

## E&A CREDIT UNION MEMBERSHIP ACCOUNT AGREEMENT

This is the Agreement between you, the member, and E&A CREDIT UNION ("E&ACU", or "Credit Union"), a Michigan Credit Union Corporation, regarding your account(s) with the Credit Union. By establishing an account with the Credit Union you agree that this Agreement is a binding contract between you and the Credit Union.

You should retain a copy of the Agreement and feel free to call the Credit Union if you have any questions. This Agreement also includes certain disclosures required under the Truth-In-Savings Act and National Credit Union Administration and Federal Reserve Board regulations, the Federal Electronic Funds Transfer Act (Regulation E), the Michigan Electronic Funds Transfer Act, the Funds Availability Act (Regulation CC) and Uniform Commercial Code Article 4A. The words "you" and "your" mean the member and any joint members or co-depositors or co-borrowers. The words "we", "our", "us", and the "Credit Union" mean E&A CREDIT UNION.

### Membership and Your Share Account

**Membership.** The Credit Union's membership is set forth in its bylaws as approved by the State of Michigan Office of Financial Insurance Services. Once you are approved for membership, it is a lifetime membership, provided that you keep your membership in good standing. The Credit Union's bylaws provide that "once a member, always a member" so that even if you retire, change jobs (outside the field of membership) or move to a new location, you may remain a member of the Credit Union. Only members in good standing may receive the benefits and services of the Credit Union.

**Share Account.** To become a member of the Credit Union, you must complete a membership signature card and open a Share Account. The basic share deposit that you must always keep in your Share Account is \$5.00.

**Financial Data Verification.** You agree that we are authorized to verify financial information, data, and employment history by any necessary means, including obtaining a consumer report by any consumer-reporting agency.

**Deposits Generally.** After you have established your Share Account, you may make additional deposits into your Share Account, or establish other types of accounts as described herein, at any time. The amount is not transferable except on the Credit Union's books and records. We may establish minimum amounts for deposits in your Share Account or other savings accounts.

You can make deposits in person, by mail, or by any method approved by the Credit Union. At the present time, you can arrange to have one or more of the following deposits made directly to your Share and/or Share Draft Accounts: (1) payroll deduction deposits, (2) net pay deposits, (3) Social Security deposits, (4) pension plan deposits, (5) stock dividends, or (6) other miscellaneous deposits. If you have an automatic teller machine (ATM) card, you can make a deposit through one of the automated teller machines equipped to accept deposits.

All deposits are subject to proof and verification. If you deposit a check, draft or other non-cash item, we have the right to clear it before we make the money available to you, subject to federal regulations. If there are special fees for collecting your deposit, you promise to pay them (see the Fee Schedule for a list of fees). We may deduct them directly from your account. If we feel there is a reason, we may refuse, limit or return any deposit. We have the right to refuse to accept any deposit, and we specifically reserve the right to refuse to accept checks for deposit that have more than one endorsement. We reserve the right not to pay interest on amounts subject to garnishment, levy or other legal process; and we reserve the right not to pay interest on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited interest).

**Deposit of Funds – Final Payment.** All items, including paper and electronic type transactions credited 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 or ACH transfers and impose a return item charge 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 funds. We have the right to charge-back against your account all previously deposited items or other items endorsed by you that are returned to us unpaid, regardless of whether the amount of the item has been available for your use. We may debit your account into overdraft on a charge-back situation, and not be liable for damages to you as a result of the charge-back. Nothing in this Agreement shall be construed to require us to debit the account into overdraft or to create an arrangement for the extension of credit by means of overdrafts.

**Withdrawing Money from Your Share Account.** As long as you have funds in your account, and subject to any restrictions in this Agreement or in applicable state or federal laws and regulations, funds can be withdrawn from your account by any method approved by the Credit Union.

All sums paid to the Credit Union on shares (less set-offs allowed by law and/or provided for by contract) shall be paid on proper withdrawal demand. In the case of a single name account, such demand must be made by the owner or his/her representative. In the case of a multiple name account, such demand must be

made by one or more of the owners of the account or in accordance with a separate Agreement, by any one owner. If all owners are deceased and there is (are) a beneficiary(ies), the funds covered by this Agreement shall become the property of the beneficiary(ies) listed on the Membership Card who are living at the time. Each such beneficiary shall have the power to withdraw only his or her equal share of the remaining account balance together with any accumulations on such amount. No beneficiary shall have any right under any circumstances to change the terms and conditions of this Agreement.

**Overdrafts.** We will not honor overdrafts of any type from an ATM or teller workstation. If at any time, the available funds in your account are not sufficient to cover share withdrawals and any other debit items, including but not limited to ACH debit or other electronic transaction (except ATM withdrawals) presented for payment on your account, those share withdrawals and items will be handled in accordance with our overdraft procedures. Your account will then be subject to a charge for the item whether paid or returned as set for in our fee schedules. This fee is imposed for any overdraft created by share withdrawals, ACH, debit cards, or by other electronic means. Additionally, more than one overdraft fee may be charged against the account per day, depending on the number of ACH, or other electronic items presented on, and other withdrawals made from the account. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If we pay a share withdrawal or other debit item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time.

If we have approved an overdraft protection plan for your account, we will honor withdrawals drawn on insufficient funds by transferring funds from a share draft account or another deposit account or a loan account, as you have directed. No more than six (6) transfers may be permitted in any calendar month from deposit accounts. Once the transfer total for the month has reached six (6), any insufficient funds items will be handled in accordance with our regular overdraft procedures. The fee for these overdraft transfers and excessive transfers, if any, is set forth in our Fee Schedule.

**Rate and Annual Percentage Yield ("APY").** Your Share Account will earn what are known as dividends. Dividends are like interest, except that the rate of dividends is set by the Credit Union's Board of Directors (the "Board") from time to time, and dividends are not guaranteed. The Credit Union estimates a prospective dividend rate and prospective annual percentage yield (APY) on your Share Account for each dividend period. The dividend rate and APY may change every calendar quarter as determined by the Board. The dividend rates will be available each business day at our office. The words "dividend" and "interest" may be used interchangeably in this Agreement.

**Calculating Dividends.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit cash or non-cash items (such as checks) to your account, and will accrue to, but not including, the day of withdrawal or transfer.

**Compounding.** We compound your dividends, even though the law doesn't require it. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual interest (dividend) rate.

For this account type, the dividend period is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. Dividends will be compounded quarterly. The perspective dividend rate for each quarter will be determined in the third month of the current quarter. The dividend declaration date for the quarter is the last day of the period, and for the example above is March 31.

**Crediting Dividends.** Dividends will be credited quarterly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the last day of the quarter. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive the accrued dividends.

**Minimum Balance to Earn Dividends.** A minimum balance is not required to earn dividends on Safari Kids Club or GIMME Accounts (accounts designed for minors). For our regular Share Accounts, you earn dividends each day that your account balance meets our minimum balance of \$500.00 or more. We reserve the right to adjust minimum deposit balance requirements from time to time.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account until the date specified above, we calculate them on a daily basis. Therefore, if you make a withdrawal, you will not receive any further dividends on that amount from the day you make the withdrawal until the day that dividends are credited.

**Funds Availability.** Funds from deposits you make into your Share Account may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

## Share Draft Accounts

**Deposits Generally.** After you have established your Share Draft Account (at some Credit Unions, these are called checking accounts), you may make additional deposits into your Share Draft Account at any time and in any amount subject to the terms of this Agreement. A minimum deposit of \$25.00 is required to open a Velocity Share Draft Account. All drafts drawn on your Share Draft Account may be returned by us unpaid for any reason that drafts are normally returned, for example: insufficient funds, uncollected funds, or litigation.

**Deposit of Funds – Final Payment.** All items, including both paper and electronic type transactions credited 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 or ACH transfers and impose a return item charge 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 funds. We have the right to charge-back against your account all previously deposited items or other items endorsed by you that are returned to us unpaid, regardless of whether the amount of the item has been available for your use. We may debit your account into overdraft on a charge-back situation, and not be liable for damages to you as a result of the charge-back. Nothing in this Agreement shall be construed to require us to debit the account into overdraft or to create an arrangement for the extension of credit by means of overdrafts.

**Withdrawing Money from Your Share Draft Account.** As long as you have funds in your account, and subject to any restrictions in this Agreement or any applicable state or federal laws and regulations, funds can be withdrawn from your account by written draft or any other method approved by the Credit Union.

**Payment of Drafts.** The Credit Union may pay a share draft on whatever day it is presented for payment, notwithstanding the date (or any other limitation on the time of payment) appearing on the share draft, unless the Credit Union has, prior to presentation and with reasonable time for the Credit Union to act, received a separate notice of postdating or a stop payment order concerning the share draft.

The Credit Union is under no obligation to pay a draft that is more than six (6) months old. Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a draft.

**Payment Order of Items.** The law permits us to pay items (such as checks or drafts) drawn on your account in any order. To assist you in handling your account with us, we are providing you with the following information regarding how we process the items you write. When processing items drawn on your account, our policy is to pay them according to the dollar amount. We pay the largest items first, except in the case of cash items, which are always paid first regardless of the dollar amount. 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. Our payment policy will cause your largest, and perhaps more important, items to be paid first (such as your rent or mortgage payment), but may increase the overdraft of NSF fees you have to pay if funds are not available to pay all of the items.

**Overdrafts.** We will not honor overdrafts of any type from an ATM or teller workstation. If at any time, the available funds in your account are not sufficient to cover share drafts and any other debit items, including but not limited to ACH debit, debit card transaction or any other electronic transaction presented for payment on your account, those share drafts and items will be handled in accordance with our overdraft procedures. Your account will then be subject to a charge for the item whether paid or returned as set forth in our fee schedules. This fee is imposed for any overdraft created by checks, ACH, debit cards, or by other electronic means. Additionally, more than one overdraft fee may be charged against the account per day, depending on the number of checks presented on, and other withdrawals made from the account. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time. If we pay a draft or other debit item that would otherwise overdraw your account, you agree to pay the overdraft amount immediately. We reserve the right to pursue collection of previously dishonored items at any time.

If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from a share account or another deposit account or a loan account, as you have directed. No more than six (6) transfers may be permitted in any calendar month from deposit accounts. Once the transfer total for the month has reached six (6), any insufficient funds items will be handled in accordance with our regular overdraft procedures. The fee for these overdraft transfers and excessive transfers, if any, is set forth in our Fee Schedule.

**Right to Pay or Return.** If paper check, debit card transaction, ACH transaction website transaction or audio response transaction 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). We will not honor overdrafts of any type from the ATM or over the counter with a teller. While we reserve the right to pay

or not pay any item presented without sufficient funds, you may request that we not pay such items. In that case, we will return any item presented without sufficient funds (NSF). If you prefer that we not pay such items you must contact us in writing and inform us that you do not want us to pay any items presented without sufficient funds. Write to us at:

E&A Credit Union  
Attn: Accounting Dept.  
P.O. Box 610908  
Port Huron, MI 48061-0908

If you do not notify us, we retain the right, in our discretion, to pay or not pay any item presented without sufficient funds. 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 writing checks or drafts without sufficient funds and incurring the resulting fees.

**Truncated Drafts; Statements.** Your canceled drafts will not be returned to you; they will become Credit Union property and be held by us, or "truncated" for you. Copies of such share drafts are available via I AM Online at no costs, or can be requested from the Credit Union for a fee as set forth in our Fee Schedule. Your periodic statement will itemize your cancelled drafts by number, date of clearing and the amount of the draft.

**Funds Availability.** Funds from deposits you make into your Share Draft Account may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

**Stop Payment Order Request.** You may request a stop payment order on any outstanding draft drawn on your account. To be binding an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we re-credit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

**Duration of Order.** You may make an oral stop payment order that will lapse within fourteen (14) calendar days unless confirmed in writing within that time. A written stop payment order is effective for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.

**Liability.** Fees for stop payment orders are set forth on the Fee Schedule. You may NOT stop payment on any certified check, teller's check or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**Payment of Drafts After Death.** The Credit Union may, after the date of your death, pay drafts drawn before death unless ordered to stop payment by the personal representative or other appropriate person claiming an interest in the account.

## VELOCITY CHECKING:

**Minimum Balance to Avoid Maintenance Fees:** The Velocity Checking account requires a minimum balance of \$200.00, or direct deposit of net pay to avoid a monthly maintenance fee. You agree to notify the Credit Union when you initiate direct deposit. If you do not maintain the minimum balance or have direct deposit, we may charge you a maintenance fee as described in the Fee Schedule. We reserve the right to adjust the minimum balance, or other requirements to avoid the maintenance fee for the Velocity Checking from time to time.

**VIP Class Club.** Upon request, members who are 55 or older may be eligible for our VIP Class Club Account. Members of the VIP Class Club are not required to maintain a minimum balance to avoid a monthly maintenance fee, and members receive special free services for maintaining the account. Ask a Relationship Navigator for benefit details. We reserve the right to adjust the VIP Class Club account features and benefits from time to time.

**Rate and Annual Percentage Yield ("APY").** Your Share Draft Account will earn what are known as dividends. Dividends are like interest, except that the rate of dividends is set by the Credit Union's Board of Directors from time to time, and dividends are not guaranteed. The Credit Union estimates a prospective dividend rate and prospective annual percentage yield (APY) on your Share Draft Account for each dividend period. The dividend rate and APY may change every

month as determined by the Board. The dividend rates will be available each business day at our office.

**Calculating Dividends.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit cash or non-cash items (such as checks) to your account, and will accrue to, but not including, the day of withdrawal or transfer.

**Compounding.** We compound your dividends, even though the law doesn't require it. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual interest (dividend) rate.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. Dividends will be compounded monthly. The perspective dividend rate for each month will be determined in the current month.

**Crediting Dividends.** Dividends will be credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the last day of the month. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive the accrued dividends.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account until the date specified above, we calculate them on a daily basis. Therefore, if you make a withdrawal, you will not receive any further dividends on that amount from the day you make the withdrawal until the day dividends are credited.

#### LAUNCH CHECKING:

**Free Checking:** The Launch Checking account is a free checking account, and has the following elements:

- No balance or minimum required, and
- No monthly or periodic fee applies.
- No fees for checks written or deposits made;
- No limitation on the number of checks written, deposits made, or any other transaction limitation applies.
- There is no requirement of direct deposit.

**Dividends:** The Credit Union does not pay dividends or interest on its Launch Checking account.

### Money Market Accounts

**Establishing Account and Rate.** Money Market Accounts may be established by a member indicating on their Membership Card that he or she would like one, and making the required minimum deposit. Money Market Accounts are Draft Accounts that generally earn a higher rate of dividends than Share Savings Accounts. The dividends rate and APY for Money Market Accounts are predetermined and are subject to change daily. The APY assumes that dividends earned will remain on deposit until the end of the year. A withdrawal will reduce earnings.

**Calculating Interest.** Interest is calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Interest will begin to accrue on the business day you deposit cash or non-cash items (such as checks) to your account, and will accrue to, but not including, the day of withdrawal or transfer.

**Compounding.** We compound your interest, even though that isn't required by law. Compounding is more favorable to you, because once interest has been earned by your account it is added to the balance on which you will continue to earn interest. Because we compound interest, the actual yield on your account will be somewhat higher than the annual interest rate. The Annual Percentage Yield (APY) will be posted along with the annual interest rate.

For this account type, the interest period is monthly. For example, the beginning date of the first interest period of the calendar year is January 1 and the ending date of such interest period is January 31. All other interest periods follow this same pattern of dates. Interest will be determined daily and compounded monthly.

**Crediting Dividends.** Dividends will be credited monthly. Dividends are not available to you until they have been credited to your account. Even though your account earns dividends every day, we don't actually credit them to your account until the last day of the month. Dividends that are credited to your account will be added directly into your account. If you close your account before dividends are paid, you will not receive the accrued dividends.

**Minimum Balance to Open Account and Earn Dividends.** The Credit Union offers a Money Market Account in a tiered fashion. Each tier earns a different dividend rate and APY. For the Money Market Account tiers and corresponding dividend rate and APY, refer to our Rate Schedule for details. If your account balance increases or decreases, your account will automatically fall into the appropriate tier and earn the corresponding rate. We reserve the right to adjust the minimum balance requirements for the Money Market Accounts from time to time. There is no minimum balance maintenance fee assessed to Money Market Accounts.

For Financial Bridge Money Market Accounts, terms are as follows. There is a \$2,500.00 minimum deposit required to open and maintain a Financial Bridge Money Market Account without a maintenance fee. The Financial Bridge Plus Money Market Account requires a \$25,000.00 minimum balance to open the account and to maintain it without a maintenance fee. The Financial Bridge Premium Money Market Account requires a \$75,000.00 minimum balance to open the account. We reserve the right to adjust the minimum balance requirements for the Money Market Accounts from time to time. If you do not maintain the minimum balance requirement in the Financial Bridge or the Financial Bridge Plus, we may charge you a maintenance fee as described in the Fee Schedule. There is no minimum balance maintenance fee assessed to Financial Bridge Premium accounts.

For all our Money Market Accounts, you earn dividends each day that your account balance is at, or above the minimum balance. Members must maintain at least the minimum of \$5.00 share in the Credit Union, and be a member in good standing to open a Money Market Account and earn the stated APY for the account. Refer to our Rate Schedule for the specific rate in effect.

**Withdrawing Money from Your Money Market Account.** As long as you have funds in your account, and subject to any restrictions in this Agreement or any applicable state or federal laws and regulations, funds can be withdrawn from your account by any method approved by the Credit Union.

**Transaction Limitations.** During any calendar month, you may make as many deposits and in-person withdrawals from your Money Market Account as necessary. However, during any calendar month, you may not make more than six withdrawals from your Money Market Account by means of a pre-authorized or automatic transfer or telephonic order or instruction to another account of yours or to a third party, and no more than three of these six transfers may be made by check, draft, or debit card to a third party. If you exceed the transfer limitations set forth above in any month, your account will be subject to closure by the Credit Union.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account until the date specified above, we calculate them on a daily basis. Therefore, if you make a withdrawal, you will not receive any further dividends on that amount from the day you make the withdrawal until the day dividends are credited.

**Funds Availability.** Funds from deposits you make into your Money Market Account may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

### Certificate of Deposit Accounts (CD's)

**IRA Certificate.** Please refer to separate IRA Certificate disclosures.

**Establishing Account and Rate.** Certificate of Deposit Accounts may be established by a member indicating on their Membership Card that he or she would like one and making the required minimum deposit. Certificate of Deposit accounts are term savings/investment accounts which generally pay a higher rate of return than Share Savings Accounts. The dividend rate is fixed for a specific period of time, or term.

**Calculating Interest Compounding and Non-Compounding.** Compounding Certificate of Deposit dividends are credited and paid monthly back into the CD. For Non-Compounding Certificate of Deposits, dividends are paid monthly directly into the member's Share Savings Account, Checking or Money Market Account at the Credit Union, or by mail directly to the member.

**Minimum Deposit.** The minimum deposit required to open a Certificate of Deposit, or a Flex Certificate of Deposit Account is \$500.00. The minimum deposit required to open an Easy Saver Certificate of Deposit is \$50.00. The minimum deposit required to open a Save-To-Win Certificate of Deposit is \$25.00. Members must also maintain at least the minimum \$5.00 share in the Credit Union and be a member in good standing to open a Certificate of Deposit Account and to earn the stated APY for that account.

**Early Withdrawal.** Early withdrawal will result in a penalty fee ranging from 30 days dividends up to 150 days dividends, depending on the term of the Certificate of Deposit. For additional information, refer to your Certificate of Deposit disclosures.

**Funds Availability.** Funds from deposits you make into your Certificate of Deposit Account may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

## Christmas Club and Special Purpose Savings Accounts

**Minimum Balance Requirements.** There is no minimum balance required to open a Christmas Club or Special Purpose Savings account, except the purchase of a \$5.00 share in the Credit Union. For our Special Purpose Savings account, you earn dividends each day that your account balance is \$500.00 or more. A minimum balance is not required to earn dividends on a Christmas Club account.

**Transaction Limitations.** During any calendar month, you may make as many deposits and in-person withdrawals from your Special Purpose Savings or Christmas Club Account as necessary. However, during any calendar month, you may not make more than six withdrawals from your Special Purpose Savings or Christmas Club Account by means of a pre-authorized or automatic transfer or telephonic order or instruction to another account of yours or to a third party, and no more than three of these six transfers may be made by check, draft, or debit card to a third party. If you exceed the transfer limitations, the transaction will be denied and your account may be subject to closure by the Credit Union.

For Christmas Club accounts, on October 20 of each year the entire balance of the Christmas Club Account is transferred to your Share Draft or Share Savings Account, and the Christmas Club Account remains open. With the exception of the annual transfer, withdrawals from Christmas Club accounts are assessed a fee as set forth in our Fee Schedule.

**Rate and Annual Percentage Yield ("APY").** Your Christmas Club and/or Special Purpose Savings Accounts will earn what is known as dividends. Dividends are like interest, except that the rate of dividends is set by the Credit Unions Board from time to time, and dividends are not guaranteed. The Credit Union estimates a prospective dividend rate and prospective annual percentage yield (APY) on these accounts for each dividend period. The dividend rate and APY may change every calendar quarter as determined by the Board. The dividend rates will be available each business day at our office.

**Calculating Dividends.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit cash or non-cash items (such as checks) to your account, and will accrue to, but not including, the day of withdrawal or transfer.

**Compounding.** We compound your dividends, even though this is not required by law. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual interest (dividend).

**Crediting of Dividends.** Dividends will be credited quarterly. If you close your Christmas Club Account and/or Special Purpose Savings Account before accrued dividends are credited, accrued dividends for the quarter in which you close your account will not be paid.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account until the date specified above, we calculate them on a daily basis. Therefore, if you make a withdrawal, you will not receive any further dividends on that amount from the day you make the withdrawal until the day dividends are credited.

**Funds Availability.** Funds from deposits you make into these accounts may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

### Individual Retirement Share Accounts

**Minimum Balance Requirements.** There is a \$50.00 minimum balance requirement for Traditional, Roth, or Coverdell Individual Retirement Share Accounts. We reserve the right to adjust the minimum balance requirements for Individual Retirement Share Accounts from time to time.

**Transaction Limitations.** Deposit (contributions) and withdrawal (distributions) are subject to Internal Revenue Service (IRS) restrictions. Refer to your IRA Custodial Agreement and IRA Disclosure Statement for details.

**Rate and Annual Percentage Yield ("APY").** Individual Retirement Share Accounts will earn what is known as dividends. Dividends are like interest, except that the rate of dividends is set by the Credit Union's Board from time to time, and dividends are not guaranteed. The Credit Union estimates a prospective dividend rate and prospective annual percentage yield (APY) on these accounts for each dividend period. The dividend rate and APY may change every calendar quarter as determined by the Board. The dividend rates will be available each business day at our office.

**Calculating Dividends.** Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day. Dividends will begin to accrue on the business day you deposit cash or non-cash

items (such as checks) to your account, and will accrue to, but not including, the day of withdrawal or transfer.

**Compounding.** We compound your dividends, even though this is not required by law. Compounding is more favorable to you, because once dividends have been earned by your account they are added to the balance on which you will continue to earn dividends. Because we compound dividends, the actual yield on your account will be somewhat higher than the annual dividend rate. The Annual Percentage Yield (APY) will be posted along with the annual interest (dividend).

**Crediting of Dividends.** Dividends will be credited quarterly. If you close your Individual Retirement Share Account before accrued dividends are credited, accrued dividends for the quarter in which you close your account will not be paid.

**How Withdrawals Affect Dividends.** Even though we don't credit your dividends to your account each day, we calculate them on a daily basis. Therefore, if you make a withdrawal, you will not receive any further dividends on that amount from the day you make the withdrawal until the day dividends are credited.

**Funds Availability.** Funds from deposits you make into these accounts may not always be immediately available for withdrawal. Information about our funds availability policy is provided to you in the "Funds Availability" disclosure included further below in this Agreement.

### Other Terms and Conditions

**Share Insurance.** Your savings in the Credit Union are insured to at least \$250,000 by the National Credit Union Administration (NCUA), an agency of the Federal Government.

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

**Electronic Imaging of Documents.** We may scan or film various documents relating to your accounts held at the Credit Union to store these documents electronically. These documents would include, but not be limited to, membership applications, loan agreements, receipts, and certificate of deposit agreements. Agreements stored electronically bear the same responsibilities on you and us as the paper document originals. You have the right to request copies of any electronically stored document. Certain printing fees may apply as set forth in our fee schedule.

**Fees and Charges.** From time to time, your accounts may be subject to various fees and charges as set forth in our Fee Schedule. You agree to pay those charges in connection with your accounts in accordance with that schedule. We will provide advance notice of any increase in the current charges, or any new charges, as required by law. We may deduct any fees or charges from your account. We reserve the right to waive any fees or charges at our sole discretion.

**Return of Deposits/Closed Accounts.** We may, at any time, at our sole discretion, refuse to accept any deposit, or close any or all of your accounts with us without prior notice to you. Provided, however, we may not terminate your membership in the Credit Union without satisfying the notice provisions of Credit Union law. If we close an account, we will notify you and send you a check for any balance in your account after deducting all applicable charges. Any withdrawal that reduces the amount in an account to zero (other than a Share Draft Account) may automatically close that account. We are not liable for any draft, withdrawal or other order after an account has been closed. Any drafts presented after your account has been closed will be returned unpaid. We reserve the right to advise consumer reporting agencies and other third parties of accounts closed for misuse.

**Inactive Accounts.** The Credit Union will consider your account inactive after one year of no deposits, withdrawals, or transfers on your account. Dividends credited to your account by the Credit Union will not maintain an account in an active status. Your account may be subject to a monthly fee as set forth in our Fee Schedule. The Michigan Uniform Unclaimed Property Act requires the Credit Union to turn these funds over to the State after five years of inactivity. Before turning funds from inactive accounts over to the State of Michigan, the Credit Union will send notice as required by Michigan law advising you of your rights.

**Statements.** You will receive a periodic statement (normally monthly) for your Share Draft Account. You will receive a periodic statement (normally quarterly) for your Share Savings Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period, or a combined statement. Each such statement shall show the transactions on your accounts and any charges. We reserve the right not to send statements for accounts we consider inactive.

You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alteration, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether

we used ordinary care and, if not, whether we contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not, in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 30 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 30-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the second paragraph of this section.

**Agreement.** This Agreement shall be effective and shall govern all savings and draft accounts with us. By signing a signature card, making deposits or withdrawals, or leaving amounts on deposit, you agree to the terms of this Agreement. This Agreement shall supersede all previous Agreements for such accounts. This Agreement shall be governed by the laws of the State of Michigan, except as superseded by federal laws and regulations. Any action brought against the Credit Union must be brought in the local State District Court or State Circuit Court in the jurisdiction of the Credit Union's main office in Port Huron, Michigan.

**Amendment.** We may change any of the items of this Agreement at any time without prior notice to you if the change is favorable to you. We may make changes that are adverse to you only if we provide you with any notice required by law or as required in this Agreement. You may close the account if you do not agree to the changes; if you continue to use the account or keep the account open after the effective date of such change, you will be deemed to have agreed to the changes.

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

**Funds Availability.** If you make a non-cash deposit into any share account other than a Share or Share Draft Account, that money may not be available to you right away. We will advise you when such funds will be available at the time you make such a deposit. We reserve the right to extend all such holds at our discretion. If you make a deposit by authorizing us to receive funds from another account (for example, from a savings account at another Credit Union or bank), that deposit will not be available, nor will it earn dividends, until we actually receive the funds. Refer to the Funds Availability Disclosure below for information regarding the availability of funds deposited into a Share or Share Draft Account.

**Name or Address Changes.** You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided us in writing. The Credit Union requires all name or address change notices to be in writing.

**Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms or rates as required by law or as required in this Agreement. All notices regarding the account will be posted in our office lobbies or will be sent to you to the address shown on your statement. In the event of joint ownership, notice by

or to any one joint depositor shall be deemed notice by or to all. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement. We reserve the right not to send notice for accounts we consider inactive. Notices to us should be sent to:

E&A Credit Union  
P.O. Box 610908  
Port Huron, MI 48061-0908

**Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address, or, if sent electronically, when we transmit the data to your last provided e-mail address. Notice to any account owner is considered notice to all account owners.

**Indemnity.** If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities or damages including actual attorney's fees. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions, or we may require a bond or other protections.

**Severability.** If any of this Agreement is found by any court or regulatory body of competent jurisdiction to be invalid or unenforceable in whole or in part for any reason whatsoever, the authority of the remaining provisions or portions hereof shall not be affected thereby.

**Waiver.** We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. The Credit Union shall not be bound to waive the same provision or any other provision on another occasion.

**Right of Offset.** If you owe us money as a borrower, guarantor, endorser or otherwise, we have a statutory lien on the account funds in any account in which you have an ownership interest, regardless of the source, unless prohibited by law. We may apply these funds, without further notice to you, in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties. If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

**Telephone Requests.** You agree (for joint accounts, all joint tenants agree jointly and severally) that funds in any of your accounts with us can be transferred, upon telephone request of any signer on the account. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any telephone request or order. There may be a fee incurred for having a request pertaining to your account handled via telephone.

**Facsimile Signatures.** You agree (for joint accounts, all joint tenants agree jointly and severally) that the Credit Union may accept and rely on facsimiles of your signature(s) on any deposit or withdrawal form, order or other notices, requests or instructions regarding any account under this Agreement or with the Credit Union. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any facsimile request or order.

**Section Headings.** Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this Agreement.

**Multiple-Party Accounts.** Any multiple-party account owner is authorized and deemed to act for the other owner(s) and we may accept orders and instructions regarding the account, requests for future services, and any transaction from any other account owner. Each multiple-party account owner guarantees the signature of the other owners. Any account owner may withdraw all funds in the account, stop payment of items drawn on an account, transfer, or pledge to us all or any part of the shares of any account without the consent of the other account owner(s) and we shall have no duty in such even to notify any other account owner(s).

If more than one person signs the signature card for a Share Account or other type of deposit account, you are creating, and intend to create, a joint tenancy with rights of survivorship in all accounts subject to this Agreement, unless otherwise expressly provided. That is, you as the owners of the account agree with yourselves and the Credit Union that all sums paid in shares or other deposits (as applicable), together with all accumulations, prior to now or hereafter, less setoffs as allowed by law for sums due the Credit Union by any party, shall be owned by all of you jointly with full right of survivorship, and shall be subject to withdrawal or receipt by any of you in whole or in part. Payment to any of you or the survivor(s) of you, or your personal representatives, administrators or assigns of the last survivor(s) of you, shall be valid and discharge the Credit Union from any liability for such payment and amount.

Further, each joint owner is subject to the terms and disclosures of this Agreement.

We reserve the right at any time to require written consent of all account owners for a change of ownership or termination of a multiple-party account. If we receive written notice of a dispute between account owners or receives inconsistent instruction from them, we may: (1) suspend or terminate the account; (2) require an account owner to obtain a court order in order to take any action on a transaction; or (3) require that all account owners agree in writing to any transaction concerning the account. If any item deposited in a multiple-party account is returned unpaid, an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple-party account owners is jointly and severally liable to us for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transaction. If any account owner is indebted to us, we may enforce its rights against any or all funds in the multiple-party account regardless of who contributed the funds to the account. Except as modified in this Agreement, joint accounts shall be subject to and governed by PA 41 of the Public Acts of 1968, as amended, being MCLA 490.51, and commonly known as the Credit Union Multiple-Party Accounts Act.

**POD/Trust Account Designation.** A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD or trust beneficiary/payee. Accounts payable to more than one surviving beneficiary/payee are owned jointly by such beneficiaries/payees without rights of survivorship. We are not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

**Accounts for Minors.** We may require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction.

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

**Legal Process.** If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to the legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

**Taxpayer Identification Numbers and Backup Withholding.** Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

**Special Account Instructions.** You may request that we facilitate certain trust, will, or court ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be provided in writing and accepted by us.

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

**Termination of Membership.** You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union.

**Governing Law.** This Agreement is governed by the Credit Union's Bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the State of Michigan, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union is located.

**Member Identification Program.** 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.

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.

**Negative Information Notice.** We may report information about your account to consumer reporting agencies. Late payments, missed payments, or other defaults on your account may be reflected in your consumer report.

### **ATM, Debit Card, I.A.M. Online and SpeedyLine Agreement Regulation E Disclosures on Electronic Transfers**

An "electronic fund transfer" (EFT) is any transfer of funds that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of ordering, instructing, or authorizing a financial institution to debit or credit a checking, savings, or other consumer asset account. The term includes transactions such as point-of-sale transfers, automated teller machine (ATM) transfers, direct deposits or withdrawals of funds, telephone transfers, and transfers resulting from debit card transactions (whether or not initiated through an electronic terminal), and transfers initiated through our home banking service, "I.A.M. Online". A transfer through an automated clearing house when you provide a share draft to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the share draft is blank, partially completed, or fully completed and signed; whether the share draft is presented at Point-of-Sale, "POS" or is mailed to a merchant or other payee or lockbox and later converted to an electronic fund transfer, or whether the share draft is retained by the consumer, the merchant or other payee, or the payee's financial institution. Your authorization to the merchant to convert such transactions into electronic funds transfers may be expressed in writing or implied, for example, by the posting of a sign where a payment is made. Except as described above, specifically excluded from the definition of EFT are payments initiated by check, draft, or other paper instruments like share drafts, including any payment made by check, draft, or similar paper instrument.

The Credit Union provides the ATM/Debit card as an extra convenience for you to make deposits, transfer funds between accounts and withdraw from accounts. The Credit Union provided the SpeedyLine audio teller response system as an extra convenience for you to transfer funds between accounts, make loan payments, obtain account balances and transaction information, and request advances on your Line of Credit Contract. The Credit Union provides the I.A.M. Online service as a convenience for you to access your account anytime. I.A.M. Online allows you to check account balances, transfer between IDs, make loan payments, and view account history, and view and print copies of cancelled drafts. We may honor overdrafts of electronic transaction types such as but not limited to debit card, ACH, POS, or I.A.M. Online.

If you use an automated teller machine that is not operated by us, you may be charged a fee by the operator of the machine and/or by E&A Credit Union.

The use of the ATM/Debit card, the SpeedyLine system, and/or I.A.M. Online is subject to the terms and conditions contained in this section, to the terms and conditions applicable to any account for which it used, and to the rules and regulations of the Credit Union governing all or any such accounts.

The ATM/Debit card and personal identification number ("PIN") remain the property of the Credit Union and the Credit Union may terminate your right to use the ATM/Debit card and PIN, at any time. Upon demand of the Credit Union, you must return the ATM/Debit card and PIN to the Credit Union. All privileges available through the use of the ATM/Debit card shall terminate upon the expiration date to be determined by the Credit Union. With your SpeedyLine and I.A.M. Online privileges, the Credit Union will provide you with a personal identification number for SpeedyLine and I.A.M. Online. The Credit Union may terminate your right to use the SpeedyLine system or the I.A.M. Online system at any time.

**ATM/Debit Card Transactions and Verifications.** Your ATM/Debit card and the Automated Teller Machine (the "machines") shall be operated according to the instructions furnished to you, and may be used for the following transactions, depending upon the accounts you have designated:

- Withdraw funds from Share (Savings), Share Draft (Checking), Money Market or Special Savings

- Deposit funds to Share, Share Draft, Money Market or Special Savings
- Transfer funds between Share, Share Draft, Money Market and/or Special Savings
- Account Balance inquiry for Share, Share Draft, Money Market and/or Special Savings
- Point of Sale Purchase from Share Draft only
- Draw on your Line of Credit

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

**Electronic Check Conversion:** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information on a check to:

- Pay for purchases, or
- Pay bills

**SpeedyLine Transactions and Verifications.** The SpeedyLine system shall be operated according to the instructions furnished to you, and may be used for a variety of transactions, including the following:

- Transfer funds between account IDs
- Advances on Loan Accounts to Share or Share Draft
- Loan payments from Share, Share Draft or Money Market
- Account Balance inquiry for Share or Share Draft

**I.A.M. Online Transactions and Verifications.** The I.A.M. Online system shall be operated according to the instructions furnished to you, and may be used for a variety of transactions, including the following:

- View account balances
- Transfer between account IDs
- Make loan payments
- View account history
- View and print copies of your cancelled drafts

**Direct Deposit Transactions.** At the present time, members of the Credit Union can arrange to have direct deposits made directly to their Primary Share or Share Draft Accounts. If you have arranged to have direct electronic fund transfer deposits made to your account you will receive an account statement showing all such direct deposits at least monthly, or you may call us at (800) 356-3228 to find out whether or not the deposit has been made. Your account statements will be admissible as evidence of the electronic fund transfer deposit or other transaction they represent in a court of law.

**Available Transactions.** The Credit Union may change the transactions available from time to time. You will be given advance notice of any adverse changes if required by applicable law or regulations.

**Transaction Acknowledgment.** You will get an acknowledgment at the time you make any transfer to or from your account using one of the machines. In addition, you will get a monthly statement for each account accessible with your ATM/Debit card, the SpeedyLine system, or the I.A.M. Online system, unless there are no transactions for a particular month. In any case, you will get a statement at least quarterly. Your acknowledgment and periodic statements will be admissible as evidence of the withdrawal, deposit or other transaction they represent in any action in a court of law.

**Illegal Use.** You understand and agree that you may not use any of our electronic fund transfer services for any illegal purposes.

**Line of Credit Additional Terms.** By applying for the SpeedyLine system and/or I.A.M. Online system: (1) You are requesting that SpeedyLine and/or I.A.M. Online service(s) be added to the list of available options to advance funds on your Line of Credit Contract (if applicable); (2) You understand that the terms and conditions of the Line of Credit Contract will govern any transactions made using the SpeedyLine and/or I.A.M. Online service; (3) You understand that only you, as the primary borrower and account owner on the Line of Credit Contract will be able to use the SpeedyLine and/or I.A.M. Online service with that credit line (joint owners ineligible for SpeedyLine and/or I.A.M. Online options); and (4) You hereby agree that you will hold the Credit Union harmless for any transaction performed in SpeedyLine and/or I.A.M. Online by any joint-owner who is not an authorized co-borrower; (5) You hereby acknowledge that all borrowers who are named on the Line of Credit Contract retain the ability to use any other available access device(s) to take loan advances on the original terms and conditions of the credit line.

**Service Charges.** There are certain charges for electronic funds transfer services, and you hereby agree to pay them. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. Refer to our Fee Schedule for current information as to those charges.

**Limitations on Use.** Any number of transactions may be affected through the use of your ATM/Debit card, the SpeedyLine system, or the I.A.M. Online system; however, you may not make more than six withdrawals from your Money Market and Special Purpose Savings account by means of a preauthorized or automatic transfer or telephonic order to a third party in any calendar month and no more than three of these six transfers may be made by check, draft, or debit card to a third party.

The amount of cash which can be withdrawn through the use of the ATM/Debit card on a single day is \$505.00 if there are sufficient funds in your account or \$155.00 if the machine is off line. We will not honor overdrafts of any type from an ATM. You may transfer up to the available balance in your accounts at the time of the transfer. Because of the servicing schedule and processing time required in ATM operations, there may be a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. You should review the Credit Union's Funds Availability Policy to determine the availability of funds deposited at ATMs.

The Credit Union will assign a specific spend limit for your Debit card on an individual basis. The cumulative spend limit and the balance in your share draft account will dictate the amount you can purchase or electronically withdraw. As transactions are completed, the amounts are tracked and deducted from the authorized spend limit. When the transaction posts to your account (which can take up to two or three business days), that amount is restored to the spend limit as available. A merchant, however, can take up to forty days to post a transaction. There is no limit to the number of Debit card transactions that can be posted against your share draft account.

In the event that funds are not available in your share draft account when Debit card transactions are presented, and you have already established an overdraft line of credit, the Credit Union will activate your overdraft line of credit, if available, and advance funds from the overdraft loan to the share draft account, subject to the fees outlined in the Credit Union's Fee Schedule. The terms and conditions of the overdraft line of credit are outlined in the loan contract and Truth-In-Lending disclosure.

Your accounts can be accessed under the SpeedyLine audio response service via a touch-tone telephone only. To access I.A.M. Online, you will need a compatible computer platform (typically Windows) and certain browser requirements. To view the most current browser requirements click the "Browser Requirements" link at the bottom of E&A's web site, [www.eacu.org](http://www.eacu.org). While SpeedyLine and I.A.M. Online are generally available 24 hours per day, this service may be interrupted for a short time each day for data processing. There is a limit of ten transactions per call and certain limits on the account history information available through each service.

When using SpeedyLine or I.A.M. Online, the Credit Union reserves the right to refuse any transaction that would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks payable to you as a primary member and will be mailed to your address of record. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The service will be discontinued if 6 invalid login attempts are made, or if no transaction is entered within 1 and a half minutes, and there is a 10-minute limit on the duration of each telephone call. For security purposes, I.A.M. Online will time out after 5 inactive minutes.

**Electronic Fund Transfer (EFT) Errors.** Telephone the Credit Union at (810) 966-4600 or (800) 356-3228 or write to E&A Credit Union, P.O. Box 610908, Port Huron, MI 48061-0908, if you think your monthly statement is wrong or if you need more information about an EFT transaction listed on the statement. You must contact the Credit Union within 60 days after the first statement on which the problem or error appeared was sent to you.

1. State your name and account number.
2. Describe the EFT error or transaction you are unsure about, and explain as clearly as you can why you believe it is an error and why you need more information.
3. State the dollar amount of the suspected EFT error.

If you contact the Credit Union orally, you must put your question or complaint in writing and submit it to the Credit Union within 10 business days or 14 calendar days, whichever is longer.

The Credit Union will tell you the results of its investigation within ten business days\* after you contacted the Credit Union about the problem. If the Credit Union needs more time, however, it may take up to 45\*\* days to investigate your complaint or question. If the Credit Union decides to do this, your account will be provisionally credited within 10\* business days for the amount you think is in error, so that you will have use of the money during the time it takes to complete the investigation. If you fail to put your complaint or question in writing within 10 business days or 14 calendar days, your account will not be credited.

If the Credit Union determines that there was no error, you will be given written explanation within 3 business days after the investigation is completed. You may ask for copies of the documents that were used in the Credit Union investigation.

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

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

**Liability and Notice of Loss.** If you believe your ATM/Debit card, ATM/Debit PIN, SpeedyLine PIN, or I.A.M. Online PIN has been lost or stolen, or if you

believe that someone has transferred or may transfer money from your account without your permission, or if you believe that an electronic funds transfer has been made without your permission using information from your check, contact us IMMEDIATELY at the telephone number shown in the Contacting the Credit Union section of this disclosure. Telephoning is the best way of keeping your possible losses down.

If you notify the Credit Union within two business days, you can lose no more than \$50.00 if someone used your ATM/Debit card, ATM/Debit PIN, SpeedyLine PIN, or I.A.M. Online PIN without permission (special liability protection for the unauthorized use of your Debit card is discussed below). You will not be responsible for any unauthorized transfers occurring after you notify the Credit Union.

If you DO NOT contact the Credit Union within two business days after you learn of the loss or theft of your ATM/Debit card, ATM/Debit PIN, SpeedyLine PIN, or I.A.M. Online PIN and the Credit Union can prove that someone using your ATM/Debit card, ATM/Debit PIN, or SpeedyLine PIN, or I.A.M. Online PIN without your permission could have been stopped if you had notified the Credit Union, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by card, code or other means, contact the Credit Union AT ONCE. If you do not contact the Credit Union within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days, if it can be proved that someone could have been stopped from taking the money if you had notified the Credit Union on time.

The Credit Union may extend the notification period for extenuating circumstances.

**Contacting the Credit Union.** To report a lost or stolen Debit card after business hours please call 1-800-754-4128, or outside the US call collect at (414) 341-6535. During normal business hours, contact the Credit Union at (810) 966-4600 or (800) 356-3228, or write to E&A Credit Union, P.O. Box 610908, Port Huron, MI 48061-0908.

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

### Special Liability Protection Rules for MasterCard Debit Card

Unless you have failed to use reasonable care to safeguard your MasterCard Debit Card from risk of loss or theft, or you have reported two or more incidents of unauthorized use to us in the 12 months immediately preceding and report of unauthorized use, or your account is not in good standing, you will not be liable for any unauthorized transactions made with your lost or stolen MasterCard Debit Card, when used for point-of-sale transactions (excluding transactions performed at an ATM). If your card was lost because you failed to use reasonable care to safeguard the card from the risk of loss or theft, or if you have reported two or more incidents of unauthorized use to us in the 12 months immediately preceding any report of unauthorized use, or if your account is not in good standing, these special rules do not apply, and your liability for the unauthorized use of your MasterCard Debit Card is addressed above in the Liability and Notice of loss section.

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

Call us or write us at the phone number or address below in time for us to receive your request 3 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. The phone number and address for this purpose is:

**(810) 966-4600 or (800) 356-3228**

Send written requests to:

**E&A Credit Union  
P.O. Box 610908  
Port Huron, MI 48061-0908**

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

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

**Reversing "Electronic Fund Transfers".** If an "electronic fund transfer" was a payment of \$50.00 or more for goods and services, you have the right to require us to reverse such transfer and to re-credit your account with the full amount of the transfer if (1) you tell us, within 4 calendar days after the date of the transfer, to make such a reversal, (2) you notify us that you have made a good faith

attempt to resolve your dispute with the third party involved, and (3) you assure us that any returnable goods involved in the dispute will be returned.

If you do these things in writing, you **MUST** send the letter to the address listed above. If you phone us, you **MUST** call the number listed above.

If you tell us orally that you want such a transfer reversed, you must send a letter to confirm your reversal request, your notice of attempted resolution of the dispute, and your assurance to return any returnable goods involved. You are required to get this letter back to us within 14 calendar days after the date of your oral request for reversal. We reserve the right to impose a reasonable charge for handling such reversal requests, and to increase such charges thereafter.

**Secrecy of PIN.** You agree to use the machines, SpeedyLine, and I.A.M. Online in the manner for which they were designed and to preserve the secrecy of the ATM PIN, MasterCard Debit PIN, SpeedyLine PIN, and I.A.M. Online PIN and to prevent the unauthorized use of your debit card, ATM card, SpeedyLine PIN and I.A.M. Online PIN. You agree to accept liability for all transactions made through the use of your debit card, ATM card, ATM PIN, SpeedyLine PIN or I.A.M. Online PIN pursuant to your authorized transfer of its possession. If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFTs to or from any share and share draft account or loan accounts as provided in this Agreement. Each account owner, without the consent of any other account owner, may, and is hereby authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT on any account from any joint account owner.

**Liability of Credit Union.** If the Credit Union does not complete a transfer to or from your account on time or in the correct amount according to the terms of this Agreement, we will be liable for your losses or damages. However, there are some exceptions. The Credit Union will not be liable, for instance: (1) if through no fault of the Credit Union, you do not have enough money in your account to make the transfer; (2) if the transfer will take your account over its credit limit; (3) if the equipment, ATM network, phone lines, or computer systems were not working properly or were temporarily unavailable; (4) if the machine where you are making the transfer does not have enough cash; (5) if the Machine was not working properly and you knew about the breakdown when you started the transfer; or (6) if circumstances beyond the Credit Union's control (such as flood or fire) prevent the transfer, despite reasonable precautions taken by the Credit Union; (7) if a court order or legal process prohibits the transfer or payment; (8) if you have previously reported that you have a reasonable basis for believing that unauthorized use of your ATM card, your debit card, your SpeedyLine PIN, or your I.A.M. Online PIN has occurred or may be occurring; (9) if you default under any Agreement with the Credit Union or if the Credit Union or you terminate this Agreement; or (10) a payee does not process a payment correctly, or in a timely manner. The Credit Union makes no warranties, express or implied, pertaining to the use of any machines, or the SpeedyLine or I.A.M. Online systems.

**Disclosure of Account Information.** The Credit Union will disclose information to third parties about your account or the transfers you make: (1) Where it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (2) In order to verify the existence of your account for a third party; (3) In order to comply with government agency or court orders; (4) If you give your written permission; (5) To furnish credit information under the federal "Fair Credit Reporting Act"; (6) as provided by law; (7) To verify the existence and condition of your account for a third party, such as a credit bureau or merchant; (8) to our accountants, attorneys, or other professional advisors; (9) to Credit Union or financial institution regulators; (10) to advise third parties of accounts closed for misuse; (11) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; or (12) when we are attempting to collect an obligation owed to us.

**Business Days.** For purposes of these disclosures, our business days are Monday through Friday, excluding holidays.

**Regulatory Authority.** If you feel the Credit Union has violated the law with respect to the use of the ATM or debit card or PINs, or the SpeedyLine system or PIN, or the I.A.M. Online system or PIN, you may notify either or both of the following regulatory authorities:

OFFICE OF FINANCIAL AND INSURANCE REGULATION,  
DIVISION OF FINANCIAL INSTITUTIONS  
Credit Union Division  
PO Box 30224  
Lansing, Michigan 48909

FEDERAL TRADE COMMISSION  
Electronic Fund Transfers  
Washington, D.C. 20580

### Funds Availability

The following information describes the Credit Union's policy of holding items deposited into your account before funds are made available to you for withdrawal. This is what is called a Funds Availability Policy.

**General Policy.** Our policy is to make funds from your deposits into your account available to you immediately upon our receipt. Electronic direct deposits will also be available on the day we receive the deposit. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

**Reservation of Right to Hold.** In some cases, we will not make all of the funds that you deposit by check available to you immediately upon our receipt. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$100.00 of your deposit will be available on the first business day following the day of your deposit. For determining the availability of your deposit, every day is a business day, except Saturdays, Sundays and holidays.

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

**Longer Delays May Apply.** In addition, funds you deposited 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 \$5000.00.
- 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.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 7th business day.

A Credit Union need not give availability disclosures to a member that holds a dormant or inactive account.

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

**Holds on Other Funds.** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. These 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 from a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

**Deposits at Nonproprietary ATMs.** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate may not be available until the fifth business day of your deposit. This rule does not apply at ATMs that we own or operate. All ATMs that we own or operate are identified as our machines.

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

### **Wire Transfer Agreement and Notification Uniform Commercial Code Article 4A**

The following rules shall apply to all wire transfer services provided by the Credit Union.

E&A Credit Union may accept, on your behalf, payments to your account that have been submitted by Fedwire. Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Subpart B – Funds Transfers Through Fedwire. These regulations and state law are applicable to funds transfers involving your account.

If you give us a payment order that identifies a beneficiary (the person to whom you are wiring funds) by name and account or some other identifying number (such as a Social Security, Taxpayer I.D. or drivers license number), we may pay the beneficiary on the basis of the number provided to us by you and consider that number to be proper identification. This will be true even if the number you provided to us identifies a person different from the named beneficiary, unless otherwise provided by law or regulation.

If you give us a payment order that identifies the beneficiary's financial institution in the funds transfer by name and Routing and Transit ("R/T") or other identifying

number, we, as well as the receiving institution, may rely on the number provided to us by you as the proper identification. This will be true even if the number provided identifies a financial institution that is different from the named financial institution, unless otherwise provided by law or regulation. Therefore, it is in your best interest to contact the receiving institution to acquire the appropriate wire transfer instructions so that you may feel confident that your money will arrive safely. You, the member, are ultimately responsible for providing accurate information regarding funds transfers and are consequently liable for any losses or expenses should an error occur.

You may not be provided with separate notification each time we receive a wire transfer into your account. We will provide you with notification of an incoming wire transfer as part of your periodic statement. In the event we accept such payments to your account through one or more Automated Clearing Houses ("ACH"), the operating rules of the National Automated Clearing House Association ("NACHA") will be applicable to ACH transactions involving your account. These rules do not require that we provide you with next day notice of receipt of an ACH item. Therefore, we will provide you with notification of the receipt of these items as part of your periodic statement. In addition, if we are ever obligated to pay interest on the amount of the transfer, you will be paid interest on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorneys fees, unless otherwise provided by law or regulation.

We may accept, on your behalf, payments to your account, which have been transmitted through one or more Automated Clearing Houses and are not subject to the Electronic Funds Transfer Act ("Regulation E"). Your rights and obligations with respect to such payments shall be governed and construed in accordance with the applicable Federal Reserve Bank Operating Circular. Whenever an ACH is used as part of a transaction, its rules will govern that part of the transaction. Where none of the above stated rules apply, the transactions contemplated by this Agreement shall be governed by the laws of the State of Michigan, including Article 4A of the Michigan Uniform Commercial Code.

Credit given by us to you with respect to an ACH entry is provisional until we receive final settlement for the credit entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified that we are entitled to a refund of the amount credited to you in connection with the credit entry. Moreover, you are hereby notified that the party making payment to you (originator) shall not be deemed to have paid you the amount of the credit entry.

**Security Procedure.** You represent that you have considered the security procedures of the various EFT services provided by the Credit Union and find that they are commercially reasonable for verifying that a transfer or other communication purporting to have been issued by you is, in fact, yours. In reaching this determination, you have considered the size, type and frequency of transfers or other communications that you anticipate issuing to the Credit Union through the use of EFT services. If, in your judgment, the E&A Credit Union security procedures are not commercially reasonable, or if the size, type and frequency of your transfers change, and the result is that E&A Credit Union security procedures cease to be commercially reasonable, you must inform us within 30 days.

### **Privacy Statement**

E&A Credit Union is committed to protecting your privacy. We are required by law to provide this notice to you for the purpose of explaining our policies and practices with respect to protecting the confidentiality and security of nonpublic personal information. We recognize the importance of protecting the personal information of our members and potential members. Our obligation is to keep the information you provide to us secure and confidential.

#### **Information We Collect:**

When you apply for a Credit Union account or service, we collect personal information about you - some of which is "nonpublic." The nonpublic personal information we collect varies depending on the product or service you obtain. We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms (such as name, address, age, Social Security Number, taxpayer ID number, etc.)
- Information about your transactions with us, our affiliates, or other nonaffiliated third parties (such as account balance, payment history, credit card usage, etc.)
- Information we receive from consumer reporting agencies (such as credit history)

We may disclose all of the information we collect, as described below.

#### **Use and Sharing of Private Information:**

E&A Credit Union is dedicated to building strong partner relationships so that together, we may offer a wide array of competitive financial products and

services to our members. We structure these relationships to protect nonpublic personal information.

In order to conduct our business, we also disclose nonpublic personal information to other nonaffiliated third parties, but only as necessary to administer products and services we provide or as required or permitted by law.

If you decide to terminate your membership with E&A Credit Union, we will not share information we have collected about you, except as may be permitted or required by law.

**Information We Disclose:**

As permitted by law, we may disclose nonpublic personal information we collect about you (e.g., information from applications, transactions, or consumer reporting agencies) to third parties. The types of companies that we may disclose information to are:

- The companies that we use to provide financial products or services that may be of interest to you, such as insurance companies and mortgage service companies.
- Non-financial companies who complete a transaction that is either initiated by the member, or is needed to maintain a service, such as check printers, or the servicing company of E&A Credit Union's website, who may collect "cookies" (nonpublic personal information) from website users.
- Companies that perform marketing or those with which we have joint marketing agreements. These third parties are nonaffiliated companies who perform marketing services for the Credit Union on our behalf, including marketing our own products or services, or those offered jointly by the Credit Union and another financial institution. We protect your information by conducting business only with companies that have contractually agreed to stringent confidentiality provisions that restrict the release and use of such information.

**Protection and Security of Your Private Information:**

We restrict access to private information about you only to those employees and members of our Official Family who have a specific business purpose for accessing and utilizing this information. Our employees and members of our Official Family are trained in the importance of maintaining confidentiality and member privacy.

We maintain physical, electronic and procedural safeguards as part of a comprehensive risk management system that complies with federal regulations to protect against anticipated threats or hazards to the security of your information and to protect against unauthorized access and use of that information. Protecting your privacy is an ongoing process.

We will continue to review the measures we take to safeguard your private information. These reviews will result in new measures to protect member records, as the Credit Union makes changes to its information security practices and other internal control systems to take advantage of new technology.

REV. March 2010