



## BUSINESS ACCOUNT TERMS AND CONDITIONS

### GENERAL ACCOUNT TERMS

- Definitions. Throughout these terms and conditions ("Terms"), these terms have the following meaning:
  - "You," "your," "account owner," and "party" refer, collectively and individually, to you as a Credit Union business account owner.
  - Within this document, "We," "our," and "us" refer to the Michigan State University Federal Credit Union ("Credit Union"), which is the legal entity for Pillur, a trade name of Michigan State University Federal Credit Union.
  - "Item" or "items," as defined by Article 4 of the Uniform Commercial Code ("UCC"), means an instrument or a promise or order to pay money handled by a financial institution for collection or payment. The term includes a check but does not include a payment order governed by Article 4A of the UCC or a credit or debit card slip. The term includes a "check" or "checks." The terms "check" and "checks" represent share drafts or checks. The term does not include a payment order governed by Article 4A of the UCC or a credit or debit card slip.
  - "Debit transactions," "debit," or "debits" refer to funds that are taken out of your account. Common types of debits may include: checks/share drafts that you have written, ACH payments, wire transfers, PIN-based debit card transactions, and signature-based debit card transactions.
  - "Credit transactions," "credit," or "credits" refer to deposits of funds into your account. Common types of credits include: cash deposits, direct deposits, check deposits, and ACH and wire transfers made payable to you. Credits are generally added to your account and are made available to you in accordance with our funds availability schedule.

#### 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, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

You understand that the following Terms and any other documents applicable to your account that are provided to you govern your deposit account with us. You understand that your account is also governed by applicable law. As identified herein, these Terms include the charges applicable to the account, the dividend rate(s) and applicable annual percentage yield (APY), compounding and crediting of dividends, minimum balance requirements, and other pertinent information related to the account. These Terms may change from time to time in our sole discretion. If the charges, minimum balance requirements, or other provisions change in a manner that would adversely affect you, we will provide you with written notice prior to the change as required by applicable law or regulation. You acknowledge that by having an account with us or by using any of our deposit account services, you and any identified account owners agree to these Terms, our bylaws, other agreements and any amendments.

#### THESE BUSINESS ACCOUNT TERMS AND CONDITIONS INCLUDE AN ARBITRATION PROVISION AND A CLASS ACTION WAIVER.

Your membership and account relationships are specified in these Business Account Terms and Conditions. Your signature(s) on your account application (including your electronic signature through an electronic application process) indicates your agreement, jointly and individually, and the agreement of the business, to the terms and conditions stated in this Business Account Terms and Conditions, Visa Debit Card for Business Agreement Terms and Conditions, the Business Account Application and Signature Card, the Business Account Schedule of Service Charges, the Business Account Current Dividends rate sheet, any Account Receipt included with this Business Account Terms and Conditions,

the Credit Union Bylaws, Policies and Procedures, and any changes made periodically to any of the above as well as any additional terms, conditions, and agreements that describe the rights and duties related to your account, which collectively dictate your membership and account relationships with the Credit Union (collectively referred to as "Business Account Agreements and Disclosures").

**Membership Eligibility.** To become our member, the business must be legally formed and in good standing under applicable law, and you must satisfy the membership requirements, including the opening and maintenance of at least one (1) membership share in a savings account as set forth in our Bylaws. You authorize us to verify your membership qualifications or any other products or services you apply for or we may offer to you by reviewing your account, applicable credit and employment history, and by obtaining information from third parties, including, but not limited to, credit-reporting companies.

**Business Accounts.** Business accounts are those established by any partnership, corporation, association, sole proprietorship, or other entity operated on a for-profit basis; all corporations and associations operated on a not-for-profit-basis; and any individual who intends to use the account for carrying on a trade or business. We reserve the right to require separate written authorization, in a form acceptable to us, telling us who is authorized to act on your behalf. We are authorized to follow the directions of a person designated as having authority to act on the entity's behalf until we receive written notice that the authority has been terminated and have had a reasonable time to act upon that notice.

**Your Choice of Account.** You have instructed us as to the title and type of the account that you have chosen. You acknowledge that it is your sole responsibility to determine the full legal effect of opening and maintaining the type of account you have chosen. We have not set forth all laws that may impact your chosen account. You must determine whether the account you select is appropriate for your current and future needs. Except as required by law, we assume no legal responsibility to inform you as to the effect of your account choice on your legal interests.

**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 another requirement as set forth in our bylaws.

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

**Additional Documents To Open Account.** You agree to supply us with a copy of any chartering document, Operating Agreement, or related documents requested by us.

**Escrow, Trust, Fiduciary, Or Custodial Accounts.** When your account is set up as an escrow account, trust account, fiduciary account, or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature. We have no obligation to act as trustee or to inquire into your powers or responsibilities over this account. We reserve the right to require the documentation necessary under applicable law to establish, maintain, manage, and close this account. There may be additional terms and conditions that apply to this account that are governed by a separate agreement. A person may open an account for donation or memorial purposes, but we are not a fiduciary for such account and have no obligation to monitor the use of funds deposited in the account. A member who opens an account for donation or memorial purposes must disclose to donors that we are not a fiduciary for such account.

**Payable On Death Account For Sole Proprietorships.** When an account beneficiary is named for a sole proprietorship account (tax reporting owner) through any method prescribed by us, a Payable on Death (POD) Account is established in order to designate the surviving POD beneficiary(ies)/payee(s) of the sole proprietorship account. We are not required to inform the beneficiary/payee of the establishment of any such account or their vested interest in any account, unless required by law. All POD Beneficiary elections made or changed must be authorized and signed by all account owners at the time of election to be considered valid and in effect (see Note below). For more information regarding beneficiary designations for accounts with us, please fully review the terms and conditions presented on our Beneficiary Designation Form.

If more than one POD beneficiary/payee is named, the ownership of account benefits passes to all such beneficiaries/payees who survive the death of the last surviving owner, according to the percentage previously designated for each beneficiary by the owner(s). If no percentages were previously designated, or if the percentages that were designated did not total 100%, benefits shall be divided equally among the beneficiaries/payees who survive the death of the last surviving owner. If a named beneficiary/payee does not survive the account holders, their share will be divided equally among the surviving beneficiaries/payees.

If no beneficiaries/payees or contingent beneficiaries/payees are living at the time of the death of the last surviving owner, the account shall be considered part of the last surviving owner's estate.

NOTE: This requirement applied to POD beneficiary/payee elections made or changed on or after July 22, 2021. Any POD beneficiary/payee elections made prior to July 22, 2021 by any individual account owner (or groups thereof) will continue to be honored unless a new election is made by all account owners.

**Restrictive Legends.** We are not required to honor any restrictive legend on checks you write unless we have agreed to the restriction in writing signed by an officer of the Credit Union. Examples of restrictive legends are "two signatures required", "must be presented within 90 days", or "not valid for more than \$1,000.00."

**Stale Or Postdated Checks.** Each negotiated check will be charged to the checking account as of the date of receipt by us. We will not be responsible for checks that are postdated if they are paid before the date of the instrument. We are under no obligation to pay or refuse payment of a check on which the date is more than six months old.

**Preauthorized Checks or Drafts.** You should guard information about your account (such as your routing number and your account number) as carefully as you would guard blank checks. If you voluntarily give such information about your account to a party which is seeking to sell you goods or services, without physically delivering a check to that party, any debit to or withdrawal from your account it initiates will be deemed authorized by you.

**Verifying Funds Availability For Check.** You authorize us to release funds availability information about your account to individuals or merchants who represent to us that they have received a check from you.

**Check Safekeeping.** If you use a check safekeeping system or any other system offered by us for the retention of your checks, you understand that the canceled checks will be retained by us and destroyed after a reasonable time period or as required by law. Any request for a copy of a check may be subject to a charge indicated on our Business Account Schedule of Service Charges provided to you and included by reference in these Terms or other disclosures and as allowed by law. If for any reason we cannot provide you with a copy of a check, we will not be liable to you.

**Check Processing.** Except for what is encoded in magnetic ink at the bottom of items provided by you to us, we do not visually examine or review each check or item to determine if they are signed, endorsed, or completed in a manner that concludes they contain all information that may be included on all fields contained on items presented. You agree that our current check processing procedures reflect ordinary care in the industry and we do not accept any responsibility to take actions that would exceed ordinary care when processing checks.

**Check Cashing.** You agree we have sole discretion as to what we deem to be appropriate identification and verification procedures for cashing checks, drafts, or other payment instruments. Our procedures may include, but are not limited to asking for reasonable identification, collecting fingerprints, or obtaining other biometric information; and are subject to change without prior notice to you. Charges for check cashing will be presented in our current Business Account Schedule of Service Charges.

**Account Numbers And Check Fraud.** Please be aware that if fraudsters are aware of your account numbers, they can use your account numbers to create counterfeit checks and attempt to withdraw funds from your accounts. In addition to counterfeit paper checks, criminals can use your account number to issue a "remotely created check" (e.g. telecheck). Remotely created checks are properly payable by institutions if you authorize them to withdraw funds from your account. Please take caution when authorizing a remotely created check to buy goods or services since fraudsters can use the information on a valid remotely created check to create and issue unauthorized ones. Unless you notify us, we would not be aware if a remotely created check was unauthorized or if the amount on it was different than what you intended since they do not bear a drawer's signature or other verifiable indications of authorization.

**Blank Checks.** It is your responsibility to safeguard blank checks associated with accounts you have with us. You agree to notify us immediately if you know or have any reason to believe that blank checks have been lost or stolen. You acknowledged that you will bear the loss if blank checks lost or improperly secured are used to withdraw funds from your account. In the event that we fail to use ordinary care that substantially contributes to a loss related to the unauthorized use of a blank check, we may or may not have shared liability under applicable law based on your negligence involved in the transaction.

**Lost, Destroyed, Or Stolen Certified, Cashier's, Or Teller's Checks.** In the event you have had a certified check, cashier's check or teller's check lost, destroyed, or stolen you may be able to assert a claim for that item based on the nature of your claim. To assert the claim: (a) you must be the remitter (or drawer of a certified check) or payee of the check, (b) we must receive notice from you describing the check with reasonable certainty and asking for payment of the amount of the check, (c) we must receive the notice in time for us to have a reasonable opportunity to act on it, and (d) you must give us a declaration (in a form we require) of your loss with respect to the check.

Claims for lost, destroyed, or stolen items described above may not be immediately enforceable even if you have properly asserted a claim. We may pay the check until the ninetieth (90) day after the date of the check (or date of acceptance of a certified check). Therefore, your claim is not enforceable until the ninety-first (91) day after the date of the check or date of acceptance, and you have properly asserted a claim.

If we have not already paid the check, on the day your claim is enforceable we become obligated to pay you the amount of the check. We will pay you in cash or issue another certified check. At our option, we may pay you the amount of the check before your claim becomes enforceable.

However, we will require you to agree to indemnify us for any losses we might suffer. This means that if the check is presented after we pay your claim, and we pay the check presented, you are responsible to cover our losses. At our discretion, we may require you to provide a surety bond, collateral, or a security interest in collateral to assure that you can pay us if we suffer a loss.

**Your Responsibility For Back of Check.** All negotiable paper ("checks") presented for deposit must be in a format that can be processed and we may refuse to accept any check that does not meet this requirement. All endorsements on the reverse side of any check deposited into your account must be placed on the left side of the check when looking at it from the front, and the endorsements must be placed so as not to go beyond an area located 1-½ inches from the left edge of the check when looking at it from the front. It is your responsibility to ensure that these requirements are met and you are responsible for any loss incurred by us for failure of an endorsement to meet this requirement.

**Electronic Checks/Share Drafts And Electronically-Created Items.** Pursuant to Regulation CC, electronic checks may be treated the same as paper checks for check collection and processing purposes. See the Substitute Checks section for more information.

Electronically created items ("ECI") are check-like items created in electronic form that never existed in paper form. For example, when you set up automatic bill payments with us to pay your utility bill. From your account information, we create an ECI that is sent to your utility company for payment. An ECI cannot be used to create a substitute check since it never existed in paper form.

**Remotely Created Checks.** A remotely created check, as defined in Regulation CC, means a check that is not created by the paying bank and that does not bear a signature applied, or purported to be applied, by the person on whose account the check is drawn. By having a deposit account with us, you certify that all remotely created checks deposited to your account(s) will be expressly and verifiably authorized by the payer. You acknowledge that remote checks you provide to us for any reason are items you are authorized to draw for the amount identified and to the payee noted on the item. You also agree that you owe us the amount of the check if it is returned for whatever reason. We are entitled to require proof of the items authorization from you and you will retain proof of authorization for at least two years from the time when it was authorized. You agree that we can remove funds from your accounts to pay amounts you owe us on these items, and in the event you lack the funds to pay the total amount of these items, you are still obligated to repay us any remaining amount owed to us. We reserve the rights to refuse for deposit any such remotely created check if we have any reason to believe that the check is fraudulent in any manner and to obtain from you the payer's express, verifiable authorization for any such check.

**Substitute Checks.** To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These substitute checks are similar in size to the original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks.

**Remote Deposit Capture.** Remote deposit capture ("RDC"), also known as eDeposit, allows you to make deposits to your account from remote locations by electronically transmitting digital images of your original paper checks, which are drawn on or payable through United States financial institutions in United States dollars to us. We may then use the digital image to create an electronic check or substitute check for collection. If you use our RDC services, if applicable, we require you to endorse the back of the paper check to indicate that it has been remotely deposited. For example, "for remote deposit only" or "for remote deposit at Pillur only."

**Mobile Remote Deposit Capture.** Our mobile remote deposit capture (RDC) service allows you to make eligible deposits to your accounts with us using a camera-enabled mobile device with our mobile application installed. The mobile device you use must be capable of capturing check images and information, and electronically delivering the images and associated information through our mobile application to us. The mobile device must capture an image of the front and back of each check to be deposited, including the magnetic ink character recognition line on each check, and such other information as required by our Terms and applicable law.

When using our mobile RDC service, you may experience technical or other difficulties. We are not responsible for and do not assume liability for any technical or other difficulties. We reserve the right to modify, suspend, or revoke services immediately and without any notice to you.

#### Eligible Items

You agree to not capture images of any of the following types of checks or other items which shall be considered ineligible items:

- Checks payable to anyone other than the owner of the account into which it is being deposited
- Checks containing any unauthorized alteration
- Checks payable jointly, unless deposited into an account jointly owned by all payees
- Checks previously converted to a substitute check, as defined in Regulation CC
- Checks drawn on a foreign bank and/or that are not payable in United States currency
- Checks that have previously been deposited by any remote capture or physical delivery
- Checks that are undated, postdated, or are dated six months or more prior to the date of deposit
- Checks with any endorsement on the back that does not adhere to specifications stated therein
- Checks that have previously been returned unpaid for any reason
- Travelers checks
- Checks transmitted from outside the United States
- Registered government warrants
- Savings bonds

We may at our sole discretion, and without liability to you, refuse any check for any or no reason, or elect to take the check on a collection basis only. We reserve the right to charge back to your account, at any time, any item that we subsequently determine was an ineligible item. We are not liable for any loss, costs, or charges you may incur as a result of our chargeback of an ineligible item.

#### Endorsements and Procedures

You agree to restrictively endorse any item transmitted through our mobile RDC service by either:

- Signing the back of the item with your name and the words "for mobile deposit only" or "for mobile deposit at Pillur only."
- Following other instructions provided by us.

You agree to follow any and all further procedures and instructions for use of our mobile RDC service that we may communicate to you through changes to these Terms or through other notice we provide to you.

You agree to securely retain each item for no fewer than 90 days after deposit. Then, no fewer than 90 days after deposit, you agree to mark each item submitted via our mobile RDC service as "Void" and dispose of it using a high degree of care to ensure the item cannot be transmitted, deposited, or presented again.

We reserve the right to impose daily limits on the aggregate amount of and/or number of deposits you may make using our mobile RDC service. We may modify these limits at any time and without notice. Current limits are presented to you in our mobile RDC service interface.

Your enrollment in our mobile RDC service generally occurs when you become an account owner with us; however, we reserve the right to deny your enrollment in and terminate your access to mobile RDC service at our discretion.

You warrant to us that:

- You will only transmit eligible items that are properly endorsed.
- You will not transmit duplicate items.
- All information you provide to us when using our RDC service is accurate and true.
- We will not sustain a loss because you have deposited an item.
- You will indemnify us from any loss for breach of this warranty provision.

In general, if an image of an item you transmit using mobile RDC is received and accepted before 4 p.m. ET on a business day we are open, we consider that day to be the day of that deposit, subject to the other terms and conditions herein. Otherwise, we may consider the deposit to be made on the next Business Day we are open. Funds deposited using our mobile RDC service will generally be made available by the third business day from the day of deposit. However, we generally make the first \$250 of the aggregate of your checks deposited through our mobile RDC service on each business day available by the next business day. We may delay the availability of your funds for a longer period of time at our discretion if we deem it appropriate in accordance with our policies and procedures.

**Withdrawals.** Deposits will be available for withdrawal consistent with these Terms or, if applicable, other disclosures. Withdrawals may be subject to a service charge. Any account owners with authority to make withdrawals may withdraw or transfer all or any part of the account balance at any time unless we are expressly informed that there are any prohibitions designated by you to the contrary. You agree that account owners are authorized to sign or make withdrawals and may endorse any item payable to you or order funds for deposit to your account and perform account transactions with us.

**Access Methods.** You may withdraw or transfer funds from your account(s) by any method we offer, (e.g. via ATM, ITM, Visa Debit Card, check, in person, by mail, phone, online banking or our mobile app) as applicable. We may refuse to honor any draft or check drawn on a form we do not supply, and you are liable for any loss we incur handling such an item. If any of your accounts become delinquent or overdrawn, we may restrict use of any and all access methods until such accounts are brought current.

**Access Devices.** You agree to use caution when providing an account access device to an individual and grant him or her authority to transfer funds from your accounts. Please be aware that individuals may exceed your authority or permission when transferring your funds via your access device. Unless you notify us in a timely manner that you have rescinded or removed authorization for individuals you previously granted authorization and permission, you will be liable for transfers made by them via your access device until we are notified. It is your responsibility to review and understand any and all information you may receive regarding liability for unauthorized transfers in relation to any access devices you have prior to using them.

**Checks And Withdrawal Rules.** You are not allowed to request withdrawals or transfers of funds unless it is done in a manner approved by us in our sole discretion. We reserve the right to reject transfer or withdrawal requests if they exceed the number or amount of any limits imposed by us based on law, regulation, or agreement. We recommend that you confirm with us that any blank checks you purchased that are not from us or our approved check vendors will be accepted by us. Any frequency limitations will be determined based on the date we completed the transaction. We may also limit transactions until we can verify your identity and authority to make a withdrawal or transfer. We reserve the right at any time and for any lawful reason to not honor withdrawal or transfer requests that do not conform with our requirements. Your account may be reclassified or closed by us at our discretion if you violate transaction limitations or restrictions, and the reclassification may trigger additional charges or earnings changes that will impact your affected account. You agree that we may pay items that are legally deemed to be a "substitute check" even if they include defects or errors that were caused due to the manner the substitute check was created.

In the event that it is not covered by our Funds Availability Disclosure due to the nature of the funds deposited, please contact us if you have questions regarding when deposited funds may be available for withdrawal by you.

Each time a transaction is presented, even if a transaction is rejected and presented for payment again, charges may apply as noted on our Business Account Schedule of Service Charges. You understand and agree a transaction you authorized (including, but not limited to, a check or electronic funds transfer) may be presented or submitted to us multiple times and you could be charged if we return or reject the transaction multiple times.

**Cash Withdrawals.** We are not responsible in the event that cash you withdraw from any of our facilities or dispensing terminals is destroyed, lost, or stolen. You agree to hold us harmless from any loss you incur due to your decision to withdraw funds in the form of cash. Please contact us regarding options in lieu of withdrawing large amounts of hard currency or cash. Please note that carrying large amounts of cash or currency on your person or via your agents may pose risks that we will not be liable for and it is your responsibility to monitor your surroundings when carrying cash. If you have questions regarding when your funds can be withdrawn, please review our Funds Availability Disclosure or contact us. We allow withdrawals only when your account has an available balance sufficient to cover the entire amount of the withdrawal. Paper non-sufficient funds (NSF) notice charges may be assessed each time a transaction is presented, even if a transaction is rejected and presented for payment again. You agree your account may be charged a paper NSF notice charge when we return or reject transactions presented or submitted against your account that would exceed your available balance. If there are sufficient available funds to cover some, but not all, of your withdrawals, we may clear those withdrawals for which there are sufficient available funds in any order at our discretion. All of your accounts are subject to our right to require advance notice of any withdrawal.



**Cash Transaction Reporting.** We are required by law to report on some transactions involving cash deposited and withdrawn by you that supports law enforcement efforts to combat illegal activity. We are within our right to refuse any transaction if we cannot obtain sufficient information to complete a report we are required to submit. If the information we need to complete the report is not provided, we are required to refuse to process the transaction. If you have any questions regarding these rules, please contact your local Internal Revenue Service office.

**Unauthorized ACH Entries.** Notwithstanding anything to the contrary, you understand and agree you must notify us the next business day following the settlement date to return an unauthorized ACH entry. The settlement date is the date on which an ACH debit entry posts to your account. You acknowledge and agree that upon receipt of an ACH debit entry, you have until the next business day to determine if the ACH debit entry is authentic. You acknowledge this means you closely monitor your accounts and will notify us immediately if you discover (or reasonably should have discovered) any unauthorized ACH activity on your account. You acknowledge and agree that you lose your right to return under the NACHA Operating Rules in the event you fail to notify us of your intent to return an unauthorized ACH debit entry by the deadline stated herein. Under such circumstances, we may act on your behalf to request a "permissible return" from the financial institution that sent the ACH debit entry, but such institution is not required to comply with our request. You agree to hold us harmless from any loss you incur as a result of an unauthorized ACH debit entry that you fail to report to us by the deadline in this section. Also, as outlined below under "Positive Pay And Other Fraud Prevention Services" you may also be precluded from making a claim against us if you declined fraud prevention services such as Positive Pay ACH.

**Deposits.** Deposits may be made in person, by mail, or in another form and manner as agreed by us in our sole discretion. We are not responsible for transactions mailed until we actually receive and record them. We may in our sole discretion refuse to accept particular instruments as a deposit to your account. Cash deposits are credited to your account according to these Terms. Other items you deposit are handled by us according to our usual collection practices. If an item you deposit is returned unpaid, we will debit your account for the item and adjust any dividends earned. You are liable to us for the amount of any check you deposit to your account that is returned unpaid and all costs and expenses related to the collection of all or part of such amount from you. Funds deposited to your account, excluding any Certificates, are available in accordance with applicable disclosure or terms that may be provided to you in addition to these Terms.

**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. If your account is overdrawn, you authorize us to deduct the amount of the overdraft from any deposit, including deposits of government payments or benefits. If applicable, you must notify us at least 30 days prior to any direct deposit or preapproved transfer if you wish to cancel or change the direct deposit or transfer. If you file for bankruptcy, all direct deposits that you have authorized will remain unchanged unless you cancel them. If it becomes mandatory that we reimburse the U.S. government for any payment made directly to your account, we may take the amount to be remunerated from any of your accounts, unless restricted by law. We reserve our right to take legal action, if necessary, to recover any amounts we are due.

**Transactions By Mail.** Sending cash for deposit via the mail is very risky and we strongly recommend that you find alternative methods for cash deposits via our branches or ATMs. Depositing checks or drafts is allowed via mail, however those items should be endorsed "For Deposit Only" and include the proper account number on the item to ensure it is deposited by us in the account you intend. If you do not use a deposit slip or instruct us specifically on which account you would like the mailed item deposited, we in our sole discretion may deposit it into any of your accounts or apply it to loan accounts you have with us. We also have the option to return items mailed to us for deposit back to you if we choose. If you choose to make a deposit via mail, please review your statements to identify when they have been posted to your account and contact us immediately if you have any questions or concerns.

**Unlawful Internet Gambling.** Restricted transactions are prohibited from being processed through your account with us as required by the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG. A restricted transaction is a transaction or transmittal involving any credit, funds, instrument, or proceeds in connection with the participation of another person in unlawful Internet gambling. You will notify us if your business practices regarding Internet gambling change in the future.

**Statements.** We will provide you with a periodic statement showing the account activity. The last address you supply us in writing will be deemed the proper address for mailing this statement to you unless you agree to receive electronic correspondence from us to one or more email addresses designated and provided by you to us. The account owner who receives this statement is the agent for his or her co-account owner(s) for purposes of receiving the statement and items. You must exercise reasonable care in reviewing your statement and reasonable promptness in notifying us of any discrepancies, such as alterations or forged or unauthorized signatures, even if by the same wrongdoer. Reasonable promptness will not exist if you fail to notify us within 30 days after we mail or otherwise make the statement available to you. If you fail to notify us of any discrepancies, with reasonable promptness, your right to assert such discrepancies will be barred or limited to the extent permitted by law. Additionally, you agree that we will not be liable for discrepancies reported to us after 60 days after we mail or otherwise make the statement or items available to you, even if we failed to exercise ordinary care. However, if the discrepancy is the result of an electronic fund transfer, the provisions of these Terms and other applicable documents, if any, will control its resolution.

**Your Duty To Report Other Errors Or Problems.** In addition to your duty to review your statements for unauthorized signatures, alterations, and forgeries; you agree to examine your statement with reasonable promptness for any other error or problem - such as an encoding error or an unexpected deposit amount. Also, if you receive or we make available either your items or images of your items, you must examine them for any unauthorized or missing endorsements or any other problems. You agree that the time you have to examine your statement and items and report to us will depend on the circumstances. However, this time period shall not exceed 60 days. Failure to examine your statement and items and report any errors to us within 60 days of when we first send or make the statement available precludes you from asserting a claim against us for any errors on items identified in that statement and as between you and us the loss will be entirely yours.

**Positive Pay And Other Fraud Prevention Services.** In addition to offering a range of commercially reasonable security procedures for account transactions, we also offer certain fraud prevention services including Positive Pay and ACH Positive Pay that as designed to detect fraudulent checks, ACH transactions, and other payment fraud. While these services will not prevent all fraud, these services reduce the chances that fraudulent items or ACH transactions will be paid against your account. Failure to use these services can significantly increase the likelihood of account fraud. **Unless otherwise prohibited by applicable law or regulation, you agree that if, after being informed by us or after we otherwise make information about such products or services available to you consistent with this Agreement, you decline or fail to implement and use any of these fraud prevention products or services, you will be precluded from asserting any claims against us for paying any unauthorized, altered, counterfeit or other fraudulent items that Positive Pay, ACH Positive Pay, and related fraud prevention services were designed to detect or deter, and we will not be required to re-credit your Account or otherwise have any liability for paying such items.**

**Duty To Notify If Statement Not Received.** You agree to immediately notify us if you do not receive your statement by the date you normally expect to receive it. Not receiving your statement in a timely manner is a sign that there may be an issue with your account, such as possible fraud or identity theft.

**Electronic Statements and Notices.** You agree to conduct and be informed, as required, of all applicable transactions under your account(s) by electronic means, which includes but is not limited to receiving electronic statements, notices and other electronic correspondence as identified in the Business Electronic Correspondence Disclosure and Agreement. Electronic correspondence from us will be provided to you via one or more designated e-mail addresses, through an online banking portal, or other electronic method. The charges for you receiving non-electronic (paper) correspondence, if necessary, are described in the Business Account Schedule of Service Charges.

**ACH And Wire/Funds Transfers.** This agreement is subject to Article 4A of the Uniform Commercial Code - Funds Transfers as adopted in the state of Michigan . If you send or receive a wire transfer, you agree that Fedwire® Funds Service may be used. Federal Reserve Board Regulation J is the law that covers transactions made over Fedwire® Funds Service. When you originate a funds transfer for which Fedwire® Funds Service is used by way of a payment order, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named by you.

If you are a party to an Automated Clearing House ("ACH") entry, you agree that we may transmit an entry through the ACH, and you agree to be bound by the National Automated Clearing House Association ("Nacha") Operating Rules and Guidelines, the rules of any local ACH, and the rules of any other systems through which the entry is made.

**Funds Transfer.** A funds transfer is a standalone transaction or series of transactions that begin with the originator's payment order, made for the purpose of making payment to the beneficiary of the order. A funds transfer is completed per the acceptance of the originator's order by the beneficiary's bank for the beneficiary. We can accept payment orders provided to us orally, electronically, or in writing. However, the time of payment to the beneficiary is the only condition your payment order may include and no other conditions to payment may be accepted.

**Authorized Account.** You may authorize an account with us for the deposit or withdrawal of funds for payment orders that you issue. As applicable based on the nature of the accounts you have with us, any account may be deemed an authorized account by us if you have not specifically designated an account for the payment of payment orders you issue.

**Acceptance of your Payment Order.** Generally, we will accept a payment order for a funds transfer if an authorized account has a sufficient available balance or credit to satisfy the order you issue. However, we do not have to accept payment orders you issue to us. For payment orders that we reject and refuse to process, you will either not receive notice of that rejection or we can give you notice of our refusal to process after the execution date. We do not accept any liability to provide you with restitution for dividends on withdrawable credit in a non-dividend bearing account for payment orders we refuse to process.

**Cutoff Time.** We must receive payment orders and notices of cancellations or changes to payment orders from you before our cutoff times for funds that are to be transferred on the date identified on the payment order you issue. Any payment order or communication to cancel or change a payment order that we receive after a cutoff time on the date the transfer was to be initiated will be deemed to be received at the beginning of the following business day that funds can be transferred.

**Payment of your order.** For payment orders we receive from you and choose to accept, payments to satisfy the order may be executed by automatically deducting the payment order amount identified by you along with any charges or costs we incur for processing the order. You will pay us the amount due to us for processing the payment order when the order is paid or on the execution date. The payment or execution date is the date of the funds transfer as identified on the payment order you provide to us. When the beneficiary's bank accepts the funds transfer, then the payment order is complete. You agree to pay us for any charges or costs for our services to process a payment order even in the event your payment order is not completed for any reason. If the payment order you provide to us identifies an intermediate bank or other financial institution that funds will transfer through and that intermediate bank has suspended payments that prevent our ability to obtain a refund for any reason, you are still responsible to pay us for the amount in the payment order. Interest or dividends will not be provided to you on any refund you request due to a beneficiary bank or financial institution not accepting the payment order.

**Security Procedures.** We may use one or more security procedures to verify a payment order you issue to us or verify a request by you to cancel or amend a payment order. Unless you expressly inform us in writing and we acknowledged in writing you have identified circumstances or conditions that are applicable to our determination of a commercially reasonable security procedure to verify the payment order or subsequent instructions, you warrant and represent that you have no conditions or circumstances that would prohibit us from determining the commercially reasonable security procedures to apply to your payment order. In our sole and absolute discretion, we may also allow you to provide us with your own security procedure for the purposes of verifying payment orders. You agree to be bound by any payment order and hold us harmless for any and all payment orders issued in your name, regardless of if they are deemed to be authorized or not by you, if we accept in good faith and execute a security procedure you provide to us for payment orders issued by you in the event you refused or rejected a commercially reasonable security procedure we use.

**Duty to report unauthorized or erroneous payment.** You are responsible under a standard of ordinary care for the accuracy of all information you provide to us for any payment orders, changes or amendments to payment orders, or cancellations payment orders you issue. Information you provide to us for payment orders you issue and authorize may include but is not limited to: amounts transferred, beneficiaries, dates, identifying numbers, and any applicable security procedures. You represent and warrant that payment order information you provide is without error. You must notify us immediately or as soon as possible when you discover any error on a payment order issued by you to us that you know or should reasonably know will result in the payment order being unauthorized, unenforceable, or unable to be executed as you intended. We cannot guarantee that errors you made on payment orders can be resolved within a specific timeframe, if at all; but error notifications will not be accepted if they are more than two (2) business days from when we inform you that we have accepted and processed a payment order or when your account has had the funds debited. If you are eligible for any refund amounts for payment orders, your interest or dividends on those amounts will not be provided if we did not receive timely notice from you regarding errors or unauthorized payments. In the event that we incur a loss due to your failure to provide us with timely notice or your failure to exercise ordinary care when providing your payment order information, you will be liable to us up to the full amount of the payment order per our sole discretion that you failed to perform as outlined in this provision.

**Identifying number.** If you give us a payment order that identifies an intermediary or beneficiary's financial institution by both name and an identifying account number, we and any receiving financial institution or beneficiary financial institution may rely on the number as the proper identification even if it identifies a different financial institution than the named financial institution. This means that you will be responsible for any loss or expenses incurred by a receiving financial institution that executes or attempts to execute the payment order in reliance on the identifying number you provided. Further, you agree to hold us harmless from any and all claims, including, but not limited to claims of simple negligence on our part or the part of our employees or our agents per these terms and conditions.

**Notice of Credit.** We do not have to provide you with a notice of the credit in the event we receive a payment order for any of your accounts with us.

**Amendment of funds transfer provisions.** We reserve the right to change and amend at any time the terms and conditions herein related to fund transfers issued by payment orders and will provide you with reasonable written notice of those changes if required. Notice will be provided to one or more individuals who you authorize to issue payment orders for your designated accounts or authorize to accept payment orders.

**Cancellation or amendment of payment order.** In order for us to process a cancellation or amendment of a payment order issued by you to us, you must provide us with notice of the cancellation or amendment both before our cutoff date and time and it must be executed by you in accordance with any security procedures we agree apply to the payment orders you issue to us. Additionally, cancellation or amendments provided to us before a cutoff date and time must be provided with sufficient time for us to reasonably execute them, and we reserve the right to not accept a cancellation or amendment if we determine in our sole discretion that it cannot be performed prior to a cutoff time.

**Intermediaries.** Under no circumstances will we be liable or responsible for the actions of one or more intermediaries associated with any aspect of a payment order issued by or received by you regardless of how the intermediary was selected. You acknowledge that we are not responsible for the actions of intermediaries, and you will hold us harmless for any acts of God, or actions by outside or non-salaried agents.

**Limitations on Liability for Payment Orders.** In the event that any of the instructions or information you provide associated with a payment order you issue to us is erroneous and creates an error with the transfer of funds requested in that payment order, you acknowledge that we are not responsible for any attorney or legal fees you incur related to the payment order. You also agree to waive any claim or claims against us for damages including but not limited to those that are special or consequential in nature and any loss of profit related to a payment order or funds transfer.

**Erroneous Execution.** In the event we err in processing a payment order transferring funds to you, we have the right to recover any amount back from you that exceeds the amount of a payment order we received. Our right to recover is effective whether or not you believe that you have a claim to an excess amount from the payment order's originator.

**Objection to payment.** You cannot claim that we are not entitled to retain a payment associated with a payment order unless you notify us of your reasons for objecting to the payment and underlying payment order within one year of our notice to you. Our notice to you will identify the payment order at issue, if it was either issued in your name as a sender of the payment order, and when we accepted and received payment for the payment order.

**Notice of Receipt.** We will not provide you with notice of the order, unless we are requested to do so by the transfer originator in the order. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**Provisional Payment.** Credit we give you is provisional until we receive final settlement for that entry. If we do not receive final settlement, you agree that we are entitled to a refund of the amount credited to you in connection with the entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

**International ACH Transactions.** If your transaction originates from a financial agency that is outside of the territorial jurisdiction of the United States, it may be subject to additional review for compliance with the rules of the Office of Foreign Assets Control (OFAC). If additional review is required, the International ACH transaction will not be available to you until it passes final verification.

### **Stop Payments.**

**Stop Payment on Checks.** You may stop payment on a check drawn against your account by a record or written order or other confirmation as allowed by us, provided that we receive the Stop Payment Order in a time and manner that gives us a reasonable opportunity to act on it. The Stop Payment Order must describe the check or account with reasonable certainty. Oral requests for a Stop Payment Order are binding on us for 14 calendar days only and must be confirmed by you in a record or writing within that period. If the record or written confirmation is not received as specified, we will no longer be bound by your request. Upon receipt of confirmation in a record or writing, a Stop Payment Order on a check remains in effect for six months or until we receive a record or writing revoking the Stop Payment Order, whichever occurs first. If the check on which a Stop Payment Order has been placed has not cleared or been returned to you by the payee, you may renew the Stop Payment Order for an additional six months by providing a request to us in a record or writing within the time period the Stop Payment Order is in effect. You understand that we may accept the Stop Payment Order request from any of the account owners of the account regardless of who signed the check.

We have a daily cutoff time by which we must receive any knowledge, notice, Stop Payment Order, set-off or legal process affecting our right or duty to pay a check/share draft. That cutoff time is one hour after the opening of your branch's banking day, following the banking day on which your branch received the check.

**Stop Payment on ACH Debits.** A Stop Payment Order may be placed on either a one-time debit transfer or on a multiple debit entry transfer. If you request a Stop Payment Order on an Electronic Check Conversion or other one-time debit transfer, we must receive the request, orally or in a record or writing, in a period of time that provides us a reasonable opportunity to act on it prior to acting on the debit entry, otherwise the Stop Payment Order shall be of no effect. If you requested a stop payment on a multiple debit entry transfer, we must receive the Stop Payment Order, orally or in a record or writing, at least three business days before a scheduled multiple debit entry. Oral stop payment orders are binding on us for 14 calendar days only and must be confirmed by you in a record or writing within that period. A Stop Payment Order on an ACH debit remains in effect until the earlier of 1) your withdrawal of the Stop Payment Order, 2) the return of the debit entry, or 3) six months from the date of the Stop Payment Order, unless you renew the Stop Payment Order. You may renew the Stop Payment Order for an additional six months to prevent the transfer from being paid by providing a request to us within the time period the Stop Payment Order is in effect. When a stop is placed on a multiple debit entry transfer, we may require your confirmation in a record or writing stating that you have canceled your authorization for the transfer with the payee (a Stop Payment Order does not revoke authorization). The Stop Payment Order shall be governed by the provision of the Uniform Commercial Code 4A in effect in the state in which we are located, Nacha Operating Rules, and any applicable state law.

You may be charged every time you request a Stop Payment Order, and for each Stop Payment Order renewal you make. A release of the Stop Payment Order may be made by the person who initiated the stop payment request or any of the account owners on the account.

Our acceptance of a stop payment request does not constitute a representation by us that the item has not already been paid or that we have had a reasonable opportunity to act on the request.

Requests for stop payments on cashier's checks, our checks, or any check or payment guaranteed by us are not permitted. Although a stop payment request has been honored, you may continue to be obligated to pay any holder of the item, including us. You agree to indemnify and hold us harmless from all costs, including attorney's fees, damages, or claims due to our stopping payment of an item, including claims of any multiple party account owner, payee, or endorser in failing to stop payment on an item as a consequence of inaccurate information provided by you.

**Death or Incompetency.** Neither the death nor the legal adjudication of incompetence of any individual authorized to act on your behalf, or in the case of sole proprietorships, neither your death nor the legal adjudication of incompetence, revokes our authority to accept, pay, or collect items until we know of the fact of death or of an adjudication of incompetence and have a reasonable opportunity to act on it. To the extent permitted by law, even with knowledge, we may for 10 days after the date of death, pay checks drawn on or before the date of death unless ordered to stop payment by a person claiming an interest in the account. For sole proprietorships, neither your death nor a legal adjudication of incompetence revokes our authority to accept, pay, or collect items until we know of the fact of death or of an adjudication of incompetence and have a reasonable opportunity to act on it. To the extent permitted by law, even with knowledge, we may for 10 days after the date of death, pay checks drawn on or before the date of death unless ordered to stop payment by a person claiming an interest in the account.

#### **Non-Sufficient Funds and Overdrafts - Available Balance.**

**How We Decide To Pay An Item or Debit.** We use an available balance method to determine if there are sufficient funds in your account to pay an item or debit transaction. The available balance reflects deposits and transactions that have been posted to your account, such as checks you have written, and transactions that have been authorized but not yet posted to your account, including deposit holds and holds on debit card transactions that have been authorized but not yet posted (i.e., preauthorization holds). These pending transactions and holds reduce your available balance. For example, you have \$100 in your account and a pending transaction of \$30. Your available balance is \$70 because the pending \$30 transaction reduces your available account balance.

**How We Assess Charges.** If there are insufficient funds to pay a debit transaction or item based on your available balance, we may either: 1) return the debit or item or 2) pay the debit or item at our discretion. We may charge you if we return the debit or item or pay the debit or item on your behalf.

**Return Item For Non-Sufficient Funds.** If we do not pay the debit transaction or item on your behalf and return the debit or item, we may charge you a non-sufficient Paper Notice charge per our Business Account Schedule of Service Charges. Pursuant to Nacha Operating Rules and Guidelines and other applicable laws, a debit or item may be presented for payment more than one time.

**Overdrafts.** If we pay the debit transaction or item on your behalf, you will be responsible for the overdrawn balance, and we may charge you overdraft charges per our Business Account Schedule of Service Charges. As discussed above, subsequent pending transactions and holds impact your available balance, which may cause your account to become overdrawn and subject to overdraft charges. For example, you have \$100 in your account. You use your debit card at a gas station and a preauthorization hold of \$60 is placed on your account because the amount of the transaction is not known at the time of authorization even though your gas was only \$50. The authorization hold reduces your available account balance to \$40. You then spend \$50 on groceries. If we pay this debit on your behalf, you will be responsible for paying the overdrawn balance, and we may charge you overdraft charges.

**Processing Order.** We will process debit and credit transactions in accordance with our standard procedures as outlined herein. The processing order of these debits and credits is important because if your account balance has insufficient funds to pay for them in the order that they are processed, we may charge overdraft charges if we pay the debit on your behalf.

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

**Credits** - Most deposits are added to your account when we receive them. Credits to the account may include deposits such as cash, checks, ACH, and remittances. In some cases, deposited funds may not be made immediately available for use. Thus, the available balance may not reflect the most recent deposits into the account. For additional details on the availability of funds, see the section of this document titled "Funds Availability Disclosure".

**Debits** - There are several types of debit transactions. The most frequent types of debit transactions are described generally below. Keep in mind that there are many ways transactions are presented for posting to your account and we are not necessarily in control of when transactions are received.

**Checks** - Most checks are processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each business day. The checks drawn on your account are compiled from these data files and posted to your account each business day. We process these payments from low to high dollar value.

**Automated Clearing House (ACH) Payments** - We receive and process multiple data files throughout each business day from the Federal Reserve including ACH transactions. These also include automatic bill payments you have signed up for. Each file we receive is processed separately during each business day. Within each ACH data file, ACH debit transactions for your account are grouped together and posted in low to high dollar value.

**Point of Sale (POS) Debit Card PIN Transactions** - These are transactions in which you use your debit card to make a purchase and you enter your PIN at the time of the sale. These types of debit card purchases are similar to ATM withdrawals because money is usually deducted from your account immediately (thus reducing your balance and your available balance) at the time of the transaction. However, some POS PIN transactions are not presented for payment immediately; it depends on the merchant.

**Point of Sale (POS) Signature Debit Card Transactions** - These are transactions in which you make a purchase with your debit card and you may be asked to sign for the purchase as you would with a credit card. These transactions include online purchases and other transactions where you are not asked to enter your PIN at the time of the transaction (and for some transactions you may not be required to sign; however, the transaction would still be considered a signature transaction). As described above, in these situations, the merchant may seek authorization for the payment. When that happens, we generally place a temporary hold against the available funds in your account. We refer to this temporary hold as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance. Authorization holds are deducted from your available balance (but not your balance) as they are received by us throughout each day. At some point after you sign for the transaction (or conduct the transaction for transactions without your signature), the transaction is processed by the merchant and presented to us for posting to your account. This can happen hours, or sometimes days, after you signed for or conducted the transaction, depending on the merchant and its processing company. These payment requests are presented in real time throughout the day and are posted to your account as they are received. Please note: The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, if you use your card at a merchant, a hold may be placed in the amount of the bill presented to you, but when the transaction posts it will include any tip that you may have added to the bill. This may also be the case where you use your debit card at gas stations and hotels and certain other establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment. The fact that we put an authorization hold on your available balance does not mean the authorization is set aside and made available to pay the specific transaction authorized. The hold is simply a reduction in your available balance based on the fact that we have authorized a transaction and are therefore obligated to pay the transaction when presented. Debit card transactions can be recurring or nonrecurring. Recurring transactions occur when you use your debit card to set up a recurring monthly or periodic payment, such as for an insurance payment. Nonrecurring transactions are one-time or everyday transactions that are authorized each time you use your debit card. Using your debit card at a merchant is an example of a one-time or everyday (nonrecurring) transaction.

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

reject multiple transactions when your account is overdrawn. **The best way to know how much money you have and avoid paying overdraft fees is to record and track all of your transactions closely.**

**A temporary debit authorization hold affects your account balance** - On debit card purchases, merchants may request a temporary hold on your account for a specified sum of money, which may be more than the actual amount of your purchase. When this happens, our processing system cannot determine that the amount of the hold exceeds the actual amount of your purchase. This temporary hold, and the amount charged to your account, will eventually be adjusted to the actual amount of your purchase, but it may be days before the adjustment is made. Until the adjustment is made, the amount of funds in your account available for other transactions will be reduced by the amount of the temporary hold. If another transaction is presented for payment in an amount greater than the available balance left after the deduction of the temporary hold amount, that transaction will be a nonsufficient funds (NSF) transaction if we do not pay it or an overdraft transaction if we do pay it. You will be charged an NSF or overdraft fee according to our Business Account Schedule of Service Charges. You will be charged the fee even if the available balance would have been sufficient if the amount of the hold had been equal to the amount of your purchase.

**Additional Terms** – We are not obligated to authorize transactions or pay any overdraft. We will decide to pay overdrafts on a case-by-case basis, at our sole and absolute discretion. We may refuse to pay any items without first notifying you, even though your account is in good standing and even if we have paid previous overdrafts. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts in accordance with our Business Account Schedule of Services Charges. For your overdrafts that are paid, you promise to immediately pay us all sums, including the fees and charges for this service advanced to you or any other person you permit to use your checking account and/or who causes an overdraft on your checking account. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover overdrafts and overdraft charges.

**Signatures.** You authorize us, at any time, to charge you for all checks, drafts, orders, or other items for the payment of money, that are drawn on us regardless of by whom or by what means (including facsimile signature(s)) your signature may have been affixed so long as the signature resembles the signature specimen in our files. For withdrawal and other purposes relating to any account you have with us, we are authorized to recognize your signature; and we will not be liable to you for refusing to honor signed instruments or instructions if we believe in good faith that one or more of the signatures appearing on the instrument or instructions is not genuine.

If your items are signed using any facsimile signature or non-manual form of signature, you acknowledge that it is solely for your benefit and convenience. You agree that no facsimile signature you have authorized us to honor may be considered a forgery or an unauthorized signature, and that every authorized facsimile signature shall be effective as the signatory's own original, manual signature. You accept sole responsibility for maintaining security over any device affixing the signature as such signature will be effective regardless of whether the person affixing it was authorized to do so. Your authorization notwithstanding, we are not obligated to accept or pay any items bearing facsimile signatures.

Further, most checks, and other items are processed automatically, i.e., without individual review of each item. Therefore, unless we agree in a separate writing, in our sole discretion, upon your request and due to unique circumstances to conduct individual review of each item, you agree that we are acting within common and reasonable banking practices by automatically processing checks, and other items, i.e., without individual review of each check, or item. You agree to indemnify, defend, and hold us harmless from and against all loss, costs, damage, liability, and other injury (including reasonable attorney fees) that you or we may suffer or incur as a result of this practice.

**Designation Of An Account Agent Other Than Account Owner.** An instruction given to us by you that permits another person, other than an account owner, to conduct specific business activities on specified accounts is a designation of an account agent, which we may recognize or choose not to recognize, at its sole discretion. We may require signed written verification of any such instruction. A designation does not give the agent any ownership rights in an account or voting privileges with us. We are not required to question the use or purpose of any transaction the agent makes. You waive any claim or cause of action against us for actions we take or the account agent pursuant to such instruction, except in the event of gross negligence or willful misconduct by us.



**Dividend Rates And Charges.** Current dividend rates may be obtained online at [pillur.org](http://pillur.org) or by calling us toll-free in the U.S. at 833-533-0678. Charges that may be assessed are disclosed on the current Business Account Schedule of Services Charges. Dividend rates may change at any time and are effective at the time of change.

**Service Charges and Balance Requirements.** You agree to pay us and are responsible for any charges, or balance/deposit requirements included in these Terms and applicable that may include but are not limited to our Business Account Schedule of Service Charges. Charges and balance requirements may change from time to time. We also reserve the right to impose a service charge for cashing checks drawn on your account if the person cashing the check is not a member of ours.

**Contractual Right Of Setoff.** Except to the extent prohibited by law, you agree that we have the right to apply funds in any account you maintain with us, including accounts under any of our other trade names owned by the Credit Union, whether the account is in your name alone or in your name and another or others, to the payment of any obligations, individual or joint, you owe to us now or at any time hereafter. This setoff provision applies to all funds in your account. This setoff provision also does not apply to a debt that is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest). We may set off the funds in any account you maintain, except as limited by law, in order to pay an outstanding amount or pay off the remaining amount that you owe us, including any costs of collection or reasonable attorney's fees we incur by enforcing our rights or responding to third party claims related to your account(s). If we do not enforce our right of setoff, we do not waive our rights to enforce our contractual right or collect any amounts owed at a later date. You agree to hold us harmless from any claim arising as a result of our exercise of our right to setoff.

**Statutory Lien.** Please take notice that we have the power, pursuant to 12 U.S.C § 1757(11), to impress and enforce a statutory lien upon any shares and dividends you now or may later have on deposit with us to the extent of any loan made and any charges payable to us, including under any of our other trade names owned by the Credit Union. We hereby do impress that lien and may enforce that lien without further notice to you. We may enforce our lien against any account you maintain, except as limited by law, in order to pay off the remaining amount you owe us including any costs of collection or reasonable attorney's fees we incur by enforcing our rights or responding to third-party claims related to your account(s). If we do not enforce our lien, we do not waive our rights to enforce our lien or collect any amounts owed at a later date. You agree to hold us harmless from any claim arising as a result of our exercise of our right to impress and enforce a statutory lien.

**Security Interest.** At the time of account opening and at the time of the addition of any joint owner, you grant to us a security interest in all your property in possession of or under our control at that time and at any time thereafter, as security for payment of any and all of your obligations to us, except debts secured by your primary residence. Your property includes, but is not limited to, the funds in any account you have with us, including funds in accounts under any other trade names owned by the Credit Union. After your default in payment of any obligation to us, we may apply your property to the defaulted obligation. We may enforce our security interest against any account you maintain in order to pay off the remaining amount you owe us, including any costs of collection or reasonable attorney's fees we incur by enforcing our rights or responding to third-party claims related to your account(s). If we do not enforce the security interest, we do not waive our rights to enforce the security interest or collect any amounts owed at a later date. You agree to hold us harmless from any claim arising as a result of our security interest or the enforcement of that security interest.

**Dormant/Inactive Accounts/Escheatment.** We will consider an account to be dormant if there are no deposits or withdrawals for a period of 18 months. Some account products may follow dormancy rules based on applicable state law. When an account becomes dormant, we will charge a monthly dormant account charge as stated in the Business Account Schedule of Service Charges, unless restricted by law. The charge will be assessed until the account becomes active or there are no funds available to pay the charge. You authorize us to transfer funds from other accounts of yours to cover any service charges we may impose upon the account deemed dormant, including funds in accounts under any of our trade names as described in the Trade Names section of this agreement. To the extent allowed by law, we reserve the right to transfer account funds to an account payable and suspend any further account statements. If a deposit or withdrawal has not been posted to your account for the time frame set by the state of the last known address on file and we have not had any other contact with you, we will consider your account abandoned. We will attempt to notify you prior to your account being considered abandoned. We will report and escheat (i.e., disburse) to the applicable state the funds from an abandoned account, less the escheatment charge stated in the Business Account Schedule of Service Charges, in accordance with applicable state law.

**Attorneys' Fees and Expenses.** You agree to be liable to us for any loss, costs or expenses, including reasonable attorneys' fees to the extent permitted by law, that we incur as a result of any dispute involving your account, and you authorize us to deduct any such loss, costs or expense from your account without prior notice to you. This obligation includes disputes between yourself and us involving the account and situations where we become involved in disputes between you and an account owner, another joint owner, or a third party claiming an interest in the account. It also includes situations where you, an account owner, another joint owner, or a third party takes action with respect to the account that causes us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

**Legal Process Claims and Proceedings.** In response to any garnishment, attachment, restraining order, injunction, levy, citation to discover assets, judgement, reclamation, other order or other legal process ("Legal Process Claim(s)"), we have the right to place a hold on, remove from your account(s) and/or remit to the designated third-party(ies) any amount on deposit in your account(s) as set forth in and required by such Legal Process Claim(s). In addition, we may charge against your account(s) any fee authorized by law in connection with the Legal Process Claim(s) or as otherwise set forth in the Business Account Schedule of Service Charges included with these terms.

If legal proceedings are brought against your account, we may pay funds as ordered by the court or withhold payments until the disagreement is settled. You agree to be responsible for, to reimburse us, and/or have your account charged for any expenses or reasonable attorney fees we incur due to a Legal Process Claim, warrant, or subpoena of records of your account. Any Legal Process Claim or other lien against your account is subject to our right of set-off and security interest described herein. We may restrict the use of your account if it is involved in any legal proceeding.

**Termination Of Account.** We may close your account at any time without informing you or may order you to close your account and open a new account if: (1) you wish to change account owners or the ownership of the business entity or other legal entity has changed; (2) we have been informed of a fraud or forgery perpetrated against your account; (3) there is a disagreement as to who owns the account or the funds in the account; (4) any checks are lost or stolen; (5) if there is an excessive amount of unhonored items that are not included under an overdraft protection account; (6) any information has been falsified or there has been any other misuse of your account; (7) we objectively conclude that the account will cause a loss to us; or (8) you do not maintain one regular account as set forth in our Bylaws. We are not required to honor any check, withdrawal, or other item following the closure of your account. However, you are required to reimburse us if we choose to honor an item after your account has been closed.

**Termination Of Membership By You.** You may terminate your membership by withdrawing all of the funds in your account(s) (including your membership share). In some cases, we may require a request to terminate membership to be in writing with the signature of one or more account owners. You or any other account owner may withdraw all of the funds in the account(s) (including your membership share) and thereby terminate your membership. You acknowledge that any withdrawal or reduction of your membership share means that your membership will terminate unless you replenish your membership share in accordance with the timeframe specified in our Bylaws.

**Termination Of Membership By Us.** We may terminate your membership in the Credit Union in one of three ways. The first way is through a special meeting. Under this option, we may call a special meeting of the members, provide you an opportunity to be heard, and obtain a two-thirds vote of the members present at the special meeting in favor of your expulsion. The second way to terminate your membership is based on nonparticipation when you fail to maintain a membership share with us. The third way to terminate your membership is by a two-thirds vote of a quorum of our Board for cause. Cause is defined as follows:

- A. A substantial or repeated violation of our Membership and Account Agreement;
- B. A substantial or repeated disruption, including dangerous or abusive behavior, to our operations; or
- C. Fraud, attempted fraud, or a conviction of other illegal conduct that a member has been convicted of in relation to us, including in connection with our employees conducting business on behalf of us.

Once the Board votes on an expulsion for cause, we must provide written notice to your mailing address, email address on record (if applicable), or personally provide the written notice directly to you. We must include the specific reasons for the expulsion and allow you an opportunity to rebut those reasons through a hearing if you choose. It is your responsibility to keep your contact information with us up to date, and to open and read notices from us.

Unless we determine to allow otherwise, there is no right to an in-person hearing with the Board. If you fail to request a hearing within 60 calendar days of receipt of the notice, you will be expelled. You may submit any complaints about your pending expulsion or expulsion to NCUA's Consumer Assistance Center if the complaint cannot be resolved with us. We will confirm any expulsion with a letter with information on the effect of the expulsion and how you can request reinstatement. Expulsion or withdrawal from membership does not relieve you of liability to us, and we may demand immediate repayment of the money you owe to us after expulsion, subject to any applicable contract terms and conditions. For additional information on expulsion, please contact us.

The Member Interactions section of this agreement also outlines your rights and obligations and our rights to suspend or limit your services.

**Member Interactions.** We believe that all members and employees should be able to conduct business in a professional environment without fear of harassing, destructive, or abusive conduct. We may restrict or suspend access to any or all products or services, except the ability of the member to attend, participate, and vote in annual and special meetings and maintain a savings account, if you engage in conduct that is abusive to us, our employees and/or our membership. This expectation also applies to agents, account owners, and authorized users of accounts, products, and services. Such abusive conduct includes but is not limited to: actions that abuse our products or services, abusive, discriminatory, disruptive or threatening behavior, and suspicious, fraudulent, illegal, dishonest, or deceptive activities, including impersonation of another person through any communication channel. Any verbal, written, or nonverbal communication (such as body language) must follow appropriate conduct expectations. If you post content or publish material on any of our websites or forums, we do not have an obligation to monitor or edit or remove any content, but may do so without issuing any warnings. We reserve the right to review any recorded interactions, and determine at our sole discretion whether inappropriate conduct has occurred. Users of our video

platforms must behave in a manner consistent with being present in a physical branch. This includes but is not limited to: wearing appropriate dress, appropriate verbal or nonverbal communication and appropriate background images and sound. Video platforms may not be used when driving or operating heavy machinery, and all risks, injury and harm associated with doing so are not our responsibility. You agree to only use a secure internet connection in a location where your privacy will be protected. We reserve the right to terminate the video session or restrict future video services if you do not meet these requirements or if inappropriate conduct has occurred. We will notify you of our decision to limit services to you if you are found not following conduct expectations.

**Our Waiver of Rights.** You understand and agree that no delay or failure on our part to exercise any right, remedy, power or privilege available to us shall affect or preclude our future exercise of that right, remedy, power or privilege.

**Your Waiver of Notice.** You waive any notice of non-payment, dishonor or protest regarding any items credited to or charged against your deposit account. For example, if a check that you deposited is dishonored and returned to us, we are not required to notify you of the dishonor.

**Notice.** You are responsible for notifying us of any change to the name, type or address of your entity or other information affecting your account. Notices must be in a form and manner acceptable to us with enough information to allow us to identify the account. Notice sent by you to us is not effective until we have received it and have had a reasonable opportunity to act upon it. Written notice sent by us to you is effective when mailed to the last address supplied or email address associated with the account.

**Taxpayer Identification Number and Backup Withholding.** You must provide a taxpayer identification number (hereinafter TIN) with your account with us. 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. Your failure to furnish a correct 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 payments.

**Certified Beneficial Owner Information and Consent to Access Beneficial Ownership Information Database.** You are responsible for notifying us of any changes to the certified beneficial ownership information of the legal entity customer that was provided to us. Notice should be made to us as soon as practical upon a change to the beneficial ownership information in a form and manner acceptable to us. You grant us permission to validate your beneficial ownership information in the Financial Crimes Enforcement Network beneficial ownership information database to the extent allowed under applicable law.

**Telephonic Instructions.** In general, we are not required to act (timely or otherwise) on an instruction you give to us via a phone answering machine, voicemail message, facsimile (fax) machine, text/sms message, or similar channel unless we agree with you to do so on a per-request basis or we are required by law to do so.

**Online or Mobile Services.** If you open an account or obtain a product or service from us using our online or mobile services, we may record your personal information from a scan or a copy of your driver's license or other personal identification card, or we may receive an image or make a copy of your driver's license or other personal identification card. We may store or retain this information to the extent permitted by law.

**Amendments and Alterations.** Except as prohibited by law, we may amend this agreement by adding, removing, or changing terms at any time. We will notify you of amendments as required by applicable law. Your continued use of the account evidences your agreement to any amendments. Notices will be sent to the most recent mailing or e-mail (if applicable) address shown on the account records.

**Severability.** If a court for any reason holds a provision of these Terms to be unenforceable, the rest remains fully enforceable. All headings are intended for reference only and are not to be construed as part of these Terms.

**Enforcement.** You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow these Terms. 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 these Terms, 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.

**Indemnity and Waiver.** Except in the event we materially breach these Terms, you or any surviving beneficiary or owner agree(s) to waive, indemnify and hold us harmless from any claim or liability asserted against us as a result of the establishment and management of an account, the disposition of funds in reliance on these Terms and any account designations, the making and servicing of loans, or the offering or rendering of any other financial services. You or any surviving beneficiary or owner also agree to waive, indemnify and hold us harmless from any claim or liability asserted against us for your use of or dealings with third party vendors whose applications or website links are accessible via our website(s). We may require any account changes you wish to make be specified in writing or on an account change form, including adding or terminating an account or service. We may also require an account change form to be signed by all account owners. We may decline to abide by your directions, or request that you post a bond or alternative protection, if such directions make us susceptible to claims, lawsuits, expenses, liabilities, or damages, either directly or indirectly. If, by following your directions, we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities, or damages, including actual attorney's fees. In the event we honor your request that does not conform to the Terms herein, you acknowledge that we are not considered to be in material breach thereof, and you acknowledge that we are not required to honor the same request again later.

**Member Selected Content.** We reserve the right to deny the use of member-selected content, including but not limited to: account names, codewords, comments on any fund transfers, and usernames, if we determine at our sole discretion the member-selected content is inappropriate, offensive, threatening, obscene, or objectionable. We do not have an obligation to monitor, edit, or remove any content, but may do so without issuing any warnings. We will notify you if your selected content is denied and reserve the right to allow you to select alternate content as a replacement, or restrict or deny your ability to select your own content in the future.

**Consent To Contact.** You agree that we may contact you using your contact information listed in our records, including your email address and telephone number(s). You authorize us and our agents performing services on our behalf to contact you using any phone number(s) (including any wireless, mobile or VOIP number) and email addresses you have previously provided to us or that you may subsequently provide to us. You agree we may contact you on a mobile, wireless, cell phone or any other device even if you are charged for it by a communications service provider. You also assert that you are the subscriber/owner of the device's account or have been granted the authority by the subscriber/owner of such device to provide us with the number and the owner consents to such contact. Additionally, you expressly consent to receive autodialed or prerecorded calls, artificial voice messages, direct-to-voicemail messages, messages by adaptive signaling technology, DirectDROP Voicemail (DDVM), texts messages, and any other electronic correspondence from us or any affiliates or agents performing services on our behalf: (1) to notify you about any of your accounts, loans, collateral, applications, services, or products; (2) to provide you with transaction notifications, fraud alerts, and other messages; (3) to collect a debt or other obligation; or (4) as otherwise deemed necessary by us to service your accounts, loans, collateral, applications, services, or other products. Additionally, you agree that we may send electronic communication to you at the email addresses you provide to us. We need not provide further notice to you or receive additional approval.

**Consent to Collecting, Recording, Monitoring and Storing.** You expressly consent in advance to our collecting, monitoring, and storing of conversations and other communications with you and your agents who may contact us on behalf of your business, organization, or legal entity accounts with us. Your consent applies to our collecting, recording, monitoring, and storing of phone conversations, electronic messages, electronic records, video chat and video teller interactions, video recordings, voiceprints, facial recognition, or other data transmissions between you and us regarding your accounts, loans, collateral, applications, or other products and services offered by us (individually and collectively referred to as "recordings"). Your consent applies regardless of whether you or we initiated the contact. Unless required by applicable law, you agree we can rely on your consent to collect, record, monitor, and store our recordings in provided herein and we are not obligated to notify you of each time prior to our collecting, recording, monitoring, and storing of recordings. We collect, record, monitor, and store conversations for quality control, fraud prevention, identity verification, training, and other purposes. You acknowledge and agree that all recordings are solely our property. We have no obligation to provide copies of recordings to you. You may contact us to opt out of provided consent to our collecting, recording, monitoring, and storing of your voiceprint and facial recognition data.

**Arbitration Agreement.** You and Credit Union agree to attempt to informally settle any and all disputes arising out of, affecting, or relating to your accounts, or the products or services we have provided, or will provide, or have offered to provide to you, and/or any aspect of your relationship with us (hereafter referred to as the "Claims"). If that cannot be done, then you agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Waiver of Class Action provision ("Arbitration Agreement"), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either you or us, be resolved by binding arbitration administered by the American Arbitration Association ("AAA") in accordance with its commercial arbitration rules ("Rules"), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at [adr.org](http://adr.org); or, a copy of the Rules can be obtained upon request to our Legal department. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS AGREEMENT (EXCEPT FOR CLAIMS BROUGHT ON YOUR OWN BEHALF WITHIN SMALL CLAIMS COURT OR A COMPARABLE COURT OF LIMITED JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT). This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf. This Arbitration Agreement shall not apply to claims that are initiated in or transferred to small claims court. This Arbitration Agreement does not apply to: (1) any consumer credit transaction secured by a dwelling (including a home equity line of credit secured by your principal dwelling); or (2) to any consumer credit obtained while you were a covered borrower as defined by the Military Lending Act.

**1. Selection of Arbitrator.** Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules, and must have experience in the types of transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the forum for the resolution of the Claims.

**2. Effective Date.** This Arbitration Agreement is effective when your account is opened.

**3. Arbitration Proceedings.** The arbitration shall be conducted within 50 miles of your registered office mailing address at the time the arbitration is commenced, if within the continental United States. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The arbitrator shall be entitled to award the same remedies that a court can award, including any kind of injunctive relief that could be awarded by a court. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The arbitrator shall not be entitled to make errors of law in rendering an award. The arbitrator's award can be entered as a judgment in court. Except as provided in applicable statutes and with respect to errors of law, the arbitrator's award is not subject to review by the court and it cannot be appealed. You and Credit Union shall equally share any filing, administration, and arbitrator fees imposed by the AAA. However, you will be responsible for your own attorneys' fees, unless you prevail on your Claim in the arbitration, in which case, we will pay your attorneys' fees. Conversely, if Credit Union prevails, then you will not be required to pay our attorneys' fees and costs. Nothing contained in this Arbitration Agreement shall prevent either you or us from: (1) applying to any court of competent jurisdiction for emergency provisional relief, such as a temporary restraining order, a temporary protective order, an attachment or any other pre-judgment remedies; (2) from executing self-help remedies or availing ourselves of other remedies available to take possession of and/or foreclose on real or personal property; or (3) from seeking an order from any court of competent jurisdiction allowing us to take possession of and/or foreclose on real or personal property. Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.

**4. Class Action Waiver.** ANY ARBITRATION OF A CLAIM SHALL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

**5. Arbitration Agreement Severability.** In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions shall remain fully enforceable.

FOR MORE DETAILS or if you have questions, you may call us or visit a branch. If you have questions about AAA procedures, you should check AAA's website, [adr.org](http://adr.org), OR call AAA at (800) 778-7879.

**Governing Law And Limitation On Period To File Claims.** These Terms shall be governed and construed under applicable federal laws and regulations and applicable laws of the State of Michigan. Subject to the Arbitration Agreement above, you consent and agree that any dispute regarding these Terms shall be subject to the exclusive jurisdiction and venue of the appropriate state court in Clinton County, Michigan, or the Federal District Court for the Western District of Michigan. Notwithstanding the foregoing or any other provision of these Terms, the Federal Arbitration Act (Title 9 of the US Code) governs the interpretation and enforcement of the Arbitration Agreement. All claims and causes of action against us, including without limitation all claims and causes of action arising out of or related to these Terms, any other agreement with us, and/or any account or loan relationship with us, must be filed within two (2) years after such claim or cause of action accrued or be forever barred. You agree this limitation constitutes an express waiver of any rights under any applicable statute of limitations which would otherwise afford additional time for such a claim.

**NCUA Insurance.** Your accounts are held with the Credit Union, where savings are insured by the National Credit Union Share Insurance Fund, which is administered by the National Credit Union Administration (NCUA), an agency of the United States Government. Accounts opened with any trade name of the Credit Union, such as Pillur, are not separately insured and do not have additional insurance through that trade name. If applicable based on your account designations with us, the NCUA will insure a deceased member's accounts as if they were still alive for six months after their death. During this six month "grace period," the insurance coverage of the deceased member's accounts will not change unless the accounts are restructured. The amount of insurance coverage you have depends on the number of accounts you have with us that are of different "ownership." Please contact us or contact the NCUA if you have questions related to federal deposit insurance.

**Credit Verification.** You agree that we may verify your prior or current employment history and your credit status in any manner we deem appropriate as applicable by law, including but not limited to reviews of credit reports by credit reporting agencies.

**Changing Account Products.** We have the right to change, update, or modify your account to another product we offer at any time. If a change, update, or modification occurs we will provide you with notice, as required or applicable, that your account product will be changed on a specified date. Please note that changes, updates, or modifications of certificate accounts will not occur until the maturity date of the certificate. If you maintain the account product identified in the notice after the date of the announced change, update, or modification; you agree to the conditions, terms, and changes presented in the notice to you.

**Duty To Protect Account Information And Methods Of Access.** Do not provide your account information, access cards, or access devices with anyone since these cards, devices, and information can be used to withdraw funds from your accounts. You agree that it is your responsibility to protect account information, access cards, and access devices for all your accounts. If you share account information or access device information with an individual, whether you know the person or not, they could access funds in your account and make withdrawals whether you have given them permission or not. Inform us immediately if you believe someone is using your account information, access cards, or access devices without your permission or authorization.

**Claim Of Loss.** You agree to fully cooperate with us for any investigation of loss in the event you claim a refund or credit from us due to fraud or theft, including but not limited to actual or attempted forgeries, alterations, or unauthorized withdrawals related to the transfer of your funds in any manner. In order to properly investigate a claim of loss by you, you agree to notify law enforcement of any actual fraud or crime perpetrated against you and grant us a reasonable amount of time to conduct an investigation and review of the matter presented by you.

You agree that we will not be liable for special or consequential damages, including loss of profits or opportunity, or for attorney fees incurred by you unless it has been determined that we acted in bad faith regarding the underlying claim. 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. We may request that you assign your rights to us in the event we will pursue a claim against a party associated with the loss claim. In the event we have any liability in the underlying loss claim, we have the right to reduce our liability by any amount you recover or may recover from applicable parties associated in the matter.

**Address Or Name Changes.** You will inform us of any change related to your physical address, email address, legal status, or your name and name of business on your account. Any change of address, legal status, or name must be made in writing by an individual identified as an account owner on your account information. We agree that we will attempt to communicate with you only at the most recent address you provide. You agree to monitor your accounts on a regular basis to ensure the accuracy of the addresses, legal status, and name or names associated with the account. Please contact us if you have any question as how to properly notify us of changes since we in our sole discretion can accept the form or forms we choose to rely on when updating account information. If we need to research how to contact or locate you, we may charge your account based on the Research Charge amount indicated on our Business Account Schedule of Service Charges.

**Restricting Funds In Your Account.** If at any time we believe that the funds in your account(s) may be subject to irregular, unauthorized, fraudulent or illegal activity or there is a question regarding the nature of the ownership or control of your funds, we may, in our sole discretion and without any liability to you, hold the funds and suspend transactions in the account(s) you maintain with us until such time as it is concluded to our satisfaction that the account(s) is not subject to irregular, unauthorized, fraudulent or illegal activity or there is no longer a question regarding the nature of the ownership or control of the funds. We will not provide notice to you prior to placing funds in your account(s) on hold or suspending transactions. We will provide notice to you as soon as reasonably practicable after placing funds in your account(s) on hold or suspending transactions. Notice may be made by mail or verbally or provided by other means, such as online banking or text alerts as permitted by law. We are not liable for any damages resulting from an action taken under this section.

**Our Liability.** We will be responsible for your losses or damages, up to the amount of a transaction, if we fail to execute a transaction properly by the use of ordinary care, unless otherwise provided by law. We will not be liable if: (1) the available balance in your account is insufficient for the transaction; (2) situations of which we have no control prevent us from completing the transaction; (3) you or another financial institution's negligence causes the loss; (4) you consent to or initiate all or part of the transaction that is later determined to be fraudulent, even if you attempt to rescind the transaction; or (5) your account is subject to a legal proceeding or other claim. We are not responsible for consequential damages, except liability, for wrongly rejecting payment of items. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the Terms herein. Any conflict between oral representations made by you or us and any written form will be resolved by reference to the Terms herein and applicable written form. We will be deemed to have exercised ordinary care if our actions or nonactions follow applicable state or federal law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices. Ordinary care shall also be measured by the standard of the reasonableness of policies and procedures established for the transaction involved. Mere clerical error, computer malfunction, inadvertence, or oversight without malice or an honest mistake of judgment shall not be considered a failure to perform such obligations or a failure to exercise ordinary care, and in no case shall be deemed wrongful.



## **Notice of Potential Disclosure of Negative Information To Consumer Reporting Agencies**

This notice is being furnished pursuant to the Fair Credit Reporting Act (15 U.S.C. 1681) as amended by the Fair And Accurate Credit Transactions Act of 2003 (FACT Act).

### **Notice**

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

### **Business Electronic Correspondence Disclosure and Agreement**

**This Business Electronic Correspondence Disclosure and Agreement is effective between the Credit Union and you. By submitting a business account application with us, you agree to accept these terms and conditions and are electing to receive electronic correspondence from us in the event that correspondence is required or request to be provided to you in writing.**

- You will receive certain correspondence at the email address you provide to us. The correspondence may include, but is not limited to; agreements, disclosures, terms and conditions, account statement notices, credit card statement notices, IRS tax forms and notices, change in terms notices, investigation notices, notices of resolution, and transaction notices (such as non-sufficient funds, Courtesy Pay, and overdraft notices).

- We will accumulate 15-month online archive of account and VISA statements, and IRS tax forms.

- Your consent for electronic IRS tax forms applies to each year IRS tax forms must be furnished to you or until you cancel your electronic enrollment.

- You agree to electronically view any changes in disclosures, election information, or updates to our products, services, or service charges. Applicable charges that may apply for changing from electronic correspondence to paper correspondence is reflected in our Business Account Schedule of Service Charges.

- Some correspondence you receive via email may contain links to our website or our digital banking program for additional information.

- While enrolled in electronic correspondence, you will not receive the same correspondence via the U.S. Postal Service. However, you will continue to receive any correspondence through the U.S. Postal Service that is not available electronically.

- You must have a valid email address we will use to send information using unencrypted email. You will remain enrolled in our electronic service(s) as long as you have an account with us, or unless you request otherwise. Consecutive undeliverable email attempts may cause us to revoke electronic services until a valid email address is provided.

- In the event that your email address or other contact information is changed, you must notify us of such changes immediately through one of the following methods: by visiting one of our branches, calling 833-533-0678, or signing in to our digital banking platform to update your contact information. If you fail to update or change an incorrect or invalid email address or other contact information, you understand and agree that any correspondence shall be deemed to have been provided to you if they were made available to you in electronic form on our websites, emailed to the email address we have for you in our records, or delivered through other electronic means.

- If you wish to revoke your enrollment in some of the electronic correspondence you receive, you may do so through one of the following methods: by visiting one of our branches, calling 833-533-0678, or signing in to our digital banking platform updating your electronic correspondence preferences.

- When you revoke your enrollment in some or all electronic correspondence, we will begin to mail the applicable correspondence as elected through the U.S. Postal Service at no additional charge to you (unless identified in the Business Account Schedule of Service Charges) and discontinue electronic transmission of these items.

- It is your responsibility to access the necessary hardware, software, and other items (collectively referred to as "System Requirements") needed to access our mobile application, access digital banking and our website, and view, print, or otherwise access necessary information to receive electronic communications from us.

- The System Requirements may include some or all of the following:

- An internet browser and a computer, operating system, and telecommunications connection to the internet capable of supporting your internet browser.

- An email account.

- Software that enables you to view files in the Portable Document Format ("PDF"), in order to view electronic records that are in PDF.

- Sufficient electronic storage capacity on your computer's hard drive or on your other data storage unit, in order to download and save electronic records.

- A printer that is capable of printing from your browser, your email, or other applicable software application, or from your hard drive or your other data storage unit, in order to print paper copies of electronic records.

- A mobile or handheld computing device with a compatible operating system and telecommunications connection to the Internet.

## Visa Debit Card for Business Agreement Terms and Conditions

**Introduction.** This Visa Debit Card for Business Agreement ("Agreement") contains contract terms and other important information relating to your Visa Debit Card for Business ("Card"). These terms govern the operation of the Card unless modified in writing. This Agreement also incorporates the Business Account Terms and Conditions, including the Arbitration Agreement set forth therein, as well as the terms of any other disclosures you may have received. In the event of conflict between any term or condition of this Agreement and any term or condition stated in the Business Account Terms and Conditions, the term or condition of this Agreement shall govern and control. You should read this Agreement carefully and keep a copy for your records. **Your consent to be bound by the terms and conditions presented in this Agreement is evidenced by your application for or use of Cards issued by us under this Agreement.**

**Definitions.** Words and phrases used in this document shall be construed so that the singular includes the plural and the plural includes the singular. The words "we," "our," and "us" refer to Michigan State University Federal Credit Union ("Credit Union"), which is the legal entity for Pillur, a trade name of Michigan State University Federal Credit Union. "You," "your," "account owner," and "party" refer, collectively and individually, to you as a Credit Union business account owner. The word "Cardholder" refers to any person authorized by you to use the Card. The Credit Union is the issuer of the Card. Terms not defined herein will incorporate definitions presented in the Business Agreement Terms and Conditions when applicable.

**Applicable Law.** This Agreement will be governed by the applicable federal laws and regulations and applicable laws of the state of Michigan.

**Use of Cards For Business Purposes Only.** You represent and warrant, on behalf of you and your Cardholders, that the Cards will only be used for business purposes. Card usage for personal purposes is prohibited by this Agreement, and the Card shall not be treated as a consumer card under the provisions of state and federal law. You represent and warrant that you will notify all Cardholders in writing that the Card shall not be used for consumer purposes. All Card transactions are assumed to be for business purposes. You and your Cardholders agree not to use the Card for any illegal purposes.

**Account Requirement, Transferability, Enforceability.** The services described in this Agreement will be available to you only if you maintain a business checking or savings account with us. The Card may not be transferred or assigned without first obtaining our written consent, which we have the right to withhold without liability to you. If any provision of this Agreement cannot be legally enforced, it will be considered changed to the extent necessary to comply with applicable laws. If any provision of this Agreement is found to be unenforceable, the remaining provisions shall remain fully enforceable.

**Issuance of Cards.** We reserve the right to limit the number of Cards issued to you. Usage of the Cards will be limited to debits only. All Cards must be signed immediately by the Cardholder upon receipt, but all Cards remain our property and must be surrendered to us upon demand. You acknowledge that we are providing the Card as a service to you per your application and, except as otherwise provided by law, we are not responsible in any way for the manner in which the Card is used. Each Card will identify both you and an individual Cardholder.

**Liability and Promise to Pay.** You agree to be unconditionally and without limitation liable for all debits effectuated by use of the Cards, whether authorized or unauthorized, whether utilized by Cardholders or some other person, and whether arising from Cards lost or stolen, and that we shall not be liable unless we are grossly negligent in processing a Card transaction. All Cardholders who are granted use of the Cards shall be deemed third party beneficiaries of the accommodation extended hereunder and of the terms and conditions of this Agreement. Accordingly, you agree and represent and warrant that you will notify all Cardholders that the respective Cardholder shall be jointly and severally liable with you for any debits effectuated under the Card issued to the respective Cardholder, whether authorized or unauthorized, and whether arising from lost or stolen Cards. In the event of a lost Card or of unauthorized use of a Card, we should be notified by either calling 833-533-0678 or writing us at MSUFCU, 3777 West Road, East Lansing, MI 48823.

You may be liable for any unauthorized transfer before the time you notify us that your Card or Personal Identification Number (PIN) has been compromised if: (i) you or the Cardholder write your PIN on the Card; (ii) you or the Cardholder keep your PIN with the Card; or (iii) you or the Cardholder voluntarily permit the Card or PIN to come into the possession of a person who makes or causes an unauthorized transfer.

**Security Measures.** In an effort to better protect you and your Cardholders from lost Cards or unauthorized use of the Cards, we require that Cardholders each have a Personal Identification Number (PIN) and use the PIN to process a debit transaction at an ATM. You and your

Cardholders acknowledge that use of a PIN provides them a commercially reasonable degree of protection in light of their particular needs and circumstances, and represent that each PIN shall be afforded the highest level of security by you and Cardholders and shall be known only to those persons who are on a "need to know" basis. We assume no duty to discover, nor shall we be liable for, any breach of security by you or your Cardholders or the unauthorized disclosures or use of a PIN. You agree that you will require each Card issued to be signed by the Cardholder named on the Card.

**Statements and Disputed Debits.** Each month you will receive an account statement ("Monthly Statement") showing, among other things, all debits made by use of the Cards. The periodic statement provided to you is admissible evidence. Unless a transaction is less than \$15, you can get a receipt at the time you make a transfer to or from your account using an ATM or point-of-sale terminal. The machine receipt provided to you is admissible evidence.

Disputes regarding any Card debits shall be communicated to us immediately at the telephone number or address indicated here: 833-533-0678 or MSUFCU, 3777 West Road, East Lansing, MI 48823. You have the right to seek a correction of any statement errors by notifying the financial institution orally or in writing within 60 days after receipt of a statement containing an error. We will respond to that notification within 10 business days after notification by either provisionally correcting the account or providing a written explanation stating the reason the financial institution believes the statement is correct. Provisional correction allows us to charge the correction back to your account for up to 60 days. An "error" consists of (a) An unauthorized electronic funds transfer; (b) An incorrect electronic funds transfer from or to your account; or (c) The omission of an electronic funds transfer affecting your account. Our business days are Monday through Friday, excluding federal holidays.

If you believe that any provision of the Michigan Electronic Funds Transfer Act has been violated you should notify the State of Michigan Department of Insurance and Financial Services, at PO Box 30220, Lansing, MI 48909.

**Transaction Types.** Your Card can accommodate ATM transactions (e.g., cash withdrawals, cash deposits, and transfers) and point-of-sale transactions. Contact us with questions regarding restrictions or limitations that may apply. Please refer to the Business Account Schedule of Service Charges for charges that will, or may, apply to your use of the Cards for these transaction types. We have the right to refuse any Card transaction if you have insufficient funds to cover the transaction amount or if the transaction would reduce an applicable account balance below the amount you are required to maintain.

**Notice and Communication.** You are required to notify us when you have a name, email address, or U.S. postal address change. We are only obligated to attempt to correspond with you at the most current U.S. postal address we have on file for your account. If you have elected to receive electronic notices in accordance with the Business Account Electronic Correspondence Disclosure and Agreement, we are only obligated to correspond with you at the most current email address we have on file for your account. Address changes may be accepted verbally or via the internet. In some cases, we may require an address change to be in writing and include your signature. Name changes require completion of a form with a signature. In some cases and at our sole discretion, we may accept but are not obligated to accept changes of address through the U.S. Postal Service (USPS) to update your address of record.

**Information Deemed Confidential.** We agree to maintain all data relative to your accounts as confidential information and will exercise the same standard of care and security to protect such information as we use to protect our own confidential information. We agree to use such data for the providing of services to you and Cardholders and not to release such information to any another party, except as may be required by law, allowed per your consent, or to perform marketing or other services on our behalf or to other financial institutions with whom we have joint marketing agreements.

**Terminated, Lost, or Stolen Cards.** You agree to immediately notify us when you terminate a Cardholder's rights and agree to promptly return the Card to us. If any of the Cards are lost or stolen, you should call 833-533-0678.

**Termination by Us.** We shall have the right, at our sole discretion, to terminate your privileges to use the Cards. We will provide notice to you of a Card termination as soon as reasonably practicable, which may occur prior to or within a reasonable time period after termination.

**Return of Cards.** All Cards shall be deemed canceled effective upon termination of this Agreement and you shall instruct the Cardholders to destroy cancelled Cards. You shall remain liable for all debits or other charges incurred or arising by virtue of the use of a Card prior to the

termination date.

**Amendments and Change in Terms.** We may from time to time amend, or add new provisions to, the terms of this Agreement to the extent allowed by applicable federal and state law. We will notify you subject to the requirements of applicable law by mail of such amendments, unless the changes are favorable to you, and any amendment to this Agreement will become effective at the time stated in such notice. By keeping your Card open and not terminating the Card after the effective date of any changes, you have accepted and agreed to all changes. Also, by keeping your Card open and not terminating the Card after the effective date of any additions, you have accepted and agreed to all additions.

**Refusal to Honor Cards.** We are not responsible for the refusal of anyone to honor the Cards.

**Service Charges.** Please refer to the Business Account Schedule of Service Charges for charges that will, or may, apply to your use of the Cards.

**Collection of Costs.** If we hire an attorney to assist in collecting any amount due hereunder, or to enforce any right or remedy hereunder, you agree to pay us reasonable attorney's fees and expenses, and any other costs and fees as permitted by law.

**Minimum Account Balance.** You must maintain a minimum account balance of \$5 in your Membership Savings account to use Cards issued under this Agreement.

## FUNDS AVAILABILITY POLICY DISCLOSURE

**Purpose of this Disclosure.** Our general policy is to allow you to withdraw funds deposited in an account on the day of deposit. Funds from electronic direct deposits will be available on the day we receive the deposit. In some cases, we may delay your ability to withdraw funds beyond the day of deposit.

For purposes of this disclosure, the term "account" includes any share draft account, share account, or other non-term share account. For purposes of this disclosure, the term "check" includes share drafts.

### **Determining the Availability of Your Deposit.**

The length of the delay varies depending on the type of deposit. When we delay your ability to withdraw funds from a deposit, you may not withdraw the funds in cash, and we will not pay checks you have written on your account by using these funds. Even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

When we delay your ability to withdraw funds, the length of the delay is counted in Business Days from the day of your deposit. The term "Business Day" means any day other than a Saturday, Sunday or federally declared legal holiday, and the term "Banking Day" means that part of any Business Day on which we are open to the public for carrying on substantially all of our banking functions.

If you make a deposit before the 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 day that we are not open, we will consider the deposit made on the next Business Day we are open.

**Same Day Availability.** Our policy is to make funds from cash, checks, and electronic direct deposits available to you on the same day that we receive your deposit. At that time, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written.

**Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you according to the previously stated availability schedule. Depending on the type of check that you deposit, funds may not be available until the second Business Day after the day of your deposit. The first \$300.00 of your deposits, however, may be available on the day of deposit.

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

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

- (a) if we believe a check you deposit will not be paid;
- (b) if you deposit checks totaling more than \$6,750.00 on any one day;
- (c) if you redeposit a check that has been returned unpaid;
- (d) if you have overdrawn your account repeatedly in the last six months; or
- (e) if an emergency condition arises that would not enable us to make the funds available to you, such as the failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 10 Business Day after the day of your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**Holds on Other Funds for Check Cashing.** 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.

**Holds on Other Funds in Another Account.** 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.

**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.

**Same Day Availability.** Funds from cash\*, wire transfers, and electronic direct deposits made to your account, and checks drawn on us will be available on the day we receive the deposit. In addition, the first \$6,750.00 of a day's total deposits of:

- U.S. Treasury checks\*\*
  - State or Local Government checks\*\*
  - Cashier's, Certified, or Teller's checks\*\*
- will also be available the day of deposit.

**Next Day Availability.** Funds from the first \$6,750.00 of a day's total deposits of:

- U.S. Postal Service money orders\*\*
  - Federal Reserve Bank or Federal Home Loan Bank checks\*\*
  - Traveler's Checks\*\*
- are available on the first Business Day after the day of your deposit.

**Funds Exceeding \$6,750.00.** The excess over \$6,750.00 of a day's total check deposits will be available on the 9 Business Day after the day of your deposit.

**Other Check Deposits.** Funds from all other check deposits will be available on the 9 Business day after the day of deposit.

\* **Cash Deposits.** If the cash deposits are made in person to an employee of the Credit Union, then the funds will be made available on the day we receive your deposit. If the deposits are not made in person to an employee, then the funds will be made available no later than the second Business Day after the day of your deposit.

\*\* **Check Deposits.** Check deposits include U.S. Treasury checks; U.S. Postal Service money orders; Federal Reserve Bank or Federal Home Loan Bank checks; State or Local Government checks; Cashier's, Certified, or Teller's checks; and Traveler's checks. In order for these check deposits to be made available according to the funds availability schedule above, the following conditions are required:

**U.S. Treasury Checks.** These checks must be made payable to you and deposited into your account.

**U.S. Postal Service Money Orders; Federal Reserve Bank or Federal Home Loan Bank Checks; State or Local Government Checks;**

**Cashier's, Certified, or Teller's Checks; and Traveler's Checks.** These checks must be made payable to you, made in person to one of our employees, and deposited into your account.

If any of these conditions are not satisfied, then the first \$6,750.00 of a day's total check deposits will be made available no later than the second Business Day after the day of your deposit.

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