Union in writing upon a change of address or change of name. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth on the Rate and Fee Schedule.

B. Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in terms, rates, or fees as required by law. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

C. Effect of Notice. Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is mailed to you at your statement address. Notice to any one account owner is considered notice to all owners of the account.

24. Taxpayer Identification Numbers and Backup Withholding.

We must withhold a required percentage of taxable interest, dividends and certain other payments as set forth by the Internal Revenue Service (IRS) if you fail to furnish us with the correct taxpayer identification number or if you have been notified by the IRS that you are subject to backup withholding due to payee under reporting. For most individual taxpayers, the taxpayer identification number is the Social Security number.

25. Statements.

A. Contents. You will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. You agree that only one statement is necessary for a multiple party account. For savings or checking accounts, you understand and agree that, when paid, your original check becomes property of the Credit Union and will not be returned to you, but copies may be retained by us or our item processing institution and made available upon your request. The fee, if any, for copies of a paid check is set forth in the Rate and Fee Schedule. The Credit Union will provide two free check copies per statement upon request.

B. Examination. You are responsible for promptly examining each statement and reporting any irregularities to the Credit Union. Any objection that you may have with respect to any item shown on a statement will be waived unless made in writing to us. The Credit Union will not be responsible for any forged, altered, unauthorized items drawn on your account including missing signatures or endorsements, material alterations, any missing or diverted deposits or any other error or discrepancy if: (1) you fail to notify the Credit Union within thirty (30) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the authorized use of a facsimile signature machine. The Credit Union does not routinely examine items because of automated check processing. The Credit Union will never be liable if your or any party's negligence substantially contributed to alteration or forgery.

C. Notice to Credit Union. You agree that the Credit Union's retention of checks does not alter or waive your responsibilities to examine your statements or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charge to your account unless you notify the Credit Union in writing within the above time limit for notification of errors. You agree that no legal action may or will be instituted by you against us seeking the recovery of any alleged loss as a result of the payment of a forged, unauthorized or altered item, or as a result of any missing or diverted deposit, or due to any other error or discrepancy unless you have provided us with the notice within the period prescribed above and any such legal action shall have been instituted within two years after the date that the statement containing any such error was mailed or otherwise made available to you.

D. Electronic Communication. You expressly agree that we may send any required disclosures or other information to you by electronic communication. The term "electronic communication" means a message transmitted electronically in a format that allows visual text to be displayed on electronic equipment such as a personal computer monitor.

26. Inactive Accounts.

We are required by law to preserve an Account that is inactive. An Account is inactive if for more than one year there has not been a debit or credit to the Account because of an act by you or your agent (other than us) and you have not communicated with us. An Account is presumed abandoned if (a) the Account has been inactive for at least five years from the date of your last transaction on the Account or your last correspondence with us, and (b) we are unable to locate you. If an Account is presumed abandoned, we are required to report the abandonment and to pay the funds in the Account to the State. The fee, if any, assessed against inactive or abandoned accounts will be set forth in the Rate and Fee Schedule.

27. Special Account Instructions.

You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask the Credit Union to follow any instructions that the Credit Union believes might expose it to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to indemnify the Credit Union or post a bond or other protection. Account changes requested by you must be in writing.

28. Withdrawal of Services.

In the event that any Credit Union member causes us a loss or makes known his or her intention to cause us a loss, whether by way of loan default, Account overdraft, or otherwise, or in the event that any Credit Union member has been abusive in the conduct of his or her affairs with the Credit Union, it is our policy to withdraw member services otherwise extended to that member including, but not limited to, the right to

maintain Accounts, the right to payment of dividends, and the availability of electronic fund transfer services including pre-authorized transfers, telephone access services, and ATM services. Unless expelled from membership, members have a right to maintain a Primary Savings Account and to vote in annual and special meetings. Under certain circumstances, services may be reinstated if any loss caused to the Credit Union is subsequently cured.

29. Account Closure.

You may close your account at the Credit Union after giving written notice provided you have no outstanding loan or fee balances owed to the Credit Union. We may close an Account at any time and disburse funds on deposit in any such Account to the Owners of the Account or in satisfaction of any obligation owing to us, in any manner we deem appropriate, if (a) we believe that we may suffer a loss if the Account is not closed or we believe that the volume of Account activity exceeds that which we can reasonably and safely process, (b) we determine that any party to the Account or claiming interest in the Account has been abusive in the use of the Account or in the conduct of his or her affairs with the Credit Union, or (c) there has been a change in Account ownership or a change with regard to the persons authorized to sign on the Account.

30. Death or Incompetence of Account Owner.

The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union is notified of member's death or of an adjudication of incompetence. Once the Credit Union is notified of a member's death or incompetence, the Credit Union may pay checks or honor other payments or transfer orders authorized by the deceased or incompetent member for a period of ten (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the checks or other items. You agree the Credit Union can require that anyone who claims funds in your account after your death indemnify the Credit Union for any losses resulting from honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

31. Severability.

In the event that any portion of this Agreement is held by a court to be invalid or unenforceable for any reason, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect.

32. Enforcement.

You agree to be liable to the Credit Union for any loss, cost or expense that the Credit Union incurs as a result of your failure to follow this Agreement. You authorize the Credit Union to deduct any such loss, costs or expenses from your account without prior notice to you. In the event the Credit Union brings a legal action to enforce the Agreement or collect any amount due under this Agreement, the Credit Union shall be entitled, subject to applicable law, to payment of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

33. Amendments.

We may amend rules and charges at any time. Before doing this we will give you a notice. Notice may be given by posting the changes in our office, enclosing the notice in a statement for this account, mailing the notice to you, or through electronic communication.

34. Governing Law.

This Agreement is governed by the Bylaws of the Credit Union, 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. To the extent permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union's main office is located.

