

## Terms and Conditions of Your Account

This document covers your and our rights and responsibilities concerning your account(s) with us. By signing an account card, you agree, jointly and severally, to these terms and conditions, the Truth in Savings Rate & Fee Schedule, the Funds Availability Policy Disclosure, the Electronic Funds Transfer Agreement and Disclosure, the Credit Union's Bylaws and Policies, and any amendments made to these documents. If you have any questions, please contact us.

This agreement is governed by applicable federal laws and regulations, the laws of the state of Maryland, local clearinghouse rules and the bylaws of the credit union as amended from time to time. The state and federal laws that govern our relationship with you is too large and complex to be printed in this document.

The purpose of this document is as follows:

1. To summarize the rules already in existence for the more common transactions;
2. To establish rules for transactions/issues that the law does not regulate and/or already regulates but allows variation by agreement; and
3. To provide you with our funds availability and our electronic funds transfer policy.

There are some variations to this standard agreement, however they must first be agreed to in writing on your signature card or in some other form.

In this document, the words "you" and "yours" mean the owner(s) of this account and/or anyone signing an Account Card or Account Change Card (Account Card) in a representative capacity (e.g. a "convenience person" or a grantee of a power of attorney) appointed by or on behalf of the owner(s). The word "party" means a person designated in the account agreement who possesses a present right to draw on funds in the account other than as a convenience person or beneficiary. The words "we", "us", and "our" mean the Credit Union. The word "account" means any one or more share accounts or other accounts with the Credit Union.

### MEMBERSHIP ELIGIBILITY

To join the credit union you must qualify under the credit union's field of membership, purchase and maintain at a minimum one share as required by the credit union's bylaws. You agree that we may at any time check your account, credit (to include third party credit reporting agencies) and employment history to verify that you are eligible for the account and services for which you are applying.

### IDENTITY VERIFICATION

You will be required to establish and confirm your identity as per Section 326 of the USA Patriot Act of 2001. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents. If we are unable to confirm your identity we may delay or refuse the opening of your account, and/or freeze funds on deposit until required verification is received.

### ACCOUNT OWNERSHIP/BENEFICIARY DESIGNATION

The following rules apply to this account unless otherwise specified in the account records. **Unless other instruction is given, upon the death of a party the funds in a multiple party ownership account will belong to the surviving party(s) as noted on the account card.** We reserve the right of refusal for some types of ownership on any or all of our accounts.

- » **Single Party Account** - is owned by one member to include an individual, corporation, partnership, trust or other organization. If the account owner dies, the account will be distributed, as subjected by applicable law, to the decedent's estate or Payable On Death (POD) beneficiary, subject to other provisions of this agreement.
- » **Multiple Party Account - With Rights of Survivorship** - is owned by two or more persons to include joint accounts, POD accounts and trust accounts. It is agreed by each of you that the balance of an account of a deceased owner 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. The rights of a joint owner will always supersede the rights of any designated payable on death beneficiaries.
- » **Multiple Party Account - Without Rights of Survivorship** - is owned by two or more persons to include joint accounts, POD accounts and trust accounts. However, no right of survivorship to any other person exists by opening the account. It is beneficial if the percentage of deposits to be made by each person is placed in writing at the time the account is opened. (This does not affect the number of signatures required for withdrawal purposes.) 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. The rights of a joint owner will always supersede the rights of any designated payable on death beneficiaries.
- » **Liability of Parties on an Account** - if an item is deposited in a joint account and is returned unpaid, if an account is overdrawn, or if final payment is not received on a transaction, the parties, jointly and severally, are liable to us for the amount of any returned items, overdraft, unpaid charges or amounts the account may incur.
- » **POD/Trust Account** - is an account that is designated as payable to the account owner(s) during their lifetimes, and upon the death of the last account owner, payable to the named and surviving POD or trust beneficiary as stated on the account card. If there is more than one surviving beneficiary, the account will be owned equally, without rights of survivorship. Separate beneficiary designation is necessary for Individual Retirement Accounts (IRA). The credit union will assume no responsibility for notification to a beneficiary of account existence or vesting, except as otherwise provided by law.

- » **Minor/In Control of Account** - is an account established by or for the benefit of a minor. The credit union requires any minor account to be a multiple party account with the joint owner being of majority age under state law. The joint owner assumes control of the account, thus being jointly and severally liable to the credit union in the case of any returned items, overdraft, or unpaid charges or amounts the account may incur. The guardian or parent shall have no account rights unless he/she is a joint owner. The credit union is not responsible for inquiring into the use or purpose of any transaction made by an account owner. When the minor reaches the age of majority, the status of the account will change to a multiple party account with rights of survivorship and will require a new signature card signed by all account owners. The account is a joint account and is subject to the credit union's statutory lien and any security interest or pledge which may arise from the interest of the joint owner.
- » **Uniform Transfers/Gifts to Minors Account (UTMA/UGMA)** - is an individual account created by one or two custodian[s] who hold funds deposited as an irrevocable gift to a minor. Minor shall be defined for this account in accordance with the Maryland Uniform Transfers to Minors Act. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian(s) has possession and control of the account for the exclusive right and benefit of the minor and barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. Each named custodian may act alone without the consent of the other custodian. We have no duty to inquire about the use or purpose of any transaction. If there are two named custodians and one of the custodians resigns, dies, becomes incapacitated, or is removed, the remaining custodian may serve as the sole custodian without the appointment of a successor joint custodian. If all named custodians die, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal or authorizing the appointment of a successor custodian.
- » **Representative Payee** - A representative payee is an individual designated by the Social Security Administration to receive funds and transact business on behalf of a disabled or otherwise incapacitated member. A representative payee has no ownership interest in the account(s) or Credit Union voting rights. We may rely upon the instructions given to us by the representative payee concerning the account and the owner and the representative payee are jointly and severally liable for all transactions on the account. We have no duty to inquire about the use or purpose of any transaction made by the representative payee.
- » **Convenience Account/Power of Attorney Designation** - is an instruction to the credit union authorizing a named person (agent) to have access to a specified account. A convenience person may be assigned by having the designated individual sign the account card as the "convenience person" or you may assign authorization via a separate form (power of attorney). An agent/convenience person has no ownership interest in the account and is not authorized to vote on credit union issues. The credit union is not responsible for inquiring into the use or purpose of any transaction made by the agent. The credit union may refuse to accept any power of attorney/agent or agency account and may restrict account withdrawals or transfers.

An account owner must furnish a correct Taxpayer Identification Number (TIN) or meet other requirements. Failure to do so may result in backup withholding. If your account is subject to backup withholding, we are required to withhold and pay the Internal Revenue Service (IRS) a percentage of the dividends, interest, and certain other payments made to your account. If you do not provide your TIN, we may delay or refuse the opening of your account until a TIN is provided.

## ACCOUNT RATES AND FEES

We pay account earnings and assess fees to your account as set forth in the Rate & Fee Schedules. We reserve the right to change the Rate & Fee Schedules at any time and will notify you as required by applicable law.

## DEPOSITS

Funds, other than cash, accepted for deposit (to include "ACH" and "on-us" items) are provisional and subject to our receipt of final payment. You agree not to deposit checks, drafts or other items before the date payable. We reserve the right to refuse to accept checks for deposit to your account or to require that you deposit the check to your savings account. If funds are payable in foreign currency the actual credit for deposit will be in U.S. dollars at the exchange rate in effect on the date of final collection. We reserve the right to charge your account for the amount of the deposited item(s)-regardless of whether or not the funds have been available for your use, any fees incurred by us to collect such item(s) and to debit a deposited item return fee from your account. The credit union reserves the right to refuse, return, or send for collection all or any deposited or funds transfer item(s). When depositing or sending an item for collection the credit union will only act as an agent and assumes no responsibility beyond ordinary handling of the item(s). The credit union will not be liable for any correspondent negligence or for loss of an item(s) in transit. Deposited items drawn on an institution located outside the United States are accepted on a collection only basis. Funds will be credited to your account 7 days after payment of the item is received. We shall not be responsible for transactions made by mail or at an unstaffed facility until we actually receive them. Deposits made after our "daily cut-off times" on a business day we are open, or credit union holidays and on days that are not business days of the credit union will be credited to your account on the next following business day that we are open. By law, we cannot guarantee the payment of dividends or that dividends we do pay will be at the contracted rate, as dividend payment is based on monies actually received and available for distribution at the end of the dividend period. You waive any right to receive any original item after it is paid. To authorize a preauthorized deposit or transfer you must fill out a separate form. To cancel a direct deposit or transfer you must notify us at least thirty (30) days prior to canceling or changing your option. In the event of a bankruptcy filing, we will in accordance with prior instruction, continue to make direct deposits. If we are required to reimburse the direct deposit plan (to include the Federal Government) that was directly deposited into your account, we reserve the right to deduct the amount to be returned from any of your accounts, unless prohibited by law. We may also use any other legal action necessary to recover the amount of our liability. We may accept transfers, checks, drafts, and other items for deposit into any of your accounts made payable to, or to the order of, one or more account owners, even if item(s) are not endorsed by all payees. You authorize us, at our discretion, to supply missing endorsements of any owners. If an item is payable to two or more persons and is vague as to whether it is payable to either or both, we reserve the right to process the item as though it is payable to either person. We reserve the right to require endorsement as set forth on the back of an item. Endorsements must be made on the back of the item within 1 1/2 inches from the top edge, however, we may accept items endorsed out of this space. You may be held liable for any expense incurred from a delay or processing error as a result of an endorsement error or any other marking made by you or any prior endorser.

## WITHDRAWALS/TRANSFERS

Anyone signing in the space designated for signatures on the account card, including an agent/convenience person, is authorized to access your account. We reserve the right to refuse and will not be held liable for any item or instruction on which we believe the signature to be invalid. You may withdraw or transfer funds from your account using any manner approved by us. We may return as unpaid any draft presented on a form not provided by us. You are liable for any charges we incur in handling such a draft. We are not required to regard any information, to include any restrictive legend, on a draft or check, other than the signature of the drawer, the amount and the magnetic encoding. We allow withdrawals/transfers only if your account has sufficient available funds to cover the full amount of the withdrawal/transfer, and we may, unless prohibited by law or our written policy, refuse any withdrawal/transfer against uncollected funds. The fact that we may upon occasion honor withdrawal/transfer requests which overdraw the finally collected balance does not, unless otherwise required by law, obligate us to do so. If there are available funds to cover some, but not all, of your withdrawal/transfer, we may allow those withdrawals/transfers (in any order) for which there are sufficient funds available. We reserve the right to refuse payment of any check or draft drawn on your account which is presented more than six (6) months past its date. We reserve the right to refuse or reverse any withdrawal/transfer and will advise you accordingly. If a withdrawal/transfer is for an amount less than any minimum withdrawal/transfer requirement or if the withdrawal/transfer will exceed any frequency limitation it may result in a fee against, suspension of or the closing of the account. We will use the date a withdrawal/transfer request is completed by us (not the date you initiated it) to apply frequency limitations. Transfers from share savings are restricted to six (6) preauthorized, automatic, telephone, online banking or audio response transfers made to another account of yours or to a third party during any calendar month. See your Share/Share Draft Rate & Fee Schedule for applicable account limitations and/or penalties. We reserve the right to require written notice of seven (7) days to sixty (60) days prior to withdrawal from your account(s). Withdrawals from a Certificate Account prior to maturity may be restricted and may be subject to penalty. See your early withdrawal penalty notification in the Certificate Rate & Fee Schedule for Certificate Accounts. You may, through ACH or wire transfer, initiate or receive credits or debits to your account. If you receive funds by ACH or wire transfer, you agree that we are not required to notify you at the time those funds are received. However, the transfer will show on your monthly statement. A provisional credit may be given to your account before we receive final settlement. If we do not receive final settlement we may reverse the credit or you will refund us the amount credited. When a wire transfer is initiated, you will need to identify the financial institution and beneficiary by name and identifying number. The Credit Union (and other institutions) may depend on the account or other identifying number for the proper identification.

## OVERDRAFTS

If there are not sufficient available funds in your share draft account to cover drafts, fees or other items posted to your account, those amounts will be handled according to our overdraft procedures. When funds in your account are subject to a hold, dispute, or legal process, these funds are not available to cover your checks and other items. Holds include but are not limited to deposit holds and authorization holds we place on the account for ATM or debit card transactions. We may determine an insufficient available balance at any time with only one review of the account required. We do not have to notify you of an insufficient account balance needed to cover drafts, fees or other posted items. Your account may be charged, as set forth in the Share/Share Draft Rate & Fee Schedule, whether an item is paid or returned. By covering one item or overdraft we are not obligated to do so in the future, except as otherwise agreed in writing. If a draft is paid, a fee is imposed or any transaction is made that causes your account to be overdrawn, you agree to pay the overdrawn amount immediately. We reserve the right to attempt to collect a previously dishonored item at any time. If an overdraft protection plan exists for your account, we will honor items drawn on insufficient available funds from the account listed under this agreement or a loan account as directed by you, or as required by the credit union overdraft policy. We may assess a fee for such transfers as set forth in the Rate & Fee Schedule. All account transfers are governed by this agreement except those governed by loan account agreements. We may charge a fee each time an item is submitted or resubmitted for payment; therefore, you may be assessed more than one fee as a result of a returned item and resubmission(s) of the returned item.

**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.

**Credits.** Deposits are generally added to your account when we receive them. 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 provided at the time you opened your account 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 in the order contained in the data file.
- » **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.
- » **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. The “authorization hold” will reduce your available balance by the amount authorized but will not affect your actual 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 in real time 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.

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.

**Understanding Your Account Balance.** Your sharedraft account has two kinds of balances: the actual balance and the available balance. Your actual balance reflects the full amount of all deposits to your account as well as payment transactions that have been posted to your account. It does not reflect checks you have written and are still outstanding or transactions that have been authorized but are still pending. Your available balance is the amount of money in your account that is available for you to use. Your available balance is your actual 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. Pending transactions and holds placed on your account may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. In such cases, subsequent posting of the pending transactions may further overdraw your account and be subject to additional fees. You should assume that any item which would overdraw your account based on your available balance may create an overdraft. You may check your available balance online at [www.cpfcu.com](http://www.cpfcu.com), at an ATM, by visiting a credit union branch or by calling us at 800-201-1647.

## 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.

## STOP PAYMENTS

For a stop payment order to be honored it must be received in time for the credit union to act on it. We will not be liable to you or to any other party for payment of the item. It also must be dated, signed, describe the account and draft number, to include the exact amount. We will not be responsible for incorrect or insufficient information. We will not be responsible for the failure to place a stop payment order. A stop payment order may be placed by any person having the right to withdraw from the account. A release of a stop payment order may be made only by the person initiating the original stop payment order. A stop payment order remains in effect for six (6) months and can be renewed. We are not required to notify you of the expiration of a stop payment order. Fees for stop payment orders are listed on the Share/Share Draft Rate & Fee Schedule. Although payment on any certified check, cashier's check, teller's check, any other check, draft, or payment guaranteed by us may be stopped, you may remain liable to the item holder, to include the credit union. The credit union will not be accountable for any costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party account owner, payee, or endorser if the stop payment of an item fails for any reason.

## LIABILITY

If we have not properly completed a transaction in accordance with this Agreement and/ or our Rate & Fee Schedules, we will be liable for any loss or damages not to exceed the amount of the transaction, except where otherwise provided by law. You may not hold the credit union liable for the following: (1) If there are insufficient available funds in your account at the time of the transaction; (2) If extenuating circumstances out of our control do not allow the transaction; (3) If another financial institution's negligence is responsible for your loss; or (4) If the funds in your account are subject to legal process or any other claim. Except in the case of wrongful dishonor by us, we will not be liable for damages caused by such events. As an account holder you agree to be jointly or severally liable for any account deficit, whether caused by us or another person authorized to withdraw from this account. We may charge your account for any expenses, costs or attorney fees incurred by us, unless otherwise prohibited by law. We may, when making payments of deposited funds, rely solely on the form of the account and the terms of this Agreement. Conflict of any kind will be resolved by reference to this Agreement. We reserve the right to suspend your membership rights if you violate the terms of this agreement.

## PLEDGES

Each owner of this account may pledge all or any part of the account balance for any purpose to which we agree regardless of their source. We may apply funds on deposit, in any order, to satisfy any debt you may have with the credit union or to satisfy the debt of a joint account holder, regardless of whether you are jointly and severally liable on the debt of the joint account holder. If we do not enforce a lien, we reserve the right to do so at a later time. We also reserve the right to use the funds from your account to pay any debt or amount owed whether now or in the future to the credit union, except for obligations secured by your residence, unless otherwise restricted by applicable law. We reserve the right to pay out or refuse to pay out of funds in accordance with the terms of any legal action brought against your account until the disagreement is resolved. We

may charge your account for any expenses, costs or attorney fees incurred by us, unless otherwise prohibited by law. Any legal process against your account may result in a credit union lien and security interest. This account is nonassignable and unassignable to third parties.

## STATEMENTS

You will receive a statement of transactions and activity on your account, as required by applicable law, if we provide one. If we provide a statement, you agree only one statement is necessary for a multiple party account. For share draft/checking account, you agree that your original draft, after payment, becomes the property of the credit union and may not be returnable to you. Copies of the draft may be retained either by us or a payable through financial institution, available upon request. You agree that statements, drafts or copies thereof are made available to you, and a fee may be charged as set forth in the Rate & Fee Schedule unless prohibited by applicable law, on the date the statement is mailed to you, even if the drafts are not returned to you in the statement. You are responsible for the examination of each statement and for notifying us of any irregularities. If you do not notify us of an unauthorized signature, altered, unsigned or forged item drawn on your account within thirty-three (33) days of the mailing date of your statement we will not be responsible for those items; or if any items are forged or altered in such a way that is not detectable by a reasonable person, to include the unauthorized use of a facsimile signature machine. You agree that the credit union will not be liable except as listed above under LIABILITY. You agree that the credit union's safekeeping of drafts does not change your responsibility to examine your statements or the time limit for notifying the credit union regarding errors. The statement will be assumed correct for all purposes and we will not be liable in any case unless you notify us in writing within the above time limit. If you do not receive a statement you agree to notify us within fourteen (14) days of the time your statement is normally received.

## CREDIT UNION LIEN AND SECURITY INTEREST

By applying for membership at the Credit Union you grant the Credit Union a consensual security interest in all of your funds at any time on deposit with the Credit Union to secure all amounts that you may now or in the future owe to the Credit Union. If you owe us money as a borrower, guarantor, endorser, account holder or otherwise, we may use the funds on deposit in any of the accounts in which you have an ownership interest to pay all or any portion of any debt or other amount which you owe to us. The Credit Union may set-off any debt owed to us, upon default of payment or other default, by any funds on deposit without notice to or consent of the member. This right of offset will not apply to loan obligations secured by your residence, or where prohibited by law. We may apply the funds on deposit to your obligations in any order deemed appropriate by us, without further notice to you. If we choose not to enforce our security interest in your funds on deposit on a particular occasion, we do not waive our right to enforce the security interest later. All accounts are nonassignable and nontransferable to third parties.

## INACTIVE ACCOUNTS

Any account not having transactions over a period may be classified as inactive or dormant and a fee may be charged as set forth in the Rate & Fee Schedule unless prohibited by applicable law. Notice will be sent to the member at the last known address. You authorize the transfer of funds from one account to another to cover any service fees as applicable. You understand and agree that we may transfer the account funds to an account payable and to suspend any further account statements. Under Maryland law, all funds remaining in an interest bearing or share account become the property of this state after having no activity for three (3) years and notice is sent to the member or depositor at that member or depositor's last known address. An account is considered to be inactive if the member or depositor has not increased or decreased the amount in the account.

## DEATH OF AN ACCOUNT OWNER

In the event of the death of a member, title to the funds in any deposit account shall automatically pass to any joint account owner(s), subject to the Credit Union's right of offset. In the event that there are no joint account owners, then the funds on deposit (after any required offset) shall be disbursed to the last designated POD (Payable On Death) payee(s). If there is more than one POD payee, the funds shall be disbursed to the named POD payees in the designated ratio. In the event that there are no joint account owners and no designated POD payee(s), the funds may only be disbursed in accordance with the policies and procedures of the Credit Union consistent with applicable probate laws of the jurisdiction in which the decedent was a resident, or, if the application of such probate law would not, in our opinion afford the Credit Union sufficient protection in a given case, then we may elect to require compliance with any more protective provision under the probate laws then in effect in Maryland. The Credit Union shall have the right to retain any funds on deposit in a deceased member's account(s) until such time as satisfactory arrangements have been made for payment of any obligations of the deceased member, and until the Credit Union has been provided documentation satisfactory to the Credit Union supporting disbursement of the funds. Upon the death of a member, we likewise and in addition to any other rights of set-off or to retain funds, have the right to set-off any debt owed to us by the deceased member for any existing default and we have the right to retain any funds on deposit in the account of the deceased member as security and collateral to ensure the payment of any debts or obligations the member has to us at the time of the deceased member's death. In addition to other accounts, these rights of offset and to retain funds specifically apply to accounts that were jointly owned by the deceased member and any other member or members, and the Credit Union shall have the right to retain all of the funds on deposit in such a joint account upon the death of any member in an amount equal to or less than all of the obligations of the deceased member, except as otherwise prohibited by law. Likewise, for any payable on death accounts, the Credit Union shall have the right to retain all funds on deposit in such an account in an amount equal to or less than all obligations of the deceased member, except as prohibited by law, prior to paying any funds to any beneficiary on a payable on death account. The Credit Union may require that anyone claiming a deceased owner's account funds indemnify us from any losses resulting from honoring that claim. This Agreement will be binding upon any heirs, beneficiaries, legatees, or legal representatives of any account owner. Upon the death of an account owner we may pay drafts, payments or transfer requests authorized by a member unless instructions to act otherwise are received from any person claiming an interest in the account.

## SPECIAL ACCOUNT INSTRUCTIONS/INFORMATION

Upon request, we will facilitate certain trust, will or court ordered account arrangements. However, we cannot provide you with legal counsel of any kind. We may refuse to grant a request or we may require you to indemnify us, post a bond or other protection. An account change form may be necessary to make effective any account changes requested by you to include adding or closing an account or service. Upon request, we will

supply you with the name and address of any agency from which we acquire a credit report regarding your account. We will disclose account information to third parties as permitted or required by law.

## POWER OF ATTORNEY

We are not required to recognize any power-of-attorney to act on an account, except as required by law, even if we have previously accepted the power-of-attorney for other transactions. If we accept a power-of-attorney, we may continue to recognize the authority of your attorney-in-fact until we receive written notice of revocation or termination and have had a reasonable time to act upon it. We also reserve the right to restrict the types or sizes of transactions we will permit an attorney-in-fact to conduct on a case-by-case basis and may require the attorney-in-fact to present the original power-of-attorney before conducting any transaction. A person acting under a power-of-attorney is not an owner of an account, no funds in the account belong to that person by reason of that capacity, and that person has no right of survivorship in the account.

## LEGAL PROCESS

If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to 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. Additionally, you agree that the Credit Union may assess your account a fee as specified in the Share Rate and Fee Schedule to compensate the Credit Union for the cost of processing the garnishment or levy.

## AMENDMENTS AND TERMINATION

Except when prohibited by applicable law, we may alter the terms of this agreement or our by-laws. You will be notified of any changes in terms, rates, or fees as required by law. We reserve the right to waive any part of this agreement without affecting our right to future enforcement. You are responsible for notifying us of any changes to your address or name. We are required only to attempt communication with you at the most recent address provided to us by you. We may accept oral notice of a change to your address, however, we may require other notice from you to us. Any written notice given to us by you is effective upon us receiving it. Any written notice given to you by us is effective when it is mailed to you at your statement mailing address using the U.S. Mail. Notice given to any account owner however is considered given to all account owners. We reserve the right to terminate your account at any time without notice to you or we may require you to close your account and open a new account if there is a change in account ownership or signers, if a forgery or fraud is reported or committed against your account, if there is doubt as to the ownership of an account or funds in an account, if any share drafts are lost or stolen, if there is no overdraft protection plan in place and there are numerous returned unpaid items on an account, if misrepresentation or any other form of abuse of an account has occurred or to prevent a loss to the credit union. We may require the consent of all owners when terminating a multiple party account. We are not responsible for the payment of any item after your account is terminated, however you agree to reimburse us for any paid item, loss, cost or expense after such termination. You may be denied service or membership for any reason allowed by applicable law, to include causing a loss to the credit union. You may terminate your credit union membership by giving us written notice.

## JURISDICTION AND AGREEMENT ENFORCEMENT

You agree to submit yourself to the jurisdiction of any court located in St. Mary's County, Maryland, in the event any legal action is brought by us or you. You agree to pay to us any loss, cost or expense incurred by us as a result of your failure to abide by this agreement. You agree that any such loss, costs or expenses may be deducted from your account without prior notification to you. You agree to pay any attorney's fees and costs, as applicable by law, to include fees for an appeal, bankruptcy proceeding or any costs related to collection. If any portion of this agreement is found to be invalid or unenforceable in a court of law, the remaining portion of the agreement will continue to be fully enforced.

## UNLAWFUL USE

Members are prohibited from engaging in unlawful Internet gambling or any other illegal activity. 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.

## CONSENT TO CONTACT

By signing or otherwise authenticating an Account Card, you agree we and/or our third-party providers, including debt collectors, may contact you by telephone or text message 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.

Reviewed & Updated September 12, 2019