

**360 FEDERAL  
CREDIT UNION**

**BUSINESS  
MEMBERSHIP AGREEMENT**

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**Notice to Members: The laws and regulations governing the financial services we provide are complex. To insure your understanding of our relationship with you, we provide this detailed agreement which explains both your responsibilities and ours. Please read this document carefully, and feel free to ask any questions regarding these terms and conditions.**

**BINDING ARBITRATION: EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THIS ARBITRATION PROVISION SUBSTANTIALLY LIMITS YOUR RIGHT TO BRING A LEGAL ACTION IN A JUDICIAL FORUM (EXCEPT FOR MATTERS THAT MAY BE BROUGHT IN SMALL CLAIMS COURT AS SET FORTH HEREIN).**

**PLEASE READ THIS SECTION CAREFULLY. THE PARTIES WILL NOT HAVE A RIGHT TO HAVE A JUDGE OR JURY DECIDE ANY CLAIM OR DISPUTE; AND THE ABILITY TO APPEAL IS LIMITED IN AN ARBITRATED MATTER HEREUNDER. ANY DISPUTES WILL BE DECIDED BY A NEUTRAL ARBITRATOR. FURTHER, NEITHER PARTY NOR ANYONE ON THEIR BEHALF CAN PURSUE ANY CLAIM OR DISPUTE IN ANY CLASS OR REPRESENTATIVE CAPACITY. IT IS THE INTENT OF THE PARTIES HERETO TO PROVIDE A FUNDAMENTALLY FAIR AND LESS COSTLY FORUM TO ADDRESS ANY DISPUTES BETWEEN THE PARTIES; AND THE PARTIES SPECIFICALLY AGREE TO THIS ALTERNATIVE METHOD OF DISPUTE RESOLUTION AS AN INTEGRAL PART OF THE RELATIONSHIP BETWEEN THE PARTIES. SEE PAGE 10 OF THE ACCOUNT AGREEMENT SECTION FOR COMPLETE DETAILS.**

## **ACCOUNT AGREEMENT FOR BUSINESS ACCOUNTS**

This Agreement is the contract of deposit which covers your and our rights and responsibilities concerning Business Membership and Account(s) offered to you by 360 Federal Credit Union ("Credit Union"). The terms and conditions of this Account Agreement for Business Accounts ("Agreement") apply to all 360 Federal Credit Union business Accounts. In this Agreement, the terms "you" and "yours" refers to your business or those representatives authorized to sign the Business Membership and Account Card. The terms "we," "us," and "our" and "Credit Union" refer to 360 Federal Credit Union. The term "Account" means any one or more deposit Accounts you have with the Credit Union, including Business savings, checking, money market, and share certificates of deposit, as applicable. The form of ownership of your Accounts is set forth on your Business Membership and Account Card. You have agreed by signing the Business Membership and Account Card and/or by using your Account on or after the opening date, to be legally bound by the terms of this Agreement. By signing the Card you consent to any online application that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement, including the Funds Availability Policy, the Business Account Fee Schedule, and Truth-in-Savings disclosures accompanying this Agreement, which collectively govern your Business Membership and Accounts. You agree that additional Accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

The purpose of this Section is to state the terms and conditions that apply to all of your Accounts, Account services or other relationships with us, including without limitation loan, safe deposit and other services. You understand that the agreements, terms, conditions, rules and regulations applicable to your loans, and any other applicable Account(s) or service(s) remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement. Further, to the extent that the terms of a specific Subsection of this Agreement vary from the terms set forth in this Section, the specific terms and conditions of the Subsection will govern our relationship with you.

### **MEMBERSHIP ELIGIBILITY**

To join the credit union you must meet the membership requirements including purchase and maintenance of the minimum required share(s) ("membership share") as set forth in the credit union's bylaws. You authorize us to check your Account, credit and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the Accounts and services you request.

#### **Individual Business Accounts – Sole Proprietorship.**

An Individual Business Account is an Account owned by one depositor, or married couple, including any individual, or sole proprietor qualified for Credit Union membership and the Account is used for business purposes. If the Account is an Individual Business Account, the interest of a deceased individual will pass, subject to applicable law to the decedent's estate. You understand that unless you waive your rights, certain Account designations may be invalidated on the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition, as required by applicable law. We may require any claimant to the Account to produce certain documents before releasing the funds to the Account. The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the Account until the Credit Union learns of an Account owner's death. Once the Credit Union learns of an Account owner's death, the Credit Union may pay checks or honor payments or transfer orders authorized by the deceased 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 that the Credit Union can require that anyone who claims funds in the Account after your death to indemnify the Credit Union for any losses from honoring that claim.

**Suspension of electronic services and access to share or deposit Accounts.** Subject to applicable law, we may suspend some or all electronic services and access to your checking or other Account(s) if you become delinquent on any of your loan or deposit obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

### **DEPOSITS TO YOUR ACCOUNT**

You may make deposits to your Account during normal business hours, by mail, night depository, or ATM/ITM, or using a mobile device.

**Night Depository** - Night Depository is provided as a convenience for you. The night depository is to be used only for the deposit therein of cash and checks intended for deposit into your account. A deposit slip must be included. You expressly agree to accept as final and conclusive the record of the Credit Union as to what property was presented when opened, and the count of the Credit Union shall be final and binding. The records of the Credit Union indicating receipt or non receipt of a deposit in the night depository shall also be binding. The Credit Union may refrain from opening any deposit showing signs of tampering or otherwise appearing suspicious in any regard, until you and/or the appropriate authorities are present. The Credit Union reserves the right to terminate the privilege of night depository services at any time and for any reason. If the business will be using the night deposit service, a Night Drop Agreement will be required.

The law allows and you specifically agree that we may supply any missing endorsement to a deposited check, draft, or any other instrument. However, we reserve the right to refuse to accept for deposit any item which does not bear a proper endorsement, which is payable to someone other than you or, in our sole discretion, under any other circumstances. Federal law specifies locations on checks for your and our respective endorsements. If our endorsement is illegible because you have endorsed a check in the wrong location, you will be liable for any resulting losses.

We may refuse to cash a check made payable to you, but instead require you to deposit the check to your Account. All deposits accepted by us are subject to verification. You should retain your copy of any receipt or other document which evidences your deposit. If you claim that a deposit was not properly credited to your Account, we may ask you to show us your receipt or other document which evidences your deposit. You should not mail cash deposits. We will not be liable for any deposit that we do not receive. We reserve the right to make adjustments to your Account upon verification of your deposit or for computation or other errors related to your Account.

All non-cash deposits are posted to your Account subject to our receipt of "final payment" from the party on which the item is drawn. If we receive notice that an item is being returned to us unpaid, or if we do not receive final payment on a deposited item, because, for example, the drawer has placed a stop payment or the item is returned "insufficient funds" or "Account closed"; or if an item is returned after final payment, we will charge your Account for the amount of the item, for any dividends carried on the item and for our applicable charges, even if the amount of the item has already been made available to you and even if we do not actually receive the returned item. If the charge-back of a returned item or a fee or other charge creates an overdraft, you agree to pay us the amount of the overdraft immediately, and we may charge your Account a service charge for the overdraft.

We receive final payment for deposited items at different times depending on the location of the parties who will pay the items. In addition, our receipt of final payment may be delayed further due to circumstances beyond our reasonable control. For more information, please see our Funds Availability Policy, which is incorporated herein by reference and which may be amended from time to time. If we must pay any fees to collect an item you have deposited, we will charge the fees to your Account and we may impose a service charge for the collection. If you receive a credit to your Account through the Automated Clearing House (ACH) network, the rules of the National Automated Clearing House Association permit us to notify you of the credit on your next regular Account statement.

If we credit your Account for an automated clearinghouse credit entry or for any other fund transfer or payment order ("fund transfer"), the credit we give you is provisional until we receive final settlement for the fund transfer through a Federal Reserve Bank. If we do not receive final settlement or payment, you agree that you must refund to us the amount we credited to you for the fund transfer and that we may charge your Account for such amount. In such case, the person making the payment to you will be considered not to have paid you the amount of the fund transfer.

When we process incoming fund transfers, we rely on the Account numbers given to us by the financial institutions or other persons who send the fund transfers to us. We will have no duty to determine if the Account numbers provided to us is consistent with the name or other information given to us and we will not be liable to you if we credit a fund transfer intended for you to another member's Account because the sender instructed us to credit an incorrect Account number.

You acknowledge and agree that your deposit or issuance of a check that uses check form or stock with decorative graphics, or that has ink colors other than black or blue, or your use of check stock other than Credit Union provided or approved check stock, may result in errors in processing a check image created from such a check. You agree that, to the extent permitted by law, we shall have no liability to you in the event that you incur a loss from such errors.

You agree that you shall not deposit, without our express written consent, a document that you or someone on your behalf created or printed from an image or other electronic record of an original paper check (a "substitute check document"). Our acceptance for deposit of a substitute check document from you shall not be deemed as a waiver of the foregoing prohibition on the deposit of substitute check documents. You also shall not identify us as a "reconverting bank" or "truncating bank" on a substitute check document you deposit at any other financial institution or transfer to any other person. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit or transfer of a substitute check document in violation of the limitations set forth in this paragraph.

For checking Accounts, you understand that when paid, your original check (or any substitute check) becomes property of the Credit Union and may not be returned to you. We have no obligation to retain the originals of any checks or other documentation. You agree to keep a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive Account information or statements electronically. Further, the Credit Union may charge you a fee as set forth in the Business Fee Schedule for each requested item and /or for research as applicable.

## **DIRECT DEPOSIT**

You must notify us at least 30 days in advance to cancel or change a direct deposit or transfer option. If your Account is overdrawn, you authorize us to deduct the amount your Account is overdrawn from any deposit. We reserve the right to refuse or to return all or part of a deposit at any time.

**Collection of Items:** We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your Account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor financial institution extra time beyond any midnight deadline limits.

#### **WITHDRAWALS FROM YOUR ACCOUNT**

Money may be withdrawn from your Account in different ways, as permitted for each type of Account. We are required to permit a withdrawal only if you have sufficient available funds in your Account to cover the entire amount of the withdrawal, and you are not in default under any obligations you owe to us. Checks or other debit items presented against insufficient or available funds are subject to a service charge. If there are sufficient funds to cover some but not all of your withdrawal orders, we will honor those withdrawals which can be paid, in any order convenient to us. If, in our sole discretion, we permit withdrawals for which there are not sufficient available funds, or you otherwise overdraw the available funds in your Account, you agree to repay us immediately the funds advanced to you. We do not have to notify you if your Account does not have sufficient available funds to pay an overdraft. We may refuse to accept any check or draft drawn on your Account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check or draft. At no time shall we be required to allow you to overdraw your Account, even if we allowed such activity on one or more previous occasions.

We strongly suggest that you date checks with a current date. **WE WILL NOT BE LIABLE TO YOU FOR PAYING CHECKS WHICH ARE POST-DATED, STALE DATED (OLDER THAN SIX MONTHS) OR DO NOT BEAR A DATE.**

If you do not wish us to pay a check you have issued, you must place a stop payment order with us and renew it every six months. (Please refer to the Stop Payment Order section of this Agreement).

You may stop payment on a preauthorized electronic funds transfer in accordance with the procedures described in our Electronic Funds Transfer Disclosure, which is incorporated herein by reference and which may be amended from time to time.

Our duty is to use ordinary care in examining checks when they are presented to us for payment. **UNLESS WE HAVE SPECIFICALLY AGREED WITH YOU IN WRITING, OUR DUTY WILL NOT INCLUDE MONITORING NONSTANDARD INSTRUCTIONS OR OTHER LEGENDS APPEARING ON CHECKS.** We shall be deemed to have exercised ordinary care if we process your checks only by automated means or if any unauthorized signature, counterfeit check, or alteration could not be detected by a reasonably careful examination of the item.

If you make withdrawals by check, the check must be properly completed and signed by the person(s) whose authority is on file with us. We may refuse to honor a withdrawal if we receive conflicting instructions from two or more authorized signers or if there is reasonable doubt as to who is authorized to make a withdrawal.

#### **CHECK PRESENTMENT**

Your Account may be debited on the day an item is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your Account has been deposited for collection in another financial institution. A determination of your Account balance for purposes of making a decision to pay or return an item or debit due to insufficiency of available funds may be made at any time between the receipt of such presentment or notice and the time of payment or return of the item or debit, and no more than one such determination need be made. We reserve the right to refuse to cash or to impose a charge on anyone who asks us to cash a check that you have written. Even if your check is otherwise properly payable, we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal.

#### **FACSIMILE SIGNATURES**

If you choose to use facsimile signatures, you agree that

- (1) It is impossible for us to determine whether or not a facsimile signature is genuine;
- (2) We may honor any and all checks, drafts or other orders for the payment or withdrawal of money bearing or appearing to bear an authorized facsimile signature, even if the facsimile signature was made by an unauthorized person or the item on which a facsimile signature appears is itself a counterfeit item, or the facsimile signature is counterfeit.
- (3) You assume full responsibility and will indemnify us for all items paid over a forged or unauthorized facsimile signature.

## TRANSACTION LIMITATIONS

In accordance with applicable law, we reserve the right to require you to provide written notice of any intended withdrawals from any Account(s) of not less than seven (7) but not more than sixty (60) days before the intended date of withdrawal. Withdrawals will only be permitted if you have sufficient funds available in your Account to pay the full amount of your withdrawal orders or you have an overdraft protection plan. If there are sufficient funds to cover some but not all of your withdrawal orders, we may permit those for which there are sufficient funds in any order we choose. We may refuse to allow a withdrawal, and will advise when required by applicable law if, for example: (1) there is a dispute between Account owners; (2) a legal garnishment, attachment or levy is served on us; (3) the Account(s) secures any obligation owed to us; (4) any required documentation has not been provided to us; or (5) you are delinquent or fail to pay a loan or any other obligation owed to us when due.

In addition to the foregoing, if any person should instruct the Credit Union to make a large cash withdrawal (the definition of which shall be within the Credit Union's sole discretion) in lieu of other methods of transferring funds offered by the Credit Union, the Member hereby releases the Credit Union from any and all liability, claims and demands whatsoever which may arise from or in any way relate to the Member's possession of any large sums of cash from the moment possession of same is made available to the Member; and Member will execute and deliver any further releases the Credit Union may require in connection with any such withdrawal.

We reserve the right to prevent transfers which exceed the above limits or to monitor these transactions after they occur.

**Transaction Limitations and the Credit Union's Business Days.** Except as maybe otherwise specifically provided in our Agreements, all Transactions after our "daily cut-off time" and made on days that are not our business days as set forth in the Schedule will be treated, transmitted, recorded, etc., as applicable and appropriate as if received on the next business day that we are open. Deposits, orders, instructions, requests, etc., received by mail, electronically, at an unstaffed facility, or outside depository will be processed and credited only when actually received by us, and we shall have no responsibility until we actually receive the item.

## STOP PAYMENT ORDERS

**Stop Payment Order Request.** Any owner may request a stop payment order on any check or draft drawn on the owner's Account. You may place a stop payment order at any branch office, by calling us at the telephone number on your statement, by writing to us at the address shown on your statement, or by any other notice method we agree to honor. To be binding the order must be in writing, dated, signed, and must accurately describe the check or draft including the exact Account number, check or draft number and the exact amount of the check or draft. This exact information is necessary for the Credit Union's computer to identify the check or draft. If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. In addition, we must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity for us to act on it. If we recredit your Account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all of your rights against the payee or other holders of the check or draft and to assist us in any legal action.

**Duration of Order.** Oral stop payment orders for checks or drafts will lapse within 14 calendar days unless confirmed in writing within that time. Written stop payment orders for checks or drafts are effective for six (6) months and may be renewed for additional six (6) month periods by requesting in writing that the stop payment order be renewed within a period during which the stop payment order is effective. We are not required to notify you when a stop payment order expires. Not applicable for Automated Clearing House items where the stop payment has no expiration date.

**Liability.** Fees for stop payment orders are set forth in the Business Fees Schedule. You may not stop payment on any certified check, cashier's check, teller's 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 agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any joint Account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

## USE OF CHECK IMAGES AND SUBSTITUTE CHECKS

For each original check that you deposit, you hereby authorize us (and any collecting institution, returning institution, Reserve Bank or processor which subsequently receives the original check) to create an electronic image ("check image") of the original check, and to process that check image for collection, payment and return. You further authorize the destruction of the original check that has been imaged. We may in our sole discretion determine the manner in which to collect or return a check image. We may: (i) present or transfer the check image to the paying bank, a Federal Reserve Bank, a check clearing house, image exchange network, or other collecting bank or returning bank; or (ii) create a substitute check and collect such substitute check (governed by the Check Collection for the 21st Century Act referred to here as the "Check 21 Act") instead of the check image.

A check image or a substitute check may be collected through one or more check clearinghouses, one or more Federal Reserve Banks, or pursuant to an exchange agreement with another depository institution. In such cases, you agree that the check image or substitute check is subject to the rules of that clearinghouse, Federal Reserve Bank, or exchange agreement.

You agree that we may debit your Account for any of the following items: (i) a check image of an original check drawn on your Account and presented for payment or collection, or (ii) a returned check image of an original check that was deposited by you. In these situations, we may debit your Account without receipt of, or review of, the original check associated with the check image. In our sole discretion, we may return to a presenting bank, returning bank or paying bank or post to your Account, a paper copy or paper representation of an original check (including without limitation an image replacement document or IRD, or a photocopy) drawn on or returned to your Account that does not otherwise meet the technical or legal requirements for a substitute check.

You agree that a check image that is received or created by the Credit Union in the check deposit, collection or return process shall be considered a "check" and/or an "item" for all purposes under this Agreement and applicable law.

In addition, a check that you deposit with us, or that you draw on your Account, may be truncated in the check collection process and replaced with a substitute check. You authorize us to pay, process or return a substitute check in the same manner as "check" or "item" under this Agreement. Substitute checks are governed under the Check 21 Act and the terms of this Agreement, to the extent not modified by the Check 21 Act.

You agree to indemnify and hold harmless us, our employees and agents from any loss, claim, damage or expense that you or any other person may incur directly or indirectly as a result of any action taken by us to process a check image or substitute check instead of the original check, including the destruction of the original check, as described above, to the extent permitted by applicable law.

### **REMOTELY CREATED CHECKS**

A remotely created check is a check created by someone other than the person on whose Account the check is drawn. A remotely created check is generally created by a third party payee as authorized by the owner of the Account on which the check is drawn. Authorization is usually made over the telephone or through on-line communication. The owner of the Account does not sign a remotely created check. In place of the owner's signature, the remotely created check usually bears a statement that the owner authorized the check or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created check against your Account, you may not later revoke your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your Account and may charge against your Account any remotely created check for which the third party has proof of your authorization.

### **ACCOUNT RATES AND FEES**

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

Not all business Accounts pay dividends. You should refer to your Business Fee Schedule, which is incorporated herein by reference, to assess current dividends (if any), costs, fees and other charges.

Dividends will be calculated on your dividend bearing Account and credited directly to your Account as set forth below.

**Payment and Balance Computation.** Your dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate and annual percentage yield on your Account any time without notice to you. We may also change the manner in which dividends are calculated and/or credited to you, by posting the change in our branch offices, by making such information available upon request in our branch offices, or in any other manner required or permitted by law. If you desire current dividend rate and annual percentage yield information, please ask in any branch office or telephone your Credit Union representative.

We reserve the right to calculate dividends for those dividend bearing Accounts which are used for business or other non-personal purposes, in a manner different from those dividend-bearing Accounts which are used for personal, household or family purposes. We must report dividends on certain non-corporate Accounts to the appropriate governmental agencies. It is your responsibility to give us your correct tax identification number and to make certain written certifications to us as required by law. If you fail to give us your number or the required certifications, we may withhold and pay to the government a percentage of the dividends earned on your Account, as required by law. You may also be subject to government penalties.

**Dividend Payment and Balance Computation.** At our discretion, we may change the dividend rate(s) and annual percentage yield(s) on your Account at any time without notice to you. Dividends on all dividend-bearing commercial / member business deposit Accounts referenced in this Agreement are compounded monthly and credited monthly.

We use the daily balance method to calculate the dividends on your Account. This method applies a daily periodic rate to the principal in the Account each day. Tiered-rate Accounts earn dividends on the entire Account balance each day at the dividend rate and annual percentage yield in effect for that day's balance.

### **CONTENTS**

If we provide a periodic statement for your Account, you will receive a periodic statement of transactions and activity on your Account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one(1) statement is necessary for joint Accounts. For share draft or checking Accounts, you understand and agree that your original check or draft, when paid, becomes property of the credit union and may not be returned to you,

but copies may be retained by us or be payable through financial institutions and made available upon your request. You understand and agree that statements are made available to you on the date they are sent to you. You also understand and agree that checks, drafts or copies thereof are made available to you on the date the statement is sent to you, even if the checks or drafts do not accompany the statement.

**Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your Account, erroneous payments or transactions, or other discrepancies reflected on your statement within 33 days of the date we sent the statement to you, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

**Notice to Credit Union.** You agree that the Credit Union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charged to your Account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement.

#### **INACTIVE ACCOUNTS**

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

#### **ADVERSE CLAIMS TO FUNDS IN YOUR ACCOUNT**

Without any obligation or liability, we may place a hold on your Account in the amount of any funds for which there may be an adverse claim when we investigate the claim or until ownership of the funds is established to our satisfaction.

#### **MONEY OWED**

Except to the extent otherwise agreed with you in writing, any loans, charges, service or analysis charges, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you may be charged in whole or in part to the Account, to any other Account(s) in your name, or to Accounts of co-owners and of certain individuals, to the extent permitted by law. You grant us a security interest in the balance in the Account and in any other Account(s) in your name, to pay all loans, charges, service or analysis charges, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you. In addition, we may exercise our right of set off without advance notice to you and without regard to any other right that we may have against you or any other party. Such set off shall be effective immediately upon the occurrence of the event giving rise to the set off rights even though we may enter the set off on our books at a later date.

Our security interest and right of set off shall prevail and take priority over any adverse claim, change of ownership, pledge, attachment, garnishment, levy, court order or other legal process of any kind whatsoever. Should one of these events occur, we may take any action permitted or required by law.

#### **CREDIT UNION LIABILITY**

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

#### **CHANGE IN ACCOUNT INFORMATION**

You should notify us immediately of any change in the officers of your business or signing authority for your Account. We may ask you to execute and deliver to us new Account resolutions and signature cards before the change is made effective. You should also notify us in writing of any change in your address. If we attempt to locate you, we may impose a service fee as set forth in the Truth-in-Savings Disclosure or Business Account Fee Schedule.

## **TRANSFER OF OWNERSHIP**

YOUR ACCOUNT IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT ON OUR RECORDS. We must approve any pledge of your Account as security for a debt, and any pledge remains subject to our security interest and right of set off, unless we otherwise agree in writing. If you wish to transfer ownership of your Account, we may require that your Account be closed and a new one be opened by and in the name of the new owner(s).

**Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any change in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

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

**Electronic Notices.** If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices. You may withdraw your consent to receive communications in electronic form by emailing us at [info@360fcu.org](mailto:info@360fcu.org) and we will terminate your access and use of the Online Service for electronic communication.

## **DEATH OF SOLE PROPRIETOR**

Following the death of a sole proprietor of an unincorporated business, the balance in the Account shall be payable in accordance with applicable law upon presentation of appropriate qualification documents and any required tax release.

## **CHARGES TO YOUR ACCOUNT**

Your Account may be subject to various charges, including but not limited to item charges, a monthly service charge, charges for the use of certain Account services, and late payment charges as set out in the Business Fee Schedule statement or other fee disclosure we provide to you, and which are made part of this Agreement. Unless otherwise agreed, these charges will be deducted from your Account balance automatically and may cause you to become overdrawn or your outstanding checks to be returned unpaid.

If funds in your Account are attached, garnished, or levied against, or if we are prohibited by law from paying on your Account, we may assess a legal process charge. We will debit your Account for any expenses we may incur as a result of any such legal action. Any such legal action may reduce your Account balance and cause your outstanding checks to be returned unpaid.

We reserve the right to make changes to our fees and other charges from time to time. Where practicable, notice of such changes will be given by mail addressed to the last address that you have specified for your Account by posting in our branch offices, by making the information available to you in electronic form or otherwise as required or permitted by law.

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

## **TERMINATION OF ACCOUNT**

We may terminate your Account at any time without notice to you or may require you to close your Account and apply for a new Account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your Account; (3) there is a dispute as to the ownership of the Account or of the funds in the Account; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your Accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate an individual Account by giving written notice. We reserve the right to require the consent of all owners to terminate a joint Account. We are not responsible for payment of any check, draft, withdrawal, or other item after your Account is terminated; however, if we pay an item after termination, you agree to reimburse us.

## **TERMINATION OF MEMBERSHIP**

You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share, if any, and closing all your Accounts. You may be denied services for causing a loss to the credit union or you may be expelled for any reason as allowed by applicable law.

## **INFORMATION**

You agree to cooperate with us in any record keeping and reporting which we believe to be necessary to fulfill government requirements. We may record conversations we have with you about your Account.

## **DISCLOSURE STATEMENTS**

In connection with your Account, we may give to you certain disclosure statements or policies, and may revise them from time to time. All such statements, policies and revisions shall be considered to be a part of this Agreement.

## **OUR STANDARD OF CARE**

Our responsibility to you is limited to our exercise of ordinary care in performing the services covered by this Agreement. Substantial compliance with our standard procedures shall be deemed to be the exercise of ordinary care. We will have no liability to you for taking or not taking any action permitted but not required. We will not be liable for the action or inaction of any third party in handling items deposited to or withdrawn from your Account. **NO THIRD PARTY SHALL HAVE ANY RIGHTS OR CLAIMS AGAINST US UNDER THIS AGREEMENT.**



## **OTHER SERVICES**

If you use other Credit Union services in connection with your Account, and there is any inconsistency between the terms and conditions of the agreement for those services and this Agreement, then the terms and conditions stated in the agreement for the additional services shall control, but only to the extent necessary to avoid inconsistency with this Agreement.

## **AMENDMENT, WAIVER**

We reserve the right to amend this Agreement from time to time, including the right to convert your Account from one product to another. Where practicable, we will post notice of any amendment in our branch offices, or we will mail notice of an amendment to the last address which you have specified for your Account, or notify you otherwise as required or permitted by law. Any waiver by us of any term or condition stated in this Agreement must be in writing and signed by a Credit Union officer and shall not be considered a waiver of any other or future obligation or right.

## **SEVERABILITY**

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

## **WAIVER OF JURY TRIAL**

YOU IRREVOCABLY WAIVE ANY AND ALL RIGHTS YOU MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR YOUR ACCOUNT, ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS, OR ANY OTHER AGREEMENTS, TRANSACTIONS OR RELATIONSHIPS YOU MAY HAVE WITH US NOW OR IN THE FUTURE. YOU ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.

## **GOVERNING LAW**

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

## **COSTS, EXPENSES AND ATTORNEYS' FEES**

All owners of Account(s) or service(s) with us agree, jointly and severally, to pay us for all costs and expenses, including attorneys' fees we may incur: (1) If it is necessary for us to bring any legal or other action to collect any sum you owe the Credit Union; (2) If we incur any costs or expense as a result of any order or instruction received from any owner or any owner's agent under this Agreement, any adverse claim, or legal process; your failure to comply with any obligation in this Membership Agreement or otherwise; (3) If we incur any expense as a result of any dispute, adverse or inconsistent claims; (4) If we bring any action contemplated in this Agreement; (5) If we successfully defend any claim against the Credit Union brought by any owner, agent, personal representative, executor, heir or other party in interest brought via any formal or informal process (including but not limited to arbitration or mediation) involving your Accounts or services with us; or (6) If we deem it necessary to seek the advice or opinion of legal counsel or other professionals regarding the bona fides or legality of any transaction(s) to/from your Accounts or involving any services with us, or any request for information or documentation regarding any of your Accounts and/or services with us. If you are responsible to pay us any costs of collection or legal expenses incurred in collecting any amount you owe; in enforcing or protecting our rights under this Agreement or otherwise; or as provided in this subsection, including but not limited to costs of repossession, repair, appraisal, and all other costs or expenses, you agree to pay us the actual amount of such costs and expenses together with reasonable attorneys' fees. In the case of any collection action you agree that 20% of the unpaid balance or such greater sum as may be appropriate based on the circumstances shall be a reasonable amount, unless applicable law specifically provides otherwise. Further, you agree to pay the Credit Union an additional sum for any costs, legal expenses or attorneys' fees incurred in any appellate, bankruptcy or post-judgment proceedings, except as limited or prohibited by applicable law. Any costs, expenses or fees hereunder will be paid from any of your Account(s) with the Credit Union before payment to any owner or other party. If the amounts in your Account(s) are not sufficient, then the owner(s) of the affected Account(s) or parties to any applicable services will immediately pay any difference.

## **INDEMNITY**

If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require a bond or other protections. An example of the kind of protection asked for would be your promise to protect the Credit Union against any claims (an indemnity).

Account changes requested by you, or any Account owner, such as adding or closing an Account or service, must be evidenced by newly signed documents accepted by us.

## **UNLAWFUL INTERNET GAMBLING AND OTHER ILLEGAL ACTIVITIES**

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

## MANDATORY ARBITRATION OF DISPUTES AND CLAIMS

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Arbitration is a method of deciding disputes outside the court system. The parties agree and understand that they choose arbitration instead of litigation to resolve all claims and disputes not specifically excluded. This provision governs when and how any disputes you and we may have will be decided. Unless specifically prohibited by applicable law all disputes, claims, damages, choses in action, claims for injunctive relief or controversies arising from or relating in any way to the agreements, relationships, Accounts, loans, or security agreements between you and us; the relationships which result or arise as a result of this Agreement; any rights, privileges or services you receive from us now or in the future; any claims or disputes arising in or ancillary to any bankruptcy or other insolvency proceeding; or the validity of this clause (together referred to collectively as Agreement), shall be resolved by binding arbitration by a single arbitrator chosen with the mutual consent of the parties. The arbitrator must be an attorney with more than ten (10) years experience or a retired judge. If for any reason the parties do not consent to an arbitrator within thirty (30) days from the date that notice of a claim or intent to arbitrate is provided to the other party, then an arbitrator will be selected pursuant to the Rules of the American Arbitration Association ("AAA"). This arbitration Agreement is made pursuant to a transaction in Interstate Commerce, and shall be governed by the Federal Arbitration Act ("FAA") at 9 USC § 1, et seq., as amended from time to time. It is understood and agreed that your Credit Plan Agreement(s), your Accounts, all transactions on your Accounts, and any dispute defined herein shall involve Interstate Commerce. If any dispute between us does not involve Interstate Commerce, such dispute shall be governed by the Arbitration Act for the State set forth in this Membership Agreement, as amended from time to time, in which case all references to the FAA herein shall be to said State Act. **If the State has no Arbitration Act, then the parties will be governed by the Rules of the American Arbitration Act in any matter not involving interstate commerce.** The parties agree and understand that the arbitrator shall have all power provided by the law and this Agreement to make and enter findings of fact and determination of judgment based on the parties' Agreements and applicable law, including but not limited to the rights of possession, off-set, property rights, money damages, declaratory relief, and injunctive relief. No arbitrator shall have the jurisdiction or authority to add to, take from, nullify or modify any of the terms of the Agreement. The arbitrator shall be bound by the facts and evidence submitted to him. Arbitration will be subject to the rules of procedure and evidence consistent with the Rules of the American Arbitration Association, and the arbitrator will not apply federal or state rules. The decision of the arbitrator shall be final and binding and may be enforced in accordance with the terms of either the Federal or applicable State Law, except for any specific appeal right regarding a judgment under the FAA or a judgment for more than \$100,000. For these judgments, any party may appeal to a three-arbitrator panel appointed by and under the rules of the AAA. The decision of the panel will be by majority vote and will be final and binding except for any specific appeal right under the FAA. All provisions of this Arbitration Agreement will apply to the panel. Judgment upon the award rendered may be entered in any court having jurisdiction.

**WITH THE EXCEPTION EXPLAINED HEREIN, THE PARTIES AGREE AND UNDERSTAND THAT ALL DISPUTES (INCLUDING ALL LEGAL AND EQUITABLE RIGHTS AND REMEDIES) ARISING UNDER CASE LAW, STATUTORY LAW, AND ALL OTHER LAWS INCLUDING, BUT NOT LIMITED TO, ALL CONTRACT, TORT, REGULATORY, AND PROPERTY DISPUTES WILL BE SUBJECT TO BINDING ARBITRATION IN ACCORD WITH THIS AGREEMENT.** Notwithstanding anything hereunto the contrary, the Credit Union retains an option to use judicial or non-judicial relief to enforce a security agreement relating to any collateral pledged to secure the Agreements between the parties, to enforce all monetary obligations by you to the Credit Union so long as there is no dispute that is subject to mandatory arbitration, or to foreclose on any collateral securing your obligations to us by way of replevin, claim and delivery, or otherwise. The initiation and maintenance of an action for judicial relief in a court [on the foregoing terms] shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including the filing of a counterclaim in any action brought by the Credit Union pursuant to this provision.

Any arbitration proceeding will take place in the federal judicial circuit where the Credit Union maintains a branch that is the closest Credit Union branch to your primary place of business. Each party must bear all of their own expenses, including the party's own attorneys, experts, and witnesses, regardless of who wins the arbitration, except to the extent that applicable law specifically requires otherwise. The rules of the AAA will be applied to any arbitration between the parties, except in the event of any inconsistency between this Agreement and the rules of the AAA, in which case this Agreement will govern.

## ACCOUNT AGREEMENT FOR CERTIFICATES

Any certificate Account allowed by state law (certificate Account), whichever we offer, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure and Account Deposit Receipt for each Account, the terms of which are incorporated herein by reference.

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**Rate Information.** Please refer to your Business Account Fee Schedule for current rate(s) and annual percentage yields. Dividends are paid the current rate at the time your Account was opened. Unless specifically otherwise provided in writing, this rate is in effect until your Certificates matures.

**Variable Rate.** Designated Certificates are paid varying dividend rates and annual percentage yields subject to change during the term. Please refer to your Business Account Fee Schedule for more details.

### COMPOUNDING AND CREDITING OF INTEREST

Dividends begin to accrue on the day you open or renew a Certificate. If an additional deposit of cash, check or any other non-cash item is being made to the certificate at maturity, this deposit will begin to accrue dividends as of the maturity date. Dividends will be compounded according to your Business Account Fee Schedule. Dividends may also be paid by check or credited to another Credit Union Account monthly, quarterly, semi-annually or annually. If you receive dividend payments during the term of your Certificates, dividends are not compounded.

### MINIMUM BALANCE REQUIREMENTS

Minimum balance requirements may apply to certain Accounts. You must maintain these minimum balances in your Account each day to obtain the annual percentage yield applicable to your Account. Please see your Business Account Fee Schedule for more details.

### BALANCE COMPUTATION METHOD

We use the daily balance method to calculate the dividends on your Account. This method applies a daily periodic rate to the principal in the Account each day.

### TRANSACTION LIMITATIONS

There may be transaction limitations on certain Accounts. Please see your Business Account Fee Schedule for more details.

### EARLY WITHDRAWAL PENALTIES

The terms of your Certificates may obligate you to leave your funds on deposit with the Credit Union until the maturity date of your Certificates and/or renewed Certificates. Any withdrawal which the Credit Union permits during the first seven (7) days of the initial term of a Certificate, or prior to the maturity date of any other Certificates, will be subject to financial penalty (except in the case of death or legal incapacity of any owner of the Certificates).

Where necessary to comply with the above, any funds necessary to complete the penalty shall be deducted from the principal remaining in the Account. Please see your Business Account Fee Schedule for more details.

### RENEWAL POLICY

Please see your Business Account Fee Schedule for the renewal policies regarding your certificates.

## UNIFORM COMMERCIAL CODE FUNDS TRANSFERS AGREEMENT AND DISCLOSURE

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### ACH & WIRE TRANSFERS

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

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. From time to time, we may need to suspend processing of a transaction for greater scrutiny or verification in accordance with applicable law, and this action may affect settlement or availability of the transaction. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and by Account or identifying number. The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the Account or identifying number even if the number identifies a different person or financial institution. Any Account owner may amend or cancel a payment order even if that person did not initiate the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order. We may require you to follow a security procedure to execute a payment order or certain electronic funds transfer transactions. We will notify you of any such security procedures and you agree that our security procedures are commercially reasonable.

## FUNDS AVAILABILITY POLICY

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### **Your Ability to Withdraw Funds**

Our policy is to make funds from your cash and check deposits available to you on the same business day that we receive your deposit. See below for more information on International ACH Transactions. Electronic direct deposits will be available on the day we receive the deposit, unless they involve an International ACH Transaction. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

### **Longer Delays May Apply**

However, in some cases, the availability of funds may be delayed under the following circumstances.

**Case-by-Case Holds:** Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$225 of your deposits, however, will be available on the first business day.

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

If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Exception Holds:** In addition, funds you deposit by check may be delayed for up to the 7th business day after the day of your deposit under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your Account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available.

### **Holds on Other Funds**

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your Account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

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

### **Deposits at Automated/Interactive Teller Machines**

Funds from any deposits (cash or checks) made at automated teller machines (ATMs) or Interactive Teller Machines (ITMs) we do not own or operate will not be available until the second business day after the date of your deposit. This rule does not apply to ATMs or ITMs that we own or operate. All ATMs and ITMs that we own or operate are identified as our machines. Funds from deposits (cash or checks) made at ATMs or ITMs we own or operate will follow the same availability schedule as making a deposit in person to one of our employees, except that same day availability may not apply to the items noted. These deposits may be available the first day after the day of deposit. Cash deposited through ITMs is available immediately. Funds from checks deposited through ITMs that we own or operate will follow the same availability schedule as deposits made through our ATM.

### **Special Rules for New Accounts**

If you are a new member, the following special rules will apply during the first 30 days your Account is open. Funds from electronic direct deposits to your Account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of your deposit.

### **Business Days and Cut-off Times**

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that

day to be the day of your deposit. However, if you make a deposit after close of business or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### **International ACH Transactions**

International ACH Transactions (IAT) that are transmitted to or from any of your Accounts may be identified and designated by us for review and examination under the Office of Foreign Assets Control Rules and Regulations (OFAC Rules). In such a case, settlement of the IAT may be delayed or suspended, and may be terminated under applicable OFAC Rules. You also acknowledge that we may be required to place an indefinite hold on funds covered by the IAT if the IAT is required to be terminated under OFAC Rules. You agree that any such delay is permissible under the laws applicable to the availability of funds held in deposit Accounts. In the event an IAT is delayed or terminated, we will provide you such notice as may be required by applicable law.

### **Foreign Checks or Drafts**

Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.

## **Substitute Checks and Your Rights-Important Information About Your Checking Account**

### **What Is a Substitute Check?**

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

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your Account. However, you have rights under other law with respect to those transactions.

### **What Are My Rights Regarding Substitute Checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your Account (for example, if you think that we withdrew the wrong amount from your Account or that we withdrew money from your Account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your Account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to dividends on the amount of your refund if your Account is a dividend-bearing Account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus dividends if your Account earns dividends) within 10 business days after we received your claim and the remainder of your refund (plus dividends if your Account earns dividends) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any dividends on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your Account.

### **How Do I Make a Claim for a Refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your Account, please contact us at 860-627-4200 or 800-544-4728 or write: 360 Federal Credit Union, 191 Ella Grasso Tpke, PO Box 273, Windsor Locks, CT 06096. You must contact us within 45 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the Account statement showing that the substitute check was posted to your Account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include -

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check [and/or] the following information to help us identify the substitute check: (identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check).

## ELECTRONIC FUNDS TRANSFER AGREEMENT – COMMERCIAL ACCOUNTS

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This Electronic Funds Transfer Agreement ("Agreement") is the contract which governs the rights and responsibilities of both parties regarding electronic funds transfer services offered by us. "Account" means any one or more of your savings, money market, and checking Account(s) you have with us. Electronic funds transfers are electronically-initiated transfers of money from or to your Account through the various services described below. By signing an application or Account card for EFT services, or by accessing any service, you agree to the terms and conditions in this Agreement, and amendments thereto, and any other agreements that may govern your Accounts. We may refuse any transaction which would draw upon insufficient funds, lower an Account below any required minimum balance, exceed a credit limit, or otherwise require us to increase our required reserve on an Account.

**TYPES OF ELECTRONIC FUND TRANSFER SERVICES.** The following describes the services, if approved, that are available, and some limitations that apply:

1. **Visa Debit Card.** You may use your Visa Debit Card and/or PIN to:

- Withdraw funds from your savings and checking Accounts.
- Make deposits to your savings and checking Accounts.
- Transfer funds between your savings and checking Accounts whenever you request.
- Obtain balance information on your savings and checking Accounts.
- Pay for purchases at places that have agreed to accept the Card.
- Make POS (Point of Sale) transactions to purchase goods or services at POS terminals that have the Visa logo.
- Order goods or services by mail, telephone, or via the Internet from places that accept the Card.
- Make cash withdrawals in foreign countries and in foreign currencies.

Some services may not be available at all terminals. The amount of purchases and/or cash obtained (if permitted) will be deducted from your checking Account. Advances from your line-of-credit Account are loans that must be repaid by you, and are governed by your line-of-credit agreement.

\*Non-Visa PIN-less transactions will not be processed as Visa transactions and therefore will not include Visa's zero liability or chargeback and dispute resolution benefits. Additionally, provisions of this agreement relating only to Visa transactions are not applicable to non-Visa and PIN-less debit transactions.

Limitations. The following limitations will apply to your Card:

- The maximum dollar amount of cash withdrawals per day is \$1,000.00. Sufficient funds must be available to make any withdrawal. There is no limit to the number of cash withdrawals you may make in one day.
- The maximum purchase price for any one transaction at a POS Terminal is \$5,000.00. You may make only 10 purchases in one day
- For security reasons, there are other limitations to frequency and number of transfers you may make at ATMs.
- Your available Account balance may be reduced for preauthorizations for 3 business days or until the transaction clears.
- You are not allowed to make deposits at an ATM that we do not operate or own.
- Additional limitations are set forth in the TRANSFER LIMITATIONS provision contained herein.

2. **Electronic Check Conversion & Electronic Returned Check Fees.** If you pay for something with a check, you may authorize a merchant or other payee to make a one-time electronic payment from your checking Account using information from your check to: (1) pay for purchases or (2) pay your bills. When your check is used to initiate an electronic funds transfer in this way, you authorize the funds to be debited from your Account as soon as the same day, and your check may not be returned to you. You also authorize a one-time electronic funds transfer to pay a Returned Check/EFT fee or Non-sufficient Funds fee if you have insufficient funds.

3. **Preauthorized Electronic Funds Transfers.** You may authorize periodic or recurring automatic payments from, and deposits into, your designated Account(s). Examples of such transfers include direct deposit of your paycheck or Social Security check into your designated Credit Union Account; automatic payment(s) from your designated Credit Union Account to third parties; and automatic payment from your designated Credit Union Account for loan payments or other amounts you owe us.

The frequency and amounts of these preauthorized transfers will be subject to and in accordance with the authorization that you sign, and any separate agreement you have with the originator of the transfer. See the Transfer Limitations provision for transfer limitations that apply to preauthorized transfers.

**4. Telephone Access and Availability.** You may access your Accounts via our Call 24 telephone system. We will assign you a PIN to use this service. You may use telephone access to:

- Withdraw funds from your savings and checking Accounts;
  - Transfer funds between your savings and checking Accounts;
  - Obtain balance, Account activity, and other information on your savings, checking, and Certificate Accounts;
  - Verify whether a check or other item has cleared your Account;
  - Make loan or credit card payments from your savings and checking Accounts;
  - Take advances from your line-of-credit loan Account;
  - Obtain tax information on amounts earned on applicable Accounts;
- Change your PIN number on the telephone access service or on your ATM or Debit Cards.

The telephone access service is available twenty-four (24) hours a day, but may be inaccessible for a short period each day for data processing.

Limitations. The following limitations will apply to the Telephone/Audio Response Service:

See the Transfer Limitations provision for transfer limitations that apply to preauthorized transfers.

**5. Online Access and Availability.** We offer a Web 24 that you may access from a personal computer that has Internet access or Mobile App. You will need your assigned password and member number or user name to access your Accounts, as instructed when you log on. You may use this service for the following:

- Make transfers between your savings and checking Accounts;
- Obtain balance information on your savings, checking, and Certificate Accounts;
- Make payments on your Credit Union loans from your savings and checking Accounts;
- Access internet bill pay services to make payments to various creditors;
- Verify whether a check or other item has cleared your Account;
- Take an advance from a line of credit Account;
- Obtain tax information on amounts earned on applicable Accounts;
- Change member's PIN number(s);
- Access or utilize other services that we may make available to you from time to time

Our Web 24 service will be available to you 24 hours a day, but may be interrupted for a short period of time each day for data processing. Security protocols will be in place, such as electronic lock-out if there are numerous unsuccessful attempts to enter a transaction, and limits on the duration of access.

See the Transfer Limitations provision for transfer limitations that apply to Web 24 transactions. You will also be required to comply with instructions and agreements provided on-line when you log onto the Web 24 service.

**6. Online Bill Payment Services.** Through our online Web 24 service, we offer Bill Pay services so that you may pay your bills to third-party creditors and payees electronically. You must agree to the online bill payment services agreement included on the bill pay services website, which agreement is incorporated by reference herein. You may also be required to comply with other instructions and agreements provided on-line when you log onto the Bill Pay service.

**FEES.** There are certain fees and charges for using electronic funds transfer services. For a current list of the types and amounts of these fees, please see your Business Fee Schedule that was provided to you.

**ATM Fees:** Additionally, when you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. The amount of this fee will be disclosed to you by the owner of the ATM.

#### **USE OF EFT CARDS AND SERVICES.**

**Ownership:** any card or other access device that we provide you remains our property and must be returned to us, our agent, or to any person who is authorized to honor the card according to our instructions. We may repossess the card at any time in our sole discretion without demand or notice to you. You cannot transfer the card, access code, or Account to another person, and you will be liable for any transfers made by anyone to whom you give your card or access codes.

**Honoring the Card(s); Refunds:** Neither we nor the merchants authorized to honor the card will be liable for failure or refusal to honor your card, access device, or code. If a merchant agrees to provide a refund or adjustment to you, you agree to accept a credit to your Account instead of a cash refund.



**Illegal Transactions:** You shall not use your card to make any illegal transaction as determined by applicable law. We may decline any transaction that we believe to be illegal, including but not limited to any transaction involving or relating to any gambling activity. We will have no liability or responsibility for any such use or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

**Foreign Transactions; Currency Conversion:** Purchases and cash advances made in foreign currencies will be debited from your Account in U.S. dollars. The conversion rate in dollars will be (1) a rate selected by Visa International from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives; or (2) the government-mandated rate in effect for the applicable central processing date in each instance. All transactions processed outside of the United States (which may include internet transactions) will be charged a foreign transaction fee in the amount disclosed on your Business Fee Schedule.

**Security of Card and Access Codes.** The access codes issued to you are for security purposes and any codes issued to you are confidential and should not be disclosed to anyone else or recorded on or with the card. You agree to safeguard the codes and agree not to disclose or otherwise make available your cards or codes to anyone not authorized to sign on your Accounts. If you authorize someone to use your access codes, that authority shall remain in place until you specifically revoke that authority by notifying the Credit Union.

**Joint Accounts.** If any of your Accounts accessed under this Agreement are joint Accounts, all joint owners including any authorized users, shall be bound by the terms and conditions of this Agreement. You understand and agree that any joint owner you authorize to use an access code may withdraw or transfer funds from any one of your Accounts without your prior notice or permission, and we will not be liable to you in any way. Each of you jointly and severally shall be responsible for any and all transactions under this Agreement regardless of which owner accessed the Accounts or used the services. Each joint Account holder is authorized to act for the others, and we may accept orders and instructions regarding any transaction on any Account from any owner. We can refuse to follow conflicting instructions.

**Reversal of Transactions.** You may not reverse any transaction when using your card to pay for goods or services by transferring funds through a terminal.

**No Right to Stop-Payment for Terminal Transactions.** Transfers made by terminal may be executed immediately. This means that a cash withdrawal or other debit transaction is immediately deducted from your Account; there is no "float" time and therefore there is no effective way of stopping the transaction.

**LIABILITY FOR UNAUTHORIZED USE.** Tell us AT ONCE if you believe your ATM or Debit Card or any of your access codes have been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down.

*For cards with the Visa logo, and PIN-less debit card transactions over Visa Networks (and the access codes associated with those cards):* You will not be liable for any amount unless we can prove that you were negligent in the handling of your card. If you write your PIN on your Card or otherwise keep the PIN with the Card, you may be negligent.

**You are liable for all transfers or purchases made via your card(s), access code(s) or passwords that you authorize or allow.** If you give your card, access code, or password to someone else, you are responsible for all transfers or purchases that that person makes with your card or via the service that he or she accesses, even if that person uses the card or code in a way that you did not anticipate or intend. You may revoke your permission for the other person to use your card by notifying us in writing, and allowing us reasonable time to act on your notification.

**If you believe your card or access code has been lost or stolen,** call: 860-627-4200 or 800-544-4728 or call Card Services at 866-820-8773 for lost or stolen cards during normal business hours or write: 360 Federal Credit Union, 191 Ella Grasso Tpke, PO Box 273, Windsor Locks, CT 06096. You should also call this number or write to this address if you believe a transfer has been made using the information from your check without your permission.

**BUSINESS DAYS.** For purposes of this Agreement, our business days are Monday through Friday. Holidays are not included.

**DISCLOSURE OF YOUR INFORMATION.** We will disclose information to third parties about your Account or the transfers you make:

1. Where it is necessary for completing transfers;
2. In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant;
3. merchant;
4. In order to comply with government agency or court orders; or  
If you give us your written permission.

#### **RIGHT TO RECEIVE DOCUMENTATION**

**Periodic statements.** Transfer and withdrawal transactions made through any card, Web 24 or Bill Pay service, telephone access system, or preauthorized transfer will be reflected on your periodic statement. You will receive a monthly statement unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.

**Terminal Receipts.** You can get a receipt at the time you make any transaction (except inquiries) to or from your Account using an ATM, Point-of-Sale terminal, or Debit Card transaction with a participating merchant. You should keep your statements and receipts, as they may be admissible evidence in legal proceedings if a dispute should arise and shall constitute prima facie proof that such transfer was made.

**Preauthorized EFTs.** If you have arranged to have a direct deposit or preauthorized debit or credit made to your Account at least once every 60 days from the same person or company, you can call us at 860-627-4200 or 800-544-4728 or use telephone access or Web 24 to find out whether or not the deposit has been made.

#### **RIGHTS REGARDING PREAUTHORIZED PAYMENTS**

**Right to Stop Payment and Procedure for Doing So.** If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Here's how:

Call: 860-627-4200 or 800-544-4728 or call Card Services at 866-820-8773 for lost or stolen cards during normal business hours or write: 360 Federal Credit Union, 191 Ella Grasso Turnpike, PO Box 273, Windsor Locks, CT 06096. in time for us to receive your request 3 business days or more before the payment is scheduled to be made. (If you want to stop a payment being made through Bill Pay, you should follow the instructions within Bill Pay). If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. Please see the Business Account Fee Schedule for any fees charged for stopping payments.

**Notice of Varying Amounts.** If preauthorized recurring payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

**Liability for Failure to Stop Payment of Preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS.** If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough available funds in your Account to make the transfer.
- If the funds in your Account are pledged as collateral for a loan or frozen because of a delinquent loan or other reason.
- If the transfer would go over the credit limit on your overdraft line.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the error was caused by a system of any participating ATM network.
- If the ATM, POS terminal, telephone access system, Web 24 or Bill Pay system or other electronic service was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- Any other exceptions stated in any of our agreements with you or which may be amended in the future.

**BILLING ERROR RESOLUTION. (Does not apply to international remittance transfers).**

In case of errors or questions about your electronic transfers, contact us at the number or address listed below as soon as you can and include the information listed below. We must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

By Telephone: (860) 267-4200 or (800) 544-4728

By U.S. Mail: 360 Federal Credit Union

191 Ella Grasso Turnpike

PO Box 273

Windsor Locks, CT 06096

- Tell us your name and Account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within 10 business days. We may require you to provide your complaint in the form of an affidavit. We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45\* days to investigate your complaint or question. If we decide to do this, we will credit your Account within 10\*\* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your Account.

\*For errors involving new Accounts, foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. \*\* For new Accounts, we may take up to 20 business days to credit your Account for the amount you think is in error.

**Termination.** You may terminate this agreement by (1) notifying us in writing; and (2) destroying or returning your card(s). We may terminate this agreement by notifying you in writing. Termination does not affect any party's rights under this agreement regarding any transactions made before termination.

## ONLINE BILL PAYMENT SERVICES AGREEMENT

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**Bill Pay.** If you sign up for Bill Pay, our bill payment service, you must have a business checking Account, your bill payment Account. You may authorize new payments or edit previously authorized payments on a periodic (i.e. nonrecurring payments on merchant charge Accounts that vary in amount) or automatic (i.e. recurring fixed monthly mortgage payments) basis. You will need to provide us the name and address of the payee, your Account number with the payee and any other information we require to properly debit your Account with us and credit your Account with the payee. You can only pay payees with addresses within the United States. We reserve the right to refuse to make payments to certain persons, or transactions that appear to be fraudulent or erroneous. If the designated payment day falls on a weekend or holiday, it will be paid on the next business day.

When you transmit a bill payment instruction you authorize us to transfer funds to make the bill payment from the checking Account you designate. We will process the bill payment only to those payees you authorize and have the proper identification. We will not process any bill payment if the required transaction information is incomplete. We reserve the right to process your bill payment as a corporate check, draft check, or automated clearing house (ACH) transaction and this may change at any point in time. There is no limit on the number of bill payments per day.

If there are insufficient funds in your Account, we may refuse to make the payment, make the payment and transfer funds from any overdraft protection Account you have established, or make payment and overdraw your Account.\*

It is your responsibility to schedule your bill payments in a manner that your obligations will be paid on time. You must allow sufficient time for the merchant to receive and process your payments, we cannot guarantee the time that the merchant will credit any payment in your Account. You may cancel, edit (date, or payment amount), or request a stop payment\* for bill payments under certain circumstances. Your cancellation or edit request must be entered at least three (3) business days before the date the payment is scheduled to be processed. If we don't receive your instruction to edit or cancel a payment instruction before that time, we may process the transaction. See Stop Payment Rights that apply to these payments.

\* NOTE: View our Business Fee Schedule for current fees.