

Point Breeze ***Credit Union***

**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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Account Agreement and Disclosures

The signature card ("Signature Card") is a legally binding contract and once you sign it or continue to use the account, you agree to abide by the terms, conditions and obligations of this Account Agreement and Disclosures, called the "Agreement". Please read this carefully and retain it for future reference. The Agreement governs your deposit accounts (collectively "account") with Point Breeze Credit Union ("Credit Union"). Your and our rights in relation to your account are governed by this Agreement, the Signature Card, applicable state and federal laws and regulations, clearing house rules, bylaws, and policies. Any of these may be amended from time to time without notice to you except as required by law. Our bylaws 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. Used throughout this Agreement, are the terms "you", "your", "me", and "my", which refers to all persons or entities who sign or are designated on the Signature Card (except as the powers of that person are expressly limited by the terms of the Signature Card) and to each of them, unless the context clearly indicates otherwise. The terms "our," "us," and "we" refer to the Credit Union. Checks, negotiable order of withdrawals, drafts, other orders, other items, and other withdrawal or transfer requests used to transfer or withdraw funds out of your account by any means may be referred to using those terms. These Orders are subject to any withdrawal limitations or penalties for your account. Funds, whether by cash, check, draft, other order, other item, or other deposit request, cashed or added to your account by the deposit, telephone or wire transfer are referred to throughout this Agreement as "Deposit(s)."

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.

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 and click on the Share Insurance link. The link includes detailed contact information as well as a share insurance estimator.

Important Information About Required 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. These requirements include obtaining identifying information for covered legal entities, individuals with a certain beneficial ownership, and individuals with 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.

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.

Truth in Savings Disclosure

Deposit Account Types

Also, see separate Rate and Fee Schedule

Savings Accounts		
<p align="center"><i>Share Savings</i></p> <p>Minimum to open.....\$5 Minimum balance to maintain.....\$5</p> <p>Par value of a share in this account is \$5</p> <p>It is a Bylaw requirement, that you complete payment of one share in your share savings account as a condition of admission to membership.</p>	<p align="center"><i>Holiday Club</i></p> <p>Minimum to open.....\$10 Minimum balance to maintain.....\$0</p> <p>On or about October 15 of each year, the balance of the Holiday Club account will be automatically transferred to your share savings account to allow convenient access. The account remains open for deposits for the following year.</p>	<p align="center"><i>IRA Savings</i></p> <p>Minimum to open.....\$10 Minimum balance to maintain.....\$0</p> <p>Other transaction restrictions and tax consequences may apply. Check with your tax advisor for guidance.</p>
Certificate of Deposit		
<p><i>Certificate of Deposit</i> Minimum to Open.....See separate Rate and Fee Schedule Minimum balance to maintain....See separate Rate and Fee Schedule</p>		
<i>Continued</i>		

Certificate of Deposit - Continued

Transaction Limitations. After the account is opened, you may not make deposits into the account until the stated maturity date of the CD. 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.

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 (3) 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 (6) months interest on the amount withdrawn subject to penalty. We may close your account and impose the early withdrawal penalty on the entire account balance in the event of a partial early withdrawal.

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. We may impose early withdrawal penalties on a withdrawal from a CD account even if you do not 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.

Time requirements. See separate Rate and Fee Schedule.

Refer to your Certificate of Deposit 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.

Checking Accounts

Free Checking Plus

Minimum to open.....\$0
 Minimum balance to maintain.....\$0

Interest Checking

Minimum to open.....\$0
 Minimum balance to maintain.....\$0

Meet all account Qualifications to receive:

- **Foreign ATM Refunds:** We will refund up to \$20 each month in foreign ATM charges. Refunds will be deposited into your account before the end of the following month in which the ATM fee was posted.
- **Free Checks:** Your first box of printed checks is free.
- **Premium Interest Rate:** You will earn our premium APY and corresponding APY on your balances up to and including \$10,000.00 and you will earn the middle tier interest rate and APY on funds greater than \$10,000. If you do not meet the Qualifications below during any monthly period, a minimum interest rate and APY will be paid on the entire balance. See the Rate and Fee Schedule for the most current interest rates. You can earn the interest rate and APY described on our Rate and Fee Schedule each month you meet the qualifications below.

Qualifications:

- At least 12 debit card purchase transactions posted to your account each month (using your Point Breeze Visa® debit card—reversals, ATM deposits, transfers, and withdrawals do not qualify);
- Direct Deposit(s) of at least \$400 each month (requires electronic credit to your account such as salary, pension, Social Security—transfers between accounts, payment services, or ATM deposits do not qualify); and
- Receive eStatements (set up in online banking, online banking registration required, select the eStatements tab).

One Free Checking Plus account per membership.

Refer to our separate Rate and Fee schedule for additional information.

Checking account interest rate may change each month.

Please refer to the **Dividend and Interest Features** below, and our Rate and Fee Schedule for current rates and additional information.

No transaction limitations apply to these accounts unless stated otherwise.

Automatic overdraft transfer. When you open a checking account, it will be automatically linked to your primary share savings account for overdraft protection purposes. You may also let us know during the account opening process or any time after your checking account is open, if you do not want us to link your share savings account to your checking account. If your checking account becomes overdrawn, we will automatically transfer funds from your share savings account to your checking account 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.

Dividend and Interest Features

The following terms apply to all accounts that earn dividends or interest, unless stated otherwise.

Daily Balance Computation Method

Dividends/interest is calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

Compounding and Crediting

Dividends or interest earned on your Share Savings, Holiday Accounts and IRA Savings accounts are compounded and credited to your account each

quarter. Interest on your checking account and Certificate of Deposit is compounded and credited to your account each month. You may choose to have interest paid to your Point Breeze Credit Union savings or checking account every month rather than credited back to the CD. For all accounts where dividends/interest are compounded quarterly, 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/interest periods follow this same pattern of dates. The dividend/interest declaration date is the last day of the dividend/interest period, and for the example above is March 31.

The dividend rate/interest rate and annual percentage yield (APY) on your Share Savings, Holiday, Share IRA, and Checking Account may change every month. We may change the interest rate for your account as determined by the Credit Union board of directors. If you close your account before dividends or interest is credited for that interest period you will receive any accrued dividends or interest for that month. However, the annual percentage yield is based on an assumption that interest will remain in the account until maturity. A withdrawal will reduce earnings.

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. Dividends and interest less than \$0.01 will not be credited to your account. Dividends/interest are paid from current income and available earnings, after required transfers to reserves at the end of a dividend/interest period.

Please refer to our separate Rate and Fee Schedule for additional information about charges. You may request a current Rate and Fee Schedule by stopping by any of our branch offices or give us a call at 410.584.7228.

Transaction Limitations

We reserve the right to at any time require not less than seven business days' notice in writing before each withdrawal from an interest-bearing account other than a time deposit or checking account, or from any other savings account.

Ownership Types

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.

Type of Account	What happens during your life	What happens upon your death
Single Owner / Sole Owner Account. You own the account with no other person named on the account as an owner, or as a P.O.D. (Payable on Death) payee or beneficiary.	You own the account.	Upon your death, the funds in the account pass to your heirs as a part of your estate under your will or by intestacy.
Single Owner Account with P.O.D. Payee / Beneficiary. You own the account with no other person named on the account as an owner but there is a P.O.D. (Payable on Death) payee or beneficiary designated on the account.	You own the account.	Upon your death, funds in the account immediately belong to the then-living P.O.D. payee(s) or beneficiaries designated on the account. The funds in the account are NOT part of the estate.
Single Owner Account with Agent. You own the account but you have provided the financial institution with a power of attorney giving authority to another person (your agent) to act on your behalf in connection with banking activities.	You own the account. However, your agent is authorized to access the account funds on your behalf and take actions for your benefit.	Upon your death, all authority granted by you to your agent ends. Your agent has no right to any funds. The funds in the account pass to your heirs as a part of your estate under your will or by intestacy.
Multiple (Joint) Party Account. You and one or more other persons are named as owners on the account. The account provides for the Right of Survivorship. Each joint owner can have full access to the account and owns the account with all other persons designated as a joint owner. The account may be closed by any joint owner without notice to or consent from any other joint owner, including the required share deposit of \$5. Notice given by the Credit Union to any owner of the account is considered notice to all owners of the account.	You and other persons named as owners on the account own the account together. Each person has a right to individually access all funds in the account.	Upon your death, ownership of the account immediately belongs to all then-living (surviving) owners named on the account, subject to any previous pledge to which we agreed. The funds in the account are NOT part of your estate. If two or more owners survive, the account will remain a joint account and the survivors will each own the account with full survivorship rights. When one owner survives, the owner will become the sole owner of the account. Each owner acknowledges that the account is subject to Maryland's Multiple-Party Accounts Law. (Not as Tenants in Common)

Accounts with POD Payees.

A person designated as a POD payee has no present ownership rights in the account while any person designated as a sole owner or joint owner is living. Upon the death of the sole owner or the last surviving joint owner, any POD Payee then living will acquire rights in the account. In the case of surviving POD payee(s) at the death of the sole owner or the last surviving joint owner, the Credit Union will issue a check for the balance in the account made payable to all surviving POD payees. The Credit Union may deliver the check to any POD payee. The sole owner or joint owners reserve(s) the right, at any time, to change POD payee(s), account type, and/or account ownership, and to withdraw all or part of the account balance and/or close the account. Each owner acknowledges that the account is subject to Maryland's Multiple-Party Accounts Law.

MUTMA Accounts.

Under the Maryland Uniform Transfers to Minors Act, accounts may be set up for the benefit of minors. The custodian(s) shall transfer in an appropriate manner the custodial property to the minor or to the minor's estate on the earlier of: (1) the minor reaching 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 reaching 18 years of age with respect to custodial property transferred under §13-307 of the Maryland Trusts and Estates Article 13-320); or (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 minor. We, however, have no duty or agreement whatsoever to monitor or ensure that the acts of the custodian(s) (or successor custodian(s)) are for the minor's benefit. We are not responsible to monitor age or eligibility for a MUTMA 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 appropriate age. For this type of account, the minor's SSN/TIN is used for tax reporting purposes.

Guardian, Trustee, Representative Payee, or Personal Representative Accounts.

Any person with authority to act as a guardian, trustee, representative payee, or personal representative (each a "Representative"), acts in that capacity under contract or state or federal law, regulation, or judicial authority for the benefit of the named minor, ward, disabled person, estate, or trust (each a "Represented Person") named on the account. The account is subject to the order of the Representative, subject to the limitations imposed by any court order or state law. The Representative certifies that any funds deposited into or withdrawn from the account are properly within the Representative's custody and may be lawfully deposited into or withdrawn from the account in accordance with authority duly vested in the Representative and that the Credit Union has no duty to verify the authority of the Representative to make particular deposits or withdrawals (except as expressly provided otherwise by judicial order of which the Credit Union has had prior notice and a reasonable time to act on that notice). The Representative promises to keep records in good faith and in the ordinary course of business which detail the interests of the Represented Person(s) of the account at all times.

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.

Accounts with Convenience Signers.

These terms apply only for accounts opened on or before August 1, 2011. A person designated on the signature card as a convenience signer is permitted to conduct transactions on the account owner's behalf. The account 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), but 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.

Student Savings or Checking Account with ATM or Check Card.

A Student Savings or Checking account may be opened for minors ages 13 to 17 and may be issued an ATM card if only a savings account is established or a Check Card if both savings and checking accounts are established. Only one savings and one checking account per minor is permitted. A parent or legal guardian must be joint on the account. It is important for the parent or legal guardian to understand that until the minor attains the age of 18, the minor is not liable for any transactions conducted on the account and they, the parent or legal guardian accepts full responsibility and liability for all transactions conducted on the account and fees incurred by the minor. This includes, but is not limited to, deposits, withdrawals, electronic funds transfers, such as ATM transactions, purchases made using the ATM or Check Card, including goods or services purchased on the Internet (whether the web site is deemed legitimate or illegitimate), through PlayStation, Xbox and similar devices. Overdraft protection services are not available for Student checking accounts. All other terms and conditions of this Account Agreements and Disclosures apply.

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.

General Account TermsBusiness Day Disclosure

Our business days are Monday through Friday. Holidays are not included.

Deposits and Payments

We will act as your agent for the collection of all deposits to your account. Deposits will be verified and handled by us consistent with our usual practices and applicable law and regulations and we are not responsible for any deposit until actually received by us. We have the right to refuse any order, transfer or deposit, limit the amount that may be offered for deposit, and to return all or any part of a deposit. We assume no liability beyond the exercise of ordinary care. We may, without liability, accept deposits payable to one or more owners who have since died until we have actual notice of the death(s) and a reasonable opportunity to act on that notice. We are not obligated to accept any deposit dated six months or more prior to the time it is deposited, but we may do so in our discretion. We also are not obligated to accept any deposit before the date listed on the Order (as defined below), but we may do so in our discretion. We are not liable for the negligence of any correspondent or for the loss in transit, and each correspondent will only be liability for its own negligence. All deposits are received and credited by us subject to final collection, to the extent permitted by applicable law. Before settlement of any deposit becomes final, we act only as your agent, regardless of the form of indorsement or lack of indorsement on any item you deposit and even though we provide you provisional credit for the item. We may reverse any provisional credit for items in any deposit that are lost, stolen, or returned. Unless prohibited by law, we also reserve the right to charge back to your account or loan the amount of any item deposited to your account, paid on your loan, or cashed for you which was initially paid by another financial institution and that 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 previously provided to you. Please see the Rate and Fee Schedule for a list of fees that may apply. 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. By signing the membership application or using any accounts or services, you specifically waive your rights to notice of non-payment, dishonor, or protest regarding all items presented for collection. You authorize us to attempt to collect previously returned items without giving you notice. Without prior notice to you, we may charge back any item at any time before final payment, whether returned or not, and may also charge back any item drawn on us if, within the normal handling period for such item, the item cannot be honored against the drawer's account. We are authorized to pursue collection of previously dishonored items, including re-presentment and in so doing, we may permit the paying financial institution to hold an item beyond the deadline. Items that we present or represent may be truncated or converted to an electronic or other format. If an item is not paid, you are responsible for any loss we may incur in seeking to collect the item for you. You will be liable to us for any loss or expense, including, without limitation, reasonable attorneys' fees, we incur because we are unable to properly return an item drawn on your account within the time set by applicable law. All checks, drafts, automated clearinghouse (ACH) transfers or other items credited on to your account are provisional until we receive final payment if final payment is not received, we may charge your account for the amount of such items and impose a returned item fee on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or fund transfer. The credit for deposits of, or payable in, foreign currency will be

at the exchange rate in effect on final collection in U.S. Dollars. Items drawn on an institution located outside the U.S. are handled on a collection basis only. Our rules on the availability of deposits are set forth below in the section titled "Expedited Funds Availability-Regulation CC."

a. **Returned Deposits** – a return deposit item occurs when a deposit or payment made by check is returned back to us. It is then in our discretion to either resubmit the check for clearing or to debit the funds from the account. A fee may, in our discretion, be assessed for a return deposit item and can be found in our Rate Schedule.

b. **Returned Payments** – a returned payment item occurs when a check is returned that is written on the member's account from another financial institution. A fee is charged per returned check. When a check payable to our member and written by someone else is returned, the member is charged a fee for each returned check.

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.

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.

Binding Arbitration for all disputes, and waiver of jury trial and class actions

PLEASE REVIEW THIS CAREFULLY. It affects the way in which any dispute between You (including any joint owners, joint obligors, or POD beneficiaries) and Point Breeze Credit Union (the Credit Union) will be resolved. The requirement that either You or the Credit Union shall utilize binding arbitration to resolve any disputes between us eliminates Your or the Credit Union's ability to use the court system to resolve disputes covered by this agreement. Arbitration is a non-judicial process where we submit our disputes to a neutral who has been trained and is experienced in resolving the issues. If any part of any dispute should be made in court, we mutually agree that anything to be decided by the court will be decided by the judge, acting without a jury. A covered dispute between us will be decided without joining in other parties, whether as a class action or otherwise. This agreement, accordingly, (a) waives the parties rights to go to court for any covered dispute; (b) waives either party's ability to bring a class action or a collective action of a class arbitration against the other; and (c) waives a jury in any circumstance. The following terms govern over this introduction, should any inconsistencies arise:

Binding Arbitration Disputes Decided Individually

(a) All disputes of any kind between You and the Credit Union will be decided on an individual basis by binding arbitration, subject only to the exceptions set out in this agreement. The arbitration will be conducted under the Consumer Arbitration Rules or Commercial Arbitration rules (for business loans only), as applicable, published by the American Arbitration Association (AAA), as are in effect at the time the dispute is submitted. You and the Credit Union may mutually agree to vary from these rules. You or the Credit Union may start an arbitration proceeding by making a filing with the AAA, or by serving a written demand for arbitration to the other party and, if both parties consent, proceed under the AAA Consumer Arbitration Rules or Commercial Arbitration rules (for business loans only), as applicable, but without invoking the administrative functions of the AAA. If the proceeding is administered by the AAA, an arbitrator will be selected from the AAA panel of neutrals. If the proceeding is not administered by the AAA, the parties will select a neutral. If the parties are unable to agree on a neutral, each will select a neutral and those two neutrals will select an arbitrator. The proceeding will be arbitrated before a single arbitrator.

(b) This agreement applies to all disputes between You and the Credit Union, including any dispute arising under or relating to the Membership and Account Agreement, under any loan or credit agreement between You and the Credit Union, under any overdraft payment or privilege agreement, or any other dispute arising under or relating to our relationship whatsoever. However, notwithstanding the foregoing sentence, this agreement does not apply to (i) any exercise of a self-help, non-judicial remedy available to the Credit Union, including but not limited to repossession or the exercise of the right of set-off or any right to cross-collateralization, or (ii) any claim filed by the Credit Union to compel repayment of a loan or debt secured by real or personal property, or an unsecured signature loan; the agreement does apply to any counterclaims or other claims that may be asserted in such a proceeding. If the Credit Union is directed to take action affecting You by any governmental enforcement, judicial, or regulatory agency, including any attachment or garnishment, the Credit Union may comply with that direction without arbitrating with You prior to that compliance. This paragraph does not apply in any circumstance or to any dispute where it would be contrary to law to require arbitration, including without limitation any circumstance where mandatory arbitration is prohibited by the Military Lending Act.

(c) Because the Credit Union is in a business that affects interstate commerce, arbitration under this agreement is governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-9. For any matter of substantive law that may be involved in any manner in the arbitration, or in any determination of arbitrability, the law of the State of Maryland shall govern, excluding its principles of conflicts of laws, except to the extent the substantive claim is made under the laws of the United States, in which case federal law shall govern the substantive claim.

(d) Any arbitration hearing shall be held in the city or county in which Your branch of the Credit Union is found. If no particular branch of the Credit Union is implicated, any arbitration hearing shall be held in Baltimore County, Maryland. The parties may agree, or the arbitrator may order, that the hearing be held in another place, for the convenience of the arbitrator, the parties, or the witnesses. In appropriate cases the arbitrator shall give due consideration to arbitration on the papers, sometimes called "desk arbitration," in which no formal hearing may be required.

(e) Any and all disputes between You and the Credit Union shall be resolved on a single-claimant basis. Neither You nor the Credit Union will assert or allege a claim on behalf of any other person. Neither You nor the Credit Union may bring a class action, class-based arbitration, joined or collective claims, or any other multiple-party claim, for any claim covered by this agreement. This provision does not preclude claims made jointly by or against joint owners or joint debtors on any account.

(f) If any issue or challenge is made to the arbitrability of any claim under this agreement, or as to the effectiveness and enforceability of all or any part of this agreement, that issue shall be decided by the arbitrator.

(g) If for any reason any issue or matter touching any part of this agreement is presented to or pending before a court, the court shall make any needful decision on its own, without a jury. The parties understand that this agreement waives any right to a jury trial as to any claim between the parties, or any challenge to this agreement itself, or any other matter covered by it.

The party initiating an arbitration that is administered by the AAA under the Consumer Arbitration Rules or Commercial Arbitration rules (for business loans only), as applicable, usually pays the initial filing fee, which is less than the fee for filing a lawsuit. Thereafter, all fees and expenses of the arbitration shall be allocated as provided by the Arbitration Rules or Commercial Arbitration rules (for business loans only), as applicable, whether or not the AAA is administering the proceeding. Each party shall initially bear its own costs, fees, expenses, witness fees, and attorneys' fees. If the substantive law under which the claim is brought expressly permits shifting of fees, the arbitrator shall apply that law upon rendering a determination. If You prevail, the Credit Union will refund to You your initial filing fee, if any.

Other Procedural Issues: This agreement shall survive the termination of any account, loan, or any relationship between us whatsoever, and shall survive bankruptcy of either party. If the arbitrator determines that some certain provision of this agreement is unenforceable under the law, the remaining provisions shall remain in full force and effect. This agreement shall survive any subsequent change in any terms and conditions of any agreement between us unless that change specifically refers to this agreement and provides that it does not apply. No employee or officer of the Credit Union other than the Chief Executive Officer or President may waive any part of this agreement (which waiver must be in writing and signed), and the failure of either party to enforce this agreement or any similar agreement against any other person shall not constitute a waiver of any part of this agreement.

Direct Deposit Plan

If, in connection with a direct deposit plan, we deposit any amount into the account which should have been returned to the federal government for any reason, you authorize us to deduct the amount of our liability to the federal government from the account which received the Deposit or any other account you have with us, without prior notice and at any time, except as prohibited by law. We also may use any other legal remedy to recover the amount of our liability.

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.

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.

Physical Security

When using ATMs, you should:

- Beware of your surroundings when using an ATM, particularly during the hours of darkness,
- Be accompanied by another person when using an ATM during the hours of darkness,
- Refrain from displaying cash, place cash in a pocket as soon as the transaction is completed, and count cash in the safety of a locked enclosure such as a car or home,
- Use another ATM or return at a later time if anything suspicious is noticed,
- Cancel a transaction, place the access device in a pocket and leave if anything suspicious is noticed when using an ATM, and
- Immediately report all crimes to us or the operator of the ATM and to local law enforcement officials.

Similar precautions should be followed when using a night deposit facility.

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.

Payment of Orders

Orders

We are not obligated to pay any Order presented against your account if the available balance in the account is insufficient or uncollected. Also, we may refuse to honor any Order if there is a dispute about your account, the account is garnished, attached pledged, or subject to a right of offset, we cannot verify the availability of funds in the account, any document we require has not been given to us, or as otherwise specified in this Agreement. In our sole discretion, however, we may pay an Order even if the balance in the account is insufficient or uncollected and, in such an event, charge the amount of the overdraft against any account from which you are entitled to withdraw funds. In all cases where an Order is presented against insufficient or uncollected available funds, whether or not we pay it, you are responsible for paying a service charge as disclosed in our Rate and Fee Schedule and we may deduct it from any account from which you are entitled to withdraw funds. You authorize us, at our discretion and without notice to you, to resubmit for payment those Orders which have been returned unpaid. We are not obligated to pay an Order dated six months or more prior to the time it is presented for payment, but we may do so in our discretion. Except as provided otherwise in the "Notice of Postdating" section below, if an Order is presented for payment before the date you list on the Order, we have the right in our discretion to return it unpaid or pay it without the Credit Union being liable for any damages you may incur. We may, without liability, pay Orders drawn by or on behalf of an owner who has since died, until we have actual notice of the death and a reasonable opportunity to act on that notice. Any Orders paid will be charged against your account or be handled as otherwise provided in this Agreement. By giving, whether orally or in writing, a third party information about your account (for example, your account number or the MICR information appearing at the bottom of your checks), you are authorizing those parties to generate Orders withdrawing money from your account in the amounts they draw payable to whom they identify. All Orders generated by third parties who have your account information are deemed to be authorized by you. You authorize us to honor those Orders and agree that we have no obligation to re-credit your account for related amounts.

Returned Items and Non-Sufficient Funds (NSF) Fees

You will be charged a returned item NSF fee pursuant to the Rate & Fee Schedule for each item returned. Returned items may be presented for payment by the payee or their financial institution multiple times. This may result in multiple returned items NSF fees being charged.

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 checking account to pay for a transaction. Each instance of overdrawing your account may 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 Credit Union 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. SEE COURTESY PAYMENT SERVICES; OVERDRAFT PROTECTION SERVICES SECTION BELOW.

Processing Order & Automated Processing of Items.

This is a general description of how certain types of transactions are posted. These practices may change, and we reserve the right to pay Orders 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.

The law permits us to pay Orders drawn on your account in any order. Unless we have agreed otherwise, you are not entitled to receive any original Order after it is paid. Although you may request that we send you an Order or a copy of an Order, fees may apply. When processing Orders and Deposits, our policy is to pay Orders and credit Deposits 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.

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.

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.

You recognize that we have adopted automated collection and payment procedures so that we can process the greatest volume of items (both Deposits and Orders) at the lowest possible cost to all members. These automated procedures rely primarily on information encoded onto each item in magnetic ink. In recognition of this fact, you agree that in paying or taking an item for collection, we may disregard all information on the item other than the drawer's signature, the identity of the drawee bank, the amount of the item, and any other information encoded onto the item in magnetic ink according to general banking standards, whether or not that information is consistent with other information on the item. You agree to reimburse us for any loss or expenses we incur because you issue or deposit an item containing such extra information. You agree that we do not fail to exercise ordinary care in paying an item if our procedures provide for limited or no sight examination of items we process. Furthermore, we shall not be liable for failing to detect forgeries done by facsimile or other methods which are not susceptible to ordinary detection.

Notice of Postdating

At your risk, upon your request, and subject to the provisions outlined below, we will accept a proper and timely notice of postdating to prevent the payment of an Order before the date written on it. A notice of postdating may be given by the person who signed the Order or any other owner of the account. You agree to pay our fee for notice of postdating, which will be deducted from your account. If the Order is presented before the date written on it, we may return it unpaid in any manner consistent with NCUA and clearinghouse procedures. You agree to hold us harmless from all expenses and costs incurred by us, including attorneys' fees, in refusing payment on the Order. You understand that any holder in due course of the Order, including us, may be entitled to enforce payment against you despite your notice of postdating. A notice of postdating will cease to be effective at the earlier of the date written on the Order or the expiration of the notice of postdating, and the Order may be paid by us and charged against your account if presented to us after that time. A notice of postdating may be made in either or both of the following ways: by oral request or by written request, both of which are effective for six months. If you fail to renew any type of notice of postdating before it has expired, you shall be deemed to have consented to payment of the Order. Our receipt of your notice of postdating is not timely and comes too late if: (a) we have indicated in any manner that we will pay or honor the Order as drawn (for example, notice comes too late if the Order has been certified or negotiated with a check guarantee card); (b) the Order is already in our processing system; or (c) we do not have a reasonable time to act upon it and you and we agree that receipt of a notice of postdating on the same day as the Order is presented to us does not give us a reasonable time to act on the notice of postdating. Your notice of postdating must provide us with the exact: (a) date written on the Order; (b) amount of the Order; (c) payee; (d) Order number; (e) account number; and (f) any other information we may require. You agree that if all of this information is not correctly

provided by you, we will not be liable if the Order is paid before the date written on the Order. In any event, our liability for early payment of an Order for which we have received a proper and timely notice of postdating is limited to your actual losses, up to the amount of the Order. If we re-credit your account after paying a postdated Order over a proper and timely notice of postdating, you agree to transfer to us all of your rights against the payee or other holder of the Order and to assist us in legal action taken against that person.

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 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.

Courtesy Payment Service; Overdraft Protection Services

Courtesy Payment Service

Our Courtesy Payment Service is not a credit product and requires no credit application. Our Courtesy Payment Service will be automatically approved for your checking account if: you have no negative account history with any financial institution; you are a member of the Credit Union 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; and there are no legal or administrative orders or levies against your accounts. Student accounts do not qualify for overdraft protection services. We are not obligated to pay any overdraft. We may decide to pay overdrafts on a case-by-case basis, in our sole and absolute discretion and we may change or remove the Courtesy Payment Service at any time without prior notice. 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. **YOU AGREE THAT WHEN WE PAY AN OVERDRAFT, INCLUDING ANY OVERDRAFT PAID IN CONNECTION WITH OUR COURTESY PAYMENT SERVICE, YOU WILL BE CHARGED AN OVERDRAFT FEE AS DISCLOSED IN OUR SCHEDULE OF FEES. YOU FURTHER AGREE THAT THE ORDER WE PAY YOUR ITEMS MAY CREATE MULTIPLE OVERDRAFT ITEMS DURING A SINGLE BANKING DAY AND YOU WILL BE CHARGED AN OVERDRAFT FEE PURSUANT TO THE RATE SCHEDULE FOR EACH OVERDRAFT ITEM PAID.** 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 offer other overdraft protection options which may be less expensive than our Courtesy Payment Services. When you open a checking account, we automatically link your primary savings account to your checking account for payment of overdrafts, unless you instruct us otherwise. Automatic transfers from your primary savings account will be attempted before any payments using our Courtesy Payment Service or other overdraft protection plan. We also offer other overdraft protection options, such as linking your checking account to a savings account other than your primary savings account, linking your checking account to a separate line of credit or credit card (subject to credit approval). Transfers from your savings account(s) or credit accounts are subject to a transfer fee as described in our Schedule of Fees. To learn more about these options, please contact any of our branches.

Transaction Types

Credits

Most Deposits are added to your account when we receive them, subject to funds availability timing described in the Your Ability to Withdraw Funds section below.

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 checks written by our account holders from the Federal Reserve each business 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 ACH data files from the Federal Reserve every business day. These include, for example, automatic bill payments you have authorized. Each business, 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 when you use your debit card and, generally, you are required to enter your PIN number at the time of the sale. They are like 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, depending 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. 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. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

Stop Payment Requests

At your risk, upon your request, and subject to the provisions outlined below, we will accept a stop payment request on an Order drawn on your account from the person who signed the Order or any other owner of the account as long as we have not indicated in any manner that we will pay or honor the Order as drawn. You may stop payment on any item drawn on your account whether you sign the item or not. 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.

You agree to pay our fee for stop payment and to hold us harmless from all expenses and costs incurred by us, including attorneys' fees, in stopping payment. You must provide us with the exact: (a) amount of the Order; (b) payee; (c) Order number; (d) account number; and (e) any other information we may require. If your information is not exact your order will not be effective and we will not be responsible for failure to stop payment. Our liability for improper payment of a stopped Order is limited to your actual losses, up to the amount of the Order, unless payment of the Order was a result of our gross negligence or willful and intentional disregard of your request. If we re-credit your account after paying an Order over a valid and timely stop payment order, you agree to transfer to us all of your rights against the payee or other holder of the Order and to assist us in legal action taken against that person at a subsequent time. A stop payment request becomes effective only after we have had a reasonable opportunity to act upon it, but in no event shall we be liable for paying an Order on the same date the stop payment request is received by us. 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.

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. You have a 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 calendar 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 calendar 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 calendar day time period to report other errors. Contact us if you do not receive your regular statement.

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 calendar days. Failure to examine your statement and items and report any errors to us within 60 calendar 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 calendar day time period to report other errors.

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. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim. 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 attorney's 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.

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) calendar days after your death or adjudication of incompetence unless ordered to stop payment by someone claiming an interest in the account.

Right of Offset; Statutory Lien

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.

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.

Amendments

This Agreement, as well as any other account disclosures and agreements, and the Rate and Fee Schedule, may be revised or amended by us at any time, and we shall give notice of such changes either by: posting the same in a conspicuous place in our lobbies, or sending written notice to you, or any one of you if there is more than one owner of the account, at the most recent address indicated on our records (including any email address that you provided to us). Advance written notice of changes will be given when required by law.

Termination

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).

Resolving Account Disputes

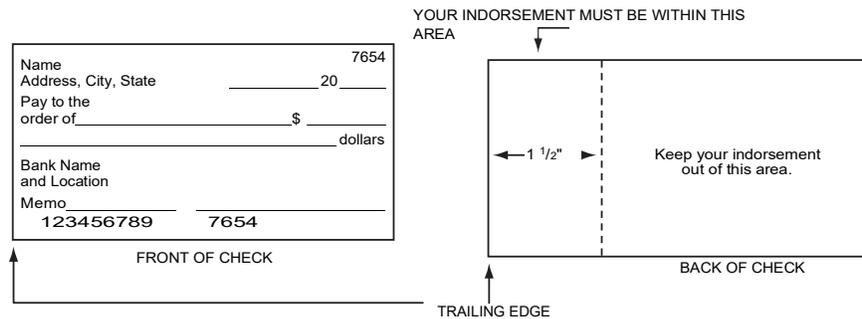
We may place an administrative hold on the funds in your account (refuse payment or withdrawal of the funds) if it becomes subject to a claim adverse to (1) your own interest; (2) by others claiming an interest as survivors or POD payees of your account; or (3) a claim arising by operation of law. The 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.

Notice

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.

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.

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.

Dormant Accounts / Unclaimed Property

Under Maryland law, all funds remaining in this account may be turned over to the custody of this State or another applicable state after the account has been inactive for the three (3) years and notice is sent to the owner at that owner's last known address. For certificate of deposit accounts the three (3) year period begins after the maturity date of the initial term; for retirement accounts, the three (3) year period begins after distributions from the account are mandatory. This account will be considered inactive if an owner has not: (a) increased or decreased the amount in the account; (b) written to us about the account; (c) engaged in any credit, trust, or other deposit transaction with us; or (d) otherwise indicated an interest in the account as evidenced by a memorandum on file with us. You agree that as permitted under Maryland or other applicable law, dormant accounts may be subject to reasonable service charges as set forth in our Rate and Fee Schedule. 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.

Credit Verification

You agree that we may verify credit and employment history by any necessary means, at any time, including review of a credit report prepared 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.

Monitoring and Recording Telephone Calls; 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. 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 communication. 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/or an automated dialing device for informational/account servicing calls/texts/emails (this consent does not apply to marketing messaging). 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.

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.

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 (including any email address you have provided). If provided elsewhere, we may impose a service fee if we attempt to locate you, or for returned mail.

Electronic Funds Transfers & ACH Transactions

Under the operating rules applicable to automated clearing house ("ACH") transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item, and we will not do so. You agree that we may notify you of the receipt of ACH and other electronic payments in the periodic statements we provide to you. If periodic statements are not provided to you, you agree that we are not obligated to provide you with notice of receipt of payments, unless otherwise required by law. In all cases, account number rather than member name will control crediting of funds transfers. ACH operating rules provide that credit given by us to you for ACH credit entries is provisional until we receive final settlement for the entry or otherwise receive final payment. If we do not receive final settlement, we are entitled to a refund of the amount credited to you in connection with the entry, and the party that originated the payment to you shall not be deemed to have paid you. You agree to be bound by these rules. We may make wire transfers of funds from your accounts as an accommodation to you, but are not obligated to do so. The Credit Union has established certain security procedures in connection with wire transfer transmissions. If you request a wire transfer, you must provide your password to us. You agree that this security procedure is commercially reasonable, is designed to authenticate wire transfers, is not designed for your protection and is not used to detect errors in the transmission or content of a wire transfer. You agree that any wire transfer request authenticated by this security procedure will be effective as your request, whether or not you in fact authorized it. We will use any means and routes that we, in our sole discretion, may consider suitable for the transmission of funds. Fedwire, the funds transfer system owned and operated by the Federal Reserve Bank, may be used to effect your wire transfers. Regulation J, including Subpart B which has adopted Article 4A of the Uniform Commercial Code, governs all funds transfers through Fedwire. Maryland law also applies to wire transfer requests. We shall not accept cancellations, revocations and amendments to wire transfer requests after we have begun to process them. You will defend, indemnify and hold us harmless from and against any and all claims, demands, costs, expenses (including attorney's fees), loss or damage arising out of our acting or refusing to act upon your wire transfer requests. We will exercise reasonable and ordinary care in performing our obligations in connection with electronic funds transfers and will be responsible for any loss sustained by you only to the extent such loss is caused by our gross negligence or willful misconduct and as otherwise required by applicable state and federal law; however, any liability of ours will extend only to the resulting direct loss, and not to any consequential or special loss or damages. Under no circumstances will we be responsible for any liability, loss, or damage resulting from any delay in the performance of or failure to perform our obligations in connection with any electronic funds transfer 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 us and other recipients of transferred funds and their personnel; or, without limiting the generality of the foregoing, any other cause beyond our control. If we are obligated to pay you interest with respect to any electronic funds transfer, you and we agree that the interest rate payable is the interest rate paid on the account or, if no interest is paid on the account, then the lowest interest rate then being paid by us for interest-bearing accounts, and you and we agree that interest is payable for three days only. You waive any statutory right you may have to recover your attorneys' fees from us in connection with funds transfers. If a funds transfer entry includes transmission through a funds transfer system that nets obligations multilaterally and has a loss-sharing agreement among participants, and the system fails to complete settlement, we are entitled to a refund of the amount credited to you.

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 Regulation E. 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.

Forms and Devices for Accessing Your Account

You agree to use only those forms and devices approved by us for accessing, maintaining, and charging your account. We reserve the right to return unpaid or unprocessed any unauthorized form of Order or any authorized form of Order which is incompletely or defectively drawn. Unless we have agreed to the contrary in writing, we are not obligated to honor any restrictive instructions that you write on an Order, such as "Void after 90 Days," or "Two Signatures Required for Amounts Over \$5,000." You are responsible for the condition of any Order or Deposit drawn on or deposited to your account, including, but not limited to, the encoding on checks that you have purchased from an independent third party. You agree to indemnify us for damages resulting from any claim arising out of or relating to the inability to handle any Order or Deposit in a timely or proper manner under applicable law because of the condition of the Order or Deposit. We reserve the right, at our sole discretion, to refuse Orders from or Deposits into an existing account. We also reserve the right, at our sole discretion, to discontinue or limit the practice of allowing withdrawals by negotiable orders of withdrawal or other types of items or mechanisms for withdrawals or transfers.

Visa Debit and Credit Cards

General Card Terms

By signing our ATM Card/VISA Check Card ("Card") Request, you agree to the following terms and conditions. Upon approval, the Credit Union will deliver to you a Card (VISA Check Card or ATM Card). You understand that you will select your own PIN and that after you have selected a PIN, you will not share it with any person at any time. You also agree that only you will use the Card. You agree that if you fail to maintain the security of your Card and/or PIN, the Credit Union may terminate your Card services immediately. Use of 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. The Card is the property of the Credit Union and must be returned to the Credit Union by you 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. You agree to report promptly to the Credit Union any theft, loss, or possible unauthorized use of the Card. The Credit Union is authorized to obtain such financial information relating to you as it deems necessary in order to process the Card Request. You can cancel your Card any time upon written notification and return of the Card to the Credit Union. The Credit Union is not responsible for the failure of the ATM equipment or for circumstances beyond its control.

VISA Check Card Terms

There are generally two methods for you to use the Card. 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 used at an ATM or other type of electronic terminal that provides access to the VISA, CO-OP®, PLUS®, and Accel™ (@ 2013 Fiserv, Inc. or its affiliates) networks. A merchant may utilize a debit network even though you were not requested to enter a PIN.

Returns; Adjustments; Fees

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)

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

Fees

We reserve the right to pass along any transaction fees arising out of the use of the Card. We may also add fees and increase fees after giving you proper notification. These terms apply to all transactions on your account with your Card even though a sales, cash advance, credit or other slip you sign or receive may contain different terms.

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.

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.

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.

Your Ability to Withdraw Funds

General Policy

This policy statement applies to all transaction accounts. A transaction account is an account that generally includes those from which the accountholder is permitted to make transfers or withdrawals by negotiable instruments, payment order of withdrawal, telephone transfer, electronic payment, or other form of transfer. An "Account" does NOT include a savings account. This section describe your right to withdrawal funds when they become available (either with or without penalty), and may be subject to the specific limitation contained in the Account Agreement for your type of account. Our policy is to delay the availability of funds from your cash and check deposits. During the delay, you may not withdraw the funds in cash, and we will not 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.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. 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. The length of the delay varies depending on the type of deposit and is explained below.

Same Day Availability.

Electronic direct deposits to your account and the first \$225 of most other items will be available the business day of the deposit.

Next-Day Availability.

The amount over the first \$225 from the following deposits are available on the first business day after the day of your deposit: U.S. Treasury checks payable to you; Wire transfers, Checks drawn on Point Breeze Credit Union, Cash, State & local government checks payable to you, Cashier's, certified, and teller's checks payable to you, Federal Reserve Bank checks, Federal Home Loan Bank checks and postal money orders, if these items are payable to you.

Second-Day Availability

The first \$225 from a deposit of other checks will be available on 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 Monday. The remaining \$475 is available on Wednesday. If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Deposits made at ATMs that we own or operate are subject to proof and verification, and may not be available for immediate withdrawal. All ATMs that we own or operate are identified as our machines.

Longer Delays May Apply

(a) In some cases, we will not make all of the funds that you deposit by check available to you on the first or second business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. However, the

first \$225 of your deposits will be available on the day of the deposit. If we are not going to make all the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the end of the day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

(b) In addition, 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 communications or computer equipment.

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.

(c) 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 and postal money orders will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks or money orders must be payable to you. 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 or orders (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.

(d) Funds from all other checks deposited will be available on the ninth business day after the day of your deposit.

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 or 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 Dollar Amounts of Transfers

The Credit Union has 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. Except as indicated on the Rate and Fee Schedule, 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

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Simply 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.

Our Liability

If you order us to stop payment 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.

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

Unauthorized Transfers

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.

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.

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
11104 MCCORMICK ROAD
HUNT VALLEY, MARYLAND 21031
Business Days: Monday
through Friday Excluding
Federal Holidays
Phone: 410.584.7228
MORE DETAILED INFORMATION IS AVAILABLE
ON REQUEST

Currency Conversion and International Transactions

Foreign transaction fees may apply for two types of transactions: (1) purchases you make outside of the U.S. with the exception of U.S. military bases, U.S. territories, U.S. embassies, or U.S. consulates; and (2) online purchases from a non-U.S. retailer that uses an overseas bank to process transactions. Purchases, credits, and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The foreign transaction fee is set forth in the Rate Schedule. 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. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

VISA Account Updater

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.

Advisory Against Illegal Use

You agree not to use your Card for illegal gambling or any 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.

ATM and Telephone Access

As used throughout this part, the terms "you" and "your" mean each person who applies for a Credit Union ATM access device and/or telephone access and all account owners if the accounts are joint accounts, jointly and severally. The word "PIN" means your Personal Identification Number for your ATM access device and the telephone access system. The words "account" and "accounts" mean those checking and savings accounts that you may access with an ATM and/or the telephone access system. "ATM" refers to an automated teller machine which is owned or operated by us (called a "Credit Union ATM") or which is not owned or operated by us but which is part of a network that accepts Credit Union access devices (called a "network ATM"). "POS terminal" refers to point-of-sale terminals that are part of a network which accepts Credit Union access devices for the purchase of goods or services. The terms "Credit Union access device" and "access device" refer to the access device issued to you by the Credit Union which permit you to use ATMs and/or POS terminals to conduct Transactions. The word "Transaction" means an electronic funds transfer. This part defines your responsibilities and our responsibilities with respect to certain electronic funds transactions. Electronic funds transactions are movements of funds originated other than by deposits/withdrawal slips or checks. In other words, a movement of funds that does not use a paper order. These transactions are performed through the use of ATMs, the telephone access system and by other electronic means. You understand that the agreements, rules and regulations applicable to your accounts remain in effect and continue to be applicable, except as specifically modified by this part. By signing the application for a Credit Union ATM access device, telephone access and/or using your PIN to conduct Transactions (as applicable), you agree to the terms of this part.

Transactions

The types of Transactions that you may make and any limitations are described below in the "Electronic Funds Transfer Disclosures" and they are binding on you, even if the Electronic Funds Transfer Disclosures do not otherwise apply to you. All telephone access Transactions made by 3:00 p.m., Monday - Friday, will be posted to your account(s) that day. Transactions made after that time or on a weekend or holiday may be posted that day or may not be posted until the next business day, depending upon computer availability. For information on the posting of ATM Transactions, see "Your Ability to Withdraw Funds" above.

Deposits

All deposits will be credited to your accounts provisionally subject to our verification. Funds from deposits may not be available for immediate withdrawal. (Please see "Your Ability to Withdraw Funds" for details.) You agree that our verification of deposits will be final.

Using Your Access Device. Upon application, we will issue one access device per natural person owner of the account. Our access device allows you to make Transactions from your accounts at ATMs and POS terminals. The access device is our property. We may, without liability or advance notice, revoke or limit all access devices issued to you. Upon demand, you will surrender the access device promptly to us. The presentation of your access device together with the input of your correct PIN constitutes your authorization to us to make Transactions. If you change your PIN, it will change only your PIN and not the PIN for any other access device issued to another account owner. You agree to follow the instructions posted for use of the ATMs and POS terminals accessible by your access device. These instructions will be considered part of your agreement with us.

PIN Use and Notice

Your PIN only may be used to access your accounts. If, by mistake, the use of your PIN permits you to withdraw funds from an account that you should not be allowed to use in such a manner, we may charge the amount involved to a valid account. You agree not to use an ATM or the telephone access to overdraw any account. If you use your PIN to overdraw an account, then you owe us the amount immediately, plus any service charge. We also may deduct, without prior notification to you, the amount you owe from any of your Credit Union accounts, or, if you have a Credit Union overdraft protection loan account, the overdrawn amount will be considered as a request for a loan advance, at our discretion.

You will hold in strict confidence your PIN. You will not write your PIN on your access device, the access device carrier, any paper you will carry with the access device. These actions invite misuse of accounts if such items are lost or stolen. You should protect your PIN as you would cash, credit access devices or checks -- these numbers, together with the access device and/or account number(s), are the "keys" with which someone can access your accounts.

Responsibility

You are responsible for all Transactions made on your accounts with your PIN through telephone access or with your PIN and/or access device by anyone, including unauthorized Transactions, subject to the limitations of applicable law. Legal limitations on your liability for unauthorized Transactions are summarized below. We have no obligation to monitor the use of your access device or PIN or notify you if unusual activity occurs.

Loss or Theft

You will notify us immediately of loss or theft of the access device or PIN. If you recover your access device or PIN after you have notified us, you will not use it.

Verification

ATM receipts issued by any Credit Union or network ATM or POS terminal are binding on the Credit Union only after verification by us.

Liability

We will not be liable for failure to honor an access device due to improper use or retrieval of the access device by an ATM. You will never use a damaged or expired access device in an ATM or POS terminal. You will contact us for a replacement access device if your access device is damaged or expired.

Joint-Account Owner(s)

You agree to hold us harmless for any and all Transactions you authorize (either in writing or by your words or conduct) on your account. You accept responsibility for all withdrawals and transfers made by an authorized person less than 18 years of age.

System Malfunction

You will not attempt to make a Transaction when telephone access, an ATM or POS terminal informs you (or other circumstances give you reason to believe) that the respective system is closed or is not operating properly due to a technical malfunction or is unable to initiate the Transaction you desire.

Attorney's Fees; Collection Costs

You agree to pay our attorneys' fees and other costs of collection or enforcement in connection with any Transactions.

Agreement Controls

Both you and we will be bound by the terms of this part. If there is a conflict between the terms of this part and something said by our employees, you agree that these terms control. This part is governed by the internal laws of Maryland and federal law.

Termination and Amendment

We may terminate or cancel your right to make Transactions or cancel our agreement with you under this part at any time. We may give notice of termination or cancellation, but we are not obligated to do so. Your PIN or access device (as applicable) may not be used after we terminate it. You may terminate or cancel the use of your PIN, access device and/or telephone access system by giving us written notice specifying what you wish to terminate. Your written notice of termination will become effective no later than the end of the first business day following our receipt of your notice. Termination by one account owner terminates the PIN and access device only for that owner. Any termination will not affect any liability incurred by you prior to termination. We may change the terms under this part at any time by mailing a copy of the changes to your most recent account statement address. Unless we are required to give you advance notice by law, changes are effective on the date changes are mailed. Use of your PIN or access device after the effective date of the change will acknowledge your acceptance of that change.