

This Agreement is the contract of deposit that covers your and our rights and responsibilities concerning Membership and Account(s) offered to you. In this Agreement, the words "you" and "yours" mean those who sign the Member Account Application. The words "we," "us," "our" and "credit union" mean Encompass Niagara Federal Credit Union ("ENFCU"). The word "account" means any one or more accounts you have with the Credit Union. The classification and form of ownership of your accounts are designated on your Member Account Application.

By signing the Member Account Application that is a part of the Agreement, or by establishing and using the account, each of you, jointly and severally, agrees to the terms and conditions in this Agreement, including the Member Account Agreement, Truth-in-Savings Disclosures, Rate Addendum, Fee Schedule, Funds Availability Policy, Electronic Funds Transfer Agreement, Privacy Policy, any account receipt, the Credit Union's bylaws and policies, and any amendments which collectively govern your 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.

ACCOUNT AGREEMENT

Membership Eligibility. To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union's field of membership, must have a valid Social Security Number (SSN) or Tax Identification Number (TIN), and must purchase and maintain at least one share as required by Credit Union Bylaws. You authorize us to check your account, credit, and employment history and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.

Individual Accounts. An individual account is an account owned by one depositor, including any individual, corporation, partnership, trust, or other organization qualified for Credit Union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the account owner's estate or Payable on Death (POD) beneficiary/payee or trust beneficiary, subject to other provisions of this agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death and to any security interest or pledge granted by the account owner and subject to our statutory lien rights.

Joint Accounts. An account owned by two or more persons is a joint account. Additional joint owners are owners on all accounts except IRAs.

Rights of Survivorship. Unless otherwise stated on the Account Card or documented through the Credit Union's online application and authentication process, a joint account includes rights of survivorship. This means that when one (1) owner dies, all sums in the account will pass to the surviving owner(s). For a joint account without rights of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

Rights of Joint Account Owners. Any joint account owner is authorized and deemed to act for the other owner(s) and the Credit Union may accept orders and instructions regarding the account and requests for future services from any other account owner. Each account owner guarantees the signature of the other owners. **Any account owner may terminate an account, withdraw all available funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the funds of any account, including funds representing a membership share, without the consent of the other account owner(s)** and the Credit Union shall have no duty to notify any other joint account owner(s). If the Credit Union receives written notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a court order to act, or require that all joint account owners agree in writing to any transaction concerning the account.

Joint Account Owner Liability. If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount, and any charges and transaction, regardless of who created the overdraft, deposited or cashed the item, or benefited from or initiated the transaction. A joint owner shall be responsible for returning any unused checks or access devices from any joint owner removed from the account. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

Joint Account Disclosure Notice. Section 675 of the NYS Banking Law and NYS Banking Board General Regulations Part 15 require that the following information be disclosed to each owner of a joint account: (1) The account balance, and any additions thereto, become the property of each owner as joint tenants and, as such, the credit union may release the entire account to any owner during the lifetime of all owners. (2) The credit union may honor checks drawn by, or withdrawal requests from, any owner during the lifetime of all owners. (3) The credit union may be required by service of legal process to remit funds held in the joint account to satisfy a judgment entered against, or other valid debt incurred by any owner of the account. (4) The credit union may honor checks drawn by, or withdrawal requests from the survivor(s) after the death of any owner(s). (5) The credit union may treat the account as the sole property of the survivor(s) after the death of any owner(s). (6) Unless the credit union receives written notice signed by any owner not to pay or deliver any joint deposit or addition or accrual thereon, the credit union shall not be liable to any owner for continuing to honor checks drawn by, or withdrawal requests from, any owner. (7) After receipt of the written notice referred to in Number 6 above, the credit union may require the written authorization of any or all joint owners for any further payments or deliveries. (8) Any owner may pledge all or any part of the account balance in this account as collateral security for a loan or loans.

Payable on Death (POD) Account Designations. A Payable on Death (POD) account is an account held in the name of one (1) or more persons as owner or owners for one or more persons designated as beneficiaries. The account and any balance thereof is subject to the following: a) during your lifetime you may withdraw the money in the account; b) by written direction to the Credit Union, you may change the beneficiary or beneficiaries; and c) upon your death the money remaining in the account will belong to the beneficiary or beneficiaries, and the money will not be inherited by your heirs or be controlled by your will. Any POD beneficiary designation shall not apply to Individual Retirement Accounts (IRAs). If there is more than one (1) surviving beneficiary/payee, the account is owned jointly by such beneficiaries/payees without rights of survivorship upon the death of the last account owner. We are not obligated to notify any beneficiary of the existence of any account or the vesting of a beneficiary's interest in any account, except as otherwise provided by law. This paragraph does not apply to an account held on behalf of or held in the name of a trust.

Accounts for Minors. For any account established by or for a minor, the Credit Union reserves the right to require the minor account owner to have his or her Social Security Number (SSN) or Tax Identification Number (TIN) and to have a parental joint account owner who is at least eighteen (18) years of age, who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid charges or amounts on such account. For a joint account, all funds in the account shall be owned as a joint account with rights of survivorship. The Credit Union may make payments of funds directly to the minor without regard to his or her minority. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or joint account owner. The Credit Union will not honor any transaction request by a parent or guardian who is not a joint account owner. The minor account owner's Social Security Number (SSN) or Tax Identification Number (TIN) must be shown on the account. We will not change the account status when the minor reaches the age of majority unless the change is authorized in writing by all account owners.

Uniform Transfers/Gifts to Minors Account (UTMA/UGMA). A Uniform Transfers/Gifts to Minors Account is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party

entitled to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal.

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

DEPOSITS

Deposit Requirements. Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth in the Rate Addendum and Schedule of Fees and Charges. All accounts are non-assignable and nonnegotiable to third parties. Certificate accounts are governed by the terms of this Agreement and the terms and disclosures on your certificate account receipt for each account, which is incorporated herein by this reference.

Endorsements. You authorize the Credit Union, at its discretion, to accept transfers, checks and other items for deposit into any of your accounts, whether or not they are endorsed by all payees. You authorize the Credit Union to supply missing endorsements if the Credit Union chooses to supply such endorsements. The Credit Union reserves the right to verify all endorsements on checks presented for deposit, either in person or by comparison with member signature files. If insurance, government, and certain other checks require an endorsement as set forth on the back of the check, the Credit Union may require endorsement as set forth on the check. Endorsements must be placed in the space on the back of the check between the top edge and one and a half inches from the top edge. The Credit Union may accept checks with endorsements outside this space. However, if any such endorsements or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error. If a check or item that is payable to two (2) or more persons is ambiguous as to whether it is payable to either or both, we may process the check or item as though it is payable to either person.

Restrictive Legends. Some checks contain restrictive legends or similar limitations on the front of the item. Some examples of restrictive legends include "two signatures required", "void after 60 days" or "not valid over \$500.00." We are not liable for payment of any check contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

Collection of Items. The Credit Union shall not be responsible for deposits made by mail or at an un-staffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for default or negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.

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

Direct Deposits. The Credit Union may offer direct deposit options allowing you to preauthorize deposits (i.e. payroll checks, Social Security or retirement checks, or other government checks) or preauthorize transfers from other accounts at the Credit Union. You must authorize any direct deposits or preauthorized transfers by a separate authorization. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer if you wish to cancel or change the direct deposit or direct transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit including government payments or benefits. Upon filing of bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. government for any benefit payment directly deposited into your account for any reason, you

agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

Crediting of Deposits. Deposits made on non-business days will be credited to your account on the next business day. Deposits received at un-staffed facilities such as night depositories and automated teller machines (ATMs) will be credited on the day funds are removed and processed by the Credit Union. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or for collection.

GENERAL INFORMATION

Inactive and Abandoned Accounts. If you have an account that you have not made a withdrawal from, deposit to, renewal of, or transfer involving your account for more than 12 months the Credit Union may classify your account as inactive and may charge an inactive account service fee as allowed by applicable law and set forth on the Rate Addendum and Schedule of Fees and Charges. If your account is classified as inactive and the Credit Union has been unable to contact you during this period, the Credit Union may classify your account as dormant and may charge a dormant account service fee as allowed by law and set forth on the Rate Addendum and Schedule of Fees and Charges, Truth in Savings Disclosures and Schedule of Fees and Charges. Thereafter, dividends or interest will not be paid on the account if the balance falls below any minimum balance requirement. If a deposit or withdrawal has not been made on the account, you have not otherwise indicated an interest in the account, or the Credit Union has had no other contact with you within three (3) years as required by the Uniform Unclaimed Property Act, the account may be presumed abandoned. Funds in abandoned accounts will be remitted in accordance with state law. Once funds have been turned over to the state, the Credit Union has no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

Death of Account Owner. The Credit Union may require the survivor or other claimant to the account to produce certain documents before releasing the funds in the account. You agree that the Credit Union can require anyone who claims funds in your account after your death to indemnify the Credit Union for any losses resulting from honoring that claim. The Credit Union may continue to honor all transfers, withdrawals, deposits, and other transactions on the account once the Credit Union learns of an account owner's death. Once we know of a member's death, we may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks or other items. This agreement will be binding upon any heirs or legal representatives of any account owner. We reserve the right to require the consent of all owners to terminate a joint account.

Termination of Account. The Credit Union 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 funds in the account; (4) any account checks are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) any owner or authorized user causes the Credit Union to suffer a loss; (7) we reasonably deem it necessary to prevent a loss to us or if there has been any misrepresentation or any other abuse of any of your accounts. Your account removal or termination will not affect your responsibility for any loan obligations or prior transactions. The Credit Union is not responsible for payment of any check, withdrawal, or other item once your account is terminated; however, if the Credit Union pays a check or other item after termination, you agree to reimburse the Credit Union for payment. We reserve the right to require the consent of all owners to terminate a joint account.

Termination of Membership. You may terminate your membership at the Credit Union after giving written notice of your intent to withdraw or by withdrawing your minimum required membership share, if any, and closing all of your accounts. You may be expelled if there has been any misrepresentation or any other abuse on any of your other accounts or if you fail to comply with the Credit Union policies, procedures, or bylaws, conduct yourself in a threatening or abusive manner to Credit Union personnel, or willfully damage Credit Union property. You may be denied service or expelled from membership for any reason allowed by applicable law, including causing a loss to the Credit Union or violating any terms of membership. If you are expelled you may not be a joint account owner on another account.

Special Account Instructions. You may request the Credit Union facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of

your trust, will, or court order. If you ask the Credit Union to follow instructions that the Credit Union believes might expose it to claims, suits, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to post a bond to indemnify the Credit Union. Account changes requested by you, or any account owner, must be evidenced by a signed Membership Application and accepted by the Credit Union.

Your Consent To Receive Calls. You agree if you provide or have provided any telephone number, including a cell phone number, on your membership application, other Credit Union form, or verbally, you are giving the Credit Union, its agents, employees, or third parties your consent to contact you at such telephone number(s) to discuss or communicate the status of your accounts or applications, whether these numbers are dialed manually or by means of an automatic telephone dialing system or pre-recorded message. You are not required to consent as a condition of purchasing any property, goods or service (including loans).

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 shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

Enforcement. You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services or your failure to follow this Agreement. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings legal action to enforce the Agreement or collect any overdrawn funds on accounts assessed under this Agreement, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable.

Unlawful Internet Gambling/Regulation GG. You agree that you will not use any of your accounts, access devices or services for unlawful internet gambling transactions or other illegal activities. Pursuant to the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG, "restricted transactions" such as those in which a person accepts credit, funds, instruments or other proceeds from another person in connection with unlawful Internet gambling, are prohibited. The Credit Union will not open accounts involved in this type of activity. However, as required by law, we monitor all account activity, and will restrict any transactions connected with unlawful Internet gambling. If unlawful Internet gambling activity is detected, the account may be restricted or closed.

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

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.

ACCOUNT ACCESS

Authorized Signature. Your signature on the Membership Application authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any check that appears to bear your facsimile signature even if it was made by an unauthorized person. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction.

Access Options. You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, Internet access, automatic transfer, or telephone, as applicable). We may return as unpaid any check drawn on a form we do not provide, and you are responsible for any loss we incur handling such a check. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.

ACH and 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. If we permit you to establish a different security procedure, you agree that procedure is a commercially reasonable method of verifying electronic funds transfers.

Remotely Created Checks. For purposes of this paragraph, "account" means a transaction account, credit account, and any other account on which checks may be drawn. 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.

Certificate Accounts. Any term savings certificate allowed by state law is subject to the terms of this agreement and Certificate Account Receipt for each account, the terms of which are incorporated herein by reference.

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

UCC ARTICLE 4A DISCLOSURE

Disclosures Regarding Electronic "Wholesale Credit" Transactions Subject To Uniform Commercial Code Article 4a

Provisional Payment. Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making

payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

Notice Of Receipt Of Entry. Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide to you.

Choice Of Law. We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses ("ACH") and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of New York, unless it has otherwise specified in a separate agreement that the law of some other state shall govern.

TRANSACTION LIMITATIONS

Understanding Your Account Balance. Your Checking account has two kinds of balances: the actual balance and the available balance.

(1) Actual Balance. Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending.

(2) Available Balance: Your available balance is your actual balance less: (i) holds placed on deposits; (ii) holds on debit card or other transactions that have been authorized but are not yet posted; and (iii) any other holds, such as holds related to pledges of account funds, minimum balance requirements, or to comply with court orders. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions. You may check your available balance online, by calling us, or by visiting a Credit Union ATM.

Withdrawal Restrictions. The Credit Union will permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks, transfers or other payment orders that are drawn against insufficient available funds will be subject to a service charge set forth in the Rate Addendum and Schedule of Fees and Charges. You understand and agree that multiple attempts may be made to submit an item for payment and that multiple fees may be charged to you as a result of these represented item(s). If there are sufficient available funds to cover some but not all of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient available funds in any order at the Credit Union's discretion. The Credit Union may also refuse to allow a withdrawal in other cases. For example, any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal); a legal garnishment or attachment is served; the account secures an obligation to the Credit Union; any required documentation has not been presented; or you fail to repay a Credit Union loan on time. You may be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals from any account (except checking accounts) of no less than seven (7) days and up to sixty (60) days, as required by law, before such withdrawal.

OVERDRAFTS

Overdraft Liability. If on any day, the available funds in your checking account are not sufficient to cover checks and other items posted to your account, those checks and items will be handled in accordance with our overdraft procedures or an overdraft protection plan you may have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's payment of item with only one review of the account required. The Credit Union has no duty to notify you of an insufficient funds item. The Credit Union may charge a fee for an insufficient funds item whether paid or returned as set forth in the Rate Addendum and Schedule of Fees and Charges. Except as otherwise agreed to in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If the Credit Union pays an item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time.

For ATM and one-time debit transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions.

Services and fees for overdrafts are shown in the Rate Addendum and Schedule of Fees and Charges.

Order of Payments. Checks, drafts, items and other transactions may not be processed in the order that you make them or in the order that we receive them. We may, at our discretion, pay a check or item and execute other transactions on your account in any order we choose. The order in which we process checks and execute other transactions on your account may affect the total amount of overdraft fees that may be charged to your account. Please contact us if you have questions about how we pay checks and process transfers and withdrawals.

Postdated and Stale dated Items. You authorize us to accept and pay any check, even if the check is presented for payment before its date. You also agree not to deposit checks or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check drawn on your account that is presented more than six (6) months after its date.

STOP PAYMENT ORDERS

Stop Payment Request. You may ask the Credit Union to stop payment on any check drawn upon your checking account. You must request a stop payment in writing. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, date, and number of the check and its exact amount. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the item. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the item. If we re-credit your account after paying a check over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the check to the Credit Union, and to assist the Credit Union in legal action taken against the person.

Duration of Order. You may make an oral stop payment order, which will lapse within fourteen (14) calendar days unless continued in writing within that time. A written stop payment order will be effective for 6 months. A written stop payment order may be renewed in writing from time to time. The Credit Union is not obligated to notify you when a stop payment order expires.

Liability. The Credit Union may charge a fee for each stop payment order requested, as set forth in the Rate Addendum and Schedule of Fees and Charges. Payment on any certified check, cashier's check, teller's check, or any other check or payment guaranteed by us may be stopped only according to the provisions of Section 4-403 of the Uniform Commercial Code as enacted by the state of New York. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages, or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

Lost Items. The Credit Union, in receiving items from you for withdrawal or deposit, acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items, should they become lost in the collection process.

Credit Union's Liability for Errors. If the Credit Union does not properly complete a transaction according to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (b) circumstances beyond the Credit Union's control prevent the transaction; (c) your loss is caused by your negligence or the negligence of another financial institution; or (d) the money in your account is subject to a legal process or other claim. The Credit Union will not be liable for consequential damages except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area serviced by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and applicable written form.

Checks Presented for Payment in Person. We may refuse to accept any check drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check and we shall have no liability for refusing payment.

Credit Union Lien and Security Interest. To the extent you owe the Credit Union money, now or in the future, as a borrower, guarantor, endorser, or otherwise, the Credit Union has a lien on any or all the funds in any account in which you have an ownership interest at the Credit Union, regardless of the source of the funds. The Credit Union may apply these funds in any order to pay off your indebtedness. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount owed the Credit Union, except obligations secured by your dwelling, unless prohibited by applicable law. All accounts are non-transferable to third parties. All accounts may not be assigned without our prior written consent. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security.

Legal Process. If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may pay out funds according to the terms of the action or refuse to pay out any money from your account until the dispute is resolved. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

Account Information. Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except as set forth in the privacy policy.

NOTICES

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

Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in account terms, rates, or fees as required by law. Changes in account ownership, such as adding or removing a joint account owner, must be evidenced in writing. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.

Effect of Notice. Any written notice you give the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. mail, postage prepaid, and addressed to you at your statement mailing address. Notice to any one account owner is considered notice to all owners of the account. The Credit Union reserves the right to accept oral instructions, and you agree to hold the Credit Union harmless from any liability arising as a result of such instructions.

TRUTH-IN-SAVINGS ACCOUNT DISCLOSURES

THE FOLLOWING DISCLOSURES CONTAIN IMPORTANT INFORMATION AND THE TERMS AND CONDITIONS OF ANY ACCOUNT OR ACCOUNTS THAT YOU MAY HAVE WITH US AND ARE PROVIDED AS REQUIRED BY THE TRUTH-IN-SAVINGS ACT. WHEREVER USED, "APY" MEANS ANNUAL PERCENTAGE YIELD.

COMMON FEATURES

Except as specifically described, the following disclosures apply to all of the accounts. All accounts described in this Truth-in-Savings Disclosure are savings accounts.

Membership. As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth below.

Par Value of One Share	\$25.00
Number of Shares Required	1
Membership Fee	N/A

Balance Information. To open any account, you must deposit or already have on deposit the minimum required share(s) in a savings account. Some accounts may have additional minimum deposit requirements to open and avoid service fees. The minimum balance requirements applicable to each account are set forth in the Rate Addendum and Schedule of Fees and Charges.

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Electronic Notices. If you have agreed to receive notices electronically we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

Taxpayer Identification Number (TIN) and Backup Withholding. If your account is or becomes subject to backup withholding, the Credit Union is required by law to withhold and pay the Internal Revenue Service (IRS) a required percentage of payments of dividends, and certain other payments under certain conditions. Your failure to furnish a correct taxpayer identification number (TIN) or meet other applicable requirements may result in backup withholding as well as civil or criminal penalties. If you refuse to provide your TIN, the Credit Union may suspend the opening of your account.

STATEMENTS

Contents. If the Credit Union provides a statement for your account, you will receive a periodic statement of all transactions and activity on your account during the statement period. If a periodic statement is provided, you agree that only one statement is necessary for a multiple party account. For checking accounts, you understand that when paid, your original check becomes property of the Credit Union. Copies will be retained by the Credit Union and made available upon your request and subject to the fee set forth in the Rate Addendum and Schedule of Fees and Charges.

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 thirty-three (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 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 fourteen (14) days of the time you regularly receive a statement.

Electronic Statements. If you choose to sign-up for Electronic Statements, the Credit Union will no longer be providing you with a monthly and/or quarterly paper statement. Your statements will be available via our Online Banking site on or around the 5th business day of the month. You will be notified through your e-mail address on file that your E-statement is available. If you change your e-mail address, it is your responsibility to notify us of your new address as soon as possible to avoid delays in receiving your E-Statement notification.

In order to receive a notification that your E-statement is available, you must provide an accurate, active e-mail address. To access your E-Statements, you must log in to Online Banking, using your secure logon ID and Security Code.

Dividend Compounding and Crediting. The compounding and crediting frequency of dividends applicable to each account is set forth in the Rate Addendum and Schedule of Fees and Charges.

Accrual of Dividends. For all earning accounts, dividends will begin to accrue on noncash deposits (e.g. Checks) on the morning following the business day the funds were deposited to your account. If you close your account before accrued dividends are credited, accrued dividends will not be paid.

- ❖ For Christmas Club accounts, any accrued dividends will be paid if you close the account within seven (7) days of the date you open it.

Nature of dividends. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Transaction limitation. We reserve the right to at any time require not less than seven days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D.

Fees. Refer to the separate Rate Addendum and Schedule of Fees and Charges for a listing of fees and charges applicable to your account.

SAVINGS AND CHECKING ACCOUNTS

Rate Information. For dividend bearing accounts, the Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. The Dividend Rate and Annual Percentage Yield may change at quarterly as determined by the Credit Union's Board of Directors. The Dividend Rates and Annual Percentage Yields are the rates and yield as of the last effective dividend declaration date, which is set forth in the Rate Addendum and Schedule of Fees and Charges.

Dividend Period. The dividend period is the period of time at the end of which an account earns dividend credit. The dividend period begins on the first calendar day of the period and ends on the last calendar day of the period. The dividend period applicable to each account is set forth in the Rate Addendum and Schedule of Fees and Charges.

Balance Computation Method. Dividends are calculated using the average daily balance. This method applies a periodic rate to the average daily balance in the account for the dividend period. The average daily balance is calculated by adding the balance in the account for each day of the period, and dividing that figure by the number of days in the period. The balance computation method applicable to each account is set forth in the Rate Addendum and Schedule of Fees and Charges.

Account Limitations. For all deposit accounts. You may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, Automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed.

- ❖ For Christmas Club accounts, the entire balance will be paid to you by check or transferred to another account of yours on or after October 1 and the account will remain open.
- ❖ For Share Draft accounts, no account limitations apply.

Fees for Overdrawing Accounts. Fees for overdrawing your account may be imposed on each check, item, ATM transaction and one-time debit card transaction (if member has consented to overdraft protection plan for ATM and one-time debit card transactions), preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check or item. You may consult the Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Fee Schedule for current fee information.

For ATM and one-time debit card transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Rate Addendum and Schedule of Fees and Charges.

SHARE CERTIFICATE

Rate Information. The annual percentage yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For all Share Certificate Accounts, the dividend rate and annual percentage yield are fixed and will be in effect for the initial term of the account. For accounts subject to dividend compounding, the annual percentage yield is based on an assumption that dividends will remain on deposit until maturity. A withdrawal of dividends will reduce earnings.

Dividend Period. The dividend period begins on the first day of the term and ends on the maturity date. The term for your account is disclosed on your certificate. The dividend period applicable to each account is set forth in the Rate Addendum and Schedule of Fees and Charges.

Dividend Compounding and Crediting. At your option, you may choose to have dividends credited to your certificate account or transferred to another account of yours. If you elect to have dividends transferred to another account compounding will not apply. The compounding and crediting frequency of dividends applicable to each account is set forth in the Rate Addendum and Schedule of Fees and Charges.

Balance Computation Method. Dividends are calculated by the daily balance method, which applies a periodic rate to the balance in the account each day.

Transaction Limitations. After your account is opened you may not make additional deposits. You may make withdrawals subject to the early withdrawal penalties stated below.

Maturity. Your account will mature as stated on your Account Receipt or Renewal Notice.

Early Withdrawal Penalty. We may impose a penalty if you withdraw from your account before the maturity date. The amount of the early withdrawal penalty is based on the term of your account as follows:

- ❖ Terms less than 12 months 90 days' dividends
- ❖ Terms greater than 12 months 180 days' dividends

How the Penalty Works. The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on the account. It applies whether or not the dividends have been earned. In other words, if the account has not yet earned enough dividends or if the dividend has already been paid, the penalty will be deducted from the principal.

Exceptions to Early Withdrawal Penalties. If an account owner dies or is determined legally incompetent by a court or other body of competent jurisdiction, we may, at our option, pay the account before maturity without imposing an early withdrawal penalty.

Renewal Policy. You may renew, transfer, or close your account at maturity. You will be asked to instruct the Credit Union by mail or in person of which option you choose. You will be notified in writing at least ten (10) days before the maturity date of your account. If you do not respond prior to the maturity of your account, the account balance will be transferred to your regular share account upon maturity. The transferred funds will then earn dividends at the variable rate applicable to that account.

Every notice of maturity will state the dividend rate that will apply to the account upon renewal. If the renewal rate has not yet been determined, the notice will state the date that the renewal rate will be set. You can call to inquire what the dividend rate and APY applicable to the account during the renewal term will be.

Nontransferable/Nonnegotiable. Your account is nontransferable and nonnegotiable.

FUNDS AVAILABILITY POLICY DISCLOSURE

THIS DISCLOSURE DESCRIBES YOUR ABILITY TO WITHDRAW FUNDS AT THE CREDIT UNION. YOU SHOULD ALSO REFER TO THE SECTION OF THESE AGREEMENTS AND DISCLOSURES THAT DESCRIBES THE DETAILS OF YOUR SPECIFIC ACCOUNT TYPE FOR ADDITIONAL INFORMATION.

General Policy. Our policy is to make funds from your cash and check deposits available to you on the next business day after we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. 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 the close of business or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right To Hold. In some cases, we will not make all of the funds that you deposit by check available to you in the next business day that we receive your deposit. Funds may not be available until the second business day after the day of your deposit. However, the first \$200.00 of your deposit will be

available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the next 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 next business 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.

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 the 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 available 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.

Longer Delays May Apply. We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- ❖ We believe a check you deposit will not be paid.
- ❖ You deposit checks totaling more than \$5,000.00 on any one (1) day.

- ❖ You redeposit a check that has been returned unpaid.
- ❖ You have overdrawn your account repeatedly in the last six (6) months.
- ❖ There is an emergency, such as failure of communication or computer 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. They will generally be available no later than the seventh business day after the day of your deposit.

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 \$5,000.00 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 same business day that we receive your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000.00 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 \$5,000.00 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 eleventh business day after the day of your deposit.

ELECTRONIC FUNDS TRANSFER AGREEMENT

THIS IS YOUR ELECTRONIC SERVICES AGREEMENT AND DISCLOSURE. IT INCLUDES NECESSARY FEDERAL STATEMENTS AS REQUIRED BY THE ELECTRONIC FUND TRANSFER ACT (15 U.S.C. SECTION 1693 ET SEQ) AND REGULATION E (12 CFR 205 ET SEQ).

Electronic Funds transfers are electronically initiated transfers of money from your account through the electronic funds transfer services described below. By signing an application or account card for EFT services, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

Furthermore, electronic fund transfers that meet the definition of remittance transfers are governed by 12 C.F.R. part 1005, subpart B-Requirements for Remittance Transfers, and consequently, terms of this agreement may vary for those types of transactions. A "remittance transfer" is an electronic transfer of funds of more than \$15.00 which is requested by a sender and sent to a designated recipient in a foreign country by a remittance transfer provider. Terms applicable to such transactions may vary from those disclosed herein and will be disclosed to you at the time such services are requested and rendered in accordance with applicable law.

EFT Services. If approved, you may conduct any one or more of the EFT services offered by the Credit Union.

VISA Debit Card. If approved, you may use your card to purchase goods and services from participating merchants. However, you may not use your card to initiate any type of gambling transaction. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your card purchases will be deducted from your Savings and Checking account. For one-time debit card transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Rate Addendum and Schedule of Fees and Charges.

For other types of transactions, if the available balance in your account is not sufficient to pay the transaction amount, the Credit Union may pay the amount and treat the transaction as a request to transfer funds from other deposit accounts or approved overdraft protection accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your card and personal identification number (PIN) in ATMs of the Credit Union, Allpoint networks, and such other machines or facilities as the Credit Union may designate.

At the present time, you may also use your card to:

- ❖ Make deposits to your share and share draft accounts.
- ❖ Withdrawal funds from your share and share draft accounts.
- ❖ Transfer funds from your share and share draft accounts.
- ❖ Obtain balance information for your share and share draft accounts.
- ❖ Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at merchants that accept Visa.
- ❖ Order goods or services by mail or telephone from places that accept Visa.

The following limitations on VISA Debit Card transactions may apply:

- ❖ Purchase amounts are limited to the amount in your account.
- ❖ You may purchase up to a maximum amount of \$1,500.00 per day.
- ❖ You may make ten (10) cash withdrawals in any one (1) day from an ATM machine.
- ❖ You may withdraw up to a maximum of \$520.00 in any one (1) day from an ATM machine, if there are sufficient funds in your account.
- ❖ You may transfer up to the available balance in your accounts at the time of the transfer.
- ❖ See "transfer limitations" that may apply to these transactions.

Preauthorized EFTs.

- ❖ **Direct Deposit.** Upon instruction of (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or federal recurring payments, such as Social Security, to your Savings/Checking account.
- ❖ **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your savings and checking accounts.
- ❖ **Stop Payment Rights.** If you have arranged in advance to make electronic fund transfers out of your account(s) for money you owe others, you may stop payment on preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within 14 days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding 14 days after it has been made. A stop payment request for preauthorized Electronic Fund Transfers will apply to all subsequent transfers, unless you withdraw the request.
- ❖ **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (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 Transfers.** If you order us to stop payment of a preauthorized transfer three (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.

Electronic Check Conversion/Electronic Returned Check Fees. If you pay for something with a check you may authorize your check to be converted to an electronic fund transfer. You may also authorize merchants to electronically debit your account for returned check fees. You are considered to have authorized these electronic funds transfers if you complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

Online Banking. If Online Banking is activated for your account(s), you will be required to use secure login information to access the account(s).

At the present time, you may use Online Banking to:

- ❖ Withdraw funds from your share and share draft accounts.
- ❖ Transfer funds from your share and share draft accounts.
- ❖ Obtain balance information for your share and share draft accounts.
- ❖ Make loan payments with ENFCU.
- ❖ Determine if a particular item has cleared.
- ❖ Verify the last date and amount of your payroll deposit.

Your accounts can be accessed under Online Banking via personal computer. Online Banking will be available for your convenience 24 hours a day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The following limitations on Online Banking transactions may apply:

- ❖ See "transfer limitations" that may apply to these transactions.

Mobile Banking. If Mobile Banking is activated for your account(s), you will be required to use secure logon information to access the account(s). At the present time, you may use Mobile Banking to:

- ❖ Withdraw funds from your share and share draft accounts.
- ❖ Transfer funds from your share and share draft accounts.
- ❖ Obtain balance information for your share and share draft accounts.
- ❖ Make loan payments with ENFCU.
- ❖ Determine if a particular item has cleared.
- ❖ Verify the last date and amount of your payroll deposit.

Your accounts can be accessed under Mobile Banking via mobile device or other approved access device(s). Mobile Banking will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there maybe limits on the duration of each access.

The following limitations on Online Banking transactions that may apply:

- ❖ See "transfer limitations" that may apply to these transactions.

Transfer Limitations. For all savings accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic or internet transfer, by telephonic order or instruction, or by check, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed. Refer to the Regulation D section for more information.

CONDITIONS OF EFT SERVICES

Ownership of Cards. Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be cancelled at any time at our sole discretion without demand or notice. You cannot transfer your Card or account to another person.

Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

Foreign Transactions. Visa purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa 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 the government-mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee of 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash withdrawals and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States, with the exception of U.S. military bases and U.S. territories.

Security of Access Code. You may use one (1) or more access codes with your electronic fund transfers. The access codes issued to you are for your security purposes. Any access codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the card. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes, that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

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 this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any savings and checking or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

Fees and Charges. There are certain charges for electronic funds transfer services. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

Refer to the separate Credit Union's Fee Schedule for current fees.

Member Liability. You are responsible for all EFT transactions you authorize. If you permit someone else to use an EFT service, your card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts.

TELL US AT ONCE if you believe your card or access code has been lost or stolen, if you believe someone has used your card or access code or otherwise accessed your accounts without your authority, 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. You could lose all the money in your account (plus your maximum overdraft). If a transaction was made with your card or card number without your permission and was either a Visa or Interlink transaction, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or card or access code. For all other EFT transactions, including ATM transactions or if you were grossly negligent in the handling of your account or card or access code, your liability for an unauthorized transaction is determined as follows.

If you tell us within two (2) business days after you learn of the loss or theft of your card or access code, you can lose no more than \$50.00 if someone used your card or access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or access code and we can prove we could have stopped someone from using your card or access code without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make including those made by card, access code or other means, TELL US AT ONCE. If you do not tell us within 60 days after the statement was mailed or electronically sent to you, you may not get back any money lost after the 60 days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your card or access code has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission. Call us at (716) 236-7678 or write to:

Encompass Niagara Federal Credit Union
2525 Military Road
Niagara Falls, NY 14304

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

RIGHT TO RECEIVED DOCUMENTATION

Periodic Statements. Transfers and withdrawals made through any ATM or POS terminal, Debit Card transactions, audio response transactions, preauthorized EFTs, electronic/PC transactions or Bill payments will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly and/or annually.

Terminal Receipt. You have the option to receive a receipt at the time you make any transaction (except inquiries) involving your account using an ATM, POS terminal, or Debit Card transaction with a participating merchant.

Direct Deposit. If you have arranged to have direct deposit made to your account at least once every 60 days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling (716) 236-7678. This does not apply to transactions occurring outside the United States.

Account Information Disclosure. We may disclose information to third parties about your account or the transfers you make.

- ❖ As necessary to complete transfers;
- ❖ To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- ❖ If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested services(s).
- ❖ To comply with government agency or court orders; or
- ❖ If you give us your written permission.

Credit Union Liability and 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 may be liable for your losses or damages. However, we will not be liable for direct or consequential damages in the following events.

- ❖ If, through no fault of ours, there is not enough money in your accounts to complete the transaction, if any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy, or if the transaction involves a loan request exceeding your credit limit.
- ❖ 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 ATM was not working properly and you knew about the problem when you started the transaction.
- ❖ If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction.
- ❖ If the money in your account is subject to legal process or other claim.
- ❖ If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- ❖ If the error was caused by a system of any participating ATM network.

- ❖ If the electronic transfer is not completed as a result of your willful or negligent use of your Card, access code, or any EFT facility for making such transfers.
- ❖ If the telephone or computer equipment you use to conduct audio response or electronic/PC transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- ❖ If you have bill payment services, we can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- ❖ Any other exceptions as established by the Credit Union.

Notices. All notices from us will be effective when we have mailed them or delivered them to the appropriate address in the Credit Union's records. If you have agreed to receive notices electronically we may send you notices to the appropriate email address in the Credit Union's records. Notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least 21 days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

The following information is a list of safety precautions regarding the use of Automated Teller Machines (ATM) and Night Deposit Facilities.

- ❖ Be aware of your surroundings, particularly at night.
- ❖ Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- ❖ If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- ❖ Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- ❖ If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your Card or deposit envelope, and leave.
- ❖ If you are followed after making a transaction, go to the nearest public area where people are located.
- ❖ Do not write your personal identification number or code on your VISA Debit Card.
- ❖ Report all crimes to law enforcement officials immediately.
- ❖ Please direct any comments or complaints regarding ATM security to the Credit Union or the New York State Department of Financial Services at (800) 342-3736.

Billing Errors. In case of errors or questions about electronic funds transfers from your savings and checking accounts, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem appears. Call us at (716) 236-7678 or write to:

Encompass Niagara Federal Credit Union
2525 Military Road
Niagara Falls, NY 14304

1. Tell us your name and account number.
2. Tell us the dollar amount of the suspected error.
3. Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union has made an error or why you need more information.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation within ten (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 forty-five (45)** days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (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 ten (10) business days, we may not credit your account. We will tell you the results within three (3) business days of completing our investigation. If we

decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

* If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

** If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

NOTE. If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.

Termination of EFT Services. You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card and any access code. You must return all Cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been pre terminated and that we will not accept any

further preauthorized transaction instructions. We may also program our computer not to accept your Card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFT made prior to termination.

Change in Terms. We may change the terms and charges for the services shown in this Agreement and may amend this Agreement from time to time.

Business Days. Our business days are Monday through Friday, excluding holidays.

Governing Law. This Agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws and regulations of the state of New York, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

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

REGULATION – D

What is Regulation D (Reg D)?

Regulation D is a Federal Reserve Board regulation which limits the number of certain types of withdrawals from savings accounts to **(6) six** per month (per account). The purpose of Reg D is to regulate the level of reserves a financial institution maintains. Your Credit Union considers the following types of accounts to be "Savings Accounts": primary share, secondary share, minor share, and club accounts. Share draft accounts, or checking accounts, will not be limited.

How does Reg D affect my account?

As required by the regulation, we will block the seventh and subsequent Reg D withdrawals per month from each of your savings accounts. If you make frequent withdrawals from your savings accounts, Reg D withdrawal limits could possibly result in returned items. If you need to make frequent withdrawals, you may consider opening a checking account and/or restructuring the way you use your savings and checking accounts. A member services representative will be able to assist you in determining what account option best meets your transaction needs.

When does the Reg D counter reset?

The Reg D counter resets on the first of each month.

What types of withdrawals are counted toward the 6 (six) permitted each month?

The types of transactions that count toward the 6 (six) withdrawals permitted each month under Reg D include:

- ❖ ACH transfers from a savings account to another Financial Institution or third party.

- ❖ Mobile, Online, or Telephone Banking (PAT) transfers from a savings account to any other Encompass Niagara FCU account.
- ❖ Automatic transfers from a savings account to cover any type of overdraft due to checks, ACH, or debit card transactions (overdraft protection). This includes any transfers that would be necessary to cover automatic loan payments originated from a checking account.
- ❖ Transfers initiated by phone, including wires.
- ❖ Recurring scheduled transfers from a savings account to any other Encompass Niagara FCU account.

What types of withdrawals are not counted toward the 6 (six) permitted each month?

The following types of transactions are not considered Reg D withdrawals and will not be limited:

- ❖ Withdrawal checks issued via telephone with a member service representative when made payable to the member and mailed to the member.
- ❖ Any transfer (out of a savings account) for the purpose of repaying an Encompass Niagara FCU loan.
- ❖ Transfers between accounts of the same person when made by mail, ATM or in person.
- ❖ Any deposit (cash, check, wire, ACH deposit, etc.) made to any Encompass Niagara FCU account.

FACTS**WHAT DOES ENCOMPASS NIAGARA FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and Income
- Account Balance and Payment History
- Credit History and Credit Score

When you are no longer our member, we continue to share your information as described in this notice.

How?

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Encompass Niagara Federal Credit Union chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Encompass Niagara Federal Credit Union share?	Can you limit my sharing?
For our everyday business purposes – such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, and report to credit bureaus	YES	NO
For our marketing purposes – to offer our products and services to you	YES	NO
For joint marketing with other financial companies	NO	NO
For our affiliates' everyday business purposes – information about your transactions and experiences	NO	NO
For our affiliates' everyday business purposes – information about your creditworthiness	NO	NO
For nonaffiliates to market to you	YES	YES

To limit our sharing

- Call (716) 236-7678 – our menu will prompt you through your choice(s) **or**
- Visit us online: www.encompassniagara.com

Please note: If you are a *new* customer, we can begin sharing your information 30 days from the date we sent this notice. When you are *no longer* our customer, we continue to share your information as described in this notice. However, you can contact us at any time to limit our sharing.

Questions?

Call (716) 236-7678 or go to www.encompassniagara.com

Who we are

Who is providing this notice?	Encompass Niagara Federal Credit Union
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What we do

How does Encompass Niagara Federal Credit Union protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does Encompass Niagara Federal Credit Union collect my personal information?	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> • Open an Account or Apply for a Loan • Deposit Funds or Show Driver's License • When you use your ATM card <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness; • Affiliates from using your information to market to you; • Sharing for nonaffiliates to market to you. <p>State laws and individual companies may give you additional rights to limit sharing.</p>
What happens when I limit sharing for an account I hold jointly with someone else?	Only the main account holder's information is shared, therefore no changes are made for the joint owner.

Definitions

Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Encompass Niagara Credit Union has no affiliates.</i>
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • <i>Nonaffiliates we share with can include mortgage companies, insurance companies, direct marketing companies.</i>
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • <i>Encompass Niagara Credit Union does not jointly market.</i>

Other Important Information

The information that we share is only for our members' benefit. You will receive promotion discounts on auto and life insurance. If you do not wish to receive these promotions, you can opt out at any time.