



**South Central Credit Union
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Membership and Account Agreement

This agreement covers your and our rights and responsibilities concerning accounts South Central Credit Union offers. In this agreement, the words "you" and "yours" mean anyone who signs an account card or anyone who uses an account at the Credit Union. The words "we", "us", and "our" mean the Credit Union. The word "account" means any one or more share or other accounts you have with the Credit Union. You may open different types of accounts at the Credit Union. The ownership of these accounts is designated on the account card you signed. By signing an account card or using an account, each of you, jointly and severally, agree to the terms and conditions in this agreement and account card and any account receipt you receive, and the Credit Union's bylaws and policies and any amendments to these documents from time to time which collectively govern your membership and accounts. This is a multi-part agreement, consisting of the General Terms and Conditions, the Funds Transfer Agreement, the Privacy Notice, Truth in Savings Disclosures, and Regulation E Disclosures.

General Terms and Conditions

1. Membership Eligibility. To join the Credit Union, you must meet the membership requirements including purchase and maintenance of at least one (1) share ("membership share") as set forth in the Credit Union's bylaws. You authorize us to check your account, credit, and employment history, and obtain reports from third parties, including credit-reporting agencies, to verify your eligibility for the accounts and services you request.

2. Single Party Accounts. A single party account is an account owned by one member (individual corporation, partnership, trust or other organization) qualified for Credit Union membership. If the account owner dies, the interest passes subject to applicable law, to the decedent's estate or Payable on Death (POD) beneficiary/payee or trust beneficiary subject to other provisions of this agreement governing our protection for honoring transfer and withdrawal request of an owner or owner's agent prior to notice of an owner's death.

3. Multiple Party Accounts. An account owned by two or more persons is a multiple party account.

a. *Rights of Survivorship*- Unless otherwise stated on the account card, a multiple party account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). For a multiple party account without rights of survivorship, the deceased owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

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

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

4. POD/Trust Account Designations. A payable of Death (POD) account or

trust account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD or trust beneficiary/payee. Accounts payable to more than one surviving beneficiary/payees without rights of survivorship. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs) which are governed by a separate beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

5. Accounts for Minors. We may require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under Michigan law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. We have no duty to inquire about the use or purpose of any transaction.

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

7. Deposit of Funds Requirements. Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirement set forth on the Rate and Fee Schedule.

a. *Endorsements-* We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsement of any owners if we choose. If a check, draft or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft, or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsement must be made on the back of the share draft or check within 1-1/2 inches from the top edge, although we may accept endorsement outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

b. *Collection of Items-* We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail or at un-staffed facilities are not our responsibility until we receive them. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account.

c. *Final Payment-* All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.

d. *Direct Deposit-* We may offer preauthorized deposits (e.g. payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue

making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

e. *Crediting of Deposits*-Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

8. Account Access.

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

b. *Access Options*- you may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, automatic transfer, online or telephone, as applicable). We may return as unpaid any draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney or agency designation.

c. *ACH & Wire Transfers*- if we provide the service, you may initiate or receive credits or debits to your account through wire or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, we are not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. We may provisionally credit your account for an ACH transfer before we receive final settlement. We may reverse the provisional credit or you will refund us the amount if we do not receive final settlement.

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

9. Transaction Limitation

a. *Withdrawal Restrictions*- We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have established an overdraft protection plan. Drafts or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge set forth in the Fee Schedule. If there are sufficient funds to cover some, but not all of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.

We may refuse to allow a withdrawal in some situations, for example: (1) a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligations to us; (4) required documentation has not been presented; (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of (7) days to sixty (60) days before any intended withdrawals.

b. *Transfer Limitation*- For share, savings, and money market accounts, if applicable, you may make up to six (6) preauthorized, automatic telephonic, or audio response transfers to another account of yours or to a third party during any calendar month. You may make unlimited transfers to any of your accounts or to any Credit Union loan account and may make withdrawals in person, by mail, or at an ATM. However, we may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend or close your account.

10. Overdrafts

a. *Overdraft Liability*- If on any day, the funds in your share draft account are not sufficient to cover drafts, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or any

overdraft protection plan you have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your share account does not have funds to cover drafts, fees, or other posted items. Whether the item is paid or returned, your account may be subject to charges as set forth in the Fee Schedule. Except as otherwise agreed in writing, we, by covering one or any overdraft, do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay a draft or impose a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond midnight deadline limits.

b. *Overdraft Protection Plan-* At our discretion, we will honor drafts drawn on insufficient funds by transferring funds from another account under this agreement or a loan account, if you have established a line of credit with the Credit Union. The fee for overdraft transfer is set forth on the Fee Schedule. This agreement governs all transfers, except those governed by agreements for loan accounts.

c. *Overdraft Privilege-* If you maintain your account in good standing (defined as making regular deposits and bringing your account to a positive balance at least once every 30 days) and there are no outstanding legal orders we will approve your reasonable overdrafts as a non-contractual courtesy. You may opt out of the privilege at any time, but you are responsible for any overdrawn balances at the time of opting out. Normally, we will not approve an overdraft for you in excess of the predetermined amount of our overdraft privilege. We may refuse to pay an overdraft for you at any time, even though we have previously paid overdrafts for you. The amount of an overdraft plus our insufficient funds fee you owe us shall be due and payable upon demand. If there is an overdraft paid by us on an account with more than one (1) owner on the signature card, each owner drawing/presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts plus our insufficient funds fee(s).

Overdraft Privilege should not be viewed as an encouragement to overdraw your account. As always, we encourage you to manage your finances responsibly. In an event you would like to have this service removed from your account, call 517-787-2220 for further information, or inquiry at our branch.

d. *Limitations to Overdraft Privilege-* Overdraft Privilege is a non-contractual courtesy which is available to individually/joint owned accounts in good standing for personal or household use. Overdraft Privilege will be used only in the event there are not sufficient funds in the account and there is not any previously approved deposit overdraft protection and/or overdraft line of credit which may be attached to the account. We reserve the right to limit participation to one account per household and to discontinue this service without prior notice. Normal overdraft fees set fourth in our Fee Schedule apply.

11. Stop Payment Order Request. You may request a stop payment order on any draft drawn on your account. You may make an oral notice which lapses in fourteen (14) calendar days unless confirmed in writing. A written notice is effective for six (6) months and may be renewed in writing from time to time. To be binding an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment of the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to your or to any other party for payment of the draft. If we re-credit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against

the payee or other holders of the draft and to assist us in any legal action. The stop payment request may be removed only upon written request from any account owner designated on your account.

12. Credit Union Liability. If we do not properly complete a transaction according to this agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transactions; (3) your loss is caused by you or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damage. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this account agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this agreement.

13. Credit Union Lien and Security Interest. If you owe us money as a borrower, guarantor, and endorser or otherwise, except with regard to debts secured by your primary residence, we have a lien on the account funds in any account in which you have an ownership interest, regardless of the source, unless prohibited by law. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts, and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence, unless prohibited by applicable law. All accounts are non-assignable and non-transferable to third parties.

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

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

16. Notices.

A. Name or Address Changes- You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may only accept written notification, from you to us, in the notice of an address change. If we attempt to locate you, we may impose a service fee.

B. Notice of Amendments- Except as prohibited by applicable law, we may change the terms of this agreement. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this agreement. Any such waiver shall not affect our right to future enforcement.

c. Effect of Notice- Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

17. Taxpayer Identification Numbers and Backup Withholding. Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to back

up withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account, or, if applicable, you may request a non-dividend or non-interest-bearing account until a TIN is provided.

18. Statement.

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

b. *Examination*- You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unauthorized or unsigned items drawn on your account if: (1) you fail to notify us within thirty (30) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

c. *Notice to Credit Union* - You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statement or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

19. Inactive Accounts. If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Fee Schedule, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee set forth on the Fee Schedule for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address to the Credit Union. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had not other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

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

21. Termination of an Account. We may terminate your account at any time without notice to you or may require you to close your account and apply for a

new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any share drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by a loan arrangement; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

22. Termination of membership/Denial of Services. You may terminate your membership by giving us notice. We may terminate your membership as provided in the Bylaws. Your membership may be terminated or you may be denied services for any reason allowed under applicable law. In general, we will deny all services to any member we have knowledge or reason to believe has caused us a loss. We will not extend credit or any other services, including but not limited to checking account, ATM or debit cards, check cashing, deposit services, or dividends to any member who causes the Credit Union a loss. A member who has caused the Credit Union a loss shall only be entitled to maintain a regular Share/Savings account with the purchase of one share. Further, we specifically reserve the right to expel from membership any member that causes the Credit Union a loss, in accordance with the Bylaws. As used herein the word "loss" shall be defined in its broadest terms and shall include, but not be limited to, the material default on a loan obligation owed to the Credit Union, the failure to pay any other obligation to the Credit Union, the discharge of all or part of an obligation in bankruptcy, the confirmation of a bankruptcy Plan of Reorganization which fails to pay the Credit Union in full, or the perpetration, or attempted perpetration, of a fraud upon the Credit Union. We reserve the right to extend any or all services that would, pursuant to this policy, otherwise have been denied to a member who has caused the Credit Union a loss but who is in the process of repaying the Credit Union for that loss. We reserve the right to terminate membership for any business entities that engage in Marijuana Related Business Services.

23. Death of Account Owner. We may pay drafts or honor payment or transfer orders authorized by a member for a period of ten (10) days after the date we are notified of that member's death unless we receive instruction from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This agreement will be binding upon any heirs or legal representatives of any account owner.

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

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

26. Governing Law. This agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Michigan, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this agreement shall be brought up in Jackson County, Michigan.

27. Insurance. All accounts in this Credit Union are federally insured to the

maximum amount allowed by law by the NCUSIF, which is administered by the NCUA, an agency of the Federal Government.

28. Accounts Not Transferable. None of your accounts are transferable, except on the Credit Union's books and records.

29. Waiver. We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. If we choose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

Wire Transfer Agreement and Notice

1. Applicability. This agreement covers the transfers of funds between accounts, both here and with other financial institutions that are not governed by the federal Electronic Fund Transfers Act and Regulation E, or the Michigan Electronic Funds Transfer Act. For transfers of which are covered by those laws and regulations, please refer to the Electronic Funds Transfer Agreement elsewhere in this document. Transfers made under this agreement may be made by the Credit Union using Fed-wire. The Federal Reserve's Regulation J is the law covering all Fed-wire transactions. This means that your rights and liabilities in a wire transfer involving Fed-wire will be governed by the Federal Reserve's Regulation J. Whenever an Automated Clearing House ("ACH") is used as part of a transaction that does not involve Fed-wire, the rules of ACH will govern that part of the transaction. Where none of the above stated rules apply, the transactions contemplated by this agreement shall be governed by the laws of the State of Michigan, including Article 4A of the Michigan Uniform Commercial Code.

This agreement applies to all accounts which you now have with the Credit Union as well as any account which you may open in the future. If your accounts are held in the name of more than one person, the Credit Union may act on a payment order by any owner on the account.

2. Security. The Credit Union will follow these security procedures in verifying your identity before completing a transfer you request via telephone: We may verify your identity by asking you for any of the following; date of birth, social security number, mother's maiden name, or a password which you have established with us. We may also ask questions regarding the history on your account. If after applying these security procedures, the Credit Union is not reasonably certain that your request is a legitimate request (one that is made by you); the Credit Union will not complete the transfer. The Credit Union bears no liability of actual or consequential damages for a good faith denial of a member's transfer request. The Credit Union does not accept faxed request for wire transfers. Other written or faxed transfer requests may be accepted at the Credit Union's discretion.

You agree that the security procedures described herein are commercially reasonable and that you have selected the security procedure offered by the Credit Union after due consideration of all such alternatives and your business circumstances, including the size, type, and frequency of payment orders that you anticipate issuing to the Credit Union. You hereby acknowledge that you will be liable for any payment order or communication amending or canceling a payment order, whether or not authorized, that is issued in your name and accepted by the Credit Union in compliance with the agreed upon security procedure.

3. Payment Orders. If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by us or the beneficiary's bank on the basis of the identifying or account number, even if the number identifies a person different than the named beneficiary. This means that you will be responsible to the Credit Union if the funds transfer is completed on the basis of the identification number you provided the Credit Union. If you give the Credit Union a payment order which identifies an intermediary or beneficiary's bank by both name and identifying number, a receiving bank may rely on the number as the proper identification even if it identifies a different person than the named bank. This

means you will be responsible for any loss or expenses incurred by a receiving bank which executes or attempts to execute the payment order in reliance on the identifying number you provided. The Credit Union will verify with you, by repeating the information back to you, your payment order. By not canceling the payment order after the information is repeated back to you by the Credit Union, you are confirming the accuracy of the information the Credit Union will act upon. For certain transactions, which will be determined at the Credit Union's discretion, the Credit Union will phone you at a telephone number we have on record to verify your payment order. If the Credit Union cannot verify your payment order in this manner, the Credit Union may refuse the payment order. The Credit Union reserves the right to refuse any payment order which cannot be verified to the Credit Union's reasonable satisfaction or which the Credit Union believes will be impractical to complete through its normal banking channels and applying its normal practice and procedures. The Credit Union bears no liability of actual or consequential damages for a good faith denial of a member's transfer request.

4. Fees. By making a payment order request, you are agreeing to pay the applicable payment order fee which may be established by the Credit Union from time to time and which may be changed at the Credit Union's discretion without notice. By making a payment order request, you are also agreeing to reimburse the Credit Union for research fees, at a rate which may be established by the Credit Union from time to time and which may be changed at the Credit Union's discretion without notice, necessary to correct errors caused by providing erroneous information in your request. The Credit Union may collect fees and costs associated with carrying out your payment order from any account, which you have with the Credit Union.

5. Cutoff Time. Transfer requests not received by the cutoff time, which we may impose from time to time, may not be completed until the next business day.

6. Verification. You agree to provide the Credit Union notice within fourteen (14) days of errors or discrepancies in account transfers.

7. Intermediaries. The Credit Union is not responsible for delay errors by intermediary or receiving banks or other parties involved in the funds transfer process.

8. Indemnification. You agree to indemnify and hold harmless the Credit Union against any and all cost, losses, claims, liabilities, fines, expenses, penalties, damages, awards, and settlements, including applicable legal fees resulting from any payment orders executed according to your directions and according to the terms of this agreement.

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

10. Limitation of Liability. If we are ever obligated by law to pay interest on the amount of a transfer, you will be paid interest on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorneys' fees, unless otherwise provided by law or regulation. If you make a payment order which instructs us to wire funds to foreign countries, we assume no liability as to the length of time necessary to complete such a transfer, provided we have acted in good faith, with ordinary care, and in compliance with applicable law.

Privacy Notice

South Central Credit Union is owned by its members and run by a board of directors you elect. You can be confident that your financial privacy is top priority of this Credit Union. We are required by law to give you this privacy notice to explain how we collect, use, and safeguard your personal financial information. If you have any questions please contact a member service representative, if you are local (inside Jackson County), at 517-787-2220 or, if you are non-local (out of Jackson County), at 1-800-336-8210.

Information We Collect and Disclose About You

We collect and may disclose nonpublic personal information about you from the following sources:

Information we receive from you on a membership and loan application and other forms.

Information about your transactions with our affiliates, others, or us.

Information we receive from a consumer-reporting agency.

Information obtained when verifying the information, you provided on an application or other form, such as from your current or past employers or from other institutions where you conduct financial transactions.

Information we receive from you through the Internet, such as request forms.

We are committed to providing you with competitive products and services to meet your financial needs, which necessitate that we share information about you to complete your transactions and to provide you with certain financial opportunities. In order to do so, we have entered into agreements with other companies that provide either service to us or additional financial products for you to consider.

Under these arrangements, we may disclose all of the information we collect, as described above, to companies that perform marketing or other services on our behalf or to other financial institutions with whom we have joint marketing agreements. To protect our member's privacy, we only work with companies that agree to maintain strong confidentiality protections and limit the use of information we provide. We restrict these companies to using member information only for the reason we have given it to them, and for no other purpose.

We may also disclose information we collect about you under other circumstances as permitted or required by law. These disclosures typically include information to process transactions on your behalf, conduct the operations of our Credit Union, and follow your instructions as you authorize, or protect the security of our financial records. If you terminate your membership with South Central Credit Union, we will not share information we have collected about you, except as permitted or required by law.

How We Protect Your Information

We restrict access to nonpublic personal information about you to those employees and members of our official family who have a specific business purpose in utilizing your data. Our employees and members of our official family who have a specific business purpose in utilizing your data. Our employees and members of our official family are trained in the importance of maintaining confidentiality and member privacy. We maintain physical, electronic, and procedural safeguards that comply with state and federal regulations to safeguard your non-public personal information.

South Central Credit Union Funds Availability Policy

Regulation CC Disclosure

- 1. General Policy.** Our policy is to delay the availability of funds that a member deposits into a checking account. During the delay, the member may not withdraw the funds in cash and will not have use of the funds to pay checks. The length of the delay is counted in business days from the day of the deposit. Every day is a business

day except Saturdays, Sundays, and holidays. When a member makes a deposit during our normal business hours, including drive-thru, we will consider that deposit made on that business day. Funds from electronic deposits to an account will be available on the day of settlement as originated by the originating depositing financial institution.

2. **Immediate Availability.** Funds from the following sources will be made available immediately if deposited in person with one of our tellers (otherwise, the funds from these sources will be available on the second business day after the day of deposit). A U.S. Treasury check that is payable to the member; a wire transfer, an on-us item; cash; a state or local government check in Michigan that is payable to the member; a cashier's, certified, or teller's check that is payable to the member; a Federal Reserve Bank check, a Federal Home Loan Bank check, or a U.S. Postal money order that is payable to the member; checks from businesses known by us, such as those businesses within the Credit Union's field of membership (these determinations are made solely at our discretion).
3. **Longer Delays.** Funds you deposit by check may be delayed for a longer period under the following circumstances: We believe a check you deposit will not be paid, you deposit checks totaling more than \$5,000.00 on any one day, you redeposit a check that has been returned unpaid, you have overdrawn your account repeatedly in the last six months, or there is an emergency such as a failure of communication or computer equipment. We will notify you if we delay your ability to withdraw funds, for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 11th business day.
4. **Items Not Accepted for Deposit.** Checks that are not properly endorsed or items that do not meet our standards for deposit will not be accepted for deposit. If you submit such items for deposit, your account will not be credited for the amount of the item, and the item will be returned. You will be responsible for paying any resulting fees according to the Fee Schedule which you have been given.
5. **New Accounts.** If you are a new member, or if your checking account is new, the following special rules will apply during the first ninety (90) days your account is open. Funds from electronic direct deposits to your account will be available on the day of settlement as originated by the originating depositing financial institution. Funds from deposits of cash, wire transfer, and the first \$5,000.00 of a days total deposit of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you and properly endorsed. The excess over \$5,000.00 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000.00 will not be available until the second business day after the day of your deposit. Funds from all other check deposits will be available on the 30th business day after the day of your deposit.
6. **Deposits at ATM Machines.** Funds from any deposit (cash or checks) made at automated teller machines (ATM's) we do not own or operate will not be available until the fifth business day after the day of the deposit. This rule does not apply to ATM's owned by the Credit Union. Funds deposits in these machines will be made available on the same schedule as deposits made in person or in

the night drop.

7. Night Drop Deposits. Funds deposited (cash or checks) at any of our night drop locations will generally be processed on the next business day. For availability of funds, follow our Funds Availability Policy as stated within this disclosure.

8. Substitute Checks and Your Rights. As our member, we think it's important for you to know about substitute checks. As a result, we want to advise you that you may see differences when you receive your account statement, view your account information online, or request a copy of your original check for proof of payment. The following Substitute Check Disclosure provides information about substitute checks and your rights.

What is a Substitute Check?

To make check processing faster, federal laws permits Credit Union's to replace original checks with "substitute checks". These checks are similar in size to 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. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

What are my rights regarding substitute checks?

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than 45 calendar days after we received your claim.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund?

If you believe that you have suffered a loss relating to a substitute check that you receive and that was posted to your account, please contact us at:

Call: (517) 787-2220

Or Write to us at: South Central Credit Union

958 W. Monroe St.

Jackson, MI 49202

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute

check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include —

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check or the following information to help us identify the substitute check: the check number, the amount of the check, the date of the check, the name of the person to whom you wrote the check, and the account number.

Truth-In-Savings Disclosure

Savings Accounts

(all accounts at the Credit Union other than certificate of deposits)

Important Member Information

The Truth in Savings Act (T-I-S) is a section of the Federal Deposit Insurance Corporation Improvement Act of 1991. The National Credit Union Administration is charged with enforcing the act which applies to ALL Credit Unions.

The purpose of T-I-S is to promote and simplify comparisons among accounts at financial institutions. T-I-S enables consumers to make informed choices/comparisons among competing claims of financial institutions by requiring disclosure of the dividend rates payable on these accounts and the fees assessable against these accounts.

It is the intent of South Central Credit Union to maintain compliance with the federal law pertaining to full disclosure regarding the terms and conditions of all savings programs.

The following disclosure information illustrates the various savings alternatives available at South Central Credit Union.

A separate Rate Schedule & Fee Schedule is also available which provides detailed information about current rates and fees.

If you have questions regarding any of the accounts offered at South Central Credit Union, please let a Credit Union representative assist you.

Savings in South Central Credit Union are federally insured up to \$250,000 by the National Credit Union Administration, a U.S. Government agency.

Share/Savings Account

(all share accounts at the Credit Union other than certificates of deposits)

- 1. Rate Information.** The Credit Union uses the daily balance method of computing dividends, which applies a daily periodic rate to the full amount of the principal in the account each day. All share accounts are variable rate accounts, and the rate is subject to change at any time at the discretion of the Credit Union's Board of Directors. For current rates, see the rate sheet, which is a supplement to this disclosure. The rate sheet addendum to this disclosure lists the current dividend rates and APY's (annual percentage yield). Additional rate sheets are available upon request. If you request a rate sheet, you understand that the rate sheet is offered as a convenience to our members and is a supplement to this disclosure. Rate sheets must always be used in conjunction with this disclosure.
- 2. Compounding.** Dividends are paid and compounded monthly. Dividends are paid on items submitted for deposit from the date the Credit Union receives provisional credit for the deposited item.

For all accounts, dividends are paid to the account which earned the dividend and will remain on deposit in that account.

The annual percentage yields disclosed in rate sheets assumes that the dividend will be paid to the account which earned the dividend and will remain on deposit in that account. Withdrawals of the dividends earned or instructing the Credit Union to pay the dividend to a different account will affect the annual percentage yield earned on the account. For all accounts, if you close your account before the dividend is paid, you will not be paid a dividend on that account. For all share accounts, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is January 31. All other dividend periods follow the same pattern of dates. The dividend declaration date follows the end of a dividend period, and for the example above, it is February 1.

3. **Fees and Charges.** The Fee Schedule you were given lists fees and charges we may impose and is a supplement to this disclosure. We may also charge you other charges.
4. **Minimum Balance Requirements.** All members must maintain \$5.00 in their regular savings (regular share) at all times. An initial fee of 25¢ is charged for each membership opened. Except for Youth Accounts (available only to persons under age 18), accounts that fall below a daily balance of \$100 will not earn a dividend. All balances in Youth Accounts earn a dividend. For Money Market accounts, you must maintain a daily balance of \$1000 to earn the dividend stated on the entire balance in the account. Money market accounts with daily balances below \$1000 will be paid the regular savings (regular shares) account rate. For Platinum Plus accounts, you must maintain a daily balance of \$3000 to earn the dividend rate on the entire balance in the account. Platinum Plus accounts with daily balances below \$3000 will be paid the regular savings (regular shares) account rate, and you will not be eligible for the additional benefits of the Platinum Plus account for that month.
5. **Nature of Dividends.** Dividends are paid from current income and available accumulated earnings after required reserve transfers have been made.

Certificates of Deposit

1. **Rate Information.** The Credit Union uses the daily balance method of computing dividends, which applies a daily periodic rate to the full amount of principal in the account each day. All share accounts are variable rate accounts, and the rate is subject to change at any time at the discretion of the Credit Union's Board of Directors. For current rates, see the rate sheet, which is a supplement to this disclosure. The rate sheet addendum to this disclosure lists the current dividend rates and APY's (annual percentage yield). Additional rate sheets are available upon request. If you request a rate sheet, you understand that the rate sheet is offered as a convenience to our members and is a supplement to this disclosure.
2. **Compounding.** Interest is paid and compounded monthly. Interest is paid on items submitted for deposit from the deposit from the date the Credit Union receives provisional credit for the deposited item. For all accounts, interest is paid to the account which earned the interest. The annual percentage yields disclosed in rate sheets assumes that the interest will be paid to the account which earned the interest and will remain on deposit in that account. Withdrawals of the interest earned or instructing the

Credit Union to pay the interest to a different account will affect the annual percentage yield earned on the account.

3. **Fees and Charges.** The Fee Schedule you were given lists fees and charges we may impose and is a supplement to this disclosure. We may also charge you other charges.
4. **Minimum Balance Requirements.** All members must maintain \$5.00 in their regular savings (regular shares) at all times. An initial fee of 25¢ is charged for each membership opened. The minimum balance for Silver Certificates of Deposit is \$1000.00. The minimum balance for Gold Certificates of Deposit is \$10,000.00.
5. **Book Entry Deposits.** All certificates of deposit are non-transferable and are issued in book-entry form only. Your deposit receipt is evidence of your certificate of deposit. The records of the Credit Union are final regarding balances, account ownership, and all other issues.
6. **Time Requirements.** Your certificate of deposit will mature at the term requested at the time you opened the certificate. The maturity of your certificate of deposit will be noted on our original receipt.
7. **Early Withdrawal Penalties.** We will impose a penalty if you withdraw the funds in your account before the maturity date. The penalty will equal 180 days of interest on your account or interest earned to date, whichever is less. However, withdrawals within the first 7 days will have a penalty of 7 days of interest. Partial withdrawals are not permitted.
8. **Automatic Renewal.** Your account will automatically renew at maturity at the same of the original certificate of deposit and at the then current rate. You will have a grace period of ten (10) business days after the maturity date to withdraw your funds without being charged an early withdrawal penalty.

Electronic Fund Transfers Agreement

South Central Credit Union offers you various electronic fund transfer services, made possible by our advanced electronic data processing system. We have also provided, and will provide from time to time, plastic Automated Teller Machine (ATM) or Debit MasterCard® (which are referred to throughout this disclosure as "ATM/Debit Cards" simply "Cards") to a certain number of our members. Sometimes two or more persons are furnished such cards relating to a single account in the credit union.

When a secret Personal Identification Number ("PIN") is also provided to a member, the ATM/Debit Card and PIN can be used in any one of a number of ATM to make "electronic fund transfers". Transfers can be made to, from or between one or more accounts in the Credit Union. Simply follow the instructions at the machine.

This disclosure is furnished to you as a member of South Central Credit Union. It meets the requirements of both the Federal and Michigan statutes relating to "electronic fund transfers". It also meets the requirements of the regulation (Reg. E) issued by the Federal Reserve Board pursuant to the Federal statute, whether such "electronic fund transfers" are made by use of an ATM or in any other manner. This disclosure is a contract. The terms and conditions set out here are binding on you and on us as to the making of such "electronic fund transfers" and the use of the ATM/Debit Card and PINs, in the following cases:

If you use the account(s) covered by this disclosure after receipt of this agreement.

If you already have an ATM/Debit Card and PIN provided by us and you use them to make such transactions after receipt of this agreement.

If you ask us to provide you with a PIN and you thereafter use it, together with an ATM/Debit Card, to make such transactions.

In any such cases, your use of the account(s) or your making of such transactions constitutes your acceptance of the terms and conditions set out in this disclosure. Although your account(s) may be subject to "electronic fund transfers", and in that regard are subject to the terms and conditions of this disclosure, you may continue to use those account(s) to the same extent and in the same manner that you have in the past, insofar as "over-the-counter" and other non-electronic transactions are concerned.

In this disclosure, 'you' and 'your' include the plural in cases where two or more persons have an interest in a single account affected by an "electronic fund transfers" service. 'We' or 'us' refer to South Central Credit Union.

The following sections relate to all "electronic fund transfers" affecting your account(s) whether made by use of an ATM/Debit Card or otherwise.

1. **Accounts Affected.** Each of the following-types of accounts in the Credit Union can be subject to some kind of "electronic fund transfer" service:
 - Regular Share Account
 - Share Draft Account
 - Christmas Club
Vacation Club
 - Money Market Account
 - Loan Line of Credit
 - Platinum Plus
 - Youth Account

These types of accounts are sometimes referred to in this disclosure as "asset account(s)" or simply as your "account(s)". You have previously designated which of your account(s) you want to be subject to a particular type of electronic fund transfer service. You may change those instructions in the future, and we will follow your new wishes to the extent our electronic fund transfer programs permit at that time.

2. **Account Agreements.** The terms and conditions of the account agreements relating to your accounts with us remain in effect except to the extent modified by this disclosure.
3. **Minimum Balance.** You must always maintain a minimum of \$5.00 in a regular share account to be entitled to make, by use of Automated Teller Machine (ATM) or otherwise, "electronic fund transfers" affecting your account(s). PINs for use with ATM/Debit Cards will not be issued to members whose loan payments to us are more than thirty (30) days delinquent. We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least twenty-one (21) days advance written notice.
4. **"Electronic Fund Transfer" Services.** At the present time, you can authorize the following types of "electronic fund transfers" to or from your asset account(s) in the Credit Union.

Transfers TO your account(s) (credits):

- Direct Deposits from employers who have agreed to send such deposits to us.
- Direct deposit of various governmental benefits.
- Deposits from any third party through the facilities of The Clearing House (of which we are a member).
- Automatic transfers to your account(s) from another person's account with us.

Transfers FROM your account(s) (debits):

- Payments of your house mortgage payments, insurance premiums and utility bills, as well as other types of payment to third parties, through the

facilities of The Clearing House.

- Automatic deduction from your account of premiums for insurance coverage available to our members.
- Automatic transfers from your account(s) to make payments on another person's loan owing to us.
- Telephone bill payment services.
- Automatic transfers from your account(s) to another person's account with us.

Automated Teller Machine (ATM) Transactions:

If you have an ATM/Debit Card along with a Personal Identification Number (PIN), you can use it to make any or all of the following transactions to an ATM.

- Deposits to your Regular Share account, Share Draft account
- Cash withdrawals from your Regular Share account, Share Draft account, Transfer of funds (non-cash) from your Regular Share account to your Share Draft account or from our Share Draft account to your Regular Share account.
(Some networks may not allow all transaction types.)
- Verify balances in specified savings, share draft, or loan accounts that you have with us. (Those are not "electronic fund transfers.")

If you use an ATM that is not operated by us, you may be charged a fee by the operator of the machine and/or by an automated transfer network.

Electronic Check Conversion: A transfer through an automated clearing house (ACH) when you provide a check to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an electronic fund transfer, or whether the check is retained by the consumer, the merchant or other payee, or the payee's financial institution. Your authorization to make such types of electronic funds transfers may be expressed in writing or implied, for example, by the posting of a sign.

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

Point of Sale Transactions: Your ATM/Debit Card may be used to purchase goods or services from merchants who have arranged to accept an ATM/Debit Card as a means of payment. If you have an ATM/Debit Card, it may be used to purchase goods and services from certain merchants. These merchants are collectively referred to as "Participating Merchants" and will display a log or other symbol which identifies them as a merchant who will accept your ATM/Debit Card. Purchases made with your ATM/Debit Card, including any purchases where you receive cash back, are referred to as "point of sale transactions" or "POS" transactions. A POS transaction will cause your share draft account to be debited for the amount of the purchase. Only share draft accounts may be used in connection with point of sale transactions performed with your ATM/Debit Card.

Telephone Audio Response Services: You may also call the Credit Union and, upon furnishing the Credit Union with

information to identify yourself, transfer money between your accounts, and perform balance inquiries.

You have previously told us which of these electronic fund transfer services you want to use. You can discontinue use of any such service whenever you want to. If you begin using a different electronic fund transfer service after receipt of this Agreement, we must be notified of the account(s) to be affected. We may make additional types of electronic fund transfer services available in the future. We may also discontinue one or more of our electronic fund transfer services, but if we do that, we will give you at least 21 days advance notice in writing.

- 5. Excluded Transactions.** We have developed an elaborate electronic data processing system which makes it possible to offer you many electronic services. However, some of these services do not constitute “electronic fund transfers” for purposes of this disclosure. For example, automatic transfers from your account(s) to pay your loan(s) owing to us and automatic transfers between your own asset accounts in the Credit Union. The terms and conditions of this disclosure only apply to those services and transfers which are “electronic fund transfers” as described in Section 4; they do not apply to other transactions which, although electronic in nature, do not constitute “electronic fund transfers” described in that section.
- 6. Fees for “Electronic Fund Transfers”.** We reserve the right to impose fees, and to thereafter increase them, if we deem it necessary. We will give you at least twenty-one (21) days advance written notice before imposing or increasing any such fees. There are no per item charges for making Master Money purchases. All of the charges relating to electronic fund transfers are disclosed separately in our Fee Schedule.

 - A.** Three free transactions will be allowed per month. Transactions exceeding the three free ones will cost:

 - i. \$1.00 per transaction of a SC24 ATM.
 - ii. \$1.00 per transaction of all other ATM's.
 - iii. \$25.00 per overdraft.
 - B.** Cards will be issued at no charge to the member. Lost or stolen cards will be replaced at a cost of \$3.50 per card.
- 7. Limitations on “Electronic Fund Transfers”.** As to transactions other than those made at an ATM, there are no limitations as to how often you can make “electronic fund transfers” described in Section 4. (see Section 18 of the Electronic Fund Transfers Agreement of information regarding limitations on electronic fund transfers made at ATM's). Nor are there any restrictions as to the dollar amount of any one” electronic fund transfer”. We reserve the right to impose any such restrictions in the future as we deem reasonable, but we will give you at least twenty-one (21) days advance written notice before doing so.
- 8. Documentation of Electronic Fund Transfers.**

 - A.** You can get a transaction receipt at the time you make any transfer to, from, or between your account(s) using an ATM, and each time you make a purchase using your ATM/Debit Card.
 - B.** If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call or write us at the telephone number and address appearing

on your periodic statement or as shown on this Agreement to find out whether or not the pre-authorized deposit has been made to your account.

- C. You will get a statement every month of each asset account to which you have authorized any "electronic fund transfer" service.

9. Your Right to Stop Payment of Pre-Authorized Transfers.

Rights and Procedures to Stop Payment: if you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

CALL: (517) 787-2220
or write us at: South Central Credit Union
958 W. Monroe St.
Jackson, MI 49202

Call in or write us in time for us to receive your request three (3) business days, or more, before the payment is scheduled to be made. If you call, you will be REQUIRED to put your request in writing and get it to us within fourteen (14) days after you call.

The fee for handling such stop payment orders is disclosed in a separate Fee and Service Charge Schedule.

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

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

10. Confidentiality. In general, you agree that we may disclose information to third parties about your account or the transfers that you make:

- A. Where it is necessary for completing transfers, or
- B. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- C. In order to comply with government agency or court orders, or
- D. If you otherwise give us your written permission.

In addition, if you have a MasterCard debit card, you agree that we may provide your personal data, to the extent allowed by law, to MasterCard, its Members, or their respective contractors for the purpose of providing Emergency Cash and Emergency Card Replacement Services only.

11. In Case of Errors or Questions about Your "Electronic Fund Transfers".

CALL: (517) 787-2220
or write us at: South Central Credit Union
958 W. Monroe St.
Jackson, MI 49202

As soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipts. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

- A. Tell us your name and account number.
- B. Describe the error or the transfer you are unsure about and explain as clearly as you can why

you believe it is an error or why you need more information.

C. Tell us the dollar amount of the suspected error.

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

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

*If you give notice of an error with thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

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

12. Liability for Failure to Make “Electronic Fund Transfers”. If we do not complete an “electronic fund transfer” as described in Section 4, to or from your accounts on time or in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions we will not be liable, for instance:

If, through no fault of ours, you do not have enough money in your account to make the transfer.

If there is not enough money in your account, in excess of amounts you have pledged to us collateral for a loan, to make the transfer.

If funds in your account are subject to garnishment or other legal process.

If we have, because of your default on a loan, exercised our rights against the funds in a pledged account.

If the transfer would go over the credit limit on your overdraft line.

If the automated teller machine where you made the transfer did not have cash.

If circumstances beyond our control, such as fire or flood, prevent the transfer, despite reasonable precautions we have taken.

We will also be excused from such liability if you fail to observe the terms of this Agreement, or our account Agreements with you, which relate to such “electronic fund transfers”.

13. Regulatory Authority. If you believe that we may have violated the Federal Electronic Funds Transfers Act or its implementing regulation, Regulation E, you may contact:

Electronic Fund Transfers
Washington, DC 20580

If you believe that we may have violated the Michigan Electronic Funds Transfers Act (Michigan Public Act NO. 322 of 1978), you may contact:

State of Michigan
Department of Consumer and Industry Services
Office of Financial and Insurance Services
P.O. Box 30224
Lansing, MI 48909

- 14. Amendments/Termination.** We reserve the right to amend this disclosure (agreement) at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances; however, in the specific cases mentioned earlier, we will give you at least twenty-one (21) days advance written notice. We also reserve the right to terminate this disclosure (agreement) by sending a notice of such termination by first class mail to your last known address on our records, which notice shall be effective when mailed.
- 15. Locating of Machines.** The number and location of ATM's is, of course subject to change at any time. Besides being able to use our electronic fund transfer card at ATM terminals, you may access your accounts at the following networks: SC24/CO-OP Network, Jeanie, Pulse and MasterCard.
- 16. Card Ownership.** All ATM/Debit Cards and PINS remain the property of the Credit Union and may be revoked or cancelled at any time without giving your prior notice. You agree not to use your card for a transaction that would cause your account balance to go below zero. We will not be required to complete any such transaction, but if we do, you agree to pay us the amount of the improper withdrawal, or transfer, upon request.
- 17. Secrecy of PIN.** If we have issued a PIN to you, you agree to keep your PIN secret, and you also agree that you will not write the PIN on your ATM/Debit Card or on any item you keep with your card.
- 18. Limitations on "Electronic Fund Transfers".** There is a limit of two deposits or payment transactions you may make at any ATM during its 24-hours operating cycle. You must always maintain a minimum of \$5.00 in a Regular Share Account to be entitled to make "Electronic Fund Transfers" affecting your account. You may only make three (3) transactions during any month without incurring a fee. Please refer to our fee schedule for the fees associated when more than three (3) transactions have been made. However, to protect against possible losses, your card will not allow you to withdraw more than \$500.00 cash from an ATM during such a 24-hour cycle (even if two ATM/Debit Cards have been issued for a single account, e.g. when a husband and wife each have a card for their joint account). Withdrawals may be made up to \$500.00, when on line, and up to \$100.00 when off line. We reserve the right to change these limitations, and we will give you written notice of any such change at least twenty-one (21) days in advance.
Responsibility for overdraft: If you obtain cash from an ATM, which creates a shortage in your account, the overdrawn amount is due and payable the moment you receive your money. You agree to pay the full amount of it to us, together with an overdrawn account charge per occurrence. You also authorize us, in such a case, to apply from any other share account any amount necessary to pay such overdraft. If the overdraft is created in your share draft account, (1) a transfer will be made from your other share

account(s) to cover the overdraft, in accordance with your share draft account agreement with us, or (2) an advance on your line of credit loan account with us will be made to cover the overdraft, and you will pay that advance in accordance with the conditions of your line of credit plan, depending up on which from of overdraft protection you have selected. If there are not sufficient funds to make a transfer according to (1) or (2) of this paragraph or, if you have no overdraft protection for you share draft account, then such overdraft will be paid to us as provided in the first sentence of this section.

- 19. Crediting of Deposits and Payments.** Deposits or payment made in an ATM whether in cash, check, draft or money order, are subject to verification and the funds of such deposits and payments to share or share draft accounts verified and entered into our account systems are subject to our funds availability policy which has been provided elsewhere in this document. Further delay may occur if the transaction is made on or immediately prior to a Saturday, Sunday or holiday on which we are closed. If you place a check, draft or money order in the machine as a deposit or payment, it is subject to collection in accordance with your account agreement with us and Regulation CC.
- 20. Foreign Transactions.** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate to U.S. dollars will be determined in accordance with the operating regulations established by MasterCard. Currently the currency conversion rate used to determine the transaction amount in U.S. dollars is either a government-mandated rate or the wholesale market rate in effect one day prior to the transaction processing date, increased by one-percent. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.
- 21. Liability for Unauthorized Use.** Tell us AT ONCE if you believe your ATM Card, Debit Card, or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card or PIN, and we can prove we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.
- 22. Special Rules.** For Debit MasterCard®, when used for Point-of-Sale Transactions. You will not be liable for any unauthorized transactions using your MasterCard™ debit card, when used for point-of-sale transactions, if:

 - i. You can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft;
 - ii. You have not reported to us two or more incidents of unauthorized use within the proper twelve-month period; and

- iii. Your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50.00 or the amount of money, property, labor, or service obtained by the unauthorized use.

"Unauthorized use" means the use for your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. This additional limitation on liability does not apply to PIN-based transactions or transactions not processed by MasterCard®.

- 23. Notification of Lost/Stolen Card.** If you believe your ATM Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission:

CALL: (517) 787-2220

Or write us at: South Central Credit Union

958 W. Monroe St.

Jackson, MI 49202

IMMEDIATELY

If you believe your Debit MasterCard® or Pin has been lost or stolen:

CALL: 1-800-528-2273

or write us at: South Central Credit Union

958 W. Monroe St.

Jackson, MI 49202

IMMEDIATELY

- 24. Termination of Prior Agreement.** Upon your receipt hereof, this disclosure terminates and take the place of any Automated Teller Machine Agreement previously furnished to you.

To apply for an ATM/Debit Card

Call: (517) 787-2220

Or write us at:

South Central Credit Union

958 W. Monroe

Jackson, MI 49202

- 25. Notice Regarding ATM Fees Charged by Others.** When you use an ATM that is not owned by us, you may be charged a fee by the ATM operator and/or by an automated transfer network. We will separately publish a list of machines owned and operated by us from time to time.

Effective Date: The effective date of this Agreement is June, 2018.



South Central Credit Union

958 W. Monroe Street

Jackson, MI 49202

517-787-2220

www.soutcentralcu.org

