



Municipal Credit Union
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MEMBERSHIP AND ACCOUNT AGREEMENT

This agreement covers the rights and responsibilities of both parties concerning accounts we offer. In this Membership and Account Agreement ("Agreement"), the words "you" and "yours" mean anyone who signs a Membership and Account Application, Signature Card, Account Update or Change Card, or similar document (collectively referred to as "Signature Card"). The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share or other accounts you have with us. The word "savings" means any share account you have with us. The word "checking" means any share draft account you have with us.

This Agreement explains the rules governing your membership and accounts with us. It is supplemented by the other agreements that you enter into when you open your accounts, such as the Funds Availability Policy and the Electronic Funds Transfer Disclosures, and others. All your agreements and transactions with us are also governed by various applicable federal and state laws and regulations. It is the intent of this Agreement to provide disclosures that we are required by law to give you; to vary by agreement certain aspects of certain transactions that are permitted by law to be varied; and to establish terms and conditions of certain transactions that are not governed by any particular law or regulation.

By signing the Signature Card and/or by continuing to use the accounts and services provided by us, each of you, jointly and severally, agree to the terms and conditions in this Agreement, the Signature Card; the Rates and Fees Schedule; any Account Receipt or similar document; and Certificate, Certificate Summary or similar document; our By-Laws, Member Code of Conduct, and policies; and any amendments to these documents from time to time which collectively govern your Accounts. All such documents are hereby incorporated by reference as if fully set forth herein.

APPLYING FOR MEMBERSHIP AND OPENING ACCOUNTS

Membership Eligibility; Application: To open accounts at the Credit Union, you must qualify under our approved field of membership and otherwise meet the membership requirements. This includes an initial deposit of an amount equal to one share in the Credit Union, which amount is set forth on the Signature Card, and maintaining at least that amount, in your primary savings account. Your membership will terminate if you close this account. You agree to complete a Membership Application and you authorize us to check your account, credit, and employment history, and obtain reports from third parties (including credit reporting agencies) periodically to verify your eligibility for membership and the accounts and services you request.

The Credit Union is owned and controlled by its members. You become an owner by meeting the membership eligibility requirements and by depositing the required shares. Your membership will be considered withdrawn if (1) you fail to complete payment of one share within six months of your admission to membership or within six months from an increase in the par value of shares; or (2) you reduce your share balance below the par value of one share and you do not increase the balance to at least the par value of one share within six months of the reduction. Upon qualifying as a member and remaining in good standing, you have certain rights as governed by this Agreement, our By-laws, Member Code of Conduct, and applicable law, including the right to apply for Credit Union services and accounts and to vote in elections. of shares you own. Shares may be issued in the name of an individual, jointly, or in other ways (e.g. in trust, or in the name of a minor) in accordance with our By-Laws and policies.

Member Identification Program: To help the government fight the funding of terrorism and money laundering activities, as well as to protect you from Identity Theft, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. This means that we will require you to provide, and we will verify, certain information about you when opening an account, in accordance with the requirements of the USA Patriot Act and the Bank Secrecy Act. This will include producing a government-issued picture ID. We may also ask for picture ID, passwords, PINs, or other means of identification and authentication whenever you initiate any transaction with us. We may refuse to open any account or to grant any request if you fail to provide adequate identifying or authenticating information, or we have a good-faith cause to believe that you are not the person you are purporting to be or are otherwise not authorized to open the account or initiate the transaction, and we will not be liable for any loss or expense you may incur due to our refusal. For identification purposes, we may also require you to provide your fingerprints at the time of account opening or at the time you negotiate certain checks.

You will also be required to provide a taxpayer identification number (TIN) or social security number, to be used for this purpose and for subsequent regulatory reporting. We may also request from time to time, and you agree to provide, additional documentation depending on the type of account or service requested. Failure to furnish a correct TIN or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may refuse or suspend opening your account.

Your Consent to Receive Calls and Text Messages: You agree that if you provide, or have provided, any telephone number(s), including a cell phone number, on your membership application, other MCU's forms and transactions with MCU or verbally, you are giving MCU your consent to contact you at such telephone number(s) to service your loan and/or deposit accounts, communicate the status of your Accounts or applications and/or collect any amounts owed to us; whether these numbers are dialed manually or by means of an automatic telephone dialing system. You further agree methods of contact may include use of pre-recorded or artificial voice messages. These phone calls/text messages could result in charges and fees imposed by your mobile service provider. You may revoke consent to be contacted on your wireless telephone number(s) at any time by notifying MCU by letter addressed to: Municipal Credit Union, P.O. Box 3205 CSS, New York NY 10008-3205, Attn: Collections (Opt-Out); or by any other reasonable means. You represent and agree that you are the subscriber or customary user with respect to the cell phone number(s) provided and that you have the authority to give this consent. You agree to promptly notify us of any change to the telephone number(s) which you have provided to us.

Fraud and Identity Theft Related Calls and Text Messages: To help mitigate harm to you and your Accounts, we may contact you on any telephone number associated with your Accounts, including a wireless telephone number (i.e. cell phone number), to deliver to you any messages related to suspected or actual fraudulent activity on your Accounts, data security breaches or identity theft following a data breach, money transfers or any other exigent messages permitted by applicable law. These contacts will not contain any telemarketing, cross-marketing, solicitation, advertising, or debt collection message of any kind. The contacts will be concise and limited in frequency as required by law. You will have an opportunity to opt-out of such communications at the time of delivery. You further agree methods of contact may include use of pre-recorded or artificial voice messages, and/or use of an automatic dialing device.

Consensual Pledge of Shares; Security Interest; Consensual Lien; Statutory Lien; Right to Set-off; Administrative Freeze: By signing the Signature Card or any other deposit or loan agreement or similar document granting a pledge or security interest in your shares, and/or by accessing, using, or otherwise accepting any funds, accounts or services, you grant the Credit Union, and we impress, a lien on your shares in the Credit Union. You also grant the Credit Union a security interest in such accounts to secure payment of any deposit obligations you owe (e.g., overdrafts, fees, etc.) and any loan or credit card obligations you owe, as well as any expenses we incur in connection with your accounts and services, including reasonable attorney's fees. You acknowledge and agree that we also have similar statutory lien rights in your shares under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze. However, the common law right to set-off does not apply to your credit card account(s).

"Shares" and "share accounts" means any and all funds, regardless of the source of those funds, in any joint or individual share savings account(s), checking/share draft account(s), club, certificate, P.O.D, revocable trust or custodial account(s) or any other account whether jointly or individually held and whether your obligation under the account(s) is direct, indirect, contingent or secondary and whether held now or in the future. Your pledge and our lien rights do not include any IRA, Keogh or other account which would lose special tax treatment if pledged, or any irrevocable trust or fiduciary account in which you do not have vested ownership interest.

You understand and agree that these rights allow us to apply the funds in your share accounts to any obligations owed to us if you default or fail to pay or satisfy any obligation to us, and we can do so without any legal process, court proceeding or any notice to any owner of the share accounts affected hereunder or otherwise in this Agreement, unless applicable law so requires. **You specifically agree that we have the right to place an administrative freeze on any of your share accounts** subject to applicable law, and such action shall not violate 11 USC 362 or other applicable law. You understand that these rights are multiple and we can exercise one or all of them pursuant to applicable law. Exercising one right does not waive the right to exercise others. Any payment to any joint owner, beneficiary, or other party for any reason shall be subject to our security interest, consensual lien, and right to set-off.

By signing the Signature Card or any other deposit or loan agreement or similar document granting a pledge or security interest in your shares, and/or by accessing, using, or otherwise accepting any funds, accounts or services, you grant the Credit Union, and we impress, a lien on your shares in the Credit Union. You also grant the Credit Union a security interest in such accounts to secure payment of any deposit obligations you owe (e.g., overdrafts, fees, etc.) and any loan or credit card obligations you owe, as well as any expenses we incur in connection with your accounts and services, including reasonable attorney's fees. In the event that we exercise this right, we shall provide you with notice. You acknowledge and agree that we also have similar statutory lien rights in your shares under the Federal Credit Union Act and/or applicable state law, as well as the common law right to set-off and administrative freeze. However, the common law right to set-off does not apply to your credit card account(s).

CROSS-COLLATERALIZATION: Property and/or shares given as security under any deposit, loan, or credit card accounts or services you have with the Credit Union will secure any and all obligations under such accounts or services as well as any account owner's joint or individual obligations to us, now or in the future, whether direct, indirect, contingent or secondary and arising from any loan or credit agreement. This clause does not apply if such property is your primary residence, or are non-purchase money household goods.

CREDIT CARD ACCOUNTS: IF YOU HAVE A CREDIT CARD ACCOUNT WITH THE CREDIT UNION, YOU SPECIFICALLY AGREE THAT THE SECURITY INTEREST, CONSENSUAL LIEN, AND CROSS-COLLATERALIZATION CLAUSES ALSO APPLY TO THAT CREDIT CARD AND THAT GRANTING THESE RIGHTS TO US IS A CONDITION OF OBTAINING THE CREDIT CARD ACCOUNT.

TYPES AND OWNERSHIP OF ACCOUNTS

We offer a variety of deposit and transaction accounts for which you may apply, including savings, checking, and money market accounts which have no particular term or maturity date associated with them; and Share Certificate and Term Share Accounts, which must be maintained for a particular amount of time. Requirements of the accounts such as term, minimum opening deposit or minimum balance requirements, fees, and penalties are set forth in detail in your Truth-in-Savings Disclosure; Rates and Fees Schedule; this Agreement; and other agreements that you may have with us. Ownership of the accounts may be held in a number of ways, such as individually, jointly, in trust, etc. Your account type(s) and ownership features are designated on your Signature Card at the time you open the account.

Not all accounts or services may be offered at any given time. We may occasionally offer enhancements or additional benefits to certain accounts or services such as purchase awards or travel accident insurance or other features at no additional cost to you. These features are offered solely at our discretion and can be changed or discontinued at any time with no prior notice to you.

The following describes the types of accounts that are generally available at the Credit Union. All accounts may not be offered or available at any given time.

Savings, Checking, and Money Market Accounts: You may open and close one or more share or savings accounts, checking accounts, or money market accounts, and may periodically deposit and withdraw funds from those accounts via access methods made available to you from time to time, including, but not limited to, share draft/checks, ATM Cards; checkcards or debit cards; telephone; in person; on-line banking or internet; and electronic funds transfers ("EFTs") such as ACH, direct deposit, or preauthorized transfers. All transactions are subject to and in accordance with this Agreement and all other agreements you have with us, including, but not limited to, the Funds Availability Policy; Truth-in-Savings Disclosure; Rates and Fees Schedule; and EFT Agreement and Disclosures.

Share Certificate and Term Share Accounts: Certificate and Term Share accounts have stated Maturity Dates, and funds in those accounts are subject to penalty if withdrawn prior to the Maturity Date. Exact terms of the particular account such as Maturity Date;

Annual Percentage Yield; early withdrawal penalty fees; whether the account automatically renews; and other information will be provided at the time you open the account. If you maintain sufficient funds in the account for the full term in accordance with your Agreements, at the end of the term we will pay you the principal amount you deposited, plus dividends or interest on account earnings in accordance with this Agreement. If you withdraw all or part of your funds from this type of account before the certificate account matures, we will charge you an early withdrawal penalty. That penalty is generally deducted from the interest that has accrued on the account but may be deducted from the principal, particularly if a sufficient amount of interest to pay the penalty has not accrued. We may at our sole discretion grant you permission to withdraw funds early; if such permission is granted, it will be granted only at the time you request an early withdrawal.

Unless otherwise stated when you open the account, an automatically renewing account shall renew at each maturity date for a period of time equal to the original term and on the same conditions as the original account. The interest or dividend rate applicable to the renewal term shall be that rate that is applicable to new account on like terms in effect at the time the account renews. You can prevent an automatic renewal by providing us written instructions to the contrary or withdrawing funds after the maturity date on or within the time period disclosed on your Truth-in-Savings disclosure. If funds are withdrawn after the maturity date within the time period, no penalty will be assessed. We may call an automatically renewing account for payment at the end of the original term or any renewing term, and any interest or dividends added to it for compounding will stop earning interest or dividends on the effective date of the call.

If the account is not automatically renewing, no interest or dividends will be earned after the stated maturity date. We will send you a notice on or before the maturity date of your account(s) advising you of the upcoming maturity date and the options available to you.

Club Accounts: Club accounts are deposit accounts that help you save for holidays, vacations, or other special purposes. At the end of the club period, the funds in the club account will be automatically transferred to the account that you designate. Automatic payments may be required during the period and there may be fees for withdrawing funds during the club period. Details will be disclosed on the Rates and Fees Schedule.

IRA/Keogh and Coverdell Education Savings Accounts: IRA accounts are individual retirement accounts and Coverdell ESA accounts are used to save for your child's college education. These accounts may be in the form of share certificates, money market accounts, or other type of account. There may be restrictions on contributions, withdrawals, and other features of the accounts according to Federal law and guidelines. Funds may be tax deductible and/or tax-deferred. We do not provide tax advice; you should consult with a qualified tax advisor regarding any funds you may have in these accounts. You may be required to sign a separate agreement upon opening these accounts.

Interest- or Dividend-Bearing Accounts: Some of the accounts available earn interest or dividends while others do not. If the account is an interest- or dividend-bearing account, disclosures and terms regarding accrual, crediting, and compounding will be provided in the Rates and Fees Schedule or similar document at the time you open your account.

The following describes the types of ownership by which an account may be held.

Individual Accounts: An individual or single-party account is an account owned by one person, including an individual, or other organization qualified for Credit Union membership. If the account owner dies, the owner's interest passes, subject to applicable law, to the decedent's estate or Payable on Death (POD) beneficiary or trust beneficiary, subject to other provisions of this Agreement and applicable law.

Joint or Multiple Party Accounts: An account owned by two or more persons is a multiple party account. Unless your Signature Card specifically states otherwise, multiple party accounts are held in joint tenancy with the right of survivorship.

- All deposits (and any additions or accruals thereto) shall become the property of each owner as joint tenants.
- We may release the entire account to any owner during the lifetime of all owners.
- We may honor checks or orders drawn by any owner during the lifetime of all owners, unless we receive written notice signed by any owner not to pay or deliver any joint deposit (or addition or accrual thereon). If we receive such a notice, we may require the written authorization of any or all joint owners for any further payments or deliveries.
- We may honor withdrawal or funds transfer requests from any owner during the lifetime of all owners.
- We may honor any request to block or terminate any account service or access device.
- Any owner may pledge to us all or any part of the shares without the consent or knowledge of the other owner(s).
- If we receive a court order or similar legal process, we may be required to remit funds in the account to satisfy a judgment or debt of any owner of the account.
- Upon the death of any owner, we may treat the account as the sole property of the surviving owner(s).
- We may honor checks or orders drawn by, or withdrawal requests from, the survivor(s) after the death of any owner.
- A surviving owner's interest is subject to our statutory lien rights, consensual lien rights, the right of set-off, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.
- We reserve the right to require all owners to sign the Signature Card.
- We have no duty to notify any owner(s) about any transaction.
- We reserve the right to require written consent of all owners for any change to or termination of an account.
- If we receive written notice of a dispute between owners or inconsistent instructions from them, we may follow any or none of the instructions. Alternatively, we may suspend or terminate the account and require a court order or written consent from all owners to act.
- One owner may not remove another owner.
- We may be required by service of legal process to remit funds held in the account to satisfy a judgment entered against, or other valid debt incurred by, any owner of the account. We shall not be liable to any owner if we in good faith act upon a valid court order from a court of competent jurisdiction.
- We will not be liable if we in good faith refuse to act upon a court order or any instruction from any owner.
- All owners will be individually and jointly liable for any expenses, fees and costs that we incur in connection with any dispute regarding the account. This includes reasonable attorney's fees. This is so whether the dispute is started by an owner or third party. By signing the Signature Card, each of you authorizes us to take these expenses from any of your account(s) without prior notice to you.
- If a deposited item is returned unpaid, the account is overdrawn, or if we do not receive final payment on a transaction, all owners, individually and jointly, are liable to us for the amount of the returned item, overdraft, or unpaid amount. You are also liable for any fees or expenses that we incur, including reasonable attorney's fees, regardless of who initiated or benefited from the transaction.

- If any account owner is indebted to us, we may enforce our rights against any account of any owner or against all funds in the multiple party account regardless of who contributed them and to what extent.

CONVENIENCE ACCOUNTS: If an account is a convenience account within the meaning established under Section 678 of the New York Banking Law, it is understood and agreed that the initial deposit, and any additions or accruals thereto, are the property of the owner individually and, as such, only the owner may request that the account be closed during his or her lifetime. We will not treat the account as the property of the other named person during the lifetime of the owner nor after the death of the owner. Upon the death of the owner, the other named person on the account shall have no right of survivorship in the account. However, we may honor withdrawal requests from either the owner or the other named person during the lifetime of the owner, even if the request(s) reduce the account balance to zero. Prior to receiving written notice of either the owner's death (and for such reasonable time thereafter as shall enable us to act), or the owner's instructions not to pay any monies in this account to the other named person on the account, we may honor, and will not be responsible for continuing to honor checks or other orders drawn by or, withdrawals by the other named person. After receipt of such instructions, we may require the written authorization of the owner for any further payments or deliveries. We may be required by service of legal process to remit funds held in the convenience account to satisfy a judgment entered against, or other valid debt incurred by, the owner of the convenience account but not the other named person or persons except as otherwise ordered by a court of competent jurisdiction. Upon the death of the owner and prior to service upon us of a restraining order, injunction or other appropriate process from a court of competent jurisdiction prohibiting payment and for such reasonable period thereafter as shall enable us to comply, we may make payment to the executor, administrator or voluntary administrator as defined in article 13 of the Surrogate's Court Procedure Act of the deceased owner's estate or to any person designated in section 1310 of the Surrogate's Court Procedure Act.

Payable on Death (POD) Accounts: A Payable on Death (POD) account is an instruction to us that a single or multiple party account so designated is payable to the owner(s) during their lifetimes and, when the last account owner dies, is payable to any named, living POD beneficiary. Sums payable to more than one surviving beneficiary shall be distributed equally to each beneficiary, and any living beneficiaries shall be entitled to the other's interest upon that beneficiary's death in equal proportions, unless the terms of the trust provide otherwise. Any POD beneficiary designation shall not apply to Individual Retirement Accounts (IRAs), which accounts are governed by a separate account agreement and beneficiary designation. We are not obligated to notify any beneficiary of the existence of any account or the vesting of the beneficiary interest in any account, except as otherwise provided by law. Any owner may change any beneficiary designation upon written notice to us, on a form approved by us.

Death of Account Holder without Beneficiary: If there is no designation of a beneficiary, we may be limited by New York law as to amount, manner, and to whom we may pay any amounts held in the Credit Union. In such instances, we will follow New York law and will not be held liable for doing so. Please also review Death or Incompetence of Account Owner herein for more information.

Accounts for Minors: We reserve the right to require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or other amounts owing on such account. We may require the minor to sign the Signature Card if she is so capable; otherwise, the adult shall sign the Signature Card on behalf of the minor, as well as in his own capacity. We may pay funds directly to the minor without regard to her age. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority, unless authorized in writing by all account owners.

Uniform Transfers to Minors Account (UTMA): An account established under the Uniform Transfers to Minors Act (UTMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The account is governed by the applicable UTMA law adopted in the state in which the account is held. The minor to whom the gift is made is the beneficiary of the custodial property in the account and as such, the funds in the account belong to the minor. 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, withdrawals, or close the account. We have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by the custodian. If the custodian dies, we may place an administrative freeze on the account, until we receive instructions from any person authorized by law to withdraw funds or a valid court order authorizing withdrawal. Any successor custodian must provide us with, and complete all, written documentation to our satisfaction that authorizes such custodian to act legally on behalf of the minor and ensuring that all applicable laws have been followed. It is agreed that the custodian may be the minor's legal guardian if so established under New York law. We will accept and follow instructions as allowed by New York law. When the beneficiary reaches the age of majority, the funds may be paid or withdrawn by the beneficiary without further notice or action by us, and we will not be liable for any disputes arising from such withdrawal. The account will otherwise terminate and be distributed in accordance with applicable law.

TRANSFERS OR DEPOSITS TO YOUR ACCOUNT(S)

Deposit and Collection of Items: You may make deposits to any account, in any manner approved by us including, but not limited to, in person, by mail, by electronic transfer, direct deposit, or any other method made available, such as by night deposit box or Automated Teller Machine (ATM). We are not responsible for any deposit made by mail or through a depository not staffed by us until we actually receive the item. If a check, draft or other item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. All transactions are subject to our Funds Availability Policy, and related applicable laws.

Direct Deposits: We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

Crediting of Deposits: Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

Liability: In receiving and processing items for deposit or collection, we act only as your collection agent and we assume no responsibility beyond our obligations of good faith and ordinary care. We exercise ordinary care if our actions or inactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices

followed in the area we serve. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection and any items and their proceeds will be handled in accordance with applicable Federal Reserve and Clearing House rules and other applicable law.

If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account exceeds funds available for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your negligence or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential or special damages, except liability for wrongful dishonor. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict will be resolved by reference to this Agreement.

Endorsements: We may accept transfers, checks, drafts, and other items for deposit into any of your accounts even if they are not endorsed by all payees. If you fail to properly indorse an item, you authorize us to supply any missing endorsement, but we are not required to do so. We may require that certain government checks, insurance company items, or other check or draft be personally indorsed by each and all payees. Endorsements must be made on the back of the share draft or check within 1 1/2 inches from the trailing edge, although we may accept endorsements outside this space. You agree to reimburse us for any loss or expense we incur resulting from an irregular endorsement or other markings by you or any prior endorser.

Charge-back; right of set-off: All items including checks, Automated Clearing House (ACH) transfers or other transfers credited to your account are provisional until we receive final payment. We may charge-back, or debit, your account for the amount of such items under the following circumstances: (1) if final payment is not received; or (2) if, within the normal handling period for such item, the item cannot be honored against the drawer's account; or (3) if a deposited item is returned to us by the financial institution on which it is drawn, even if that financial institution failed to return the item before its midnight deadline; or (4) any other circumstances allowed by law. We may charge-back your account regardless of whether the other financial institution returned the item before its midnight deadline. You further authorize us to pursue collection of previously dishonored items, and you acknowledge that this may permit the payor bank to hold an item beyond the midnight deadline. When charging-back your account, we may also charge your account with a return item charge and any collection fees or expenses, including reasonable attorney's fees. You acknowledge and agree that we may charge-back your account even if it causes your account to exceed funds available, and you agree to replenish the funds in your account and to pay any and all overdraft, return, or non-sufficient funds fees and charges. You specifically agree that we may exercise our security interest and right of set-off against any other deposit accounts that you have with us to recover any of these amounts.

Foreign banks: We reserve the right to refuse or return any item or funds transfer. Items drawn on an institution located outside the United States are handled on a collection basis only.

Waiver of notice: You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account.

TRANSFERS OR WITHDRAWALS FROM YOUR ACCOUNT(S)

Account Access; Honoring Items; Limitations: You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., by writing a check; using an ATM or debit card at point-of-sale or at an automated teller machine; in person; by mail; by automatic or preauthorized transfer, ACH, electronic transfer; by telephone or on-line banking or bill pay services, or other means made available to you). If the transaction request is made by remote means such as telephone, we are not responsible for any request or order that we believe to be genuine; we can also refuse to honor such request or order if we in good faith do not believe it to be genuine or have reason to doubt the identity or authentication of the requestor. Your ability to transfer funds from your account is always subject to having sufficient available funds in the account(s) and is subject to this and the other Agreements you have with us, including, but not limited to, the Funds Availability Policy. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction. If there are sufficient funds to cover some, but not all of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.

The order in which transactions are posted to and paid from your Account depends on the type, timing and source of a particular transaction; however, MCU's general policy is that transactions are to be posted to your Account in the order in which they are received. Posting orders also vary based on the method used by MCU to process a transaction. Certain transactions are posted to your Account in real time on the business day during which they are received. These include debit card and ATM withdrawal transactions. Other transactions are processed in "batches" at scheduled times during each business day. The posting order for transactions that are batch-processed varies by the type and source of the transaction. MCU may modify its posting processes at any time and in its sole discretion, including by establishing different processing orders for different types of transactions. Checks drawn on your MCU accounts are paid in the order in which they are received.

The law permits us to pay items drawn on your account in the order in which they are received. Posting orders also vary based on the method used by MCU to process a transaction, even if the order in which we pay items causes an overdraft. We may honor any item or instruction even if it creates an overdraft or negative balance in your account or if it violates any minimum balance requirement or other requirements of the account, in which case you agree to pay all fees, penalties or other charges imposed on you as well as costs incurred by us. We may return items (e.g. ACH payments) submitted for payment against your account if the amount of the debits exceeds the funds available. "Funds available" as used herein are determined by, and defined and described in, our overdraft policies. Each time an item is returned unpaid, we will assess an NSF fee, overdraft fee, uncollected funds fee or similar in the amount disclosed and as described within our current Rates and Fees Schedule for each returned item. The entity that submitted the debit may resubmit another debit even if we have already returned the prior debit for exceeding funds available in your account. If the resubmitted debit again exceeds the funds available in your account, the credit union may again return the debit, resulting in an additional NSF fee. Thus, you may be charged multiple NSF fees in connection with a single debit that has been returned for exceeding funds available within your account multiple times. We may also return as unpaid any item drawn on a form we do not provide or approve, and you are responsible for any loss we incur handling such an item.

To process certain electronic transactions, we may place a temporary hold on your funds which may be for 36 hours or more. We have no control over the other parties to the transactions or the commercial networks used in facilitating the transactions. It is your responsibility to make sure you have sufficient funds in your accounts to cover all transactions, regardless of when those transactions may clear.

We may refuse to allow a withdrawal in some situations, and will advise you accordingly. For example: (1) a legal garnishment or attachment is served; (2) the account secures any obligation to us; (3) required documentation has not been presented; (4) you fail to make payments on a loan that you have with us; or (5) any other reason allowed by applicable law. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

Authorized Signature; Facsimile Signature Device; Forged Checks: Your signature on the Signature Card is your authorized signature for account access to and from your account(s). We are authorized to recognize this signature for the payment or transfer of funds, payment instructions, or other purposes relating to your account(s) but we may also allow transfers even without your signature. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. However, we are not required to check the signature for authenticity unless our internal policies and procedures require us to (e.g., if a check is written above a stated threshold amount), and you agree that failure to do so does not constitute failure on our part to exercise ordinary care. You may also authorize the use of a facsimile signature device and, if you have done so, we may honor any draft or other item that appears to bear your facsimile signature even if it was made by an unauthorized person, and we will not be liable for any issues arising from such honor. You are responsible for the use and safeguarding of the facsimile signature device, your checks, and your access codes and as such, you specifically agree that you are in the best position to determine whether your facsimile signature has been used without your consent, or a counterfeit facsimile signature device has been used, or your signature has been forged. Therefore you are required to make a good-faith effort to review any and all statements and items or checks returned to you or made available to you for any unauthorized use of your electronic, mechanical, or facsimile signature. We will not be liable if we honor an item that appears to be authorized by your signature, and you will reimburse us for any loss or costs (including reasonable attorney's fees) that we incur because the facsimile signature was used without your consent or because a counterfeit facsimile signature device was used. Nothing in this provision shall be construed to relieve us of our obligations to act in good faith and to exercise ordinary care.

Automated Processing of Items: You acknowledge and agree that we have adopted automated collection and payment procedures which are standard and reasonable in the industry. This allows us to process a large volume of items efficiently. However, these automated procedures rely primarily on information encoded onto each item in magnetic ink and does not provide for personal inspection of the item by our staff ("site examination"). You agree that in paying an item, we may disregard all information on the item except that which has been encoded onto the item in magnetic ink, such as identity of drawee bank and amount of the item, even if that information is inconsistent with other information printed or written on the item. You agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for a sight examination of the item. You also agree to reimburse us for any loss or costs (including reasonable attorney's fees), that we incur because the item contained such extra information.

Stale and Post-Dated Items: We maintain the option to pay or dishonor any stale draft or check (i.e., more than six months old) upon presentation. You agree that we are not liable to you for charging your account before the indicated date on a properly payable but post-dated check unless you notify us that you have issued a post-dated draft. The notice must be given to us in time so that we can notify our employees and reasonably act upon the notice, and it must provide the number of the check, its date, the name of the payee, the exact amount, and the account number on which it is drawn. You understand that the exact information is necessary for us to identify the draft. We are not responsible if you give us an incorrect or incomplete description, or untimely notice. You may make a verbal notice which lapses in fourteen (14) calendar days unless confirmed in writing. A written notice is effective for six (6) months and may be renewed in writing from time to time. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account which is presented more than six (6) months past its date.

Stop Payment Orders: You may request a stop payment order on any check or other written instrument drawn on your account that has not been paid or certified. You may call us to request a stop payment, but to be binding, we may require that the order be dated, signed, and describe the account number, item number, and the exact amount of the item. The stop payment order will be effective if we receive the order in time for us to act upon the order. You understand that the exact information is necessary for our computer system to identify the item. If you give us incorrect or incomplete information, or the stop payment order is not received in time for us to act upon it, we will not be responsible for failing to stop payment on the item and we will not be liable to you or to any other party for payment of the draft. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

A verbal stop payment order is valid for only 14 days, unless we receive a written confirmation thereof. A written stop payment order on a check that is not converted to an ACH transaction is valid for only six months unless it is renewed by you. For all other transactions, stop payment orders do not expire.

Fees for stop payment orders will be imposed and are set forth on the Rates and Fees Schedule. You may not stop payment on any certified check, cashier's check, teller's check, official check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You have the burden of establishing the fact and amount of loss resulting from the payment of an item contrary to a binding stop payment order. You agree to indemnify and hold us harmless from all costs, including reasonable attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

ACH Transfers: This provision applies to funds transfers as defined in Article 4A of the Uniform Commercial Code as adopted by the State of New York. You authorize us to transfer funds according to your instructions ("payment order") to and from your designated account(s), or to and from another financial institution. You also authorize us to charge your account for any related fees or service charges. We may require that transfers follow certain security procedures. We will notify you of any such security procedures and you agree that our security procedures are commercially reasonable. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments and if received after a cut-off time, may be treated as having been received on the next following funds transfer business day. Information about any cut-off times is available upon request. When processing a payment order, payment may be made based solely on the account number provided in the payment order, even if that account number identifies a beneficiary other than the one that you name in the payment order. Similarly, if the payment order identifies the name, routing number and transit number of the beneficiary's financial institution, payment may be made solely on the basis of the routing and transit number, even if those numbers do not correspond to the name of the financial institution that you supplied. You are also responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided. We may refuse to accept or execute any payment order, or an amendment or cancellation thereof, and we shall be deemed to have accepted a payment order or its amendment or cancellation only upon execution

thereof. We may reject or refuse to accept or execute a payment order if (1) the designated account(s) does not contain sufficient available or collected funds; (2) the account number that you provide on the payment order does not correspond to any known account with us; (3) the payment order is not authorized or does not comply with applicable security procedures; (4) we are prohibited from doing so due to applicable law; or (5) we have a good-faith, reasonable cause for rejecting the payment order. All transfers shall be shown on your periodic account statement and reflection on the statement shall constitute notice of receipt of the transfer. You may inquire whether a specific transfer has been received at any time during our normal business hours and/or by any means that we provide you for making inquiries on your accounts. We are not responsible for any transmission performance failure as a result of interruption in transfer facilities; power failures; equipment malfunctions; labor disputes; emergency conditions; fire, flood, or other natural disasters; war or terrorist attack; or other circumstances beyond our control. We are also not responsible for transfer failures due to suspension of payment by another party, or refusal or delay by another financial institution to accept the transfer, or if we are prohibited from performing under any applicable law. We shall not be liable for any special, indirect, consequential or punitive damages arising from any failure or delay in processing a payment order or related obligation. In no case shall we pay attorney's fees or other legal expenses incurred in connection herewith. If we become obligated under Article 4A to pay interest to you, you agree that the rate of interest to be paid shall be equal to the interest rate, on a daily basis, applicable to the account to which the funds transfer was made. You further acknowledge that we are prohibited from processing and executing requests where the federal government has enforced economic and trade sanctions against named foreign countries, or where the federal government has prohibited us from doing business with named financial institutions.

Choice of Law: We may accept, on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act. Your rights and obligations with respect to such payments shall be construed in accordance with and governed by Regulation J, Article 4A, and the laws of the state in which our headquarters are located, and as provided by the operating rules of the National Automated Clearing House Association.

OTHER RULES APPLICABLE TO YOUR MEMBERSHIP AND ACCOUNTS

Illegal Transactions: You warrant and agree that you will not use any Credit Union services or loan or deposit accounts to make or cause to be made any transaction that is deemed illegal under applicable law, including, but not limited to, any gambling activity, embezzlement, identity theft, money laundering or terrorist activity. Any such use shall constitute a breach of this Agreement. We may delay processing or refuse to process or may be required by Federal Reserve Reg GG to refuse to process any transaction that we believe to be illegal, suspicious, unenforceable, or which is a restricted transaction under Reg GG, and will not be liable to you for such delay or refusal. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful internet gambling. You further agree to indemnify us and hold us harmless from any liability of any kind and costs incurred by us in any form whatsoever that results directly or indirectly from such illegal use. We will also not be liable to you if we in good faith freeze your accounts and/or notify our regulators or local or federal enforcement authorities regarding any activity we believe to be illegal, suspicious, or unenforceable.

Negative Information Notice: We may report information about your accounts to credit bureaus. Late payments, missed payments, overdrafts or returned items or transactions or other defaults on your account may be reflected in your credit report.

Account Rates and Fees: We pay interest or dividends on accounts and assess fees against your account as set forth on the Rates and Fees Schedule. You agree that we may debit your account for any fees incurred without prior notice to you. We may change the Rates and Fees Schedule at any time and will notify you as required by law. For the most current rates and fees, you may contact us at any time and manner available.

Statements and Copies of Checks: If we provide a periodic statement for your account, we will send or make available to you a periodic statement of transactions and activity on your account during the statement period as required by applicable law. In the case of multi-party accounts, you agree and acknowledge that we are required to provide only one statement on the account and can provide it to any one of the parties on the account as we choose.

For checking accounts, you understand and agree that your original check (or substitute check), when paid, becomes our property and may not be returned to you. We may, but are not required to, retain the original checks. You agree to keep copies of your checks in order to verify their validity. If you request copies of your checks, you agree that we may provide an electronic image of the check or a sufficient copy thereof. We may charge you, and you agree to pay, fees for providing copies of the checks and/or any research involved with your request, as set forth on the Rates and Fees Schedule.

You understand and agree that statements are made available to you on the date they are mailed to you or delivered electronically. You also understand and agree that checks or copies thereof are made available to you on the date the statement is sent to you, even if the checks do not accompany the statement.

Your Duty to Examine: You are responsible for promptly examining each statement and reporting any irregularities or issues to us. We will not be liable for any forged, altered, unauthorized, unsigned, or improperly endorsed or encoded items drawn on your account if: (1) you fail to notify us in writing within thirty (30) days of the mailing date of the earliest statement containing or evidencing such irregularities regarding 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 unauthorized use of a facsimile signature machine.

If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

e-Statements: If we make this service available to you, you may agree to receive statements via electronic means, whereby your periodic statement will be e-mailed to you or sent electronically to, and made available on, our on-line banking website. Please see the provision, "Electronic Statements, Electronic Notices, Electronic Disclosures and Electronic Agreements" for more information regarding e-statements.

Notices; e-Notices; Name or Address Change: Any written notice we give to you is effective when it is made available in our on-line banking system (if you have agreed to receive such notices electronically), or when it is deposited in the U.S. Mail, postage prepaid and addressed to you at the most recent mailing address on file with us. Notice to any account owner is considered notice to all account owners. Any written notice you give us is not effective until we actually receive it in our offices.

You agree to notify us of any postal or e-mail address change or name change in writing. We reserve the right to require verification of your identity and proof of a change in address prior to making any changes in our records. We are only required to attempt to communicate with you at the most recent address you have provided to us. If you fail to provide notice of a change in address or name, and we attempt to locate you, we may impose a service fee as set forth on the Rates & Fees Schedule.

e-Notices: If we make this service available to you, you may agree to receive electronically all notices regarding your membership, account(s), or services with us whereby these notices will be e-mailed to you or sent electronically to, and made available on, our on-line banking website. Please see the provision, "Electronic Statements, Notices, Disclosures and Agreements; Electronic Services" for more information regarding e-notices.

Electronic Statements, Notices, Disclosures and Agreements; Electronic Services: We may provide electronic document delivery services for the delivery to you of all disclosures, statements, notices, contracts or agreements, receipts, modifications or amendments, and all other documentation regarding your membership, accounts, transactions, or other business you have with us (collectively referred to as "documents" or "documentation"). If you agree to receive such documentation electronically, you specifically agree and acknowledge that we may provide the documents electronically either by sending an e-mail with the text of the documents embedded in the text of the e-mail message or as an attachment contained within the e-mail, or by posting such documents on our website or on-line banking service and notifying you that the documents have been so posted. You agree to keep the credit union informed of any email address changes. In addition, all notices and statements are readily available upon request. You have a right to request and receive a paper copy of these documents if that right is provided under applicable law. You may also withdraw your consent and revoke your agreement to receive the documents electronically. To request a paper copy or to revoke your consent, call, write, or e-mail us at the number and addresses provided on the Rates & Fees Schedule. If any of our emails are returned to us as undeliverable, we will discontinue sending emails to that address. As outlined in our E-sign agreement, it is your responsibility to update your email address.

We may also offer electronic services such as on-line banking or on-line bill pay, which allow you to conduct transactions to and from your account(s) and to conduct other business with us electronically. You may be required to sign a separate agreement regarding these services and you will be subject to any on-line instructions, rules, agreements, and restrictions provided on the website(s) or provided to you at the time you open an account or enroll in these services. You may be required to be enrolled in our on-line banking service in order to enroll in our electronic document delivery service.

Enrollment in, and use of, these electronic services does not relieve you of your duty to promptly examine your statements, checks, and other documentation for irregularities or discrepancies regarding your accounts in accordance with this and your other Agreements you have with us.

System Requirements: In order to enroll in our electronic document delivery service or on-line banking services, you must be able to receive, view, and print (or otherwise retain), the documents involved. As such, you must have a computer that has access to the Internet, and use of a browser that supports SSL and Cookies. Additionally, many of our documents, including periodic statements, will be sent to you in a PDF format, and to open, read, and print these documents, you will need Adobe Acrobat Reader. Adobe Acrobat Reader may be available for download for free via the Internet. Minimum system requirements are subject to change without notice as the technology changes. The exact system requirements will be disclosed to you on our website or on the on-line banking website or at the time you enroll in the service. By enrolling in, and using the electronic services, you are asserting that your system meets these requirements and that you are capable of, and are indeed receiving, viewing, and retaining the documents involved. If you discover that you are not receiving such documents, you must contact us immediately. We will not be liable for any failure to deliver the documents if you do not notify us of such failure, or if the failure is due to your computer hardware, software, or other equipment, or due to other circumstances beyond our control.

System Disruptions: You understand and agree that such electronic services may occasionally be unavailable for short periods of time due to system maintenance or other reasons. We will not be liable for any delay that this may cause and you are ultimately responsible for conducting your transactions in a timely manner with regard to your banking and bill-paying needs. In the unlikely event that our electronic services become unavailable for a prolonged period of time, you understand and agree that you still have access to the Credit Union and your account(s) in the traditional manner (i.e., in person, by mail, telephone, or check-writing), and we will not be liable to you if you fail to use these means to conduct your business with us.

Security Safeguards: Even if you enroll in on-line banking or bill pay or our electronic document delivery service, we may from time to time require certain transactions to be made in-person or we may require verification or authentication of your identity for security purposes before a transaction or other business with us may be initiated, processed, or completed. You agree and understand that this is for the protection of us and you and is intended to safeguard your personal information and all funds held in or by the Credit Union, and to help prevent Identity Theft and bank fraud. You agree that we will not be liable for any delay in, or prevention of, any transaction or business conducted by you due to these security measures.

Legal Process Against Your Account: If any legal action is brought against your account such as tax levy, garnishment, attachment, etc., we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. We will not be liable to you for any such payout, even if it causes overdrafts or returned items. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest in your account and our right to set-off.

Power of Attorney: We will allow a third person to act as your Agent pursuant to a Power of Attorney, unless we have reasonable cause to refuse such Power of Attorney, or the Power of Attorney has not been executed in accordance with applicable law in effect at the time of its execution. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. You understand and agree that we are under no obligation to honor any power of attorney except as required by applicable law, and we have no duty to investigate or verify the scope, authenticity, or validity of any Power of Attorney. We also have no duty to inquire or investigate regarding the use or purpose of any transaction or the propriety or impropriety of any action taken by your Agent.

Sharing and Disclosing Account Information: While we value your right to privacy and confidentiality of your personal information, there are times where your information will be shared and disclosed, as follows:

With joint account owners and other parties to the transaction: If you have a joint deposit account or loan account, or if you enter into a transaction or account with us that requires a guarantor or a third-party owner of pledged collateral, you specifically agree to allow us to share and disclose information pertaining to those accounts with all your joint owners and other such persons described herein. By agreeing to involve these persons in your accounts and transactions, you acknowledge and agree that you are waiving your right to privacy in this regard and that it is understood that each of you will see each other's personal, non-public information that would otherwise be held in confidence.

With Third Parties: We generally do not disclose your account information to third parties except: (1) when it is necessary in processing a transaction, whether that is to pay an item or to send a notice of dishonor or nonpayment; (2) to exchange, in the normal course of business, credit information with third party financial institutions or other business entities or a third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) to provide information to our regulators or law enforcement when we in good faith believe we have been a victim of a crime or we have observed suspicious activity; (4) in order to comply with a government agency inquiry, subpoena or court order or a valid attachment, garnishment, or other legal action; (5) you give us written permission; (6) to guarantee a check by a third party; (7) at account opening, account renewal, or account review; (8) when we are attempting to collect a debt owed to us; or (9) any other reasonable disclosure allowed by law and appropriate to the circumstance. You also understand and agree that we may from time to time receive credit reports and other information about you in connection with your accounts. Upon request, we will give you the name and address of each agency from which we obtain such a report.

Inactive or Dormant Accounts: If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Rates and Fees Schedule, we may classify your account as inactive, abandoned or dormant. Unless prohibited by applicable law, we may charge a service fee for processing your inactive account. You authorize us to transfer funds from another account of yours to cover any service fees. To the extent allowed by law, we reserve the right to transfer the account funds to a general Credit Union account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with applicable state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

Death or Incompetence of Account Owner: We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death or adjudication of incompetence and are provided satisfactory evidence thereof, such as a certified death certificate or court order. Once we are notified of a member's death or incompetence, we may pay drafts or honor other payments or transfer orders authorized by the member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming the owner's account funds to indemnify us for any losses resulting from our honoring that claim. Upon the death of an individual account owner, we will pay all funds on deposit in accordance with the specific instructions on the Signature Card, any estate proceedings or what is permitted by New York state law. We may hold the funds until a proper court order is presented to us. We may require proper documentary evidence satisfactory to us before we determine the proper treatment of the funds and before we will release funds to any claiming party. Funds in a joint account will be payable subject to the provision, "Joint or Multiple Party Accounts". Any payment of funds upon the death or incompetence of any account holder is subject to our lien and security interest. This Agreement will be binding upon any heirs or legal representatives of any account owner, as permitted by law.

Termination of Accounts and Services: (a) We may terminate your account and your membership will be considered withdrawn if (1) you fail to complete payment of one share within six months of your admission to membership or within six months from an increase in the par value of shares; or (2) you reduce your share balance below the par value of one share and you do not increase the balance to at least the par value of one share within six months of the reduction. (b) We may terminate your account if we expel you for the reasons allowed, and under the process allowed, by state law and our written policies, procedures, and by-laws.

Termination of Membership: You may terminate your membership by giving us notice and otherwise following our policies and procedures. You may be denied services or expelled for any reason allowed by applicable law and the MCU Member Code of Conduct Policy, including having your membership account or primary share account balance fall below the required par value for membership, or causing a loss to the Credit Union. Termination of your membership does not relieve you of your obligations to pay any fees or obligations that you owe us, and you are still responsible for any outstanding items that have not yet been processed or paid. Once membership has been terminated, no further transactions or services will be allowed.

Amendments to the Agreement and Change-in-Terms: Except as prohibited by applicable law, we may change the terms of this Agreement or any other Agreements you have with us, including rates and fees and the method with which we determine dividends and interest. We will notify you of any changes in the manner and within the timeframes required by law.

Changes in Accounts or Ownership: Any changes in accounts or services requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed form approved and accepted by us. We reserve the right to require all account owners on a multiple-party account to consent to any changes and to sign the change form.

Recording Conversations: You acknowledge and agree that we may record any telephone conversation we have with you, regardless of whether we so inform you at the time of the conversation. This helps document the transaction or conversation and helps protect both parties.

Severability; Headings; No Waiver: If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall remain valid and enforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement. We reserve the right to waive or choose not to enforce any and all terms, rights, or remedies under this Agreement and such waiver shall not affect our right to enforce that or another term, right, or remedy at a later time.

Enforcement: You are liable to us for any loss, cost or expense that we incur resulting from your failure to follow this Agreement. This shall include reasonable attorney fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you.

Governing Law: This Agreement is governed by our By-Laws, federal laws and regulations, local clearing house rules, and the local laws (including applicable principles of contract law) and regulations of the state in which our administrative office is located. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which our administrative office is located.

ARBITRATION AND CLASS ACTION WAIVER: You and the Credit Union agree that we shall attempt to informally settle and resolve any and all disputes arising out of, affecting, or relating in any way to your accounts, or the products or services the Credit Union has provided, will provide or has offered to provide to you, and/or any aspect of your relationship with the Credit Union (hereafter referred to as the "Claims"). If that cannot be done, then you agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Class Action Waiver provision ("Arbitration Agreement"), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either you or us, be resolved by binding arbitration administered by the American Arbitration Association ("AAA") or JAMS in accordance with applicable rules and procedures for consumer disputes ("Rules"), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA and JAMS websites free of charge at www.adr.org or www.jamsadr.com; or, a copy of the Rules can be obtained at any credit union branch upon request. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. **AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT).** This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf. This Arbitration Agreement shall not apply to: (1) actions that are initiated in or transferred to small claims court or a comparable court of limited monetary jurisdiction, so long as they are prosecuted individually; (2) claims arising out of or relating to a mortgage loan subject to 15 U.S.C. §§ 1601 *et seq*; (3) claims that are exempt from arbitration pursuant to the Military Lending Act, 10 U.S.C. § 987; and (4) any other claims that are exempt from arbitration pursuant to federal or state law that expressly prohibits arbitration.

- Selection of Arbitrator. The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules, and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA or JAMS are unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the arbitration forum for the resolution of the Claims.
- Effective Date. This Arbitration Agreement is effective when your Account Agreement was provided to you.
- Arbitration Proceedings. The arbitration shall be conducted within 50 miles of your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The Arbitrator shall be entitled to award the same remedies that a court can award, including injunctive relief. The Arbitrator shall follow the law and shall not be entitled to make errors of law. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator's award can be entered as a judgment in court. The award rendered by the arbitrator or any judgment upon the award rendered by the arbitrator that has been entered by a federal or state court in the United States may be recognized and enforced by any court of a province or territory of Canada having jurisdiction. Except as provided in applicable statutes, the arbitrator's award is not subject to review by the court and it cannot be appealed; provided, however, that either party may appeal to any Court with jurisdiction to the extent the arbitrator makes an error of law. The Credit Union shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA, JAMS (or the applicable arbitration forum). However, you will be responsible for your own attorneys' fees. The Arbitrator shall be entitled to award attorneys' fees and costs if provided for under applicable law. Nothing contained in this Arbitration Agreement shall prevent either you or the Credit Union from applying to any court of competent jurisdiction for emergency provisional relief, such as a temporary restraining order, a temporary protective order, an attachment or any other pre-judgment remedies.
- Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety shall be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.
- Class Action Waiver. **ANY ARBITRATION OF A CLAIM SHALL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.**
- Survival and Severability. This Arbitration Agreement shall survive the closing of your account(s) and the termination of your relationship with us. In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, then the remaining provisions shall remain fully enforceable.

LIMITATION OF TIME TO COMMENCE ACTION. Any action or proceeding by you to enforce an obligation, duty or right arising under this Account Agreement or by law with respect to your account(s) or any product or service provided by the Credit Union must be commenced within one year after the cause of action accrues.