



# Account Agreements and Disclosures

Account Terms and Conditions

ATM/Visa® Check Card Agreement

Electronic Transfers Disclosure

Funds Availability Policy

Truth-In-Savings Disclosure

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## TERMS AND CONDITIONS OF YOUR ACCOUNT

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. Effective May 11, 2018, new federal rules have enhanced this requirement to include obtaining identifying information for covered Legal Entities, individuals with a certain beneficial ownership, and the individual that has significant managerial control of the Legal Entity.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

**AGREEMENT.** This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully and retain it for future reference. If you sign the signature card or open or continue to use the account, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws, the laws of the state of Maryland, including Financial Institutions Article of the Annotated Code of Maryland, Title 6 and other applicable rules such as the operating letters of the Federal Reserve Banks and payment processing system rules (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this document is to:

- (1) summarize some laws that apply to common transactions;
- (2) establish rules to cover transactions or events which the law does not regulate;
- (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. Nothing in this document is intended to vary our duty to act in good faith and with ordinary care when required by law.

As used in this document the words "we," "our," and "us" mean Point Breeze Credit Union and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The word "account" means any one or more shares or other accounts you have with Point Breeze Credit Union. However, this agreement does not intend, and the terms "you" and "your" should not be interpreted, to expand an individual's responsibility for an organization's liability. If this account is owned by a corporation, partnership or other organization, individual liability is determined by the laws generally applicable to that type of organization. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. "Party" means a person who, by the terms of an account, has a present right, subject to request, to payment from the account other than as a Payable on Death (POD) payee or convenience signer.

**BYLAWS.** Our bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations which affect your account and membership. You may obtain a copy of the bylaws on request.

**LIABILITY.** You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges, without notice to you, directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft.

You will be liable for our costs as well as for our reasonable attorneys' fees, to the extent permitted by law, whether incurred as a result of collection or in any other dispute involving your account. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys' fees can be deducted from your account when they are incurred, without notice to you.

**DEPOSITS.** We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). Before settlement of any item becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on the item and even though we provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account the amount of any item deposited to your account or cashed for you which was initially paid by the payor bank and which is later returned to us due to an allegedly forged, unauthorized or missing indorsement, claim of alteration, encoding error or other problem which in our judgment justifies reversal of credit. You authorize us to attempt to collect previously returned items without giving you notice, and in attempting to collect we may permit the payor bank to hold an item beyond the midnight deadline. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. If you deliver a deposit to us and you will not be present when the deposit is counted, you must provide us an itemized list of the deposit (deposit slip). To process the deposit, we will verify and record the deposit, and credit the deposit to the account. If there are any discrepancies between the amounts shown on the itemized list or a deposit slip and the amount we determine to be the actual deposit amount, we will notify you of the discrepancy. You will be entitled to credit only for the actual deposit as determined by us, regardless of what is stated on the itemized list or deposit slip. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party indorsers to verify or guarantee their indorsements, or indorse in our presence.

**WITHDRAWALS.** Generally, unless clearly indicated otherwise on the account records, any of you, acting alone, who signs to open the account or has authority to make withdrawals, may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person who signs or has authority to make withdrawals to indorse any item payable to you or your order for deposit to this account or any other transaction with us. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the bylaws.

**Postdated checks** - A postdated check is one which bears a date later than the date on which the check is written. We may properly pay and charge your account for a postdated check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

**Checks and withdrawal rules** - If you do not purchase your check blanks from us, you must be certain that we approve the check blanks you purchase. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may refuse

any withdrawal or transfer request which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. In addition, we may place limitations on the account until your identity is verified.

Even if we honor a nonconforming request, we are not required to do so later. If you violate the stated transaction limitations (if any), in our discretion we may close your account or reclassify it as a transaction account. If we reclassify your account, your account will be subject to the fees and earnings rules of the new account classification.

If we are presented with an item drawn against your account that would be a "substitute check," as defined by law, but for an error or defect in the item introduced in the substitute check creation process, you agree that we may pay such item.

See the section of this booklet entitled "Your Ability to Withdraw Funds" for information about when you can withdraw funds you deposit. For those accounts to which this section does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal. An item may be returned after the funds from the deposit of that item are made available for withdrawal. In that case, we will reverse the credit of the item. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

**Overdrafts.** This section describes the circumstances when the credit union will pay overdrafts in your Checking Account and charge you a fee. "Overdraft" means there is not enough available balance in your account to pay for a transaction. Each instance of overdrawing your Checking Account will result in a fee as described in our Rate and Fee Schedule, which is updated periodically.

Your checking account has two kinds of balances: the "actual" or "current" balance and the "available" balance. You can check both balances when you review your account online, by phone, in mobile banking or at a branch. It is important to understand how the two different balances work so that you know how much money is in your account. This section explains actual and available balances and how they work. Please note that some ATMs may display only the available balance.

Your actual balance is the amount of money that is actually in your account at any given time. "Actual" balance may also be referred to as "Balance" or "Current" balance. It reflects transactions that have "posted" to your account, but not transactions that have been authorized and are pending. While the term "actual" or "current" may sound as though the number you see is an up-to-date display of the amount in your account that you can spend, that is not always the case. Any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual or current balance. For example, if you have a \$100 actual balance, but you just wrote a check for \$60, then your actual balance is \$100 but it does not reflect the pending check transaction. So at that point, you actually have \$100, but you have already spent \$60.

Your available balance is the amount of money in your account that is available for you to use without incurring an overdraft fee. The available balance takes into account things like holds placed on deposits and pending transactions such as debit card purchases that the Credit Union has authorized but that have not yet posted to your account. For example, assume you have an actual balance of \$100 and an available balance of \$100. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask the Credit Union to pre-authorize the payment. In that case, we will put a "hold" on your account for \$20. Your actual balance would still be \$100 because this transaction has not yet posted, but your available balance would be \$80 because you have committed to pay the restaurant \$20. When the restaurant submits its bill for payment (which could be days later), we will post the transaction to your account and your actual balance will be reduced by \$20.

**Available balance is used to determine when your account is overdrawn.** The following example illustrates how this works:

Again, assume your actual and available balance are both \$100, and you use your debit card at a restaurant to pay \$20. A hold is placed on your account, so your available balance is only \$80. Your actual balance is still \$100. Before the restaurant charge is sent to the Credit Union for processing, a check that you wrote for \$90 is presented for payment. Because you have only \$80 available (you have committed to pay the restaurant \$20), your account will be overdrawn by \$10, even though your actual balance is \$100. In this case, we may pay the \$90 check, but you will be charged an overdraft fee. That fee will be deducted from your account, further reducing the balance.

It is very important to understand that you can still overdraw your account even though the available or actual balance appears to show that there are sufficient funds to cover a transaction that you intend to make. As explained, your available balance may not reflect all of your authorized outstanding transactions (e.g. outstanding checks and automatic bill payments) that have not been paid from your account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by the Credit Union and paid from your account.

**Electronic check conversion and similar transactions** - An electronic check conversion transaction is a transaction where a check or similar item is converted into an electronic fund transfer as defined in the Electronic Fund Transfers regulation. In these types of transactions, the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the check to examine the signatures on the item.

**OWNERSHIP OF ACCOUNT AND POD PAYEE DESIGNATION.** These rules apply to this account depending on the form of ownership and POD payee designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We make no representations as to the appropriateness or effect of the ownership and POD payee designations, except as they determine to whom we pay the account funds. **Unless contrary direction is given in this account agreement, upon the death of a party, the funds in a multiple-party account shall belong to the surviving party or parties.** A joint account is established under the Maryland Multiple Party Accounts Law and includes joint accounts and POD accounts.

**Individual Account** - An account in the name of one person. If the account owner dies the interest passes, subject to applicable law, to the decedent's estate or Payable on Death (POD) payee.

**Joint Account - With Survivorship (And Not As Tenants In Common)** - An account in the name of two or more persons. Each of you intends that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with right of survivorship and not as tenants in common. Any party may withdraw all funds, including required share deposit of \$5, stop payment on items, transfer, or pledge to us all or any part of the shares without the consent of the other party(ies).

**Payable-on-Death (POD) Account** - If two or more of you create this type of account, you own the account jointly with survivorship. POD payees cannot withdraw unless: (1) all persons creating the account die, and (2) the POD payee is then living. If two or more POD payees are named and survive the death of all persons creating the account, POD payees will own this account in equal shares, without right of survivorship. The person(s) creating either of these account types may: (1) change POD payees, (2) change account types, and (3) withdraw all or part of the account funds at any time.

**FIDUCIARY ACCOUNTS.** Accounts may be opened by a person acting in a fiduciary capacity. A fiduciary is someone who is appointed to act on behalf of and for the benefit of another. We are not responsible for the actions of a fiduciary, including the misuse of funds. This account may be opened and maintained by a person or persons named as a trustee under a written trust agreement, or as executors, administrators, or conservators under court orders. You understand that by merely opening such an account, we are not acting in the capacity of a trustee in connection with the trust nor do we undertake any

obligation to monitor or enforce the terms of the trust or letters. Point Breeze Credit Union does not open accounts in which the account would be funded by a check payable as follows "Pay to the order of \_\_\_\_\_, Trustee under Title 13 of the Estate and Trusts Article, Annotated Code of Maryland, for \_\_\_\_\_, minor".

**MUTMA ACCOUNTS.** Under the Maryland Uniform Transfers to Minors Act, the custodian(s) shall transfer in an appropriate manner the custodial property to the minor or to the minor's estate upon the earlier of: (1) the minor's attainment of 21 years of age with respect to custodial property transferred under §13-304, §13-305, or §13-306 of the Maryland Trusts and Estates Article 13-320; (2) the minor's attainment of age 18 with respect to custodial property transferred under §13-307 of the Maryland Trusts and Estates Article 13-320; (3) the minor's death. Before that time, the account may be accessed only by the custodian(s) (or successor custodian(s)), and the funds must be used for the benefit of the child. We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the custodian(s) (or successor custodian(s)) are for the child's benefit. We are not responsible to monitor age or eligibility for an UTMA account, even though our records may include the minor's date of birth. It is the custodian's responsibility to properly distribute the funds in the account upon the minor's death or attainment of the age of majority. For this type of account, the child's SSN/TIN is used for the Backup Withholding Certification.

**CONVENIENCE SIGNER.** As of 8/1/11 no new convenience signers may be designated. The following applies to convenience signer designations in effect prior to 8/1/11. The convenience signer is merely designated to conduct transactions on the owner's behalf. The owner(s) does not give up any rights to act on the account, and the convenience signer may not in any manner affect the rights of the owner(s) or POD payees, if any. The owner(s) is responsible for any transactions of the convenience signer. We undertake no obligation to monitor transactions to determine that they are on the owner's behalf.

The owner(s) may terminate the convenience signer's authorization at any time, and the authorization is automatically terminated by the death of the owner(s). However, we may continue to honor the transactions of the convenience signer until: (a) we have received written notice or have actual knowledge of the termination of authority, and (b) we have a reasonable opportunity to act on that notice or knowledge. We may refuse to accept a convenience signer.

**BUSINESS, ORGANIZATION AND ASSOCIATION ACCOUNTS.** You represent that you have the authority to open and conduct business on this account on behalf of the entity. We may require the governing body of the entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the entity.

**STOP PAYMENTS.** Unless otherwise provided, the rules in this section cover stopping payment of items such as checks and drafts. Rules for stopping payment of other types of transfers of funds, such as consumer electronic fund transfers, may be established by law or our policy. If we have not disclosed these rules to you elsewhere, you may ask us about those rules.

We may accept an order to stop payment on any item from any one of you. You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. When you place your stop-payment order we will tell you what information we need to stop payment. This information must be exact since stop-payment orders are handled by computers. If your information is not exact your order will not be effective and we will not be responsible for failure to stop payment.

You may stop payment on any item drawn on your account whether you sign the item or not. Generally, if your stop-payment order is given to us in writing it is effective for six months. Your order will lapse after that time if you do not renew the order in writing before the end of the six-month period. If the original stop-payment order was verbal your stop-payment order will lapse after 14 calendar days if you do not confirm your order in writing within that time period. We are not obligated to notify you when a stop-payment order expires. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

If you stop payment on an item and we incur any damages or expenses because of the stop-payment, you agree to indemnify us for those damages or expenses, including attorneys' fees. You assign to us all rights against the payee or any other holder of the item. You agree to cooperate with us in any legal actions that we may take against such persons. You should be aware that anyone holding the item may be entitled to enforce payment against you despite the stop-payment order.

**TRANSFER LIMITATIONS.** For savings accounts you may make up to six transfers or withdrawals by means of a preauthorized, automatic, or telephonic transfer to another account of yours or to a third party or by check, debit card, or similar order to a third party during any calendar month (or statement cycle of at least four weeks). A preauthorized transfer includes any arrangement with us to pay a third party from your account at (1) a predetermined time; (2) on a fixed schedule or (3) upon verbal or written orders including orders received through the automated clearing house (ACH). If the transfer or withdrawal is initiated in person, by mail, or at an ATM then there is no limit on the number of payments that may be made directly to you, directly to us for amounts you owe us, or transfers to other accounts you have with us. Withdrawals by phone are also unlimited if you are requesting that a check be mailed to you.

**AMENDMENTS AND TERMINATION.** We may change our bylaws and any term of this agreement. Rules governing changes in rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may close this account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. Items presented for payment after the account is closed may be dishonored. When you close your account, you are responsible for leaving enough money in the account to cover any outstanding items and charges to be paid from the account. Reasonable notice depends on the circumstances, and in some cases such as when we cannot verify your identity or we suspect fraud, it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. At our option, we may suspend your rights to member services if you violate the terms of this agreement. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

**NOTICES.** Any written notice you give us is effective when we actually receive it, and it must be given to us according to the specific delivery instructions provided elsewhere, if any. We must receive it in time to have a reasonable opportunity to act on it. If the notice is regarding a check or other item, you must give us sufficient information to be able to identify the check or item, including the precise check or item number, amount, date and payee. Written notice we give you is effective when it is deposited in the United States Mail with proper postage and addressed to your mailing address we have on file. Notice to any of you is notice to all of you.

**STATEMENTS.** Statements are a valuable tool to help prevent fraudulent or mistaken transfers. Your statement will show the transactions that occurred in connection with your account during the statement period.

**Your duty to report unauthorized signatures, alterations and forgeries** - Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed.

You have some responsibilities in connection with your statement. You must examine your statement with "reasonable promptness." Also, if you discover (or reasonably should have discovered) any unauthorized signatures, alterations, or other error - such as an encoding error, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss). The loss you might bear, in whole or part, could be not only with respect to items listed on the statement, but also other items with unauthorized signatures or alterations by the same wrongdoer. Of course, an attempt can be made to recover the loss from the thief, but this is often unsuccessful.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but you will not, in any circumstance, have a total of more than 30 days from when we first send or make the statement available to you.



You further agree that if you fail to report any unauthorized signatures, alterations or forgeries in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we exercised ordinary care. The limitation in this paragraph is in addition to those contained in the second paragraph of this section. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the 60 day time period to report other errors.

Contact us if you do not receive your regular statement.

**Your duty to report other errors** - In addition to the Commercial Code and other state law, you agree there is a common law duty to promptly review your statement for errors in addition to unauthorized signatures, alterations or forgeries. Promptly reviewing your statement is valuable to both you and us because it can help identify, correct and prevent future mistakes.

In addition to your duty to review your statements for unauthorized signatures, alterations and forgeries, you agree to examine your statement with reasonable promptness for any other error - such as an encoding error. In addition, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing indorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the 60 day time period to report other errors.

**Errors relating to electronic fund transfers or substitute checks** - For information on errors relating to electronic fund transfers (e.g., computer, debit card or ATM transactions) refer to your Electronic Fund Transfers disclosure and the sections on consumer liability and error resolution. For information on errors relating to a substitute check you received, refer to the disclosure entitled Substitute Checks and Your Rights, which is provided when a substitute check is returned to you.

**ACCOUNT TRANSFER.** If you attempt to transfer or assign all or a part of your account, we will not be bound by the transfer or assignment until we agree in writing to the transfer or assignment. We are not required to accept or recognize any transfer or assignment. Unless we agree otherwise in writing, any rights of a transferee or assignee will be subject to our right of setoff or prior security interest. We have no obligation to notify you or any other person before disbursing any funds from your account in accordance with what we in good faith believe to be the terms of the transfer or assignment.

**DIRECT DEPOSITS.** If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount of our liability to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**RIGHT TO REPAYMENT OF INDEBTEDNESS.** You each agree that we may (without prior notice and when permitted by law) charge against and deduct from any account any due and payable debt any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date.

In addition to these contract rights, we may also have rights under a "statutory lien." A "lien" on property is a creditor's right to obtain ownership of the property in the event a debtor defaults on a debt. A "statutory lien" is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to any account if prohibited by law. For example, neither our contract rights nor rights under a statutory lien apply to this account if: (1) it is an Individual Retirement Account or similar tax-deferred account, or (2) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (3) the debtor's right of withdrawal arises only in a representative capacity, or (4) setoff is prohibited by the Military Lending Act or its implementing regulations. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

**RESTRICTIVE LEGENDS OR INDORSEMENTS.** The automated processing of the large volume of checks we receive prevents us from inspecting or looking for restrictive legends, restrictive indorsements or other special instructions on every check. Examples of restrictive legends placed on checks are "must be presented within 90 days" or "not valid for more than \$1,000.00." The payee's signature accompanied by the words "for deposit only" is an example of a restrictive indorsement. For this reason, we are not required to honor any restrictive legend or indorsement or other special instruction placed on checks you write unless we have agreed in writing to the restriction or instruction. Unless we have agreed in writing, we are not responsible for any losses, claims, damages, or expenses that result from your placement of these restrictions or instructions on your checks.

**PAYMENT ORDER OF ITEMS.** The law permits us to pay items drawn on your account in any order (for purposes of this section "items" means checks, orders and electronic transactions). To assist you in handling your account with us, we are providing you with the following information regarding how we process those items. Unless we have agreed otherwise, you are not entitled to receive any original item after it is paid. Although you may request that we send you an item(s) or a copy of an item(s), fees may apply.

When processing items drawn on your account, our policy is to pay them in the order that they are received. The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. There is no policy that is favorable in every instance. If the smallest items are paid first, you may have fewer NSF or overdraft fees, but the largest, and perhaps more important items (such as rent or mortgage payments) might not be paid. However, if the largest items are paid first, your most important items might be paid but it may increase the overdraft or NSF fees if funds are not available to pay all of the items. By paying items in the order that we receive them, we think our policy attains a reasonable balance between minimizing additional cost to you and paying your more important items.

If an item is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item (NSF). The amounts of the overdraft and NSF fees are disclosed elsewhere. We encourage you to make careful records and practice good account management. This will help you to avoid creating items without sufficient funds and incurring the resulting fees.

There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

**Credits.** Most deposits are added to your account when we receive them. For some checks you deposit, only \$225 will be made available at the time of deposit; the balance will be available two (2) business days later. There may be extended holds on checks over \$5,525. Thus, your available balance may not reflect the most recent deposits to your account. For details on the availability for withdrawal of your deposits, see the section of your Account Agreements and Disclosures Booklet entitled "Your Ability to Withdraw Funds."

**Debits.** There are several types of debit transactions. Each type of debit transaction is described generally below. Keep in mind that there are many ways transactions are presented for payment by merchants, and the Credit Union is not necessarily in control of when transactions are received.

• **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from low to high dollar value.

- **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House or ACH transactions. These include, for example, automatic bill payments you have authorized. Each day, ACH transactions for your account are grouped together and paid in low to high dollar value.
- **Point of Sale (POS) Debit Card Transactions.** These are transactions where you use your debit card and, generally, you are required to enter your PIN number at the time of the sale. They are similar to ATM withdrawals because money is usually deducted from your account immediately at the time of the transaction. However, some POS transactions are not presented for payment immediately and may result in a temporary hold; it depends on the merchant.
- **Signature Debit Card Transactions.** These are transactions where you make a purchase with your debit card and you do not enter your PIN but you are instead asked to sign for the purchase. As described above, in these situations the merchant may seek prior authorization for the transaction. When that happens, we generally place a temporary hold against the available funds in your account. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance. Authorizations are deducted from your available balance but not your actual balance as they are received by us throughout each day. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your account as they are received. Please note: the amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, if you use your card at a restaurant, a hold will be placed in the amount of the bill presented to you, but when the transaction posts it will include any tip that you may have added to the bill. This may also be the case when you swipe your debit card at gas stations, hotels and other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

This is a general description of how certain types of transactions are posted. These practices may change and we reserve the right to pay items in any order we choose as permitted by law. We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each business day. This means that you may be charged more than one overdraft fee if we pay multiple transactions when your account is overdrawn.

**PLEDGES.** Each owner of this account without the consent of any other owner, may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account POD payee become effective. For example, if an account has two owners and one of the owners pledges the account (i.e., uses it to secure a debt) and then dies, the surviving owner's rights in this account do not take effect until the debt has been satisfied, and the debt may be satisfied with the funds in this account.

**CHECK PROCESSING.** We process items mechanically by relying solely on the information encoded in magnetic ink along the bottom of the items. This means that we do not individually examine all of your items to determine if the item is properly completed, signed and indorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree that we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. Because we do not inspect each item, if you write a check to multiple payees, we can properly pay the check regardless of the number of indorsements unless you notify us in writing that the check requires multiple indorsements. We must receive the notice in time for us to have a reasonable opportunity to act on it, and you must tell us the precise date of the check, amount, check number and payee. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. Using an automated process helps us keep costs down for you and all account holders.

**CHECK CASHING.** We may charge a fee to anyone that does not have an account with us who is cashing a check, draft or other instrument written on your account. We may also require reasonable identification to cash such a check, draft or other instrument. We can decide what identification is reasonable under the circumstances and such identification may be documentary or physical and may include collecting a thumbprint or fingerprint.

**WAIVER OF NOTICES.** To the extent permitted by law, you waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your account. For example, if you deposit a check and it is returned unpaid or we receive a notice of nonpayment, we do not have to notify you unless required by federal Regulation CC or other law.

**AUTOMATED CLEARING HOUSE (ACH) AND WIRE TRANSFERS.** The credit union may make wire transfers of funds and ACH transactions as an accommodation to you, but is not obligated to do so. This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us. If you originate a fund transfer and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account and the party originating such payment will not be considered to have paid the amount so credited. Credit entries may be made by ACH. If we receive a payment order to credit an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit. You agree that all security procedures are commercially reasonable, are designed to authenticate wire transfers and ACH transaction, are designed for the credit union's protection, and are not used to detect errors in the transmission or content of a wire transfer.

You will defend, indemnify, and hold the Credit Union harmless from and against any and all claims, demands, costs, expenses (including attorneys' fees), loss, or damage arising out of the Credit Union's acting or refusing to act upon your wire transfer or ACH requests.

The Credit Union will exercise reasonable and ordinary care in performing its obligations in connection with electronic funds transfers and ACH transactions and will be responsible for any loss sustained by you only to the extent such loss is caused by the Credit Union's gross negligence or willful misconduct and as otherwise required by applicable state and federal law; however, any liability, loss, or damage resulting from any delay in the performance of, or failure to perform, its obligations in connection with any electronic funds transfers which is caused by any act of God, fire or other catastrophe; electronic or computer failure, acts of or delays or failure to act by any agent operating between the Credit Union and other recipients of the transferred funds and their personnel; or, without limiting the generality of the foregoing, any other cause beyond its control. If the Credit Union is obligated to pay dividends with respect to any electronic funds transfer or ACH transaction, it is agreed that dividends are payable for three (3) business days only. You agree to waive any statutory right to recover attorneys' fees from the Credit Union in connection with funds transfers.

If a funds transfer entry includes transmission through a funds transfer system that nets obligation multilaterally and has a loss-sharing agreement among participants, and the system fails to complete settlement, the Credit Union is entitled to a refund of the amount credited to you.

**FACSIMILE SIGNATURES.** Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us. You give us this authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us at once if you suspect that your facsimile signature is being or has been misused.

**POWER OF ATTORNEY.** You may wish to appoint an agent to conduct transactions on your behalf. (We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit.) This may be done by allowing your agent through a power of attorney to sign in that capacity. A power of attorney continues until your death or you revoke the power of attorney with written notice to Point Breeze Credit Union. If the power of attorney is not "durable," it is revoked when you become incompetent. We may continue to honor the transactions of the agent until: (1) we have received written notice or have actual knowledge of the termination of the authority or the death of an owner, and (2) we have had a reasonable opportunity to act on that notice or knowledge. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent acting under a valid power of attorney.

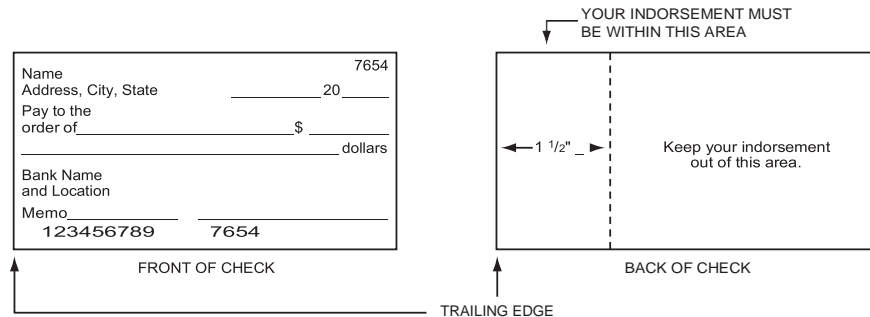
**STALE-DATED CHECKS.** We are not obligated to, but may at our option, pay a check, other than a certified check, presented for payment more than six months after its date. If you do not want us to pay a stale-dated check, you must place a stop-payment order on the check in the manner we have described elsewhere.

**NCUA INSURANCE.** Funds in your account(s) with us are insured by the National Credit Union Administration (NCUA) and backed by the full faith and credit of the United States Government. The amount of insurance coverage you have depends on the number of accounts you have with us that are of different "ownership." An individual account is one unique form of "ownership"; a joint account, a pay-on-death account, and a self-directed qualified retirement account (e.g., an IRA) are examples of some of the others. Share insurance for a person's self-directed qualified retirement account is up to \$250,000. (An IRA is a self-directed qualified retirement account as is any account where the owner decides where and how to invest the balance.) Funds are insured to \$250,000 per depositor for the total of funds combined in all of your other insured accounts with us. If you want a more detailed explanation or additional information, you may ask us or contact the NCUA. You can also visit the NCUA website at [www.ncua.gov](http://www.ncua.gov) and click on the Share Insurance link. The link includes detailed contact information as well as a share insurance estimator.

**INDORSEMENTS.** We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine.

To ensure that your check or share draft is processed without delay, you must indorse it (sign it on the back) in a specific area. Your entire indorsement (whether a signature or a stamp) along with any other indorsement information (e.g. additional indorsements, ID information, driver's license number, etc.) must fall within 1 1/2" of the "trailing edge" of a check. Indorsements must be made in blue or black ink, so that they are readable by automated check processing equipment.

As you look at the front of a check, the "trailing edge" is the left edge. When you flip the check over, be sure to keep all indorsement information within 1 1/2" of that edge.



It is important that you confine the indorsement information to this area since the remaining blank space will be used by others in the processing of the check to place additional needed indorsements and information. You agree that you will indemnify, defend, and hold us harmless for any loss, liability, damage or expense that occurs because your indorsement, another indorsement or information you have printed on the back of the check obscures our indorsement.

These indorsement guidelines apply to both personal and business checks.

**UNCLAIMED PROPERTY.** The law establishes procedures under which unclaimed property must be surrendered to the state. (We have our own rules regarding dormant accounts, and we charge a fee which will be disclosed to you elsewhere.) If the dormant fee results in a \$0 account balance, the account may be closed. Generally, the funds in your account are considered unclaimed if you have not had any activity or communication with us regarding your account over a period of years. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds.

**DEATH OR INCOMPETENCE.** You agree to notify us promptly if any person with a right to withdraw funds from your account(s) dies or is adjudicated (determined by the appropriate official) incompetent. We may continue to honor your checks, items, and instructions until: (1) we know of your death or adjudication of incompetence, and (2) we have had a reasonable opportunity to act on that knowledge. You agree that we may pay or certify checks drawn on or before the date of death or adjudication of incompetence for up to ten (10) days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

**CASH TRANSACTION REPORTING.** To help law enforcement agencies detect illegal activities, the law requires all financial institutions to gather and report information on some types of cash transactions. If the information we need to complete the report is not provided, we are required to refuse to handle the transaction. If you have any questions regarding these rules, please contact your local Internal Revenue Service office.

**BACKUP WITHHOLDING/TIN CERTIFICATION.** Federal tax law requires us to report interest payments we make to you of \$10 or more in a year, and to include your taxpayer identification number (TIN) on the report. Interest includes dividends, interest and bonus payments for purposes of this rule. Therefore, we require you to provide us with your TIN and to certify that it is correct. The TIN is either a social security number (SSN) or an employer identification number (EIN). For most organization or business accounts other than sole proprietorships, the appropriate TIN is the EIN of the organization or business entity. For sole proprietorships, either the SSN or the EIN is appropriate. However, we must supply the IRS with both the individual owner's name and the business name of the sole proprietorship. The appropriate TINs for various other types of accounts are:

Account Type - TIN

Individual - SSN of the individual.

Joint Account - SSN of the owner named first on the account.

Uniform Gift/Transfer to Minor - SSN of the minor.

Informal (Revocable) Trust - SSN of the owner.

In some circumstances, federal law requires us to withhold and pay to the IRS a percentage of the interest that is earned on funds in your account(s). This is known as backup withholding. We will not have to withhold interest payments when you open your account if you certify your TIN and certify that you are not subject to backup withholding due to underreporting of interest. We may subsequently be required to begin backup withholding if the IRS informs us that you supplied an incorrect TIN or that you underreported your interest income. If you are an exempt payee (receiver of interest payments), you do not need to certify your TIN, but you will have to certify your exempt status and supply us with your TIN. The most common exempt payees are corporations, organizations exempt from tax under Section 501(a), and an individual retirement plan or a custodial account under Section 403(b)(7). If you do not supply us with the appropriate TIN, we may refuse to open your account.

**CREDIT VERIFICATION.** You agree that we may verify credit and employment history by any necessary means, at any time, including preparation of a credit report by a credit reporting agency.

**CHANGING ACCOUNT PRODUCTS.** We may change your account to another product offered by us at any time by giving you notice that your account will be changed to another product on a specified date. If your account is a time account, the change will not occur before the next maturity date of your account. If you do not close your account before the date specified in the notice, we may change your account to that other product on the date specified in the notice.



**TRANSACTIONS BY MAIL.** You may deposit checks by mail. You should indorse the check being sent through the mail with the words "For Deposit Only" and should include your correct account number underneath to ensure the check is credited to the correct account. You should use the pre-encoded checking deposit slips found behind your checks in your checkbook. If you do not use your deposit slip or provide us with instructions indicating how or where the check should be credited, we may apply it to any account or any loan balance you have with us or we may return the check to you. Receipts for such transactions will be mailed to you only if a self-addressed stamped envelope is provided. Following your deposit, examine your statement carefully or call us to ensure that we received the item. Do not send cash through the mail for deposit.

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT.** If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**SECURITY.** It is your responsibility to protect the account number(s) and access device(s) (e.g., an ATM card, point-of-sale card and/or PIN) for your account(s). Do not discuss, compare, or share information about your account number(s) or access device(s) with anyone unless you are willing to give them full use of your money. Checks and electronic withdrawals are processed by automated methods, and anyone who obtains your account number or access device could use it to withdraw money from your account, with or without your permission.

Except for consumer electronic funds transfers subject to Regulation E, you agree that if we offer you services appropriate for your account to help identify and limit fraud or other unauthorized transactions against your account, such as positive pay or commercially reasonable security procedures, and you reject those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered, unless we acted in bad faith or to the extent our negligence contributed to the loss.

**Account numbers** - Thieves can encode your account number on a check which looks and functions like an authorized check and can be used to withdraw money from your account. Your account number can also be used to issue a "remotely created check." Like a typical check, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a draft or check that can be used to withdraw money from your account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). If you have truly authorized the remotely created check (to purchase a service or merchandise, for example), it is properly payable. But it can be risky to authorize a remotely created check. A swindler could issue a remotely created check in an amount greater than you authorized, or issue additional remotely created checks that you have not authorized. We will not know if the withdrawal is unauthorized or in an amount greater than the amount you have authorized. Payment can be made from your account even though you did not contact us directly and order the payment.

**Access devices** - If you furnish your access device and grant actual authority to make transfers to someone who then exceeds that authority, you will be liable for the transfers unless we have been notified that transfers by that person are no longer authorized. Please review the additional information you have received or will receive regarding transfers by access device.

**Blank checks** - You must also take precaution in safeguarding your blank checks. Notify us at once if you think your blank checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself, or share the loss with us if we failed to use ordinary care which substantially contributes to the loss.

**REMOTELY CREATED CHECKS.** Like any standard check or draft, a remotely created check (sometimes called a telecheck, preauthorized draft or demand draft) is a check or draft that can be used to withdraw money from an account. Unlike a typical check or draft, however, a remotely created check is not issued by the paying bank and does not contain the signature of the account owner (or a signature purported to be the signature of the account owner). In place of a signature, the check usually has a statement that the owner authorized the check or has the owner's name typed or printed on the signature line.

You warrant and agree to the following for every remotely created check we receive from you for deposit or collection: (1) you have received express and verifiable authorization to create the check in the amount and to the payee that appears on the check; (2) you will maintain proof of the authorization for at least 2 years from the date of the authorization, and supply us the proof if we ask; and (3) if a check is returned you owe us the amount of the check, regardless of when the check is returned. We may take funds from your account to pay the amount you owe us, and if there are insufficient funds in your account, you still owe us the remaining balance.

**TELEPHONIC INSTRUCTIONS.** Unless we have agreed otherwise in writing, we are not required to act upon instructions you give us via facsimile transmission or leave by voice mail or on a telephone answering machine.

**MONITORING AND RECORDING TELEPHONE CALLS AND CONSENT TO RECEIVE COMMUNICATIONS.** Subject to federal and state law, we may monitor or record phone calls for security reasons, to maintain a record and to ensure that you receive courteous and efficient service. You consent in advance to any such recording.

To provide you with the best possible service in our ongoing business relationship for your account we may need to contact you about your account from time to time by telephone, text messaging or email. However, we must first obtain your consent to contact you about your account because we must comply with the consumer protection provisions in the federal Telephone Consumer Protection Act of 1991 (TCPA), CAN-SPAM Act and their related federal regulations and orders issued by the Federal Communications Commission (FCC).

- Your consent is limited to your account, and as authorized by applicable law and regulations.
- Your consent does not authorize us to contact you for telemarketing purposes (unless you otherwise agreed elsewhere).

With the above understandings, you authorize us to contact you regarding your account throughout its existence using any telephone numbers or email addresses that you have previously provided to us or that you may subsequently provide to us.

This consent is regardless of whether the number we use to contact you is assigned to a landline, a paging service, a cellular wireless service, a specialized mobile radio service, other radio common carrier service or any other service for which you may be charged for the call. You further authorize us to contact you through the use of voice, voice mail and text messaging, including the use of pre-recorded or artificial voice messages and an automated dialing device. If necessary, you may change or remove any of the telephone numbers or email addresses at any time using any reasonable means to notify us.

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

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

**EARLY WITHDRAWAL PENALTIES (and involuntary withdrawals).** We may impose early withdrawal penalties on a withdrawal from a time account even if you don't initiate the withdrawal. For instance, the early withdrawal penalty may be imposed if the withdrawal is caused by our setoff against funds in the account or as a result of an attachment or other legal process. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal. See your notice of penalty for early withdrawals for additional information.

**ADDRESS OR NAME CHANGES.** You are responsible for notifying us of any change in your address or your name. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you, or for returned mail.

**RESOLVING ACCOUNT DISPUTES.** We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) by others claiming an interest as survivors or POD payees of your account; or (3) a claim arising by operation of law. The hold may be placed for such period of time as we believe reasonably necessary to allow a legal proceeding to determine the merits of the claim or until we receive evidence satisfactory to us that the dispute has been resolved. We will not be liable for any items that are dishonored as a consequence of placing a hold on funds in your account for these reasons.

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## NOTICE OF NEGATIVE INFORMATION

Federal law requires us to provide the following notice to members before any "negative information" may be furnished to a nationwide consumer reporting agency. "Negative information" includes information concerning delinquencies, overdrafts or any form of default. This notice does not mean that we will be reporting such information about you, only that we may report such information about members that have not done what they are required to do under our agreement.

After providing this notice, additional negative information may be submitted without providing another notice.

**We may report information about your account to credit bureaus. Late payments missed payments or other defaults on your account may be reflected in your credit report.**

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## ATM/VISA CHECK (DEBIT) CARD AGREEMENT

By signing the ATM Card/VISA Check Card ("Card") Request, I hereby agree to the following terms and conditions:

- 1) Upon approval, Point Breeze Credit Union (the Credit Union) will deliver to the member a Card (VISA Check Card or ATM Card).
- 2) I understand that I will select my own Personal Identification Number ("PIN"). After I have selected a Personal Identification Number ("PIN"), the "PIN" will not be divulged, given, or made available to any person, including the personnel of the Credit Union, either directly or indirectly at any time. I also agree that only I will use the Card. I understand that if I fail to maintain the security of my Card and/or PIN, the Credit Union may terminate my Card Services immediately.
- 3) This Agreement and the use of the Card are subject to and shall be governed by the requirements of all applicable statutes and regulations, including, without limitation, Regulation E of the Federal Reserve Board.
- 4) The Card is the property of the Credit Union and must be returned to the Credit Union by me when requested. The Card may also be automatically impounded by an ATM or merchant at any time. If any account for which the Card is issued is closed, the Card issued for that account must be surrendered to the Credit Union immediately upon request.
- 5) I understand and agree that all current terms and conditions relative to all my other accounts, i.e., regular shares, checking, loan, etc., that can be accessed using the Card are incorporated in the Agreement.
- 6) I agree to report promptly to the Credit Union any theft, loss, or possible unauthorized use of the Card, or any discrepancies in the periodic statement.
- 7) The Credit Union is authorized to obtain such financial information relating to me as it deems necessary in order to process the Card Request.
- 8) I shall have the right to cancel my Card any time upon written notification and return of the Card to the Credit Union.
- 9) The Credit Union may change the terms of this Agreement at any time by providing me with a written notice of the change specifying the effective date of the change.
- 10) I, for myself, my heirs, and personal representatives do hereby release, forever discharge, indemnify, and hold harmless the Credit Union, its successors and assigns from any and all action suits, claims, demands, obligations, attorneys' fees, debts, dues, sum of money, acts, reckonings, bonds, bills, specialties, covenants, contracts, agreements, promises, variances, trespasses, damages, judgements, extents, execution, rights, and causes of action of every kind and nature, either at law or in equity, which may be asserted against the Credit Union for any reason whatsoever arising out of, from, or by reason of my use of an ATM.
- 11) The Credit Union is not responsible for the failure of the ATM equipment or for circumstances beyond our control.

### VISA DEBIT AND CREDIT CARDS

When a VISA Debit or Credit Card expires or is lost or stolen, VISA will communicate your new card information only to participating merchants you have previously authorized. This free program is referred to as the VISA Account Updater (VAU) and participation is at each merchant's discretion. VISA does not provide merchant participation information to the credit union.

VAU only applies to recurring VISA debit and credit card payments for which you have previously arranged, such as subscription entertainment services, utility bills, toll pass reloads, etc. VAU is designed to help prevent interruption of your recurring payments and possible service disruptions when your card information changes, and helps to eliminate the possibility of late payments or denied transactions due to outdated card information the participating merchant has on file.

**The following additional terms apply to the VISA Check Card only:**

#### Using the Card -

There are generally two procedures to follow. One is for you to present the Card to a participating VISA Debit plan merchant, to us, or to another financial institution, and sign a sales or cash advance draft which will be imprinted with your Card. This may be done in person, online, or by phone. This will always access your Credit Union checking account.

The other way to use your Card is to complete a transaction by using your Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine or other type of electronic terminal that provides access to the VISA, Accel™ (© 2013 Fiserv, Inc. or its affiliates. Accel and the Accel logo are trademarks of Fiserv, Inc.), CO-OP® and PLUS® Networks. A merchant may utilize a debit network even though you were not requested to enter a PIN.

#### Returns and Adjustments -

Merchants and others who honor the Card may give credit for returns and adjustments, and they will do so by sending us a credit slip which will be posted to your checking account.

#### Plan Merchant Disputes -

We are not responsible for the refusal of any merchant or financial institution to honor your Card. We are subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card only if you have made a good faith attempt, but have been unable to obtain satisfaction from the plan merchant, and (1) your purchase was made in response to an advertisement we sent or participated in sending you; or (2) your purchase cost more than \$50.00 and was made from a plan merchant in your state or within 100 miles of your home. Any other disputes you must resolve directly with the plan merchant.

#### Waiver of Stop Payment (Other than pre-authorized transactions) -

I waive the right to stop payment on any sales draft or cash withdrawal originating by use of my Card.

#### **Fees -**

We reserve the right to pass along any transaction fees arising out of the use of this Card. We may also add fees and increase fees after giving you proper notification.

#### **Effect of Agreement -**

This Agreement is the contract which applies to all transactions on your account even though the sales, cash advance, credit or other slips you sign or receive may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the Card thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance as well as to future transactions.

**Point-of-Sale Transactions -** You may access your share draft account to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), and get cash from a merchant, if the merchant permits, or from a participating financial institution.

**Currency Conversion and International Transactions -** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. A 1% International Transaction Fee will be assessed on all transactions with currency conversion where the merchant country differs from the country of the Card issuer. A .8% International Transaction Fee will be assessed on all transactions without currency conversion where the merchant country differs from the country of the Card issuer. The converted transaction will be shown separately from the International Transaction Fee on your billing statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements. The exchange rate for transactions in foreign currency will be a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate VISA itself receives, or the government mandated rate in effect for the applicable central processing date plus the 1% International Transaction Fee.

**Advisory Against Illegal Use -** You agree not to use your Card(s) for illegal gambling or other illegal purpose. Display of a payment Card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

**Non-VISA Debit Transaction Processing -** We have enabled non-VISA debit transaction processing. This means you may use your VISA-branded Debit Card on a PIN-Debit Network\* (a non-VISA network) without using a PIN.

The non-VISA debit network(s) for which such transactions are enabled are: PLUS, CO-OP and Accel™ Networks (© 2013 Fiserv, Inc. or its affiliates. Accel and the Accel logo are trademarks of Fiserv, Inc.).

Examples of the types of actions that you may be required to make to initiate a VISA transaction on your VISA-branded Debit Card include signing a receipt, providing a Card number over the phone or via the Internet, or swiping the Card through a point-of-sale terminal.

The provisions of your agreement with us relating only to Visa transactions are not applicable to non-VISA transactions. For example, the additional limits on liability (sometimes referred to as VISA's zero-liability program) and the streamlined error resolution procedures offered on VISA Debit Card transactions are not applicable to transactions processed on a PIN-Debit Network.

\*VISA Rules generally define **PIN-Debit Network** as a non-VISA debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card program.

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## **ELECTRONIC FUND TRANSFERS YOUR RIGHTS AND RESPONSIBILITIES**

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it informs you of your rights and obligations for the transactions listed. You should keep this notice for future reference.

### **TYPES AND LIMITATIONS OF TRANSFERS**

**Electronic Fund Transfers Initiated By Third Parties -** You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your authorization to convert a check or draft to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and credit union information. This information can be found on your share draft (check) or Check Card, as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Electronic check or draft conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking or share draft account using information from your check or draft to pay for purchases or pay bills.
- **Electronic returned check or draft charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

**Account Access -** An access device (Card and/or PIN) may be used to:

- Withdraw cash from checking accounts.
- Withdraw cash from savings accounts.
- Transfer funds between checking and savings accounts upon request.
- Pay for purchases at places that have agreed to accept our access devices.

Some of these services may not be available at all terminals.

**Preauthorized Transfers -** We are equipped to:

- Accept certain direct deposits and debits from your Checking and Savings Account(s).
- You may authorize a merchant or other payee to initiate an EFT to collect a returned check or a fee associated with a returned check.

**Limitations on Frequency of Transfers -**

- Transfers from a savings account to another account or to third parties by preauthorized, automatic, or telephone transfer, or by check, check card, or similar order to third parties are limited to six per month or statement cycle.

**Limitations on Dollar Amounts of Transfers -**

- Point Breeze Credit Union has established daily limits designed to protect you and for security purposes these limits are not disclosed and may change without further notice.

### **CHARGES FOR ELECTRONIC FUND TRANSFERS**

- There are no charges for deposits, withdrawals, transfers or inquiries made at a Point Breeze Credit Union ATM.
- Other conditions may apply that could result in the waiving or reimbursement of fees. Refer to the Rate and Fee Schedule for details.

- We may charge a fee for any transaction at any ATM not owned by Point Breeze Credit Union or merchant that accepts the Point Breeze Credit Union Card. These charges will apply whether the transaction is completed or not. Refer to the Rate and Fee Schedule for fee amounts.

Except as indicated on the Rate and Fee Schedule, we do not charge for electronic fund transfers.

Except as indicated above, we do not charge for electronic fund transfers.

**ATM Operator/Network Fees** - When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

#### DOCUMENTATION

- **Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15 or less.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at the telephone number listed in this brochure to find out whether or not the deposit has been made.
- **Periodic Statements.** You will get a monthly account statement from us unless there are no EFT transactions in a particular month. In any case, you will get a statement at least quarterly.

#### PREAUTHORIZED PAYMENTS

- **Right to Stop Payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this disclosure in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

This request is effective for six (6) months only, whether given in writing or orally, unless renewed in writing before it expires, and that the debit will be paid (assuming the account has sufficient funds), if presented on or after the date the request expires. We will charge you for each Stop-Payment order you give. Please refer to our separate Rate and Fee Schedule for additional information about charges.

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

#### FINANCIAL INSTITUTION'S LIABILITY

**Liability for failure to make transfers** - If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the withdrawal does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

#### CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- (1) where it is necessary for completing transfers; or
- (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) in order to comply with government agency or court orders; or
- (4) as explained in the separate Privacy Disclosure.

#### UNAUTHORIZED TRANSFERS

##### (a) Consumer liability.

• **Generally.** Tell us AT ONCE if you believe your Card and/or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check, draft, Check Card, ATM Card, or VISA Card. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days after you learn of the loss or theft of your Card and/or PIN, you can lose no more than \$50 if someone used your Card and/or PIN without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your Card and/or PIN, and we can prove we could have stopped someone from using your Card and/or PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by Card, PIN or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

• **Additional Limit on Liability for VISA® Check Card.** Unless you have been negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen VISA® Check Card. This additional limit on liability does not apply to ATM transactions outside of the U.S., to ATM transactions not sent over Visa or Plus networks, or to transactions using your Personal Identification Number which are not processed by VISA®. Visa is a registered trademark of Visa International Service Association.

**(b) Contact in event of unauthorized transfer.** If you believe your Card and/or PIN has been lost or stolen, call or write us at the telephone number or address listed in this disclosure. You should also call the number or write to the address listed in this disclosure if you believe a transfer has been made using the information from your check or draft without your permission.

#### ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers, call or write us at the telephone number or address listed in this disclosure, as soon as you can. If you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt, we must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (5 business days for VISA® Check Card point-of-sale transactions processed by VISA and 20 business days if the transaction involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate



your complaint or question. If we decide to do this, we will credit your account within 10 business days (5 business days for VISA® Check Card point-of-sale transactions processed by VISA and 20 business days if the transfer involved a new account) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. Your account is considered a new account for the first 30 days after the first deposit is made, unless each of you already has an established account with us before this account is opened.

We will tell you the results within three business days after 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.

POINT BREEZE CREDIT UNION  
2 PHILADELPHIA COURT  
BALTIMORE, MARYLAND 21237  
Business Days: Monday through Friday  
Excluding Federal Holidays  
Phone: 410.584.7228

MORE DETAILED INFORMATION IS AVAILABLE ON REQUEST

**NOTICE OF ATM/NIGHT DEPOSIT  
FACILITY USER PRECAUTIONS**

As with all financial transactions, please exercise discretion when using an automated teller machine (ATM) or night deposit facility. For your own safety, be careful. The following suggestions may be helpful.

1. Prepare for your transactions at home (for instance, by filling out a deposit slip) to minimize your time at the ATM or night deposit facility.
2. Mark each transaction in your account record, but not while at the ATM or night deposit facility. Always save your ATM receipts. Don't leave them at the ATM or night deposit facility because they may contain important account information.
3. Compare your records with the account statements you receive.
4. Don't lend your Card to anyone.
5. Remember: Do not leave your Card at the ATM. Do not leave any documents at a night deposit facility.
6. Protect the secrecy of your Personal Identification Number (PIN). Protect your Card as though it were cash. Don't tell anyone your PIN. Don't give anyone information regarding your Card or PIN over the telephone. Don't write your PIN where it can be discovered. For example, don't keep a note of your PIN in your wallet or purse.
7. Prevent others from seeing you enter your PIN by using your body to shield their view.
8. If you lose your Card or if it is stolen, promptly notify us. You should consult the other disclosures you have received about electronic fund transfers for additional information about what to do if your Card is lost or stolen.
9. When you make a transaction, be aware of your surroundings. Look out for suspicious activity near the ATM or night deposit facility, particularly if it is after sunset. At night, be sure that the facility (including the parking area and walkways) is well lighted. Consider having someone accompany you when you use the facility, especially after sunset. If you observe any problem, go to another ATM or night deposit facility.
10. Don't accept assistance from anyone you don't know when using an ATM or night deposit facility.
11. If you notice anything suspicious or if any other problem arises after you have begun an ATM transaction, you may want to cancel the transaction, pocket your Card and leave. You might consider using another ATM or coming back later.
12. Don't display your cash; pocket it as soon as the ATM transaction is completed and count the cash later when you are in the safety of your own car, home, or other secure surrounding.
13. At a drive-up facility, make sure all the car doors are locked and all of the windows are rolled up, except the driver's window. Keep the engine running and remain alert to your surroundings.
14. We want the ATM and night deposit facility to be safe and convenient for you. Therefore, please tell us if you know of any problem with a facility. For instance, let us know if a light is not working or there is any damage to a facility. Please report any suspicious activity or crimes to both the operator of the facility and the local law enforcement officials immediately.

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## **YOUR ABILITY TO WITHDRAW FUNDS**

This policy statement applies to "transaction" accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Share draft accounts are the most common transaction accounts. Feel free to ask us whether any of your other accounts might also be under this policy.

Our policy is to make funds from your check deposits available to you on the second business day after the day we receive your deposit, with the first \$225 available on the first business day after the day of your deposit. Electronic direct deposits will be available on the day we receive the deposit. Cash, wire transfers, and some specified check deposits will also be available before the second business day, as detailed below. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

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 5:00 P.M. 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 5:00 P.M. or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### **Same-Day Availability**

Funds from electronic direct deposits to your account will be available on the day we receive the deposit.

### **Next-Day Availability**

Funds from the following deposits are available on the first business day after the day of your deposit:

- U.S. Treasury checks that are payable to you.
- Wire transfers.
- Checks drawn on Point Breeze Credit Union.
- Cash.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

### Other Check Deposits Subject to Second-Day Availability

The first \$225 from a deposit of other checks will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit.

For example, if you deposit a check of \$700 on a Monday, \$225 of the deposit is available on Tuesday. The remaining \$475 is available on Wednesday.

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

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

#### LONGER DELAYS MAY APPLY

Funds you deposit by check may be delayed for a longer period under the following circumstances:

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

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. 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 \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 will not be available until the second business day after the day of your deposit.

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

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## TRUTH-IN-SAVINGS DISCLOSURE

Also, see separate Rate and Fee Schedule

### SHARE SAVINGS ACCOUNT

**Rate Information** - The dividend rate and annual percentage yield may change every month. We may change the dividend rate for your account as determined by the credit union board of directors.

**Compounding and crediting** - Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

**Dividend period** - For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is March 31.

**Minimum balance requirements** - The minimum balance required to open this account is \$5.00.

**Daily balance computation method** - Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of dividends on noncash deposits** - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

**Par value of a share** - The par value of a share in this account is \$5.00.

### CHECKING ACCOUNTS

The following features apply to all interest-bearing checking accounts:

**Rate Information** - The interest rate and annual percentage yield may change every month. We may change the interest rate for your account as determined by the credit union board of directors.

**Compounding and crediting** - Interest will be compounded every month. Interest will be credited to your account every month.

**Daily balance computation method** - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of interest on noncash deposits** - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

**Automatic overdraft transfer** - When you open a checking account it will be automatically linked to your share savings account for overdraft protection purposes. If your checking account becomes overdrawn, we will automatically transfer funds from your share savings to your checking to cover the exact amount of the overdraft. A fee may be charged for each automatic overdraft transfer as disclosed on our separate Rate and Fee Schedule. Please contact us if you do not want us to link your account.

### COURTESY PAYMENT SERVICE

Courtesy Payment Service is not a credit product and requires no credit application. Courtesy Payment may be applied to your Checking Account if:

- You have no negative account history with any financial institution;
- You maintain your Membership in good standing;
- You have direct deposit at the time the service is provided;
- Your loans with us and credit cards are not past due;
- There are no legal or administrative orders or levies against your Checking Account.

We are not obligated to pay any overdraft. We will decide to pay overdrafts on a case-by-case basis, in our sole and absolute discretion. However, we shall not pay any check, item or other transaction if your negative Checking Account balance is greater than \$500, which includes any fees already applied. We may change or remove your limit at any time without prior notice. You can be notified electronically of a low balance by utilizing the Alerts and Notifications section of online banking or mobile banking. You understand that we have no obligation to notify you before we pay or return any check, item or other

transaction. We may refuse to pay any overdrafts without first notifying you even though your account is in good standing and even if we have paid previous overdrafts.

For your overdrafts cleared, you promise to immediately pay us all sums, including the fees and charges for this service, advanced to you or any other person you permit to use your Checking Account and/or who causes an overdraft on your Checking Account. You also agree that we have the right to transfer available funds from your other accounts you may have with us to cover the item that caused the overdraft and pay the related fees. You understand and agree that we may transfer funds to your Checking Account from any of your other account(s) with us (excluding IRA accounts), including account(s) upon which you are a joint owner, in an amount equal to the overdrawn check, item or other transaction, which we may pay according to the terms and conditions of this Disclosure, and to pay the related fees. In addition to any other rights that we may have, you agree that any deposits, future deposits or other credits to any account in which you may now or in the future have an interest, are subject to our right of off-set for any liabilities, obligations or other amounts owed to us by you (e.g., overdrafts and any related fees and charges) and such is applicable irrespective of any contribution to the account or source of funds in the account. Moreover, unless you "opt-out" of the Courtesy Payment Service, you consent and expressly agree that the application of an off-set of funds in any account includes the off-set of government benefits (such as Social Security and other public benefit funds) deposited to your account. Each person who causes an overdraft, which is paid by us, is a maker and agrees to be individually and jointly obligated to repay the unpaid negative balance in accordance with the terms and conditions of the Account Agreement and Disclosures Booklet, which was provided at the time of account opening. We reserve the right to limit Overdraft Service to one (1) account per member without notice of reason or cause.

You will be in default under the terms of this Disclosure and the Account Agreement and Disclosures Booklet if you fail to live up to any of the terms and conditions of this Disclosure or the Account Agreement and Disclosures Booklet, or you are in default on any loan obligation with us and/or a negative balance exists in any other deposit account with us on which you are an owner. If you are in default, we may temporarily suspend overdraft privileges or terminate the Overdraft Service or close your Checking Account and demand immediate payment of the entire unpaid negative balance. You also agree to pay any collection costs, attorneys' fees and court costs which we or you shall or may incur as a result of your default.

We may terminate or suspend the Overdraft Service at any time without prior notice. In no event shall any termination relieve you of your obligation to repay such sums already overdrafted, overdraft fees, collection costs and attorneys' fees, if any. We can delay enforcing any of our rights under this Agreement without losing them.

#### **EXTENDED OVERDRAFT SERVICE**

Please note that for ATM and one-time debit card transactions, you must affirmatively consent or opt-in for this coverage and qualify for our Courtesy Payment Service. Without your consent, we may not authorize and pay an ATM or one-time debit card transaction that will result in insufficient available funds in your account. Please contact us at the number listed below to request an enrollment form for the Credit Union's Extended Overdraft Service related to ATM and one-time debit card transactions.

#### **OTHER OVERDRAFT PROTECTION PLANS**

We also offer overdraft protection plans, such as linking your Checking Account to a share/savings\* other than your Primary Savings or to a Line of Credit, which may be less expensive than our standard overdraft practices. To learn more, ask us about these plans.

### **HOLIDAY CLUB ACCOUNT**

**Rate Information** - The interest rate and annual percentage yield may change every month. We may change the interest rate for your account as determined by the credit union board of directors.

**Compounding and crediting** - Interest will be compounded every quarter. Interest will be credited to your account every quarter.

**Minimum balance requirements** - The minimum balance required to open this account is \$10.00.

**Daily balance computation method** - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of interest on noncash deposits** - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

**Transaction limitations** - No transaction limitations apply to this account unless otherwise stated in the Common Features section.

**Club distribution** - On or about October 15 of each year, the balance of the Holiday Club account will be automatically transferred to the Share Savings account to allow convenient access. The account remains open for deposits for the following year.

### **INDIVIDUAL RETIREMENT ACCOUNT**

**Rate Information** - The interest rate and annual percentage yield may change every month. We may change the interest rate for your account as determined by the credit union board of directors.

**Compounding and crediting** - Interest will be compounded every quarter. Interest will be credited to your account every quarter.

**Minimum balance requirements** - The minimum balance required to open this account is \$10.00.

**Daily balance computation method** - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of interest on noncash deposits** - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

**Transaction limitations** - No transaction limitations apply to this account unless otherwise stated in the Common Features section.

### **CERTIFICATE OF DEPOSIT**

**Rate Information** - See separate Rate Schedule

**Compounding frequency** - Unless otherwise paid, interest will be compounded every month.

**Crediting frequency** - Interest will be credited to your account every month. Alternatively, you may choose to have interest paid to your Point Breeze Credit Union savings or checking account every month rather than credited to this account.

**Minimum balance requirements** - See separate Rate Schedule

**Daily balance computation method** - Interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of interest on noncash deposits** - Interest will begin to accrue on the business day you deposit noncash items (for example, checks) to your account.

**Transaction limitations** - After the account is opened, you may not make deposits into the account until the maturity date stated on the account. You may make withdrawals of principal from your account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subject to early withdrawal penalty. You can only withdraw interest credited in the term before maturity of that term without penalty. You can withdraw interest anytime during the term of crediting after it is credited to your account.

**Time requirements** - See separate Rate Schedule

**Early withdrawal penalties** (a penalty may be imposed for withdrawals before maturity) -

- If your account has an original maturity of 12 months or less:  
The penalty we may impose will equal three months interest on the amount withdrawn subject to penalty.
- If your account has an original maturity of more than 12 months:  
The penalty we may impose will equal six months interest on the amount withdrawn subject to penalty.

In certain circumstances such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty. Other exceptions may also apply, for example, if this is part of an IRA or other tax-deferred savings plan.

**Withdrawal of interest prior to maturity** - The annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings.

Refer to CD receipt to determine if your account is renewable or non-renewable. **Renewable account** - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, interest will not accrue after final maturity.

Each renewal term will be the same as the original term, beginning on the maturity date (unless disclosed elsewhere in this document or unless we notify you in writing before a maturity date of a different term for renewal). The interest rate will be the same we offer on new time accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original time account.

You will have a grace period of 7 calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

**Non-renewable account** - This account will not automatically renew at maturity. Refer to your CD receipt to determine where funds will be credited at maturity.

#### COMMON FEATURES

**Bylaw requirements** - You must complete payment of one share in your share savings account as a condition of admission to membership.

**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 demand deposit, or from any other savings account as defined by Regulation D.

**Nature of dividends** - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. (This disclosure further explains the dividend feature of your non-term share account(s).)

**National Credit Union Share Insurance Fund** - Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

Please refer to our separate fee schedule for additional information about charges.

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# **Point Breeze** **Credit Union**

#### **HUNT VALLEY OFFICE**

11104 McCormick Road  
Hunt Valley, MD 21031

#### **ROSEDALE OFFICE**

2 Philadelphia Court  
Baltimore, MD 21237

#### **BEL AIR OFFICE**

410 South Atwood Road  
Bel Air, MD 21014

#### **OWINGS MILLS OFFICE**

10110 Reisterstown Road  
Owings Mills, MD 21117

#### **MEMBER SERVICE CENTER**

410.584.7228  
888.233.7228 toll-free  
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#### **WESTMINSTER OFFICE**

405 Englar Road  
Westminster, MD 21157

Federally Insured by NCUA. Equal Housing Opportunity.