

Important Information **About Your Account(s)**

- **Terms and Conditions**
- **Electronic Transfers**
- **Funds Availability**
- **Truth in Savings**
- **eBill@MCU Disclosure**
- **Privacy Notice**



Members
Credit Union

... We Invest In Our Members.

Administrative Office

2098 Frontis Plaza Boulevard • P.O. Box 5297
Winston-Salem, NC 27113-5297 • memcu.com
(336) 748-4800 or 800-951-8000
PhoneLoan: (800) 951-LOAN (5626)
TELL-COM: (336) 748-4808 or (800) 951-4808

Services

SAVINGS SERVICES

- Savings Accounts
- Checking Accounts
- Visa *Debit* Cards
- MCU Cash Card
- Christmas/Vacation Club
- Share Certificates
- Money Market Accounts
- Custodian Accounts
- Individual Retirement Accounts (IRAs)
- Reloadable Visa Cards
- MCU Youth Accounts

LOAN SERVICES

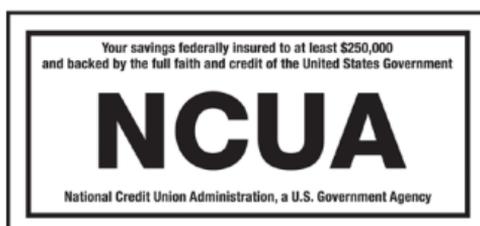
- Automobile Loans
- Automobile Refinancing
- Debt Consolidation
- Equity Access Loans
- Visa Credit Cards
- Line of Credit Loans
- Payment Protection Insurance
- PhoneLOAN

MISCELLANEOUS

- Payroll Deduction
- TELL-COM
- MCUMobile
- CASH CARD
- Direct Deposit
- MEMBERS Financial Services
- eStatement@MCU
- Online Check Imaging
- Family Membership

- ***MCU@Home -- Home Banking***
- ***eBill@MCU -- FREE Bill Paying***

Visit our website -- www.memcu.com



TERMS AND CONDITIONS OF YOUR ACCOUNT

Agreement - This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the signature card or continue to have your account with us, you agree to these rules. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the state of North Carolina (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to reproduce here. The purpose of this document is to:

- (1) Summarize some laws that apply to common transactions;
- (2) Establish rules to cover transactions or events, which the law does not regulate;
- (3) Establish rules for certain transactions or events which the law regulates but permits variations by agreement; and
- (4) Give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document.

As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

Bylaws - Our bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations, which affect your account and membership. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the bylaws. Unless we have agreed otherwise, you are not entitled to receive any original item after it is paid, although you may request that we send you an item(s) or a copy of an item(s). Dividends are based on current earnings and available earnings of the credit union, after providing for required reserves.

Liability - You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit, including to the extent permitted by law, our reasonable attorneys' fees.

Deposits - We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). We will not accept for deposit checks

to a third party (i.e. not the account holder). We will not accept deposits or transactions in foreign currency. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cutoff time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next following business day that we are open.

Withdrawals - Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the signature card, may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiated it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balance does not obligate us to do so later. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

Ownership of Account and Beneficiary Designation - These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds.

Individual account - is an account in the name of one person.

Joint Account - With Survivorship - You intend and agree that regardless of whose funds are deposited in the account, that upon your death the balance in the account will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with right of survivorship. This agreement is governed by North Carolina General Statutes §54-109.58.

Personal Agency Accounts - Such an account allows you to name an agent who will have authority to make withdrawals from the account by check or otherwise and endorse checks payable to you for deposit only into the account and otherwise make deposits. In addition, you may elect to extend the authority of your agent so your agent may act notwithstanding your subsequent incapacity or mental incompetence. Your agent's authority would then end at such time as the agent receives notification from a qualified guardian or duly appointed attorney-in-fact. If you do not extend the authority of your agent, then your subsequent incapacity or mental incompetence will terminate the authority of your agent. This agreement is governed by North Carolina General Statutes §54-109.63.

Joint Account - No survivorship - is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person.

Payable on Death (POA)/Trust Account - A beneficiary cannot withdraw unless: (1) the person creating the account dies, and (2) the beneficiary is then living. The person creating this account type

reserves the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time. This agreement is governed by North Carolina Statutes §54-109.57.

Stop Payments - You must make any stop-payment order in the manner required by law and we must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cut-off time. To be effective, your stop-payment order must precisely identify the number, date and amount of the item, and the payee.

You may stop payment on any item drawn on your account whether you sign the item or not, if you have an equal or greater right to withdraw from this account than the person who signed the item. A release of the stop-payment request may be made only by the person who initiated the stop-payment order.

Our stop payment cutoff time is 5:00 pm on the business day on which we received the item. Additional limitations on our obligations to stop payment are provided by law (e.g., we paid the item in cash or we certified the item).

Telephone Transfers - A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfer from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

Amendments and Termination - We may change our bylaws and any terms of this agreement. Rules governing changes in rates are provided separately. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may close this account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. At our option, we may suspend your rights to member services if you violate the terms of this agreement. You must keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you.

Statements - You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will have either to share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer.

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

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 60 days of when we first send or make statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

Account Transfer - This account may not be transferred or assigned without our prior written consent.

Direct Deposits - If, in connection with a direct deposit plan, we deposit any amount in an account which should have been

returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

Right to Repayment of Indebtedness - You each agree that we may (without prior notice and when permitted by law) charge against and deduct from this account any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balance the due date for which we properly accelerate under the note.

Our right to repayment arising under this section does not apply to this account if: (a) it is an Individual Retirement Account or other tax-deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal arises only in a representative capacity. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

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

Pledges - Unless we agree otherwise in writing, each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective.

ACH and Wire Transfers - This agreement is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state in which you have your account with us, or as adopted in New York if that state has not adopted UCC 4A. If you originate a fund transfer for which FedWire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution, or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identified a financial institution, person, or account other than the one named. You agree to be bound by automated clearing house association rules. These rules provide, among other things, that payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

Facsimile Signatures - You authorize us, at any time, to charge you for all checks, drafts, or other orders for the payment of money, that are drawn on us regardless of by whom or by what means the facsimile signature(s) may have been affixed, so long as they resemble the facsimile specimen filed with us, and contain the required number of signatures for this purpose.

ELECTRONIC FUND TRANSFERS

— Your Rights and Responsibilities —

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your checking or share savings account(s).

Preauthorized payments. You may make arrangements to pay certain recurring bills from your checking account(s).

Electronic Check Conversion. You may authorize a merchant to use one of your checks as a source of account information to initiate an electronic withdrawal from your checking account.

MCU@Home - Home Banking Transfers - types of transfers

- You may access your account from any Internet computer 24 hours a day by going to our Web site at www.memcu.com and clicking on the **MCU@Home** symbol. You will need your MCU account number and personal identification number (PIN).

- Transfer funds from checking to share savings
- Transfer funds from checking to money market
- Transfer funds from checking to Christmas Club
- Transfer funds from share savings to checking
- Transfer funds from share savings to money market
- Transfer funds from share savings to Christmas Club
- Transfer funds from line of credit to checking
- Transfer funds from line of credit to share savings
- Make payments from checking to loan accounts with us
- Make payments from share shavings to loan accounts with us
- Get information about:
 - the account balance of all your accounts with us
 - the last payroll deposit to checking or savings accounts
 - the prior transactions posted to all accounts

TELL-COM Telephone Transfers - types of transfers - You may access your account by telephone 24 hours a day by calling (336) 748-4808 or (800) 951-4808. You will need a touch-tone telephone, your MCU account number, and your personal identification number to:

- Transfer funds from checking to share savings
- Transfer funds from checking to money market
- Transfer funds from checking to Christmas Club
- Transfer funds from share savings to checking
- Transfer funds from share savings to money market
- Transfer funds from share savings to Christmas Club
- Transfer funds from line of credit to checking
- Transfer funds from line of credit to share savings
- Make payments from checking to loan accounts with us
- Make payments from share shavings to loan accounts with us
- Get information about:
 - the account balance of checking account
 - the last payroll deposit to checking account
 - the last ten transactions posted to checking account
 - the account balance of share savings account
 - the last payroll deposit to share savings account
 - the last ten transactions posted to share savings account.

ATM Transfers - types of transfers, dollar limitations, and charges. You may access your account(s) by automated teller machine (ATM) by using your Members Credit Union CASH CARD or Visa *Debit* Card and personal identification number, to:

- Get cash withdrawals from checking or share savings account(s) with a CASH CARD
 - you may withdraw no more than \$500.00 per day
 - there is a charge of \$1.50 per withdrawal (checking or share savings) in excess of two per month
- Get cash withdrawals from checking account(s) with a Visa *Debit* card

- Transfer funds from share savings to checking account(s) with a CASH CARD
- Transfer funds from checking to share savings account(s) with a CASH CARD
- Get information about the account balance of your checking or share savings accounts with a CASH CARD

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

Types of ATM CASH CARD Point-of-Sale Transactions - You may access ONLY your checking account(s) to purchase goods (in person), pay for services (in person), and get cash from a merchant, if the merchant permits.

Types of Visa Debit Card Point-of-Sale Transactions - You may access ONLY your checking account(s) to purchase goods (in person or by phone), pay for services (in person or by phone), get cash from a participating financial institution, and do anything that you can do with a credit card (that a participating merchant will accept with a credit card).

Visa Debit Card Transactions - dollar limitations - Your Visa Debit Card daily purchase limit may not exceed the amount in your checking account plus the available amount of your approved line of credit.

FEES

- We do not charge for direct deposits to any type of account.
- We do not charge for preauthorized payments from any type of account. You will receive a separate Schedule of Fees.

DOCUMENTATION

- **Terminal transfers.** You can get a receipt at the time you make any transfer to or from your account using an automated teller machine or point-of-sale terminal or facility.
- **Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (800) 951-8000 or (800) 951- 4808 to find out whether or not the deposit has been made.
- **Periodic statements.** You will get a monthly account statement from us for your checking account. Regular Share accounts which are accessible by electronic fund transfer other than direct deposit will get monthly statements if there are transfers during the month, quarterly statements if there are no transfers during the month.

PREAUTHORIZED PAYMENTS

- **Right to stop payment and procedure for doing so.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:
Call or write us at the telephone number or address listed in this brochure 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, we may also require you to put your request in writing and get it to us within 14 days after you call.
We will charge you \$30.00 for each stop-payment order you give.
- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose, instead, to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- **Liability for failure to stop payment of preauthorized transfer.** 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.

FINANCIAL INSTITUTION'S LIABILITY

Liability for failure to make transfers. If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, these are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line of credit and the transfer would go over your established credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

We will disclose information to third parties about your account or the transfers you make:

- (1) Where it is necessary for completing transfers; or
- (2) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- (3) In order to comply with government agency or court orders; or
- (4) If you give us written permission.

UNAUTHORIZED TRANSFERS

- (a) Consumer liability.** Tell us at once if you believe your card and/or code 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 and/or code without your permission. (If you believe your card and/or code has been lost or stolen, and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone used your card and/or code without your permission.)

If you do not tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 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 long trip or hospital stay) kept you from telling us, we will extend the time period.

- (b) Contact in event of unauthorized transfer.** If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this brochure.

ERROR RESOLUTION NOTICE

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this brochure, 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 receipt. We must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any).
- (2) 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.
- (3) Tell us the dollar amount of the suspected error.

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

We will tell you the results of our investigation within 10 business days (20 business days if the transfer involved a point-of-sale transaction or a foreign-initiated transfer) after we hear from you and will correct any error promptly. If we need more time, we may take up to 45 days (90 days if the transfer involved a point-of-sale transaction or a foreign-initiated transfer) to investigate your complaint or questions. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a point-of-sale transaction or a foreign-initiated transfer) 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 10 business days, we may not credit your account.

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

Members Credit Union

Accounting Department

2098 Frontis Plaza Blvd., P. O. Box 5297

Winston-Salem, North Carolina 27113-5297

Business days: Monday through Friday

Phone: (800) 951-8000 or (336) 748-4800

More detailed information is available on request.

YOUR ABILITY TO WITHDRAW FUNDS

This policy statement applies to all accounts.

Our policy is to delay the availability of funds from your cash and check deposits. During the delay, you may not withdraw the funds in cash and we will not use the funds to pay checks that you have written.

Please remember that 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.

Determining the Availability of a Deposit

The length of the delay is counted in business days from the day of your deposit. Every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before closing 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 closing, or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

The length of the delay varies depending on the type of deposit and is explained.

Same-Day Availability

Funds from electronic direct deposits to your account will be available on the day we receive the deposit.

Next-Day Availability

Funds from the following deposits are available on the first business day after the day of your deposit.

- U. S. Treasury checks that are payable to you.
- Wire transfers.
- Checks drawn on Members Credit Union.

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the first business

day after the day of your deposit:

- Cash.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit), funds from the above deposits will be available on the second business day after the day we receive your deposit.

Other Check Deposits

Our policy is to make funds from local checks available as follows.

Local checks. The first \$200.00 from a deposit of local checks will be available on the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit.

For example, if you deposit a local check of \$700.00 on a Monday, \$200.00 of the deposit is available on Tuesday. The remaining \$500.00 is available on Wednesday.

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 deposited it.

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Longer Delays May Apply

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 in the last six months.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communication equipment.

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

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000.00 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the 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 you may have to use a special deposit slip). 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 deposits will be available on the tenth

business day after the day of your deposit.

TRUTH-IN-SAVINGS DISCLOSURE

Regular Share Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend date is the last day of the dividend period and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last business day of the calendar month to avoid a low balance fee. If, at the close of business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitations - During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order, or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Monthly payment drafts by means of a preauthorized or automatic transfer are not allowed from this account.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of three during any calendar month. This fee will not apply if you maintain a balance of \$300.00 in your account on the last day of the month.

MyFi Savings Accounts

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend date is the last day of the dividend period and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$5.00.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitations - You may not make any withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of three during any cal-

endar month. This fee will not apply if you maintain a balance of \$300.00 in your account on the last day of the month.

Super 60 Savings Account

Rate information - The dividend rate and annual percentage yield may change every three months (on January 1, April 1, July 1, and October 1). The rate is determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$600.00.

You must maintain an actual balance of \$25.00 at the close of business on the last day of the calendar month to avoid a low balance fee. If, at the close of business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain an average daily balance of \$600.00 or more to earn the disclosed annual percentage yield. Accounts with an average daily balance of less than \$600.00 will earn the same dividend and annual percentage yield as a regular share (savings) account.

Transactions limitations - You may not make any withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of two during month.

Checking Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follows this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last day of the calendar month to avoid a low balance fee. If, at the close of business on the last day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transaction limitations - No transaction limitations apply to this account unless otherwise stated in the Common Features section.

Par value of a share - The par value of a share in this account is \$25.00.

Visa Debit Card - When a checking account is approved, a Visa Debit Card may be issued to the member. The Visa Debit Card can be used for purchases or cash advances anywhere Visa is accepted.

“Checkless” Checking Account

Rate information - As determined by the credit union board of directors dividends are not paid on this account.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last day of the calendar month to avoid a low balance fee. If, at the close of business on the last day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

Transaction limitations - Paper checks are not allowed with this account.

Par value of a share - The par value of a share in this account is \$25.00.

Visa Debit Card - When a “Checkless” Checking Account is approved, a Visa Debit Card may be issued to the member. The Visa Debit Card can be used for purchases or cash advances anywhere Visa is accepted.

Visa Debit Card Agreement

In this agreement, the words you and your mean each and all of those who apply for and/or use the Visa Debit Card and who sign this Agreement. Credit Union means Members Credit Union. We, us, and our means Members Credit Union. Card means the Visa Debit Card, and any duplicates or renewals we issue. Checking account means your credit union checking account, as identified by account number herein.

Credit Line means your overdraft line of credit with Members Credit Union. Contingent upon approval of your application for a Card and your signing of this Agreement, you authorize us to issue you a Visa Debit Card and Personal Identification Number (PIN) to be used to make withdrawals and payments from your checking account. Even though the sales, cash advance, credit, or other slips you sign or receive when using the Card, the account number on the Card, the PIN, or any combination of the three may contain different terms, this Agreement is the contract which solely applies to all transactions involving the Card. The credit union may amend this Agreement from time to time by providing you written notice at least 21 days prior to the effective date of the amendment if prior notice is required by law or in any other manner required or permitted by law. Your use of the Card or account number on the Card thereafter will indicate agreement to the amendments. This Agreement also supersedes any agreement you have previously made with the credit union concerning overdraft protection transfers from your checking account.

Therefore, it is agreed that:

Card Withdrawals. Use of the Card, the account number on the Card, the PIN, or any combination of the three for payments, purchases, or to obtain cash advances with merchants, financial institutions, or others who honor the Card (“Card withdrawal”) is an order by you for the withdrawal of funds from your credit union checking account. Each Card withdrawal by you (or by anyone else to whom you give the Card) may be charged to your checking account and will be treated as though it were a regular check except that:

- a. The credit union may charge withdrawals to your checking account in any order it determines, and if funds are not sufficient to cover all withdrawals, we may pay Card withdrawals and dishonor regular checks if they are not covered by the overdraft protection provision you have selected and agreed to; and
- b. The credit union cannot honor stop payment requests on Card withdrawals.

Refusal to Honor Card. Even though your checking account may have a balance sufficient to cover a requested Card withdrawal, electronic terminals, merchants, financial institutions, and others who accept the Card or the account number on the Card may not be able to determine your actual balance. Therefore, the credit union is not li-

able for the refusal or inability of such terminals or persons to honor the Card or complete a Card withdrawal, or for their retention of the Card. Lost Card Notification. If you believe the Card, the account number, the PIN, or any combination of the three has been lost or stolen or that someone has transferred or may transfer money from your checking account or other accounts without permission, you will call us immediately at (336) 748-4800 or 800-951-8000. (Business hours: Monday-Friday, 8:00 AM - 5:00 PM Eastern time.) If the credit union is closed, you may call toll free (866) 333-4740. We may impose a reasonable charge for the replacement of lost or stolen cards.

Returns and adjustments. Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by initiating a credit to us, and we will credit that amount to your checking account.

Transaction Slips. The monthly statements for your checking account will identify the merchant, financial institution, or electronic terminal at which Card withdrawals were made, but sales, cash advance, credit, or other slips cannot be furnished with the statement. You will retain the copy of each slip furnished at the time of the transaction in order to verify the monthly statement. The credit union may make a reasonable charge for photocopies of slips you request.

Foreign Transactions. Card withdrawals made in foreign countries and foreign currencies will be charged to your checking account in U.S. dollars. The conversion rate to dollars will be made in accordance with the operating regulations for international transactions established by Visa International, Inc. through whose facilities card withdrawals are handled.

Liability for Unauthorized Use. Your liability to the credit union, or responsibility for Card withdrawals made from the checking account, resulting from the loss, theft or other unauthorized use of the Card, account number on the Card, the PIN, or any combination of the three shall, subject to applicable law, be limited as follows:

- a. For Card withdrawals that are not electronic funds transfers and that occur before you notify the credit union, \$50.00;
- b. For Card withdrawals that are made by electronic funds transfers, the lesser of the actual loss, or \$50.00, if you notify the credit union within two business days after learning of the loss or theft; up to \$500 if you fail to notify the credit union within two business days; and up to the entire account balance if you fail to notify the credit union within 60 days after a statement, showing an unauthorized transfer, was mailed to you.

Card Ownership. The Card will remain the property of the credit union, and you agree to surrender the Card to us at any time that we so request.

Overdraft Protection Provisions. In the event that there are insufficient funds in your checking account to cover a check or a Card withdrawal, you authorize the credit union to handle such by transferring funds first from your regular savings account and then from your line of credit, or first from your line of credit and then from your regular savings account.

The credit union will advance available funds from your credit union regular share (savings) account and/or overdraft line of credit, in the order indicated above, to cover the amount due.

Available Funds. For the purpose of overdraft protection transfers, "available funds" in your regular share or checking account mean those funds which are not already committed to monthly loan payments, loan collateral, preauthorized transfers to other accounts, and the \$25.00 minimum deposit requirement, etc. In addition, the number of overdraft protection transfers and/or telephone requested transfers that will be permitted each month will be limited to the number of electronic funds transactions permitted by Regulation D of the Federal Reserve System. Share account funds will not be available for overdraft protection should the number of funds transfers exceed this limit.

Penalty Charge for High Credit Line Balance Resulting from Card Withdrawal Overdrafts. In the event that a Card withdrawal results in an overdraft which cannot be entirely covered by available funds in your share account and/or available Visa Credit Line, we may grant you a temporary increase in credit above your approved limit to cover the excess amount due. Each time you incur such a high credit line balance, we will also impose a Penalty Charge of 5% of the amount you have exceeded your credit limit, or \$30.00, whichever is greater. We will send you a written notification of the amount you must pay in order to reduce your credit line balance to your approved credit limit. This payment will be due immediately; however, if not sooner paid by you, subsequent deposits to your checking and/or share account may be applied toward payment of your high credit limit balance. In addition, if payment is not made promptly, we may suspend authorization for your Visa *Debit* Card until payment is made in full. We also reserve the right to pick up your Card and cancel your Overdraft Line of Credit.

Checks Not Covered by Overdraft Protection Provisions. In the event that a check results in an overdraft which cannot be covered entirely by available funds according to your selection of an overdraft protection above, then the item will be returned to the payee, and your checking account will be charged a returned item fee.

Overdraft Line of Credit - Upon approval of your checking account you may apply for an overdraft line of credit.

Line of Credit Agreement. In this Agreement, the words you and your mean each and all of those who apply for and/or use the Visa *Debit* Card established in conjunction with your Overdraft Line of Credit, and those who sign the Agreement. Credit Union, we, us and our means Members Credit Union. Card means your Visa *Debit* Card, and any duplicates or renewals we issue. Checking Account means your credit union checking account, as identified by account number herein. Credit Line means your Overdraft Line of Credit with the credit union.

Contingent upon your approval for a Credit Line and your signing this Agreement, you authorize us to establish a credit line for you, subject to the terms of this Agreement and the Visa *Debit* Card Agreement. This Agreement is the contract which applies to all transactions involving your credit line, even though the sales, cash advance or credit slips you may sign when using your card may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of your credit line thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance, as well as to future transactions.

Therefore, it is agreed that::

Responsibility. If we grant you a credit line, you agree to repay all debts and the FINANCE CHARGE and penalty charges arising from the use of your credit line account. This means that you are responsible for charges made by yourself and those made by anyone else to whom you give authority to access your credit line through the use of your Visa *Debit* Card and/or credit union checks. You cannot disclaim responsibility by notifying us, but we will prohibit new transactions and close out your credit line if you so request and return all your Cards. Your obligation to pay the account balance continues even though a divorce decree or other judgement to which we are not a party may direct you, or one of the other persons responsible, to pay the account. Any person who accesses your credit line is jointly responsible with you for charges he or she makes, but if that person signs a Card issued in conjunction with your credit line, he or she becomes a party to this Agreement, and is also jointly responsible for all charges on the account, including yours.

Credit Line. If we approve your application, we will establish a self-replenishing line of credit for you and will notify you of its amount

when we issue your Visa *Debit* Card. You agree not to let the account exceed your approved credit line. If you should exceed your credit line, you will be subject to a penalty charge, and other measures we may take as described in this Agreement. Each payment you make on your account will restore your credit line by the amount which is applied to the balance. You may request an increase in your credit line, which must be approved by our credit committee. By giving you written notice, our credit committee may reduce your credit line from time to time, or with good cause, revoke your Cards and terminate this Agreement. Good cause includes your failure to comply with this Agreement, or our adverse reevaluation of your creditworthiness. You may also terminate this Agreement at any time, but termination by either of us will not affect your obligation to pay the account balance.

Using Your Credit Line. You may receive advances from your credit line in two ways: (1) As overdraft protection advances for checks and Card withdrawals according to the provisions which you agreed to in your Visa Debit Card Agreement, and (2) By requesting a direct advance from your credit line by means of a request voucher or other similar instrument provided by or approved by the credit union.

Penalties for Exceeding Your Credit Line. Should you exceed your credit line, we may impose a penalty charge of 5% of the amount you are over your credit line or \$30.00, whichever is greater. This penalty may be imposed for each transaction which exceeds your approved credit line. This penalty will be added to your account balance and subject to Finance Charges according to the provision of this Agreement. In addition, we reserve the right to cancel authorization for the use of your Visa *Debit* Card and refuse any other obligation to make advances to you or on your behalf.

Monthly Statements. We will send you a statement every month showing your Previous Balance of advances, the current transactions on your account, the remaining credit available under your credit line, the New Balance of advances, the Total New Balance, the FINANCE CHARGE due to date, and the Minimum Payment required.

Finance Charges. Your account will be subject to a FINANCE CHARGE (interest) on the average daily balance of your account, which includes the balance of advances, past due FINANCE CHARGES and payments, and any penalty charges which may be imposed. The principal balance is determined each day during the month, beginning with the Previous Balance, reduced by payments you make and credits we apply, and increased by advances and debit adjustments we make during the month. The daily balances are totaled and divided by the number of days in the month to produce the monthly average daily balance subject to Finance Charges. Advances and other debits are thus subject to a FINANCE CHARGE from the date of posting to your account until paid. There is no "grace period," but you can reduce the average daily balance subject to Finance Charges by making payments as promptly as possible.

Variable Interest Rate. The Annual Percentage Rate (APR) for all new advances and existing balances will change on the 1st day of each quarter (January, April, July, October) to reflect any change in the Two-Year Treasury Bill Index. This Index is determined by using the weekly Two-Year Treasury Bill rate for the 12-week period immediately preceding the 3rd month of the prior quarter. The APR will be rounded to the next highest $\frac{1}{4}\%$ plus 9.75%. The Credit Union reserves the right to change this Index as necessary with proper notification. The APR will not exceed the rate permitted under NC state law. An increase in the APR will take the form of more payments of the same amount.

Monthly Payments. Every month you must pay at least a Minimum Payment amount which will be indicated on your statement. The Minimum Payment due will be 3% (rounded to the next highest dollar) of the Total New Balance of your account or \$30.00, whichever is greater, or the Total New Balance if it is less than \$30.00. We will add any FINANCE CHARGE owing on your account to the account

balance before applying payments. Payment will be due on the last day of the month following the date of the statement on which your payment is listed, i.e. a minimum payment listed on June 30 statement will be due on July 31. If you fail to make payment in full within the required time, a LATE CHARGE of 3% of the amount overdue may be charged to your account. We may also declare you in default of this Agreement and subject to the remedies of default as described herein. Of course, you may pay more frequently or pay more than the Minimum Payment due, and will reduce the average daily balance subject to Finance Charges by doing so. You may also pay the Total New Balance in full at any time without penalty.

Method of Payment. You have the choice of making payments either directly by cash or check, or by means of automatic monthly payments from your checking account. Unless you make arrangements for the direct payment, monthly payments will be made as follows: On the last day of each month, we will automatically debit your checking account for the Minimum Payment due and apply the amount as payment on your credit line balance. If there are insufficient available funds in your checking account to make full payment, we will transfer to your checking account the excess amount due from available funds in your credit union share account before taking payment. If there are insufficient available funds in your share account to cover the entire payment due, we will apply all available funds towards the payment, and notify you of the amount past due. Past due payments will be subject to collection procedures plus a 3% late charge of the amount past due. We may also suspend authorization for the use of your Visa Card and credit line, or at our discretion, declare you in default of this Agreement. If, in our judgement, you are consistently short of available funds in your draft and share account to meet your monthly Minimum Payment, and if you are an employee of a sponsor company served by the Members Credit Union, you hereby consent to our authority to request said sponsor company to increase the regular payroll deductions to your share account to an amount sufficient to cover the monthly Minimum Payment due on your credit line account.

Security Interest. To secure your account, you pledge credit union shares that you now own or may own in the future. However, unless you are in default, or sign a separate agreement pledging a specific amount of shares as security, we will not assert our statutory right to prevent withdrawal of your unpledged credit union shares (deposits) below the unpaid balance of your credit line account.

Default. You will be in default of this Agreement if you fail to make any Minimum Payment within the required time. You will also be in default if your ability to repay us is materially reduced by a change in employment, an increase in your obligations, bankruptcy or insolvency proceeding involving you, your death or your failure to abide by this Agreement, or if the value of any security interest you pledge materially declines. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you any notice required by law, and to exercise our rights to security pledged herein. To the extent permitted by law, you will also be required to pay our collection expenses, including court costs and reasonable attorney's fees. Our acceptance of payment of arrears, or our failure to exercise our rights hereunder immediately upon your default, shall not constitute a waiver of our rights at any time thereafter for the same or subsequent default.

Credit Information. You authorize us to investigate your credit standing when opening, renewing or reviewing your account. You also authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire of us about your credit standing, but only concerning your credit accounts with the credit union.

MyFi Checking Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follows this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transaction limitations - No transaction limitations apply to this account unless otherwise stated in the Common Features section.

Money Market Account

Rate information - The dividend rate and annual percentage yield may change at any time as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow the same pattern of dates. The declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$500.00.

You must maintain an actual balance of \$25.00 at the close of business on the last business day of the calendar month to avoid a low balance fee. If, at the close of business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$500.00 in your account to obtain the disclosed annual percentage yield. If your account average daily balance is greater than \$25.00, but less than \$500.00, you will earn dividends at the stated annual percentage yield of a regular share (savings) account. If your average daily balance falls below \$25.00, you will not earn dividends for that dividend period.

Transaction limitations - You may not make withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order or instruction, or similar order to a third party.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of three during any calendar month.

Custodian Accounts

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the Credit Union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this

same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last day of the calendar month to avoid a low balance fee. If, at the close of business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitation - During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order, or instruction. No more than three of the six may be made by check, or draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitation set forth above in any statement period, your account will be subject to closure by the credit union.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of three during a calendar month. This fee will not apply if you maintain a minimum daily balance of \$300.00 in your account during the month.

Term Share Certificates

Rate information - You will be paid the disclosed dividend rate until your certificate's first maturity. Please refer to our separate rate schedule.

Compounding frequency - Unless otherwise paid, dividends will be compounded every month.

Crediting frequency - Dividends will be credited to your account every month. Alternatively, you may choose to have dividends paid to you or to another account every month rather than credited to this account.

Dividend period - For this account type, the dividend period is monthly.

Minimum balance requirements - The minimum balance required to open this account is \$2,000.00 and you must maintain a minimum average daily balance of \$2,000.00 in your account to obtain the disclosed annual percentage yield. We also offer a 5 month CD with a minimum balance requirement of \$500. You must maintain a minimum average daily balance of \$500 in your account to obtain the disclosed annual percentage yield.

Transaction limitations - After the account is opened, you may not make additions into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. You can only withdraw dividends before maturity if you make arrangements with us for periodic payments of dividends in lieu of crediting.

Time requirements - Your account will mature at the end of the period specified on your certificate.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has original maturity of one year or less: The penalty we may impose will equal 90 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdrawal is made within six days of the issue or renewal date of the certificate.
- If your account has an original maturity of more than one year: The penalty we may impose will equal 180 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdraw-

al is made within six days of the issue or renewal date of the certificate.

No penalty will be assessed should a withdrawal be made in the event of permanent disability or death. In certain circumstances, such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty.

See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Withdrawal of dividends prior to maturity - The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail a notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new term share certificates on the maturity date which have the same term, minimum balance (if any), and other features as the original term share certificate.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Jumbo Term Share Certificate

Rate information - You will be paid the disclosed rate until the first maturity. Please refer to our separate rate schedule.

Compounding frequency - Unless otherwise paid, dividends will be compounded every month.

Crediting frequency - Dividends will be credited to your account every month. Alternatively, you may choose to have dividends paid to you or to another account every month rather than credited to this account.

Dividend period - For this account type, the dividend period is monthly.

Minimum balance requirements - The minimum balance required to open this account is \$50,000.00. You must maintain minimum average daily balance of \$50,000.00 in your account to obtain the disclosed annual percentage yield.

Transaction limitations - After the account is opened, you may not make additions into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. You can only withdraw dividends before maturity if you make arrangements with us for periodic payments of dividends in lieu of crediting.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has original maturity of one year or less: The penalty we may impose will equal 90 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdrawal is made within six days of the issue or renewal date of the certificate.
- If your account has an original maturity of more than one year: The penalty we may impose will equal 180 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdrawal is made within six days of the issue or renewal date of the certificate.

No penalty will be assessed should a withdrawal be made in the event of permanent disability or death. In certain circumstances, such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty.

Withdrawal of dividends prior to maturity - The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal will reduce earnings.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail a notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new term share certificates on the maturity date which have the same term, minimum balance (if any), and other features as the original term share certificate.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Individual Retirement (IRA) Share Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend date is the last day of the dividend period and for the example above is January 31.

Minimum balance requirements - The minimum required to open this account is the purchase of a share in the credit union. Please see the bylaw requirements in the Common Features section for additional information.

You must maintain an actual balance of \$25.00 at the close of business on the last business day of the calendar month to avoid a low balance fee. If, at the close of business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitations - During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, telephonic order, or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Monthly payment drafts by means of a preauthorized or automatic transfer are not allowed from this account.

Par value of a share - The par value of a share in this account is \$25.00.

Fees and charges - An excess withdrawal fee of \$3.00 will be charged for each withdrawal in excess of three during any calendar month. This fee will not apply if you maintain a minimum daily balance of \$300.00 in your account during the month or if you are age 59½ or older.

IRA Share Certificate

Rate information - You will be paid the disclosed rate until first maturity. Please refer to our separate rate schedule.

Compounding frequency - Dividends will be compounded every month.

Crediting frequency - Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly.

Minimum balance requirements - The minimum balance required to open this account is \$2,000.00.

You must maintain a minimum average daily balance of \$2,000.00 in your account to obtain the disclosed annual percentage yield.

Transaction limitations - After the account is opened, you may not make additions into the account until the maturity date stated on the account. You may not make withdrawals of principal from your account before maturity. You cannot withdraw dividends from your account before maturity.

Early withdrawal penalties (a penalty may be imposed for withdrawals before maturity) -

- If your account has original maturity of one year or less:
The penalty we may impose will equal 90 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdrawal is made within six days of the issue or renewal date of the certificate.
- If your account has an original maturity of more than one year:
The penalty we may impose will equal 180 days dividends on the amount withdrawn or the actual dividends earned since the issue or renewal date, whichever is less, but not less than seven days dividends on the amount withdrawn if the withdrawal is made within six days of the issue or renewal date of the certificate.

No penalty will be assessed should a withdrawal be made in the event of permanent disability or death. In certain circumstances, such as the death or incompetence of an owner of this account, the law permits, or in some cases requires, the waiver of the early withdrawal penalty.

See your plan disclosure if this account is part of an IRA or other tax qualified plan.

Automatically renewable account - This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. We can prevent renewal if we mail notice to you at least 30 calendar days before maturity. If either you or we prevent renewal, your funds will be placed in a dividend-bearing account.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same we offer on new term share certificates on the maturity date which have the same term, minimum balance (if any), and other features as the original term share account.

You will have a grace period of seven calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

Christmas Club Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividends periods

follow this same pattern of dates. The dividend date is the last day of the dividend period and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last business day of the calendar month to avoid a low balance fee. If, at the close of the business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitations - Not later than November 8 of each year, all funds on deposit in your Christmas Club account will be made available to you. You may receive your account distribution by check mailed to your home address or by having the funds transferred into your regular share or draft account.

Par value of a share - The par value of a share in this account is \$25.00.

Vacation Club Account

Rate information - The dividend rate and annual percentage yield may change at any time, as determined by the credit union Board of Directors.

Compounding and crediting - Dividends will be compounded every month. Dividends will be credited to your account every month.

Dividend period - For this account type, the dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividends periods follow this same pattern of dates. The dividend date is the last day of the dividend period and for the example above is January 31.

Minimum balance requirements - The minimum balance required to open this account is \$25.00.

You must maintain an actual balance of \$25.00 at the close of business on the last business day of the calendar month to avoid a low balance fee. If, at the close of the business on the last business day of the month, your account balance falls below the required minimum balance, your account will be subject to a low balance fee of \$3.00 for that month.

You must maintain a minimum average daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

Transactions limitations - On a date of your choosing all funds on deposit in your Vacation Club account will be transferred into your regular savings account or draft account.

Par value of a share - The par value of a share in this account is \$25.00.

COMMON ACCOUNT FEATURES

Bylaw requirements - You must complete payment of one share in any account as a condition of admission to membership.

Transaction limitation - We reserve the right to, at any time, require not less than 60 days notice in writing before each withdrawal from a dividend-bearing account other than a time deposit, or from any other savings account as defined by Regulation D.

Average daily balance computation method - Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the calendar month.

Accrual of dividends on noncash deposits - Dividends will begin to accrue on the business day you place noncash items (for example, checks) to your account.

Effect of closing an account - If you close your account before dividends are paid, you will not receive the accrued dividends.

Nature of dividends - Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. (This disclosure further explains the dividend feature of your non-term account(s).)

National Credit Union Share Insurance Fund - Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

Please refer to our separate fee and rate schedule for additional information about charges and rates.

eBill@MCU BILL PAYING AGREEMENT

This is your eBill@MCU agreement with Members Credit Union (MCU). You may use eBill@MCU to direct Members Credit Union to make payments from your MCU checking account to the merchant you select in accordance with this agreement. The terms and conditions of this agreement are in addition to the Account Agreements, Disclosures, and other documents in effect from time to time governing your credit union accounts.

“You” or “your” means each person who signs the eBill@MCU enrollment form or is otherwise authorized to use the service.

“Merchant” means anyone, including MCU, that you designate and that MCU accepts as a payee.

Setting Up Merchant Payments. Complete an eBill@MCU enrollment form. You may add a new fixed payment to a merchant, only if the merchant is on your authorized list of payees, and by using eBill@MCU and entering the appropriate information. To add a new merchant to your list of authorized payees, you must submit your request by using “Add Merchant” button on the Internet. Most other additions, deletions, or changes can be made by using eBill@MCU. MCU reserves the right to refuse the designation of a merchant for any reason. Each merchant accepted by MCU will be assigned a merchant code.

MCU is not responsible if a bill payment can not be made due to incomplete, inaccurate, or outdated information provided by you regarding a merchant or if you attempt to pay a merchant that is not on your authorized payee list.

Accessing eBill@MCU. When you complete your eBill@MCU enrollment form, you will be asked to select a User Identification and a Personal Identification Number (PIN). MCU will make every effort to accommodate your request, but if your requests conflicts with a User ID already in use, you will need to select another User ID.

The Bill Paying Process. MCU will process variable payments on the business day (generally Monday through Friday, except holidays) you designate the bill to be processed, provided the payment request is received prior to the cutoff time set by MCU, which is currently 4:00 p.m. Eastern Time. Variable bill requests received after the business day cutoff time, or at any time on a nonbusiness day, will be processed on the next business day. MCU reserves the right to change the cutoff time as needed.

For recurring payment requests, if you designate a processing date of the 28th through the 31st of a month, processing will be initiated on the last calendar day of the month. Otherwise, recurring payment requests will be processed on the date you designate. If such date falls on a nonbusiness day, it will result in your payment being processed the next business day.

You must allow at least five (5) business days from the processing date for each bill payment to reach the merchant. It is your responsibility to schedule/activate recurring payments.

You agree to have available and collected funds on deposit in the account you designate in amounts sufficient to pay for all bill

payments requested, as well as, any other payment obligations you have to MCU. MCU reserves the right, without liability, to reject or reverse a bill payment if you fail to comply with this requirement or any other terms of this agreement. If you do not have sufficient funds in the account and MCU has not exercised its right to reverse or reject a bill payment, you agree to pay for such payment obligations on demand. You further agree that MCU may charge any of your accounts at MCU to cover such obligations.

Any bill payment can be changed or cancelled provided you access eBill@MCU prior to the cutoff time one business day prior to the business day the bill payment is going to be initiated.

Liability. You are solely responsible for controlling the safekeeping of, and access to, your PIN. You are liable for all transactions you make or that you authorize another person to make even if that person exceeds his or her authority. If you want to terminate another person's authority, you must notify MCU and arrange to change your PIN. You will be responsible for any eBill@MCU request you make that contains an error or is a duplicate of another bill payment. MCU is not responsible for a bill payment that is not made if you did not properly follow the instructions for making a bill payment. MCU is not liable for any failure to make a bill payment if you fail to promptly notify MCU after you learn that you have not received credit from a merchant for a bill payment. MCU is not responsible for your acts or omissions or those of any other person, including, without limitation, any transmission or communications facility, and no such party shall be deemed to be MCU's agent. In any event, MCU will not be liable for any special, consequential, incidental, or punitive losses, damages, or expenses in connection with this agreement or eBill@MCU, even if MCU has knowledge of the possibility of them. MCU is not liable for any act, failure to act, or delay in acting, if it is caused, in whole or in part, by any cause beyond MCU's reasonable control.

Amendments and Termination. MCU has the right to change this agreement at any time by notice mailed to you at the last address shown for the account on MCU's records, by posting notice in branches of MCU, at our Internet Web site, or as otherwise permitted by law.

MCU has the right to terminate this agreement at any time. You may terminate this agreement by written notice to MCU. MCU is not responsible for any fixed payment made before MCU has reasonable opportunity to act on your termination notice. You remain obligated for any payments made by MCU on your behalf.

Fees. eBill@MCU is free of any fees.

The following charges will only be assessed if you request one or more of the services listed. There will be no charge for any item if needed to correct an MCU error.

Written Merchant Correspondence	\$10.00 ea.
Proof of Payment Not In Dispute	\$10.00 ea.
Payment Cancelled After Cutoff Time	\$7.50 ea.
Payments Returned Due To Member Error	\$5.00 ea.

MCU reserves the right to charge you for research time involving payments no longer available in your screen history. You will be informed of any such charges before they are incurred.

If there are insufficient funds in your MCU checking account to cover a payment you have authorized eBill@MCU to pay on your behalf, your account will be charged our standard insufficient funds fee of \$30.00 per item.

OUR PRIVACY PRACTICES

At Members Credit Union we are dedicated to providing you with financial products and services to help you reach your financial goals. At the same time, protecting your personal information and using it in a manner consistent with your expectations is a high pri-

ority for us and for everyone associated with Members Credit Union. We are required by law to give you this privacy notice. It describes our policies and practices that protect your privacy and enable us to share information to make competitive financial products and services available to you.

Information We Collect About You. We will collect only the personal information that is necessary to conduct our business, to provide you with competitive financial products, and to comply with the USA PATRIOT Act, we collect information and take actions necessary to verify your identification. We collect information about you from the following sources:

- Information we receive from you on applications and other forms;
- Information about your transactions with us, our affiliates (if, in the future we create them), or companies that work closely with us to provide you with diverse financial products and services;
- Information we receive from consumer reporting agencies, including credit bureaus;
- Information obtained when we verify the information you provide on an application or other forms (this may be obtained from your current or past employers, or from other institutions where you conduct financial transactions); and
- Information we may obtain from consumer purchasing and census data providers to develop competitive marketing programs for our members.

What personal information do we collect when you visit our website?

We collect information from you when you subscribe to a newsletter, respond to a survey, register for online banking services, or enter information on our site. We also collect data via Google Analytics to help us better understand how website visitors use our website. To learn more about Google Analytics Data collected from our website and how to opt out please see the section below titled, "Google."

When Information May Be Shared

MCU only shares information for legitimate business reasons, with the ultimate goal of bringing you greater convenience and more choices. MCU shares member information with its affiliates and certain vendors with whom it has a contractual relationship to provide specific products and services such as, but not limited to, insurance services, credit cards and account statements. These insurance services, credit cards and account statements are frequently requested services that MCU would not otherwise be able to provide without affiliates and vendors. These vendors are prohibited from using member information for any purpose other than that for which they have been contracted.

Personal financial information such as your account balance or loan information may be shared under the following circumstances:

- When such disclosure is compliance with the law, government agencies or court orders,
- When a third party is verifying the existence or condition of your account in accordance with applicable law,• When necessary to complete a transaction,
- To protect secured assets or the assets of MCU,• When you give us written permission,
- To share our experience with you to consumer reporting agencies, such as the credit bureaus.

Non-Disclosure of Information to Affiliates

As a member of MCU, you can be confident that the confidentiality of account information is the rule, not the exception. Although information collected in conjunction with a member's account remains the property of MCU, members may choose to be excluded from receiving certain marketing materials.

Members may choose to “opt out” of receiving offers of goods or services by direct mail, e-mail or telemarketing. Members who “opt out” will continue to receive offers included in member statements.

If you wish to “opt-out” of receiving offers of goods or services by direct mail please CALL 800-951-8000 ext. 1264 or put your request in writing and send it to:

Members Credit Union
Attn: Member Services
PO Box 5297
Winston-Salem, NC 27113-5297

Your request must include your account number(s), name, phone number where you can be reached, and signature. In the case of joint ownership, one account owner’s request will be considered binding for the purposes of opting out, or opting back into MCU’s affiliate programs.

To send your opt-out request electronically, you must be enrolled in our free online banking service, MCU@Home, and use secured messaging via the online banking platform. When you opt out using secured messaging we do not need your signature.

Protecting your Privacy Online

MCU uses an integrated security system to protect your account data from exposure to unauthorized persons over the Internet. We use a multitier security system that governs all aspects of our on-line service. Our on-line security enables members to conduct business with the Credit Union via the Internet with an extremely high degree of security.

At no time does anyone from the outside world have access to the Credit Union’s database via the Internet. All requests for data must pass through distinct validation and control centers. Each request and answer is reviewed at each stop through the firewall. In addition, any suspicious activity is immediately terminated.

Our Website contains links to other sites. MCU is not responsible for the privacy practices and policies or the content of linked sites.

How We Protect Your Information

- We will maintain strong security controls to ensure that member information in our files and computers is protected. Where appropriate, we will use **security coding** techniques to protect against unauthorized access to personal records and protect your confidentiality. We will also use coding techniques to ensure accuracy and integrity of communications and transactions.
- We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your non-public personal information and safeguard your account against fraud and unauthorized access.
- As a member, you will always have access to your account information. You will also have the opportunity to review your information and make necessary changes to ensure that our records are complete and accurate.
- We will partner only with businesses that follow strict confidentiality requirements. The businesses we select will offer products designed to enhance your economic well-being. We may disclose limited member information to partner businesses when they perform marketing services on our behalf. We will not authorize business partners to charge your account without your express consent.
- Under no circumstances will we sell your information to outside firms or provide information to telemarketing firms.

What You Can Do To Help

While we are committed to protecting your privacy, you can also help by following these simple guidelines:

- Protect your account numbers, card numbers, PINs (personal identification numbers), and passwords. Never keep your PIN with your debit, credit, or teller machine card which can provide free access to your accounts if your card is lost or stolen.
- Use caution when disclosing your account numbers, social security numbers, etc. to other persons. If someone calls you representing himself as a credit union employee and asks for your account number, be careful. Credit union employees will have access to your information and will not need to ask for it.
- It is important that we have current information on how to reach you. If we detect potentially fraudulent or unauthorized activity or use of an account, we will attempt to contact you immediately. If your address or phone number changes, please let us know.
- Please call us if you have any questions concerning activity on your account(s).

Google

Google's advertising requirements can be summed up by Google's Advertising Principles. They are put in place to provide a positive experience for users. <https://support.google.com/adwordspolicy/answer/1316548?hl=en>

We have implemented the following: Demographics and Interests Reporting:

We, along with third-party vendors such as Google use first-party cookies (such as the Google Analytics cookies) and third-party cookies (such as the DoubleClick cookie) or other third-party identifiers together to understand our website visitors better and make the information on our website more relevant and accessible.

Opting out: Users can set preferences for how Google advertises to you using the Google Ad Settings page. Alternatively, you can opt-out by visiting the Network Advertising Initiative Opt-Out page or by using the Google Analytics Opt-Out Browser Add-on found here; <https://tools.google.com/dlpage/gaoptout>

COPPA (Children Online Privacy Protection Act)

When it comes to the collection of personal information from children under the age of 13 years old, the Children's Online Privacy Protection Act (COPPA) puts parents in control. The Federal Trade Commission, United States' consumer protection agency, enforces the COPPA Rule, which spells out what operators of websites and online services must do to protect children's privacy and safety online.

We do not market or collect any personal information to children under the age of 13 years old.

CAN-SPAM Act

The CAN-SPAM Act is a law that sets the rules for commercial email, establishes requirements for commercial messages, gives recipients the right to have emails stopped from being sent to them, and spells out tough penalties for violations.

We collect your email address to:

- Market to our mailing list or continue to send emails to our clients after the original transaction has occurred.

To be in accordance with CANSPAM, we agree to the following:

- Not use false or misleading subjects or email addresses.
- Identify the message as an advertisement in some reasonable way.
- Include the physical address of our business or site headquarters.
- Monitor third-party email marketing services for compliance, if one is used.
- Honor opt-out/unsubscribe requests quickly.
- Allow users to unsubscribe by using the link at the bottom of each email.

If at any time you would like to unsubscribe from receiving future emails follow the instructions at the bottom of each email, and we will promptly remove you from ALL correspondence.

Contacting Us

If there are any questions regarding this privacy policy, you may contact us using the information below.

www.memcu.com

PO Box 5297

Winston-Salem, NC 27101

1-800-951-8000

PR@memcu.com

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