

# MEMBERSHIP AGREEMENT AND DISCLOSURES

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Membership and Account Agreement  
Funds Availability Policy Disclosure  
Electronic Fund Transfers Agreement & Disclosure  
Truth-in-Savings Disclosure



# MEMBERSHIP AND ACCOUNT AGREEMENT

This Agreement covers your rights and responsibilities concerning your accounts and the rights and responsibilities of Liberty Federal Credit Union (Credit Union). In this Agreement, the words "you," "your," and "yours" mean anyone who signs an Account Card, Account Change Card, Membership Application and Share Account Agreement, Additional Share Account Agreement, or any other account opening document ("Membership Application"), or for whom membership and/or service requests are approved through the Credit Union's online application and authentication process. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share or deposit accounts you have with the Credit Union. **This document contains Binding Arbitration and Class Action Waiver provisions.**

Your account type(s) and ownership features are designated by you on your Membership Application or through the Credit Union's online application and authentication process. By signing a Membership Application or authenticating your request, each of you, jointly and severally, agree to the terms and conditions in this Agreement, and any Membership Application, Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Fund Transfers Agreement and Disclosure, Privacy Disclosure, or Account Receipt accompanying this Agreement, the Credit Union Bylaws or Code of Regulations (Bylaws), Credit Union policies, Fee Schedule, and any amendments, including additions, deletions, or other changes, made to these documents from time to time that collectively govern your membership, accounts and services.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT** - To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

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

**1. MEMBERSHIP ELIGIBILITY** - To join the Credit Union, you must meet the membership requirements, which may include the purchase and maintenance of the minimum required share(s) (hereinafter membership share), paying a membership fee, or other requirement(s) as set forth in the Credit Union's bylaws. You authorize us to check your account, credit and employment history, and obtain reports from third parties, including credit and consumer reporting agencies, to verify your eligibility for the accounts, products and services you request and for other accounts, products, or services we may offer you or for which you may qualify.

**2. CLASS ACTION WAIVER** - No member or accountholder may maintain or pursue against the Credit Union a class action, class-wide arbitration, or private attorney general action. Nor shall any class action, class-wide arbitration, or private attorney general action be pursued by a member against the Credit Union in any arbitration or in any court proceeding, regardless of when the claim or cause of action arose or accrued, or when the allegations or facts underlying the claim or cause of action occurred.

**3. INDIVIDUAL ACCOUNTS** - An individual account is an account owned by one member who has qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the account owner's estate or Payable on Death (POD) beneficiary/payee or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death, any security interest or pledge granted by the account owner, and our statutory lien rights.

**4. JOINT ACCOUNTS** - A joint account is an account owned by two or more persons.

**a. Rights of Survivorship.** Unless otherwise stated on the Membership Application or documented through the Credit Union's online application and authentication process, a joint account includes rights of survivorship. This means that when one owner dies, all sums in the account will pass to the surviving owner(s). A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

**b. Control of Joint Accounts.** Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature or authenticated request of any other owner(s). Any owner may withdraw or transfer funds, pledge to us all or any part of the shares, or stop payment on items without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners in order to act.

**c. Joint Account Owner Liability.** If an item deposited in a joint account is returned unpaid, a joint account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for any returned item, overdraft, or unpaid amount and for any related fees and charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of the indebted owner, including all funds in the joint account, regardless of who contributed the funds.

**5. POD/TRUST ACCOUNT DESIGNATIONS** - A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that an individual or joint account so designated is payable to the owner(s) during his, her, or their lifetimes and, when the last account owner dies, is payable to all surviving POD or trust beneficiaries/payees. Unless state law provides for different ownership or as permitted and documented by us, the beneficiaries/payees will own the funds jointly in equal shares without rights of survivorship when there is more than one surviving beneficiary/payee. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs). We are not obligated to notify any beneficiary/payee of the existence of any account nor the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law. This paragraph does not apply to an account held on behalf of or in the name of a trust. A beneficiary's or payee's right to funds is subject to the Credit Union's statutory lien and right of offset.

**6. ACCOUNTS FOR MINORS** - We may require any account established by a minor to be a joint 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 amount on such account and for any related fees and charges. 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 except as required by applicable law. We may not change the account status when the minor reaches the age of majority unless the change is authorized in writing by all account owners.

**7. UNIFORM TRANSFERS TO MINORS ACCOUNT** - A Uniform Transfers to Minors Account (UTMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party authorized to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction except as required by applicable law. It is the custodian's responsibility to properly distribute the funds in the account upon the minor's death or attainment of age of majority. The child's SSN/TIN is used for the Backup Withholding Certification. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawals. The account will terminate and be distributed in accordance with applicable law.

**8. POWER OF ATTORNEY DESIGNATION ON AN ACCOUNT** - A power of attorney 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. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent under a valid power of attorney. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. 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 except as required by applicable law.

**9. DEPOSIT OF FUNDS REQUIREMENTS** - Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories, or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit. If there is any discrepancy between the amount shown on a deposit slip and the amount we determine to be the actual deposit, you will be entitled to credit for the actual deposit as determined by us, regardless of what is stated on the deposit slip.

**a. Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft, or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft, or item as though it is payable to either person. If we accept a third-party check or draft for deposit, we may require any third-party endorsers to verify or guarantee their endorsements, or endorse in our presence. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the check or draft within 1½ inches of the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility. If we offer a remote deposit capture service and you have been approved to use the service to make deposits to your account, you agree that, prior to transmitting check or draft images, you will restrictively endorse each original check or draft in accordance with any other agreement with us that governs this service.

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

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

**d. Final Payment.** All checks, drafts, automated clearinghouse (ACH) transfers or other items 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 and impose a returned item fee on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or fund transfer.

**e. Direct Deposits.** We may offer direct deposit services, including preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfers by completing a separate authorization document or process. You must notify us if you wish to cancel or change a direct deposit or preauthorized transfer. Any cancellation or change will become effective once we receive notice from you and have a reasonable period of time to act on your request. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

**f. Crediting of Deposits.** Deposits will be credited to your account on the day we consider them received as stated in our Funds Availability Policy Disclosure.

## 10. ACCOUNT ACCESS

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

**b. Access Options.** You may access your account(s) in any manner we permit including, for example, in person at one of our branch offices, at an ATM or point-of-sale device, or by mail, telephone, automatic transfer, internet access or mobile application. We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any losses, expenses or fees we incur as a result of handling such a check or draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We may refuse to honor a power of attorney if our refusal is conducted in accordance with applicable state law.

c. **Credit Union Examination.** We may disregard any information on any check or draft other than the signature of the drawer, the amount of the item, and any magnetic encoding. You agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for sight examination of items.

**11. FUNDS TRANSFERS** - Funds transfers we permit that are subject to Article 4A of the Uniform Commercial Code, such as wire transfers, will be subject to such provisions of the Uniform Commercial Code as enacted by the state where the main office of the Credit Union is located, except as otherwise provided in this Agreement. ACH transfers are subject to Nacha rules. We may execute certain requests for funds transfers by Fedwire which are subject to the Federal Reserve Board's Regulation J.

a. **Authorization for Transfers/Debiting of Accounts.** You may make or order funds transfers to or from your account. We will debit your account for the amount of a funds transfer from your account and will charge your account for any fees related to the transfer.

b. **Right to Refuse to Make Transfers/Limitation of Liability.** Unless we agree otherwise in writing, we reserve the right to refuse to execute any payment order to transfer funds to or from your account. We are not obligated to execute any payment order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available balance in your account. We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. In addition, we will not be liable for consequential, special, punitive or indirect loss or damage you may incur in connection with funds transfers to or from your account.

c. **No Notice Required.** We will not provide you with notice when funds transfers are credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received.

d. **Interest Payments.** If we fail to properly execute a payment order and such action results in a delay in payment to you, we will pay you dividends or interest, whichever applies to your account, for the period of delay as required by applicable law. You agree that the dividend or interest rate paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period.

e. **Provisional Credit for ACH Transactions.** We may provisionally credit your account for an ACH transfer before we receive final settlement. If we do not receive final settlement, we may reverse the provisional credit or require you to refund us the amount provisionally credited to your account, and the party originating the transfer will not be considered to have paid you.

f. **Payment Order Processing and Cut-off Times.** Payment orders we accept will be executed within a reasonable time of receipt. Unless we have agreed otherwise in writing, a payment order may not necessarily be executed on the date it is received or on a particular date you specify. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments. Funds transfers, payment orders, cancellations, and amendments received after a cut-off time may be treated as having been received on the next funds transfer business day. Information about any cut-off times is available upon request. From time to time, we may need to temporarily suspend processing of a transaction, such as an international ACH transaction, for greater scrutiny or verification in accordance with applicable law. This action may affect settlement or availability of the transaction. If we receive an order to pay you, and we erroneously pay you more than the amount of the payment order, we are entitled to recover from you the amount in excess of the amount of the payment order, regardless of whether you may have some claim to the excess amount against the originator of the order.

g. **Identifying Information.** If your payment order identifies the recipient and any financial institution by name and account or other identifying number, the Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or other identifying number, even if the number identifies a different person or financial institution.

h. **Amendments and Cancellations of Payment Orders.** Any account owner may amend or cancel a payment order regardless of whether that person initiated the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order.

i. **Security Procedures.** We may require you to follow a security procedure to execute, amend or cancel a payment order so that we may verify the authenticity of the order, amendment or cancellation. You agree that the security procedure established by separate agreement between you and the Credit Union is commercially reasonable. If you refuse to follow a commercially reasonable security procedure that we offer, you agree to be bound by any payment order, whether authorized or not, that is issued in your name and accepted by us in good faith in accordance with the security procedure you choose.

j. **Duty to Report Unauthorized or Erroneous Funds Transfers.** You must exercise ordinary care to identify and report unauthorized or erroneous funds transfers on your account. You agree that you will review your account(s) and periodic statement(s). You further agree you will notify us of any unauthorized or erroneous transfers within the time frames described in the "Statements" section of this Agreement.

k. **Recording Telephone Requests.** You agree that we may record payment order, amendment and cancellation requests as permitted by applicable law.

l. **Remittance Transfers.** A "remittance transfer" is an electronic transfer of funds of more than \$15.00 which is requested by a sender and sent to a designated recipient in a foreign country by a remittance transfer provider. If we act as a remittance transfer provider and conduct a remittance transfer(s) on your behalf, the transaction(s) will be governed by 12 C.F.R. part 1005, subpart B - Requirements for remittance transfers. Terms applicable to such transactions may vary from those disclosed herein and will be disclosed to you at the time such services are requested and rendered in accordance with applicable law.

m. **Objection to Payment.** If we give you a notice that reasonably identifies a payment order issued in your name as sender that we have accepted and received payment for, you cannot claim that we are not entitled to retain the payment unless you notify us of your objection to the payment within one year of our notice to you.

**12. ACCOUNT RATES AND FEES** - We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosure and Fee Schedule. We may change the Truth-in-Savings Disclosure or Fee Schedule at any time and will notify you as required by law.

### **13. TRANSACTION LIMITATIONS**

a. **Withdrawal Restrictions.** We will pay checks or drafts, permit withdrawals, and make transfers from the available balance in your account. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure. We may also pay checks or drafts, permit withdrawals, and make transfers when you have an insufficient available balance in your account if you have established an overdraft protection plan or, if you do not have such a plan with us, in accordance with our overdraft payment policy.

We may refuse to allow a withdrawal in some situations and will advise you accordingly if, for example: (1) there is a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; (5) you fail to repay a credit union loan on time; or (6) we deem it necessary for any other reason allowed by applicable law. We may require you to give written notice of 7 to 60 days before any intended withdrawals. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit. We may, at our sole discretion, elect to issue the requested withdrawal amount by official check or other means in lieu of cash. Requested large cash withdrawals may be subject to order fees and/or security costs that you agree to pay at the time of withdrawal.

**b. Transfer Limitations.** We may refuse or limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or your Electronic Fund Transfers Agreement and Disclosure.

**14. CERTIFICATE ACCOUNTS** - Any term share, share certificate, time deposit or certificate of deposit account (certificate account), whichever we offer as allowed by applicable federal or state law, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure, the account receipt for each account, and any other documents we provide for the account, the terms of which are incorporated herein by reference.

## 15. OVERDRAFTS

**a. Payment of Overdrafts.** If, on any day, the available balance in your share or deposit account is not sufficient to pay the full amount of a check, draft, transaction, or other item, plus any applicable fee, that is posted to your account, we may return the item or pay it, as described below. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your account does not have a sufficient available balance in order to pay an item. Your account may be subject to a fee for each item regardless of whether we pay or return the item. We may charge a fee each time an item is presented or represented for payment; therefore, you may be assessed more than one fee as a result of a returned item and representation(s) of the returned item. An overdrawn account will usually result in you being charged an overdraft fee, courtesy pay fee, or insufficient funds fee. Generally an overdraft occurs when there is not enough money in your account to pay for a transaction, but we pay or cover the transaction anyway. A nonsufficient funds transaction (NSF) is different. For NSF transactions, we do not cover the transaction. Instead, the transaction is rejected, and the item or requested payment is returned. In either situation, we can charge you an overdraft fee, courtesy pay fee, or insufficient funds fee per presentation when your available balance is insufficient to pay the item. There is no limit to the number of overdraft fees, courtesy pay fees, or insufficient funds fees you may be charged. You understand and agree that a merchant or other entity may make multiple attempts to submit a returned item for payment. If an item is returned for insufficient funds, the merchant may present the same item multiple times for payment. Each time that item is presented for payment with an insufficient available balance, your account will be charged an insufficient funds fee.

If we offer standard overdraft practice, this practice allows us to authorize payment for the following types of transactions regardless of whether your share or deposit account has sufficient funds: (1) share drafts/checks and other transactions made using your checking account, except as otherwise described below; (2) automatic bill payments; (3) and ACH transactions. For ATM and one-time debit card transactions (sometimes referred to as everyday debit card transactions), you must affirmatively consent to such coverage. The Credit Union may not charge an overdraft fee, courtesy pay fee, or insufficient funds fee for an ATM or one-time debit card transaction that results in an insufficient available balance without your consent. If you have established a service linking your share or deposit account with other individual or joint accounts, you authorize us to transfer funds from another account of yours to cover the amount of any items that exceed the available balance in your accounts as well as the amount of any fee assessed for the transfer, including transfers from a share or deposit account, or an overdraft line-of-credit account. Services and fees for these transactions are shown in the Fee Schedule. If a transfer from a linked account would exceed the account's withdrawal limitations as stated in the Truth-in-Savings Disclosure, the transfer will be denied. We may then pay or return the item or transaction and charge you an overdraft, courtesy pay, or insufficient funds fee.

Except as otherwise agreed in writing, if we exercise our right to use our discretion to pay such items that result in an insufficiency of funds in your account, we do not agree to pay them in the future and may discontinue coverage at any time without notice. If we pay these items or impose a fee that results in insufficient funds in your account, you agree to pay the insufficient amount, including the fee assessed by us, in accordance with our standard overdraft services or any other service you may have authorized with us or, if you do not have such protections with us, in accordance with any overdraft payment policy we have, as applicable.

**b. Understanding Your Account Balance.** Your checking account has two kinds of balances: the current balance (this may also be referred to as "new" balance or "ending" balance) and the available balance. Your current balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending. Your available balance is the amount of money in your account that is available for you to use. Your available balance is your current balance less: (1) holds placed on deposits; (2) holds on debit card or other transactions that have been authorized but are not yet posted; and (3) any other holds, such as holds related to pledges of account funds and minimum balance requirements or to comply with court orders. We use your available balance to determine whether there are sufficient funds in your account to pay items, including checks and drafts, as well as ACH, debit card and other electronic transactions, and to determine whether a transaction will cause your account to overdraw and an overdraft fee, courtesy pay fee, or insufficient funds fee may be charged. The overdraft fee, courtesy pay fee, or insufficient funds fee is assessed when the transaction is posted to the account using that account's available balance at that time. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your current balance. In such cases, subsequent posting of the pending transactions may further overdraw your account and be subject to additional fees. The current balance may seem like the most up-to-date display of funds in your account, but that is not always the case. If your available balance is not sufficient to cover a transaction, we may pay the item and charge you an overdraft, courtesy pay, or insufficient funds fee. An overdraft, courtesy pay, or insufficient funds fee may be charged even though your current balance indicates a positive amount. You may check your current and available balance online at [www.libertyfcu.org](http://www.libertyfcu.org), on the LFCU Mobile App, at an ATM, by visiting a credit union branch or by calling us at 800.800.9271.

**c. How Transactions are Posted to Your Account.** Basically, there are two types of transactions that affect your account: credits (deposits of money into your account) and debits (payments out of your account). It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account. Any transaction processed by a foreign merchant may be subject to a foreign transaction fee.

**Credits.** Deposits are generally added to your account when we receive them. We may use deposits, including deposits of social security or other government benefits, to cover overdrafts and overdraft fees. However, in some cases when you deposit a check, the full amount of the deposit may not be available to you at the time of deposit. Please refer to the Funds Availability Policy Disclosure for details regarding the timing and availability of funds from deposits.

**Debits.** There are several types of debit transactions. Common debit transactions are generally described below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.

- **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from low to high dollar value.
- **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House (ACH) transactions. These include, for example, automatic bill payments you have authorized. ACH transactions for your account are posted throughout the day in order of receipt.
- **PIN-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card for which a merchant may require you to enter your personal identification number (PIN) at the time of sale. They are processed through a PIN debit network. These transactions are similar to ATM withdrawal transactions because the money is usually deducted from your account immediately at the time of the transaction. However, depending on the merchant, a PIN-based transaction may not be immediately presented for payment. PIN-based transactions are posted throughout the day in order of receipt.
- **Signature-Based Debit Card Purchase Transactions.** These are purchase transactions using your debit card that are processed through a signature-based network. Rather than entering a PIN, you typically sign for the purchase; however, merchants may not require your signature for certain transactions. Merchants may seek authorization for these types of transactions. The authorization request places a hold on funds in your account when the authorization is completed. This is referred to as an "authorization hold". An authorization hold will reduce your available balance by the amount authorized but will not affect your current balance. The transaction is subsequently processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after the transaction, depending on the merchant and its payment processor. These payment requests are received throughout the day and are posted to your account when they are received.

The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when you present your card for payment. For example, if you use your debit card at a restaurant, a hold will be placed in an amount equal to the bill presented to you; but when the transaction posts, it will include any tip that you may have added to the bill. This may also be the case where you present your debit card for payment at gas stations, hotels and certain other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

For debit card transactions involving merchant authorization holds, there may be a delay between the hold being applied and the transaction posting to your account. During the delay, intervening transactions may impact the available balance in your account. It is important to keep in mind that we check your available balance both at the time the merchant's authorization request is received and again when the transaction settles and posts to your account. If you provided affirmative consent for us to pay ATM and one-time debit transactions and your available balance is insufficient to cover the amount of the merchant's authorization request, we will pay the item and charge you an overdraft fee, courtesy pay fee or insufficient funds fee. If your available balance is sufficient to cover the merchant's authorization request, the request will be approved, and an authorization hold in the amount of the request will be placed on your account. The transaction will be subsequently processed by the merchant and submitted to us for payment. If the transaction settles and posts to your account at a time when the available balance is insufficient to pay the transaction (i.e., posting the transaction results in an available balance of less than \$0), we will charge you a fee for overdrawing your account, even though the available balance in your account was sufficient to cover the transaction at the time it was authorized.

The following example illustrates how this works:

Assume for this example you have provided your affirmative consent for the payment of overdrafts on everyday debit card and ATM transactions; and we pay the overdraft. Assume your current and available balances are both \$40, and you use your debit card at a restaurant to pay your bill totaling \$30. If the restaurant requests authorization in the amount of \$30, an authorization hold is placed on \$30 in your account. Your available balance is only \$10, but the current balance remains \$40. Before the restaurant charge is sent to us for payment, a check that you wrote for \$40 is presented for payment. Because your available balance is only \$10 due to the \$30 authorization hold, your account will be overdrawn by \$30 when the check transaction is posted to your account even though your current balance is \$40. In this example, if we pay the \$40 check in accordance with our standard overdraft practice, we will charge you a fee for overdrawing your account as disclosed in the Fee Schedule. The fee will also be deducted from your account, further increasing the overdrawn amount. In addition, when the restaurant charge is finally submitted to us for payment, we will release the authorization hold and pay the transaction amount to the restaurant. The transaction amount may be \$30 or a different amount (for example, if you added a tip). Because the amount of the restaurant charge exceeds your available balance at the time the charge is settled (i.e., at the time the merchant or its financial institution requests payment or the transaction posts to your account), we will charge you another fee for overdrawing your account, even though you had a sufficient available balance in your account at the time the restaurant charge was authorized and approved.

This is a general description of certain types of transactions. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.

- 16. POSTDATED AND STALEDATED CHECKS OR DRAFTS** - You agree not to issue any check or draft that is payable on a future date (postdated). If you do draw or issue a check or draft that is postdated and we pay it before that date, you agree that we shall have no liability to you for such payment. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account that is presented more than six months past its date; however, if the check or draft is paid against your account, we will have no liability for such payment.

**17. STOP PAYMENT ORDERS**

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

Stop payment orders for preauthorized debit transactions from your account are governed by Regulation E. Please refer to the Electronic Fund Transfers Agreement and Disclosure for rules regarding stop payments on preauthorized debit transactions.

**b. Duration of Order.** You may make an oral stop payment order which will lapse within 14 calendar days unless you confirm it in writing, or in a record if allowed by applicable law, within that time. A written stop payment order is effective for six months and may be renewed for additional six-month periods by submitting a renewal request in writing, or in a record if allowed by applicable law, before the stop payment order then in effect expires. We do not have to notify you when a stop payment order expires.

**c. Liability.** Fees for stop payment orders are set forth in the Truth-in-Savings Disclosure or Fee Schedule. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You have the burden of establishing the fact and amount of loss resulting from the payment of an item contrary to a binding stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees and all damages or claims related to our refusal to pay an item, as well as claims of any joint account owner or of any payee or endorsee for failing to stop payment of an item as a result of incorrect information provided by you. You assign to us all rights against the payee or any other holder of the time. You agree to cooperate with us in any legal actions that we may take against such persons.

**18. CREDIT UNION LIMITATION OF LIABILITY** - If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if, for example: (1) your account contains an insufficient available balance for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We are not responsible for a check or draft that is paid by us if we acted in a commercially reasonable manner and exercised ordinary care. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict regarding what you and our employees say or write will be resolved by reference to this Agreement.

**19. CHECKS OR DRAFTS PRESENTED FOR PAYMENT IN PERSON** - We may refuse to accept any check or draft drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check or draft, and we shall have no liability for refusing payment. If we agree to cash a check or draft that is presented for payment in person, we may require the presenter to pay a fee. Any applicable check or draft cashing fees are stated in the Fee Schedule. We may also require reasonable identification to cash a check or draft. We can decide what is reasonable under the circumstances and the identification may be documentary or physical and may include collecting a biometric identifier. If you have an account with us and do not have an adequate available balance in your account to pay a check you ask us to cash, we have the right not to cash it and you agree that such refusal shall not be a wrongful dishonor. If you do not have an adequate available balance in your account when requesting cash back on a deposit, we have the right not to provide cash back until adequate funds become available.

**20. REMOTELY CREATED CHECKS OR DRAFTS** - For purposes of this paragraph, "account" means a transaction account, credit account, or any other account on which checks or drafts may be drawn. A remotely created check or draft is a check or draft created by someone other than the person on whose account the check or draft is drawn. A remotely created check or draft is generally created by a third-party payee as authorized by the owner of the account on which the check or draft is drawn. Authorization is usually made over the telephone or through online communication. The owner of the account does not sign a remotely created check or draft. In place of the owner's signature, the remotely created check or draft usually bears a statement that the owner authorized the check or draft or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created check or draft against your account, you may not later revoke or change your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check or draft for which the third party has proof of your authorization.

**21. PLEDGE, RIGHT OF OFFSET AND STATUTORY LIEN** - Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except obligations secured by your principal residence, all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account(s) for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. You agree we have the right to offset funds in any of your accounts against the obligation owed to us. Federal or state law (depending upon whether we have a federal or state charter) gives us a lien on all shares and dividends and all deposits and interest, if any, in accounts you have with us now and in the future. Except as limited by federal or state law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

**Your pledge and our statutory lien rights will allow us to apply the funds in your account(s) to what you owe when you are in default, except as limited by federal or state law.** If we do not apply or offset the funds in your account(s) to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply or offset the funds in your account(s) to the amount you owe us at a later time. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under federal or state law if given as security. By not enforcing our right to apply or offset funds in your account(s) to your obligations that are in default, we do not waive our right to enforce these rights at a later time. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of offset or application of statutory lien.

**22. LEGAL PROCESS** - If any legal action, such as a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order, 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, as permitted by law. 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.

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

## **24. NOTICES**

**a. Name or Address Changes.** Only the primary member who is the tax owner of the account can authorize a change of address. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Truth-in-Savings Disclosure or Fee Schedule. Select services may not be available when an address is incorrect.

**b. Notice of Amendments.** Except as prohibited by applicable law, we may amend this Agreement by adding new provisions or making other changes to this Agreement at any time, including by adding new terms. If we have notified you of a change or addition to any term of your account

and you continue to have your account after the effective date of the change or addition, you have agreed to the new terms. We will notify you, in a manner we deem appropriate under the circumstances, of any changes or additions in terms, rates or fees as required by law. We reserve the right to waive any terms of this Agreement. Any such waiver shall not affect our right to future enforcement.

**c. Effect of Notice.** Any written notice you give us is effective when we receive it and we must have a reasonable opportunity to act on it. Any written notice we give to you is effective when it is provided electronically or is deposited in the U.S. mail, postage prepaid and addressed to you at your statement mailing address, and will be effective whether or not received by you. Notice to any account owner is considered notice to all account owners.

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

**25. TAXPAYER IDENTIFICATION NUMBER AND BACKUP WITHHOLDING** - You agree that we may withhold taxes from any dividends or interest earned on your account as required by federal, state or local law or regulations. 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 a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN within a reasonable time, we may suspend opening your account or close your account and return the balance to you, less any applicable service fees.

## 26. STATEMENTS

**a. Contents.** If we provide a periodic statement for your account, you will receive a periodic statement that shows the transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for joint accounts. For share draft or checking accounts, you understand and agree that your original check or draft, when paid, becomes property of the Credit Union and may not be returned to you, but copies of the check or draft may be retained by us or by payable-through financial institutions and may be made available upon your request. You understand and agree that statements are made available to you on the date they are mailed to you or, if you have requested, on the date they are made available to you electronically. You also understand and agree that checks, drafts, or copies thereof are made available to you on the date the statement is mailed to you or is provided to you electronically, even if the checks or drafts do not accompany the statement.

**b. Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. Irregularities include any fees you assert are improper or inappropriate. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies that are reflected on your statement within 30 calendar days of the date we sent or otherwise provided the statement to you, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of facsimile signature equipment. If you fail to timely report an item with unauthorized signature(s) or alterations, we will not be liable to you for any items with unauthorized signatures or alterations contained in the first statement and for any subsequent items with unauthorized signature(s) or alterations by the same person. You can report any irregularities to us by calling 800-800-9271 or writing to us at Liberty Federal Credit Union, P.O. Box 5129, Evansville, Indiana 47716.

The following rules do not apply to a transaction or claim related to a consumer electronic fund transfer governed by Regulation E (e.g., an every day/one-time consumer debit card or ATM transaction). For other transactions or claims, if you claim a credit or refund because of a forgery, alteration, or any other unauthorized withdrawal, you agree to cooperate with us in the investigation of the loss, including giving us an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act related to the claim of lost, missing, or stolen checks or unauthorized withdrawals. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorneys' fees incurred by you. You agree that you will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights or, at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

Unauthorized electronic fund transfers governed by Regulation E are subject to different reporting periods. Please refer to the Electronic Fund Transfers Agreement and Disclosure for reporting requirements pertaining to electronic fund transfers. For any other account problem, you must notify us within sixty (60) calendar days after we mail or otherwise make the statement available to you or you are precluded from asserting against us, and we will not be liable for, the problem.

**c. Notice to Credit Union.** You agree that the Credit Union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes, and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within 14 days of the time you regularly receive a statement. Absent a lack of ordinary care by us, a failure to receive your statement in a timely manner does not extend the time you have to conduct your review under this agreement.

**d. Address.** If we mail you a statement, we will send it to the last known address shown in our records. If you have requested to receive your statement electronically, we will send the statement or notice of statement availability to the last e-mail address shown in our records.

**27. INACTIVE ACCOUNTS** - As allowed by applicable law, we may classify your account as inactive or dormant and assess a fee if you have not made any transactions in your account over a specified period of time. The period of inactivity, the fee for servicing an inactive or dormant account, and the minimum balance required to avoid the service fee, if any, are set forth in our Fee Schedule. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable or reserve account and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will then be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

**28. 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 provide us with other protection. We may require that account changes requested by you, or any account owner, such as adding or closing an account or service, be evidenced by a signed Account Change Card, Member Services Request, or other document which evidences a change to an account and accepted by us.



**29. 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, for example: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; (7) we reasonably deem it necessary to prevent a loss to us; or (8) as otherwise permitted by law. You may terminate an individual account by giving written notice. We reserve the right to require the consent of all owners to terminate a joint account. We are not responsible for payment of any check, draft, withdrawal, transaction, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us. Items presented for payment after the account is closed may be dishonored and a fee may be charged.

**30. TERMINATION OF MEMBERSHIP; LIMITATION OF SERVICES** - You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share, if any, and closing all of your accounts. You may be expelled from membership for any reason allowed by applicable law. We may restrict account access and services, including access to Credit Union facilities, without notice to you when your account is being misused; you have demonstrated conduct abusive or disruptive in nature as defined in our limitation of services policy; you are not considered a member in good standing, including causing us a loss; or as otherwise permitted by law.

**31. DEATH OR INCOMPETENCE** - We may honor all transfer orders, withdrawals, deposits, and other transactions on an account until we know of a member's death or adjudication of incompetence. Even with such knowledge, we may continue to pay checks or drafts drawn on the deceased member's account for a period of ten days after the member's death unless we receive instructions from any person claiming an interest in the account to stop payment on the checks or drafts. To the extent permitted by law, we may require anyone claiming funds from a deceased owner's account to indemnify us for any losses we sustain if we honor that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

**32. UNLAWFUL INTERNET GAMBLING AND OTHER ILLEGAL ACTIVITIES** - You agree that you are not engaged in unlawful internet gambling or any other illegal activity. You agree that you will not use any of your accounts, access devices or services for unlawful internet gambling or other illegal activities. We may terminate your account relationship if you engage in unlawful internet gambling or other illegal activities.

**33. SEVERABILITY** - If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

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

**35. GOVERNING LAW** - This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the State of Indiana, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement not subject to arbitration shall be filed or pursued in the county in which the headquarters of the Credit Union is located.

**36. PERMITTED TIME FOR FILING A LAWSUIT OR REQUESTING ARBITRATION** - You must file any lawsuit or request arbitration against us within two years after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This two-year limit is in addition to any time limits on notice as a condition of making a claim. For purposes of a lawsuit or arbitration concerning a fee or charge assessed to your account, the cause of action will be deemed to have arisen or accrued on the date the first such fee or charge being complained of was assessed regardless of whether you had actual or constructive knowledge of any such cause of action, and you expressly waive any application of or reliance on any theory or doctrine of a continuing violation or breach or any other doctrine which might otherwise serve to toll or delay the beginning of the two-year limitation period. For any and all causes of action arising or accruing before the date this paragraph first became effective, January 1, 2024, you must still file any lawsuit or request arbitration against us within two years after January 1, 2024, and you acknowledge and agree that two years is a reasonable period of time to discover any such cause of action and bring suit or request arbitration, and you expressly waive any reliance on any vested or unvested rights you may have had under any other, longer statute of limitation.

**37. NEGATIVE INFORMATION NOTICE** - We may report information about your loan, share, or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

**38. MONITORING AND RECORDING COMMUNICATIONS** - We may monitor and record communications between you and us, including telephone conversations, electronic messages, electronic records, or other data transmissions that affect your accounts or other products and services. Except as otherwise prohibited by applicable law, you agree we may monitor and record such communications without your approval or further notice to you.

**39. CONSENT TO CONTACT** - By signing or otherwise authenticating a Membership Application, you agree we and/or our third-party providers, including debt collectors, may contact you by telephone call, text message, or voicemail transmission at any telephone number associated with your account, including wireless telephone numbers (i.e. cell phone numbers) which could result in charges to you, in order to service your account or collect any amounts owed to us, excluding any contacts for advertising and telemarketing purposes as prescribed by law. You further agree methods of contact may include use of pre-recorded or artificial voice messages, and/or use of an automatic dialing device. You may withdraw the consent to be contacted on your wireless telephone number(s) at any time by any reasonable means. If you have provided a wireless telephone number(s) on or in connection with any account, you represent and agree you are the wireless subscriber or customary user with respect to the wireless telephone number(s) provided and have the authority to give this consent. Furthermore, you agree to notify us of any change to the wireless telephone number(s) which you have provided to us.

In order to help mitigate harm to you and your account, we may contact you on any telephone number associated with your account, including a wireless telephone number (i.e. cell phone number), to deliver to you any messages related to suspected or actual fraudulent activity on your account, data security breaches or identity theft following a data breach, money transfers or any other exigent messages permitted by applicable law. These contacts will not contain any telemarketing, cross-marketing, solicitation, advertising, or debt collection message of any kind. The contacts will be concise and limited in frequency as required by law. You will have an opportunity to opt-out of such communications at the time of delivery.

**40. FRAUD PREVENTION SERVICES** - Except for consumer electronic fund transfers subject to Regulation E, you agree that if we offer services appropriate for your account to help identify and limit fraud or other unauthorized transactions, and you refuse those services, you will be responsible for any fraudulent or unauthorized transactions which could have been prevented by the services we offered. You will not be responsible if we acted in bad faith or to the extent our negligence contributed to the loss. Services include commercially reasonable security procedures. You are responsible for any payment order, whether authorized or not, that we accept in compliance with an alternative security procedure selected by you.

**41. ACCOUNT SECURITY** - Our policy may require methods of verifying your identity before providing a service or allowing account access. We can decide what identification is reasonable under the circumstances, which may vary depending on whether you submit your request online or in person. Identification may include collecting a fingerprint, voiceprint, or other biometric information. It is your responsibility to protect the account numbers and

electronic access devices provided for your accounts. You must also safeguard your username, password, and other identifying information when accessing your accounts through electronic, computer, audio, or mobile device or technology. If you give anyone authority to access the account on your behalf you should exercise caution and ensure you trust that person or agent. You must also take precaution in safeguarding your blank checks. Notify us immediately if you believe your checks are lost or stolen. If you are negligent in safeguarding your checks, you must bear the loss or share the loss with us.

**42. CARD AVAILABILITY** - For the Classic Checking Account, an ATM card may be issued with this account upon application. A debit card is not permitted. For the Classic Debit Checking, Platinum Rewards Checking, Vertical Checking, Investor Checking, and Non-Dividend Checking, a debit card will be issued. For Opportunity Checking, a debit or ATM card may be issued. For HSA Checking, an HSA debit card is available for point-of-sale transactions.

**43. RESOLVING ACCOUNT DISPUTES** - We may place an administrative hold on the funds in your account if it becomes subject to: a claim: 1) adverse to your own interest; 2) adverse to others claiming an interest as beneficiaries or survivors of your account; or 3) arising by operation of law. The hold may be placed for a time period we feel reasonably necessary to allow a legal proceeding to determine the claim or we receive satisfactory evidence of the dispute resolution. We will not be liable for any items dishonored as a consequence of placing a hold on funds in your account for this reason.

**44. REIMBURSEMENT OF FEDERAL BENEFIT PAYMENTS** - If we are required for any reason to reimburse the federal government for all or any portion of a benefit payment that was directly deposited into your account, you authorize us to deduct the amount owed to the federal government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law.

**45. FACSIMILE SIGNATURE** - Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we do agree to honor items containing facsimile signatures, you authorize us at any time to charge you for all checks, drafts, or other orders for the payment of money that are drawn on us. You give us this authority so long as the facsimile signature(s) resembles the specimen on file with us.

**46. IMPORTANT INFORMATION REGARDING DECOUPLED CARDS** - Decoupled debit cards are debit cards offered or issued by an institution or merchant other than us. As part of the issuing process, you provide the decoupled debit card issuer with information it needs to link the card to your account with us. After this is complete, you typically can use the decoupled debit card as any other debit card. Transactions initiated with this decoupled debit card may originate as debit card transactions paid by the card issuer, but we receive and process them as ACH transactions. Refer to your agreement with the decoupled debit card issuer to understand the terms of this card. When our documentation refers to 'debit cards,' 'everyday debit card transactions,' or 'one-time debit card transactions,' we are referring to debit cards issued by us and not referring to decoupled debit cards.

**47. CHECK PROCESSING** - We process items mechanically by relying almost exclusively on the information encoded in magnetic ink along the bottom of items. We do not individually examine all of your items to determine if the item is properly completed, signed, and endorsed or to determine if it contains any information other than what is encoded in magnetic ink. You agree we have exercised ordinary care if our automated processing is consistent with general banking practice, even though we do not inspect each item. We are not responsible for any unauthorized signature or alteration that would not be identified by a reasonable inspection of the item. If you write a check to multiple payees, we can properly pay the check regardless of the number of endorsements unless you notify us in writing that the check requires multiple endorsements. You must tell us the date, amount, check number, and payee(s).

**48. TELEPHONE TRANSFERS** - A telephone transfer of funds from this account to another account with us may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Limitations of the number of telephone transfers from a savings account are described elsewhere.

**49. SUBSTITUTE CHECKS OR OTHER CHECK IMAGES** - If you truncate an original check and create a substitute check, or other paper or electronic image of the original check, you warrant that no one will be asked to make payment on the original check, a substitute check or other image, if the payment obligation relating to the original check has already been paid. You warrant any substitute check you create conforms to legal requirements and agree to retain the original check in conformance with our policy for retention of original checks. You agree to indemnify us for any loss we may incur as a result of any truncated check you initiate. We can refuse to accept substitute checks that have not previously been warranted by another financial institution in conformance with the Check 21 Act. In these types of transactions the check or similar item is either removed from circulation (truncated) or given back to you. As a result, we have no opportunity to review the signatures or otherwise examine the original check or item. You agree that, as to these or any items which we have no opportunity to examine the signatures, you waive any requirement of multiple signatures.

**50. CASH WITHDRAWALS** - We recommend you take care when making large cash withdrawals because carrying large amounts of cash may pose a danger to your safety. You may want to consider a cashier's check as an alternative. You assume full responsibility of any loss in the event the cash you withdraw is lost, stolen, or destroyed. You agree to hold us harmless from any loss you incur as a result of your large cash withdrawal.

**51. FOREIGN CURRENCY** - All checks or drafts drawn on your account shall be payable in currency of the United States. You agree not to draw a check or draft that is payable in any foreign currency. If you give us an order to pay a check or draft in a foreign currency, we have the right to return the check or draft unpaid. However, if we pay the check or draft, we will not be responsible for the currency conversion or any fees assessed for collection, and you will be bound by our determination of the currency conversion rate, the data used and the manner in which we make the conversion.

**52. BINDING ARBITRATION OF CLAIMS AND DISPUTES** - RESOLUTION OF DISPUTES BY ARBITRATION: THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

#### **Agreement to Arbitrate Disputes.**

Either you or we may elect, without the other's consent, to require that any dispute between us concerning your accounts or the services related to your accounts be resolved by binding arbitration, except for those disputes specifically excluded below.

#### **No Class Action or Joinder of Parties.**

YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders

or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

#### **Disputes Covered by Arbitration.**

YOU ACKNOWLEDGE THAT IN ARBITRATION, THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of your accounts or the services related to your accounts or our relationship will be subject to arbitration, regardless of whether that dispute or the facts underlying or giving rise to that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general, or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to this arbitration provision's enforceability, validity, scope, or interpretation. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to your accounts. Disputes include not only claims made directly by you, but also made by anyone connected with you or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its parent, affiliates, successors, assignees, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not correctly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable grounds and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders, or otherwise; and claims made independently or with other claims. If a party initiates a proceeding in court regarding a claim or dispute that is included under this arbitration provision, the other party may elect to proceed in arbitration pursuant to this arbitration provision.

#### **Disputes Excluded from Arbitration.**

Disputes filed by you or by us individually in a small claims court are not subject to arbitration so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this arbitration provision. Claims or disputes arising from your status as a borrower under any loan agreement with the Credit Union are also excluded from this arbitration provision.

#### **Mediation Required Prior to Filing a Claim in Arbitration.**

Prior to either party filing a claim in arbitration, they shall first make a written demand upon the other party setting forth their claim. The parties shall then attempt to resolve the dispute in good faith for a minimum of 60 days before any claim may be filed in arbitration. During this period, both parties agree to toll any applicable statute of limitations.

#### **Commencing an Arbitration.**

The arbitration must be either conducted by a neutral arbitrator selected by agreement of the parties or filed with the following neutral arbitration forum and follow its rules and procedures for initiating and pursuing an arbitration:

JAMS  
1-800-352-5267 (toll-free)  
[www.jamsadr.com](http://www.jamsadr.com)

If we initiate the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules and additional information about initiating an arbitration by contacting JAMS.

If you initiate the arbitration, you must notify us in writing at:

Liberty Federal Credit Union  
4401 Theater Drive  
Evansville, Indiana 47715

The arbitration shall be conducted in the same city as the U.S. District Court closest to your home address unless the parties agree to a different location in writing.

#### **Administration of Arbitration.**

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years' experience or a retired or former judge selected in accordance with the rules of the arbitration forum. The arbitration will be conducted in accordance with the JAMS Comprehensive Arbitration Rules & Procedures in effect on the date the arbitration is filed. If there is a conflict between a particular provision of the JAMS Rules and this arbitration provision and/or this agreement, this arbitration provision and this agreement will control. If JAMS is unable or unwilling to handle the claim for any reason, then the matter shall be arbitrated by a neutral arbitrator selected by agreement of the parties (or, if the parties cannot agree, selected by a court in accordance with the Federal Arbitration Act). The neutral arbitrator selected by the parties or the court shall apply the Federal Rules of Evidence and the Federal Rules of Procedure concerning discovery, except that the above class action waiver is specifically enforceable notwithstanding any Federal Rule of Procedure to the contrary.

You understand and agree that the applicable rules and procedures in arbitration may limit the discovery available to you or us. The arbitrator must take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration other than, as allowed by law, a joint account holder or entity in privity with either party as to the claim at issue. An award in arbitration shall not have any bearing on the rights and obligations of any other person other than those identified in the foregoing sentence, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At your or our request, the arbitrator shall issue a written, reasoned decision following applicable law, and relief granted must be relief that could be granted by a court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

#### **Costs.**

The party initiating the arbitration shall pay the initial filing fee. If you file the arbitration and an award is rendered in your favor, we will reimburse you for your filing fee. If there is a hearing, we will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that you

cannot afford to pay them or finds other good cause for requiring us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, witnesses, and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

**Right to Resort to Provisional Remedies Preserved.**

Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

**Arbitration Award**

The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

**Governing Law.**

You and we agree that our relationship includes transactions involving interstate commerce and that this arbitration provision is governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Indiana shall apply.

**Severability, Survival.**

This arbitration provision shall survive (a) termination or changes to your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your accounts or any related services. If any portion of this arbitration provision is deemed invalid or unenforceable, the remainder of this arbitration provision shall remain in force. No portion of this arbitration provision may be amended, severed, or waived absent a written agreement between you and us.

**Right to Reject this Arbitration Provision.**

You have the right to opt-out of this agreement to arbitrate if you opt out within 30 days after you have opened your first account with us or joined your first account with us, either as a member or joint accountholder, unless paragraphs 2 or 3 of this Right to Reject Arbitration Provision apply. To opt-out, send us written notice as follows: (i) your written notice must include your name, as listed on your account, your account number, and a statement that you reject this Arbitration Agreement, and (ii) you must send your written notice to us at the following address: Liberty Federal Credit Union, 4401 Theater Drive, Evansville, Indiana 47715.

If you timely and effectively opted out of an earlier arbitration provision as required by its terms, we will automatically apply your previous request to opt out to the current Arbitration Agreement unless you instruct us otherwise.

If you opened or joined your first account with us before the date we sent you a notice of, or offered a copy of, the current Arbitration Agreement ("Notice Date"), and whether or not you previously opted out of prior arbitration provisions, you may still opt out of the current Arbitration Agreement but must do so within 30 days of the Notice Date. However, if you were previously offered the opportunity to opt out of any prior arbitration provisions and did not do so, then your opt out will apply only to suits filed or claims made after the Notice Date. You will not be offered any further opportunities to opt out after January 1, 2024, if you were offered any opportunity to opt out before that date.

If you were previously afforded the opportunity to opt out of earlier arbitration and class action waiver terms, but you did not do so before we sent notice of this document, your right to opt out will be limited to those suits or claims or disputes first made or filed after we receive a timely opt out from you.

## FUNDS AVAILABILITY POLICY DISCLOSURE

This Disclosure describes your ability to withdraw funds at Liberty Federal Credit Union. It only applies to the availability of funds in transaction accounts. The Credit Union reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.

**1. GENERAL POLICY** — Our policy is to make funds from your cash and check deposits available to you on the same business day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before close of business on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after the close of business or on a business day we are not open, we will consider that the deposit was made on the next business day we are open.

**2. RESERVATION OF RIGHT TO HOLD** — In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Funds may not be available until the second business day after the day of your deposit. However, the first \$225.00 of your deposit will be available on the first business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees or if we decide to take this action after you have left the premises, we will mail you the notice by the next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**3. HOLDS ON OTHER FUNDS** — If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this Disclosure for the type of check that you deposited.

**4. LONGER DELAYS MAY APPLY** — We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,525.00 on any one (1) day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of 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 seventh business day after the day of your deposit.

**5. SPECIAL RULES FOR NEW ACCOUNTS** — If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the same business day that we receive your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525.00 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525.00 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the seventh business day after the day of your deposit.

**6. DEPOSITS AT NONPROPRIETARY ATMS** — Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the third business day after the date 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.

**7. 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. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institution upon which it is drawn.

## ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

This Electronic Fund Transfers Agreement and Disclosure is the contract which covers your and our rights and responsibilities concerning the electronic fund transfers (EFT) services offered to you by Liberty Federal Credit Union ("Credit Union"). In this Agreement, the words "you," "your," and "yours" mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one (1) or more share and checking accounts you have with the Credit Union. Electronic fund transfers are electronically initiated transfers of money from your account through the EFT services described below. By signing an application or account card for EFT services, signing your card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered. Furthermore, electronic fund transfers that meet the definition of remittance transfers are governed by 12 C.F.R. part 1005, subpart B—Requirements for remittance transfers, and consequently, terms of this agreement may vary for those types of transactions. A "remittance transfer" is an electronic transfer of funds of more than \$15.00 which is requested by a sender and sent to a designated recipient in a foreign country by a remittance transfer provider. Terms applicable to such transactions may vary from those disclosed herein and will be disclosed to you at the time such services are requested and rendered in accordance with applicable law.

**1. EFT SERVICES** — If approved, you may conduct any one (1) or more of the EFT services offered by the Credit Union.

**a. ATM Card.** If approved, you may use your card and personal identification number (PIN) in automated teller machines (ATMs) of the Credit Union, NYCE, Cirrus, Maestro networks, and such other machines or facilities as the Credit Union may designate. For ATM transactions, you must consent to the Credit Union's standard overdraft practice in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for ATM overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Fee Schedule.

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

- Make deposits to your share and checking accounts.
- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.

The following limitations on ATM Card transactions may apply:

- There is no limit on the number of cash withdrawals you may make in any one (1) day.
- You may withdraw up to a maximum of \$520.00 in any one (1) day, if there are sufficient funds in your account.
- You may make 25 ATM transactions in any one (1) day.
- For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.
- You may transfer up to the available balance in your accounts at the time of the transfer.
- See Section 2 for transfer limitations that may apply to these transactions.

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.

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

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

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

- Make deposits to your share and checking accounts.
- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.

- Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at merchants that accept Mastercard.
- Order goods or services online or by mail or telephone from places that accept Mastercard.

The following limitations on Debit Card transactions may apply:

- You may make 25 Debit Card transactions per day.
- You may withdraw up to a maximum of \$520.00 in any one (1) day from an ATM machine, if there are sufficient funds in your account.
- You may purchase up to a maximum of \$10,000.00 from POS terminals per day, if there are sufficient funds in your account.
- For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.
- You may transfer up to the available balance in your accounts at the time of the transfer.
- See Section 2 for transfer limitations that may apply to these transactions.

**Card Information Updates and Authorizations.** If you have authorized a merchant to bill charges to your card on a recurring basis, it is your responsibility to notify the merchant in the event your card is replaced, your card information (such as card number and expiration date) changes, or the account associated with your card is closed. However, if your card is replaced or card information changes, you authorize us, without obligation on our part, to provide the updated card information to the merchant in order to permit the merchant to bill recurring charges to the card. You authorize us to apply such recurring charges to the card until you notify us that you have revoked authorization for the charges to your card.

Your card is automatically enrolled in an information updating service. Through this service, your updated card information (such as card number and expiration date) may be shared with participating merchants to facilitate continued recurring charges. Updates are not guaranteed before your next payment to a merchant is due. You are responsible for making direct payment until recurring charges resume. To revoke your authorization allowing us to provide updated card information to a merchant, please contact us.

**c. Health Savings Debit Card.** If you will be using your Mastercard® debit card to access a Health Savings Account (HSA), portions of this Agreement governed by Regulation E will not apply. A HSA account is defined by the IRS as a trust account, and therefore is not covered under Regulation E. But portions of this Agreement, such as Mastercard zero liability provisions for unauthorized use for example, do apply. Funds to cover your card purchases will be deducted from your Health Savings account. You may use your card and personal identification number (PIN) in ATMs of the Credit Union, NYCE, Cirrus networks, and such other machines or facilities as the Credit Union may designate.

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

- Make deposits to your HSA Checking account.
- Withdraw funds from your HSA Checking account.
- Obtain balance information for your HSA Checking account.
- Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at merchants that accept Mastercard.
- Order goods or services online or by mail or telephone from places that accept Mastercard.

The following limitations on Health Savings Debit Card transactions may apply:

- Please see subsection (b) above for the applicable card limitations.

**Card Information Updates and Authorizations.** If you have authorized a merchant to bill charges to your card on a recurring basis, it is your responsibility to notify the merchant in the event your card is replaced, your card information (such as card number and expiration date) changes, or the account associated with your card is closed. However, if your card is replaced or card information changes, you authorize us, without obligation on our part, to provide the updated card information to the merchant in order to permit the merchant to bill recurring charges to the card. You authorize us to apply such recurring charges to the card until you notify us that you have revoked authorization for the charges to your card.

Your card is automatically enrolled in an information updating service. Through this service, your updated card information (such as card number and expiration date) may be shared with participating merchants to facilitate continued recurring charges. Updates are not guaranteed before your next payment to a merchant is due. You are responsible for making direct payment until recurring charges resume. To revoke your authorization allowing us to provide updated card information to a merchant, please contact us.

**d. ExpressLine.** If we approve ExpressLine for your accounts, a separate personal identification number (PIN) will be assigned to you. You must use your personal identification number (PIN) along with your account number to access your accounts. At the present time, you may use ExpressLine to:

- Transfer funds from your share, checking, and loan accounts.
- Obtain balance and transaction information for your share, checking, loan, and certificate accounts.
- Make loan payments from your share, checking, and loan accounts.

Your accounts can be accessed under ExpressLine via a touch-tone telephone only. ExpressLine service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing.

The following limitations on ExpressLine transactions may apply:

- There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day.
- See Section 2 for transfer limitations that may apply to these transactions.

The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set

other limits on the amount of any transaction. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each telephone call.

**e. Preauthorized EFTs.**

- **Preauthorized Credits.** Upon instruction of (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits, such as your paycheck or federal recurring payments (for example, Social Security), to your share and/or checking account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your share and/or checking account.
- See Section 2 for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make electronic fund transfers out of your account(s) for money you owe others, you may stop payment on preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within 14 days of any oral notification. If we do not receive the written confirmation, the oral stop payment order may cease to be binding 14 days after it has been made. A stop payment request may apply to a single transfer, multiple transfers, or all future transfers as directed by you, and will remain in effect unless you withdraw your request or all transfers subject to the request have been returned.
- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

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

**g. Digital Banking.** If Digital Banking is activated for your account(s), you will be required to use secure login information to access the account(s). You must accept separate Digital Banking Terms and Conditions upon enrollment. At the present time, you may use Digital Banking to:

- Transfer funds from your share, checking, loan, and certificate accounts.
- Obtain balance and transaction information for your share, checking, loan, and certificate accounts.
- Make loan payments from your share and checking accounts.
- Obtain tax information on amounts earned on share and share draft accounts or interest paid on loan accounts.
- Make bill payments to preauthorized creditors.
- External Account Transfers, Person to Person Payments, Tax Documents, and Bill Pay. See Separate terms and conditions that apply for each service.
- More services are available in LFCU digital banking.

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

The following limitations on Digital Banking transactions may apply:

- There is no limit to the number of inquiries or transfer requests you may make in any one (1) day.
- See Section 2 for transfer limitations that may apply to these transactions.

**h. Liberty FCU Mobile.** If Liberty FCU Mobile is activated for your account(s), you will be required to use secure login information to access the account(s). At the present time, you may use Liberty FCU Mobile to:

- Transfer funds from your share, checking, loan, and certificate accounts.
- Obtain balance and transaction information for your share, checking, loan, and certificate accounts.
- Make loan payments from your share and checking accounts.
- Obtain tax information on amounts earned on share and share draft accounts or interest paid on loan accounts.
- Make bill payments to preauthorized creditors.
- External Account Transfers, Person to Person Payments, Tax Documents and Bill Pay. See separate terms and conditions that apply for each service.
- More services are available in the Liberty FCU Mobile app.

Your accounts can be accessed under Liberty FCU Mobile via mobile device or other approved access device(s). Liberty FCU Mobile will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. We may set other limits on the amount of any transaction. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will



discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The following limitations on Liberty FCU Mobile transactions may apply:

- There is no limit to the number of inquiries or transfer requests you may make in any one (1) day.
- See Section 2 for transfer limitations that may apply to these transactions.

i. **Bill Pay.** See separate Bill Pay terms and conditions in the Digital Banking Agreement and Disclosure.

**2. TRANSFER LIMITATIONS —** For all share, club, and money market accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed.

### **3. CONDITIONS OF EFT SERVICES —**

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

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

#### **c. Foreign Transactions.**

**Mastercard.** Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate used to convert foreign currency transactions to U.S. dollars is based on rates observed in the wholesale market or government-mandated rates, where applicable. The currency conversion rate Mastercard uses for a particular transaction is the rate for the applicable currency on the date the transaction occurs. However, in limited situations, particularly where transaction submissions to Mastercard for processing are delayed, the currency conversion rate Mastercard uses may be the rate for the applicable currency on the date the transaction is processed.

A fee of up to 1.00% of the transaction amount will be charged on all foreign transactions. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the United States. All fees are calculated based on the transaction amount after it is converted to U.S. dollars and are charged except where excluded. Transactions completed by merchants outside of the United States are considered foreign transactions, regardless of whether you are located inside or outside the United States at the time of the transaction.

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

**e. Joint Accounts.** If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any share and share draft or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and is hereby authorized by every other joint account owner, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

**4. FEES AND CHARGES —** We assess certain fees and charges for EFT services. For a current listing of all applicable fees and charges, see our current Fee Schedule that was provided to you at the time you applied for or requested these EFT services. From time to time, the fees and charges may be changed, and we will notify you as required by applicable law.

Additionally, if you use an ATM not operated by us, you may be charged a fee(s) by the ATM operator and by any international, national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). The ATM fee(s), or surcharge(s), will be debited from your account if you elect to complete the transaction and/or continue with the balance inquiry.

You understand and agree that we and/or the ATM operator may charge you multiple fees for multiple transactions during the same ATM session (for example, fees for both a balance inquiry and a cash withdrawal).

**5. MEMBER LIABILITY —** You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit someone else to use an EFT service, your card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, TELL US AT ONCE if you believe your card and/or access code has been lost or stolen, if you believe someone has used your card or access code or otherwise accessed your accounts without your permission, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line-of-credit).

You are not liable for an unauthorized Mastercard debit card transaction if you can demonstrate that you have exercised reasonable care in protecting your card or access code from loss or theft and, upon discovering the loss or theft, you promptly report the loss or theft to us.

For all other EFT transactions involving access devices, your liability for unauthorized transactions is determined as follows. If you tell us within two (2) business days after you learn of the loss or theft of your card or access code, you can lose no more than \$50.00 if someone used your card or access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or access code and we can prove that we could have stopped someone from using your card or access code without your permission if you had told us, you could lose as much as \$500.00.

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

If you believe your card or access code has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, call:

812.477.9271  
800.800.9271

or write to:

Liberty Federal Credit Union  
PO Box 5129  
Evansville, IN 47716

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

## **6. RIGHT TO RECEIVE DOCUMENTATION —**

**a. Periodic Statements.** Transfers and withdrawals made through any ATM or POS terminal, debit card transactions, HSA debit card transactions, audio response transactions, preauthorized EFTs, online/PC transactions, mobile access device transactions or bill payments you make will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

**b. Terminal Receipt.** You can get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM and/or point-of-sale (POS) terminal.

**c. Preauthorized Credits.** If you have arranged to have a direct deposit made to your account at least once every 60 days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling 812.477.9271 or 800.800.9271. This does not apply to transactions occurring outside the United States.

**7. ACCOUNT INFORMATION DISCLOSURE —** We will disclose information to third parties about your account or the transfers you make:

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

**8. BUSINESS DAYS —** Our business days are Monday through Friday, excluding holidays.

**9. CREDIT UNION LIABILITY FOR FAILURE TO MAKE TRANSFERS —** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, we will not be liable for direct or consequential damages in the following events:

- If, through no fault of ours, there is an insufficient available balance in your account to complete the transaction, if any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy Disclosure, or if the transaction involves a loan request exceeding your credit limit.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the ATM was not working properly and you knew about the problem when you started the transaction.
- If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction.
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your card, access code, or any EFT facility for making such transfers.

- If the telephone or computer equipment you use to conduct audio response, online/PC, or mobile banking transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- If you have bill payment services, we can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- Any other exceptions as established by the Credit Union.

**10. NOTICES** — All notices from us will be effective when we have mailed them or delivered them to the appropriate address in the Credit Union's records. Written notice you provide in accordance with your responsibility to report unauthorized transactions to us will be considered given at the time you mail the notice or deliver it for transmission to us by any other usual means. All other notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which EFT services are offered and will provide notice to you in accordance with applicable law. Use of EFT services is subject to existing regulations governing your Credit Union account and any future changes to those regulations.

**11. BILLING ERRORS** — In case of errors or questions about electronic fund transfers from your share and share draft accounts or if you need more information about a transfer on the statement or receipt, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem appears. Call us at:

812.477.9271  
800.800.9271

or write to:

Liberty Federal Credit Union  
PO Box 5129  
Evansville, IN 47716

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

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

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

We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

\* If you give notice of an error occurring within 30 days after you make the first deposit to your account, we may take up to 20 business days instead of ten (10) business days to investigate the error.

\*\* If you give notice of an error occurring within 30 days after you make the first deposit to your account, notice of an error involving a point-of-sale (POS) transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we may take up to 90 days instead of 45 days to investigate the error. Additionally, for errors occurring within 30 days after you make the first deposit to your account, we may take up to 20 business days instead of ten (10) business days to credit your account.

**12. TERMINATION OF EFT SERVICES** — You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your card and any access code. You must return all cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any electronic transactions made prior to termination.

**13. GOVERNING LAW** — This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of Indiana, and local clearinghouse rules, including the NACHA Operating Rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

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

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## TRUTH-IN-SAVINGS DISCLOSURE

The fees and terms applicable to your account at the Credit Union are provided with this Truth-in-Savings Disclosure.

### RATE SCHEDULE

ACCOUNT TYPE	DIVIDENDS				BALANCE REQUIREMENTS				ACCOUNT LIMITATIONS
	Dividend Rate/ Annual Percentage Yield (APY)	Dividends Compounded	Dividends Credited	Dividend Period	Minimum Opening Deposit	Minimum Balance to Avoid a Service Fee	Minimum Balance to Earn the Stated APY	Balance Method to Calculate Dividends	
Regular Share	SEE SEPARATE RATE SHEET	Monthly	Monthly	Monthly (Calendar)	\$5.00	—	\$200.00	Daily Balance	Account transfer and withdrawal limitations apply.
Special Share		Monthly	Monthly	Monthly (Calendar)	—	—	\$200.00	Daily Balance	Account transfer and withdrawal limitations apply.
Individual Retirement Account (IRA) Share		Monthly	Monthly	Monthly (Calendar)	—	—	\$500.00	Daily Balance	Account transfer and withdrawal limitations apply.
Coverdell Education Savings Account (CESA) Share		Monthly	Monthly	Monthly (Calendar)	—	—	\$500.00	Daily Balance	Account transfer and withdrawal limitations apply.
Christmas Club		Monthly	Monthly	Monthly (Calendar)	—	—	\$200.00	Daily Balance	Account transfer and withdrawal limitations apply.
Vacation Club		Monthly	Monthly	Monthly (Calendar)	—	—	\$200.00	Daily Balance	Account transfer and withdrawal limitations apply.
Money Market		Monthly	Monthly	Monthly (Calendar)	\$1,000.00	—	\$1,000.00	Daily Balance	Account transfer and withdrawal limitations apply.
Health Savings Account (HSA) Checking		Monthly	Monthly	Monthly (Calendar)	—	—	\$500.00	Daily Balance	—
Classic Checking		Monthly	Monthly	Monthly (Calendar)	\$25.00	—	\$500.00	Daily Balance	—
Classic Debit Checking		Monthly	Monthly	Monthly (Calendar)	\$25.00	—	\$500.00	Daily Balance	—
Investor Checking		Monthly	Monthly	Monthly (Calendar)	\$25.00	—	\$1,000.00	Daily Balance	—
Platinum Rewards Checking		Monthly	Monthly	Monthly (Calendar)	\$25.00	—	\$500.00	Daily Balance	—
Vertical Checking  When qualifications are met - see section 2 for additional details		Monthly	Monthly	Monthly (Calendar)	\$25.00	—	—	Daily Balance	—
Non-Dividend Checking	—	—	—	\$25.00	—	—	—	—	
Opportunity Checking	—	—	—	\$25.00	—	—	—	—	

### ACCOUNT DISCLOSURES

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

**1. RATE INFORMATION** — The annual percentage yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For Regular Share, Special Share, IRA Share, CESA

Share, Christmas Club, Vacation Club, Money Market, HSA Checking, Classic Checking, Classic Debit Checking, Investor Checking, Platinum Rewards Checking, and Vertical Checking accounts, the dividend rate and annual percentage yield may change at any time as determined by

the Credit Union. The dividend rates and annual percentage yields are the rates and yields as of the last dividend declaration date, which is the last day of the dividend period. Money Market and Investor Checking accounts are tiered rate accounts. The balance ranges and corresponding dividend rates and annual percentage yields applicable to each tier are disclosed in the separate Rate Sheet. For Money Market and Investor Checking accounts, once a particular range is met, the dividend rate and annual percentage yield for that balance range will apply to the full balance of your account.

**2. VERTICAL CHECKING** – For Vertical Checking accounts, the dividend rate and annual percentage yield listed in the separate Rate Sheet will apply to balances up to \$20,000.00 if you meet the applicable minimum qualification requirements for each monthly qualification cycle. Dividends will not be paid on balances over \$20,000.00. To meet the minimum qualification requirements, you must: 1) make 15 or more debit card purchases that post and settle your account during the qualification cycle; 2) have one or more direct deposits that post and settle your account during the qualification cycle; 3) be enrolled in and log into online banking or mobile banking monthly; and 4) be enrolled in and receive eStatements. Debit transactions typically post within two business days and may vary based on merchant processing. The monthly qualification cycle is defined as a period beginning the first day of the calendar month and ending on the last day of the calendar month in which dividends are paid. The dividend rate for which you qualify on the last day of the month will be the rate that is used to calculate dividends for the entirety of the month. The dividend rate will reset on the first day of each month. If you meet the monthly qualification requirements, we will also refund up to \$15.00 in ATM fees assessed at ATMs we do not own or operate. You will not be paid dividends or ATM Fee Reimbursements for the dividend period if you do not meet the monthly qualification requirements. We reserve the right to restrict the number of Vertical Checking Accounts per social security number.

**3. NATURE OF DIVIDENDS** — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period.

**4. DIVIDEND COMPOUNDING AND CREDITING** — The compounding and crediting frequency of dividends and the dividend period applicable to each account are stated in the Rate Schedule. The dividend period is the period of time at the end of which an account earns dividend credit. The

dividend period begins on the first calendar day of the period and ends on the last calendar day of the period.

**5. ACCRUAL OF DIVIDENDS** — For all earning accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account.

**6. BALANCE INFORMATION** — To open any account, you must deposit or already have on deposit the minimum required share(s) in a Regular Share account. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are set forth in the Rate Schedule. For Regular Share, Special Share, IRA Share, CESA Share, Christmas Club, Vacation Club, Money Market, HSA Checking, Classic Checking, Classic Debit Checking, Investor Checking, and Platinum Rewards Checking accounts, there is a minimum daily balance required to earn the annual percentage yield disclosed for the dividend period. If the minimum daily balance requirement is not met each day of the period, you will not earn the annual percentage yield stated in the separate Rate Sheet. For accounts using the daily balance method as stated in the Rate Schedule dividends are calculated by applying a daily periodic rate to the balance in the account each day.

**7. ACCOUNT LIMITATIONS** — For Regular Share, Special Share, IRA Share, CESA Share, Christmas Club, Vacation Club, and Money Market accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, a fee may be charged per presentment, including a return ACH fee, and your account may be closed. For HSA Checking, Classic Checking, Classic Debit Checking, Investor Checking, Platinum Rewards Checking, Vertical Checking, Non-Dividend Checking, and Opportunity Checking accounts, no account limitations apply.

**8. FEES FOR OVERDRAWING ACCOUNTS** — Fees for overdrawing your account may be imposed on each check, draft, item, ATM transaction and one-time debit card transaction (if member has consented to standard overdraft practice for ATM and one-time debit card transactions), preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available

account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Membership and Account Agreement and Funds Availability Policy Disclosure for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the separate Rate Sheet for current fee information.

For ATM and one-time debit card transactions, you must consent to the Credit Union's standard overdraft practice in order for the transaction amount to be covered under the practice. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Fee Schedule. To the extent there is any inconsistency between the terms of this Paragraph 8 and any of the terms of the Membership Agreement related to fees, the terms of the Membership Agreement will control.

**9. MEMBERSHIP** — As a condition of membership, you must purchase and maintain the minimum required share(s) as set forth below. If the balance in your account falls below \$5.00, you will be terminated from membership if you do not increase the balance in your regular share account to at least \$5.00 within 30 days of the reduction.

Par Value of One Share	\$5.00
Number of Shares Required	1

**10. RATES** — The rates provided in the separate Rate Sheet are accurate as of the last dividend declaration date, which is the last day of the dividend period. If you have any questions or require current rate information on your accounts, please call the Credit Union. The dividend rate and annual percentage yield are subject to change. We may change the dividend rate for your account as determined by the Credit Union.

**11. FEES** — See separate Fee Schedule for a listing of fees and charges applicable to your account(s).

**12. OPPORTUNITY CHECKING LIMITATIONS** — Members with an Opportunity Checking may apply for another type of checking account if the account has been open in good standing with no instances of an unpaid item for a minimum of twelve consecutive months. This account

incurs a monthly fee and does not qualify for the overdraft privilege (ODP) program that allows accounts to be taken to a negative balance in order to cover items presented for payment. If the Credit Union closed an Opportunity Checking account due to account abuse, the member(s) will not qualify for another checking account of any type at LFCU for a period of at least one year.

**13. HSA CHECKING LIMITATIONS** — The HSA Checking account does not qualify for the overdraft privilege (ODP) program or overdraft coverage from a designated regular share account. ATM access is not allowed.

**14. ADDITIONAL FEATURES** — For checking accounts, automatic transfers to cover overdrafts are available from a designated regular share account.

-For checking accounts, members may also apply for an overdraft protection plan. If a loan account has been established, the Credit Union may treat an item which exceeds the checking account balance as a request to the Credit Union for an advance from the preapproved line of credit.

-It is the intent of the Credit Union to close any checking account that is misused by the owner.

-We reserve the right not to open a checking account when a member has a negative record with a consumer reporting agency or LFCU.

-We reserve the right to at any time require not less than seven days notice in writing before each withdrawal from a dividend-bearing account other than a time deposit or demand deposit, or from any other share account as defined by Regulation D.

-Periodic statements, notices, receipts, and most other documentation from the Credit Union may be addressed to the primary account owner only.

-Anyone under the age of 18 must have a joint owner on the checking account age 18 or older.

-Funds in a Regular Share Account can be pledged as collateral on a LFCU loan.

