

## **Important Account Information for Our Members**

Terms and Conditions

Electronic Funds Transfer

FACT Act Notice

Your Ability to Withdraw Funds

Truth-in-Savings



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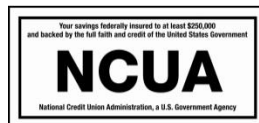
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**Kent County Credit Union**

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## TERMS AND CONDITIONS OF YOUR ACCOUNT

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 or open 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 of the state of Michigan (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 be reproduced here. The purpose of the 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 variation by agreement.
- (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 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. You may obtain a copy of the bylaws on request. 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 attorney’s fees. This includes, but is not limited to, disputes between you and another joint owner; you and an authorized signer or similar party; or a third party claiming an interest in your account. This also includes any action that you or a third party takes regarding the account that causes us, in good faith, to seek the advice of an attorney, whether or not we become involved in the dispute. All costs and attorneys’ fees can be deducted from your account when they are incurred, without notice to you.

**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”). Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. 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 –

**Generally** - 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.

**Postdated checks** - 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. Because we process checks mechanically, your notice will not be effective and we will not be liable for failing to honor your notice unless it precisely identifies the number, date, amount and payee of the item.

**Checks and withdrawal rules** - 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 initiate 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. If we are presented with an item drawn against your account that would be a “substitute check,” as defined by law, but for an error or defect in the item introduces in the substitute check creation process, you agree that we may pay such item. 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 when you make a deposit when those funds will be available for withdrawal. We may determine the amount of available funds in your account for the purpose of deciding whether to return an item for insufficient funds at any time between the time we receive the item and when we return the item or send a notice in lieu of return. We need only make one determination, but if we choose to make a subsequent determination, the account balance at the subsequent time will determine whether there are insufficient available funds.

**Actual and available balances** – Your checking account has two kinds of balances: the actual balance and the available balance. **We use your available balance when determining whether a transaction will cause your account to overdraw and for charging overdraft fees.** Your actual balance is the amount of money that is actually in your account at any given time. It shows transactions that have posted to your account, but not transactions that have been authorized and are pending. Any purchases, holds, fees, other charges or deposits made on your account that have not yet posted will not appear in your actual balance. The available balance is the amount of money in your checking account that is available to you to use without incurring an overdraft privilege fee, transfer fee, NSF fee. The available balance takes into consideration items such as holds placed on deposits and pending transactions (such as pending debit card purchases) that have been authorized but they have not yet posted to your account.

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

Here is an example of how this can occur – assume for this example the following: (1) you have opted –in to our Overdraft Privilege service for the payment of overdrafts on ATM and everyday debit card transactions, (2) we pay the overdraft, and (3) our per overdraft fee as listed in our fee schedule, but we do not charge the overdraft fee if the transaction overdraws the account by less than \$5.

You have \$120 in your account. You swipe your card at the card reader on a gasoline pump. Since it is unclear what the final bill will be, the gas station’s processing system immediately requests a hold on your account in a specified amount, for example, \$80. Our processing system authorizes a temporary hold on your account in the amount of \$80, and the gas station’s processing system authorizes you to begin pumping gas. You fill your tank and the amount of gasoline you purchased is only \$50. Our processing system shows that you have \$40 in your account available for other transactions ( $\$120 - \$80 = \$40$ ) even though you would have \$70 in your account available for other transactions if the amount of the temporary hold was equal to the amount of your purchase ( $\$120 - \$50 = \$70$ ). Later, another transaction you have authorized is presented for payment from your account in the amount of \$60 (this could be a check you have written, another debit card transaction, an ACH debit or any other kind of payment request). This other transaction is presented before the amount of the temporary hold is adjusted to the amount of your purchase

(remember, it may take up to three (3) days for the adjustment to be made). Because the amount of this other transaction is greater than the amount our processing system shows is available in your account, our payment of this transaction will result in an overdraft transaction. Because the transaction overdraws your account by \$20, your account will be assessed the overdraft fee according to our Overdraft Privilege fee policy (see the Fee Schedule). You will be charged this fee according to our policy even though you would have had enough money in your account to cover the \$60 transaction if your account had only been debited the amount of your purchase rather than the amount of the temporary hold or if the temporary hold had already been adjusted to the actual amount of your purchase.

**Overdrafts** – You understand that we may, at our discretion, honor withdrawal requests that overdraw your account. However, the fact that we may honor withdrawal request that overdraw the account balance does not obligate us to do so later. So you can NOT rely on us to pay overdrafts on your account regardless of how frequently or under what circumstances we have paid overdraft on your account in the past. We can change our practice of paying overdrafts on your account without notice to you. You can ask us if we have other account services that might be available to you where we commit to paying overdrafts under certain circumstances, such as an overdraft protection line-of-credit or a plan to sweep funds from another account you have with us. You agree that we may charge fees for overdrafts. For consumer accounts, we will not charge fees for overdrafts caused by ATM withdrawals or one-time debit card transactions if you have not opted-in to that service. We may use subsequent deposits, including direct deposits of social security or other government benefits, to cover such overdrafts and overdraft fees.

**PAYMENT ORDER OF ITEMS** – The order in which items are paid is important if there is not enough money in your account to pay all of the items that are presented. The payment order can affect the number of items overdrawn or returned unpaid and the amount of the fees you may have to pay. To assist you in managing your account, we are providing you with the following information regarding how we process those items.

Our policy is to process ACH credits first, in the order they are received on the day they are processed. We process ACH debits second, in the order they are received on the day they are processed. We process share drafts (checks) third, by dollar amount – smallest to largest on the day they are processed. We process ATM and debit card transactions in real time as they occur on the day they are processed.

If a check, item or transaction (other than an ATM or everyday debit card transaction) is presented without sufficient funds in your account to pay it, we may, at our discretion, pay the item (creating an overdraft) or return the item for insufficient funds (NSF). The amounts of the overdraft and NSF fees are disclosed in our Fee Schedule, as are your rights to opt-in to overdraft services for ATM and everyday debit card transactions, if applicable. We encourage you to make careful records and practice good account management.

**NON-MEMBER CHECK CASHING** – You agree that we may impose a fee as set forth in the Fee Schedule on the payee or other holder of a check or other item drawn against your account(s) that is presented for payment over the counter (in-person or otherwise) at the Credit Union rather than being deposited in an account at another institution and presented for payment through the check collection system. Alternately, we may, at our discretion, limit the locations at which we will cash checks written on your Account payable to non-Credit Union account holders (A request that Credit Union cash the check at any other location is not a proper presentment of the check by your specific agreement.) Payees may deposit the checks that you give them into their own account(s) with us in order to receive payment without a fee.

**INDORSEMENTS** – We may accept for deposit any item payable to you or your order, even if they are not indorsed by you. We may give cash back to any one of you. We may supply any missing indorsement(s) for any item we accept for deposit or collection, and you warrant that all indorsements are genuine. Indorsements must be made on the back of the check or draft within 1 ½ inches of the top edge, although we may accept indorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular indorsement or other markings by you or any prior endorser will be your responsibility.

**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.

**Joint Ownership** – If this account 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. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the “number of signatures” necessary for withdrawal.

If this is an account in the name of two or more persons. Each of you intend that when you die the balance in the account (subject to any previous pledge to which we have agreed) 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 survivorship and not tenants in common.

**STOP PAYMENTS** – You must make any stop-payment order in the manner required by law. We must receive it in time to give us a reasonable opportunity to act on it before our stop-payment cutoff time. To be effective, your stop-payment order must precisely identify the number, date and amount of the item, and the payee, and a stop payment order must be signed by the person requesting the stop payment. You may stop payment on any item drawn on your account whether you signed the item or not. A release of stop payment must be requested by the person who initiated the stop payment. Our stop payment cut off time is one hour after the opening of the next banking day after the banking day on which we received the stop payment request. Additional limitations on our obligation 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 transfers 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 – Your duty to report unauthorized signatures, alterations and forgeries** - You MUST examine your statement of account with “reasonable promptness”. If you discover (or reasonably should have discovered) any unauthorized signatures or alternations, 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 to either 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 alternations by the same wrong doer.

You agree that the time you have to examine your last statement and report to us will depend on the circumstances, but will not, in any circumstance, 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, alternations, forgeries, or any other errors in your account within 60 days of when we first send or make the 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.

**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.

**ACCOUNT AGREEMENT** – Each person who signs in the space designated for signatures on the signature card (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

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 any right of withdrawal, to the extent of such person’s 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.

In addition to these contract rights, we may also have rights under a "statutory lien". A "lien" on property is a creditor's right to obtain ownership of the property in the event a debtor defaults on a debt. A "statutory lien" is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

Neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account or other tax deferred 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 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.

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".

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** – In the case of credit entries subject to Article 4A of the Uniform Commercial Code, Kent County Credit Union hereby provides notice that such entries may be transmitted through the ACH Network pursuant to the ACH Rules governed by the National Automated Clearing House Association (NACHA). Your rights and obligations concerning these entries shall be governed by and construed in accordance with the laws of the state of Michigan. Credit provided by the Receiving Depository Financial Institution (RDFI) to the Receiver for these entries is provisional until the RDFI has received final settlement through a Federal Reserve Bank. If the RDFI does not receive such payment for the entry, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's account, and the Originator of the entry will not be considered to have paid the amount of the credit to the Receiver. Kent County CU has not agreed to provide you with notice if we have received a credit entry subject to Article 4A-403(a) of the Uniform Commercial Code.

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 you named.

**International ACH Transaction** – Financial institutions are required by law to scrutinize or verify international ACH transactions (IAT) against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend process of an IAT and potentially affect the settlement and/or availability of such payments.

**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 signatures(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose.

**FEES FOR OVERDRAWING ACCOUNTS** – Fees may be imposed on each check/draft item, ATM card withdrawal, debit card withdrawal, debit card point purchase, preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or payment of a check, draft or item. You may consult the Funds Availability Policy for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approval limit. Please refer to the Fee Schedule for current fee information. Please feel free to contact the credit union with any questions you may have concerning this notice.

**LEGAL ACTIONS AFFECTING YOUR ACCOUNT** – If we are served with a subpoena, restraining order, writ of attachment or execution, levy, garnishment, search warrant, or similar order relating to your account (termed "legal action" in this section), we will comply with that legal action. Or, in our discretion, we may freeze the assets in the account and not allow any payments out of the account until a final court determination regarding the legal action. We may do these things even if the legal action involves less than all of you. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds in accordance with the legal action. Any fees or expenses we incur in responding to any legal action (including, without limitation, attorneys' fees and our internal expenses) may be charged against your account. The list of fees applicable to your account(s) provided elsewhere may specify additional fees that we may charge for certain legal actions.

**SECURITY** – It is your responsibility to protect the account numbers and electronic access devices (e.g., an ATM card) we provide you for your account(s). Do not discuss, compare, or share information about your account number(s) with anyone unless you are willing to give them full use of your money. An account number can be used by thieves to encode your number on a false demand draft which looks like and functions like an authorized check. If you furnish your access device and grant actual authority to make transfers to another person (a family member or coworker, for example) who then exceeds that authority, you are liable for the transfers unless we have been notified that transfers by that person are no longer authorized.

Your account number can also be used to electronically remove money from your account. If you provide your account number in response to a telephone solicitation for the purpose of making a transfer (to purchase a service or merchandise, for example), payment can be made from your account even though you did not contact us directly and order the payment.

You must also take precaution in safeguarding your blank checks. Notify us at once if you believe your checks have been lost or stolen. As between you and us, if you are negligent in safeguarding your checks, you must bear the loss entirely yourself or share the loss with us (we may have to share some of the loss if we failed to use ordinary care and if we substantially contributed to the loss).

**ADDRESS OR NAME CHANGES** – You are responsible for notifying us of any change in your physical address, email address, phone number, or name. Unless we agree otherwise, change of address or name must be made in writing or through It's Me 247, online banking, by at least one of the account holders. Informing us of your address or name change on a check reorder form is not sufficient. We will attempt to communicate with you only by use of the most recent address you have provided to us. If provided elsewhere, we may impose a service fee if we attempt to locate you.

**UNLAWFUL INTERNET GAMBLING NOTICE** – Restricted transactions as defined in Federal Reserve Regulation GG, are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

## **ELECTRONIC FUNDS TRANSFERS / YOUR RIGHTS AND RESPONSIBILITIES**

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

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

This disclosure is furnished to you as a member of Kent County Credit Union. It meets the requirements of both the Federal and Michigan statutes relating to electronic fund transfers. It also meets the requirements of the regulation (Reg. E) issued by the Federal Reserve Board pursuant to the federal statute, whether such electronic fund transfers are made by use of an ATM or in any other manner.

This disclosure is a contract. The terms and conditions set out here are binding on you and on us as to the making of such electronic fund transfers and the use of the ATM/Debit Card and PINs in the following cases:

(1) If you use the account(s) covered by this disclosure after receipt of this agreement. (2) If you already have an ATM/Debit Card and PIN provided by us and you use them to make such transactions after receipt of this agreement. (3) If you ask us to provide you with a PIN and you thereafter use it, together with an ATM/Debit Card, to make such transactions.

In any such cases, your use of the account(s) or your making of such transactions constitutes your acceptance of the terms and conditions set out in this disclosure. Although your account(s) may be subject to electronic fund transfers, and in that regard are subject to the terms and conditions of this disclosure, you may continue to use those account(s) to the same extent and in the same manner that you have in the past, insofar as over-the-counter and other non-electronic transfers are concerned. In this disclosure, 'you' and 'your' include the plural in cases where two or more persons have an interest in a single account affected by an electronic funds transfer service. 'We' or 'us' refer to Kent County Credit Union.

**THE FOLLOWING SECTIONS RELATE TO ALL ELECTRONIC FUND TRANSFERS AFFECTING YOUR ACCOUNT(S) WHETHER MADE BY USE OF AN ATM/DEBIT CARD OR OTHERWISE**

**ACCOUNTS AFFECTED** - Each of the following-types of accounts in the credit union can be subject to some kind of "electronic fund transfer" service: Any Share Account, Share Draft Account or Line of Credit Loan.

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

**ACCOUNT AGREEMENT** - The terms and conditions of the account agreements relating to your accounts with us remain in effect except to the extent modified by this disclosure.

**MINIMUM BALANCE** - You must always maintain a minimum of \$5.00 in a regular share account to be entitled to make, by use of automated teller machine or otherwise, electronic fund transfers affecting your account(s). PINs for use with ATM/Debit Cards will not be issued to members whose loan payments to us are more than 30 days delinquent. We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least 21 days advance written notice.

**ELECTRONIC FUND TRANSFER SERVICE** - At the present time, you can authorize the following types of electronic fund transfers to or from your asset account(s) in the credit union.

Transfers TO your account(s) (credits):

- Direct deposits from employers who have agreed to send such deposits to us.
- Direct deposit of various governmental benefits.
- Deposits from any third party through the facilities of the Automated Clearing House (ACH) of which we are a member or other payments network.
- Automatic transfers to your account(s) from another person's account with us.
- Transfers from one of your accounts to another through the Credit Union's Online Banking product.

Transfers FROM your account(s) (debits):

- Payments of your house mortgage payments, insurance premiums and utility bills, as well as other types of payment to third parties, through the facilities of the Clearing House
- Automatic deduction from your account of premiums for insurance coverage available to our members.
- Automatic transfers from your account(s) to make payments on another person's loan owing to us.

**AUTOMATED TELLER MACHINE (ATM) TRANSACTIONS** – If you have an ATM/Debit Card along with a Personal Identification Number (PIN), you can use it to make any or all of the following transactions at an Automated Teller Machine.

- Deposit to most Share accounts or Share Draft Checking accounts. Deposits may be limited to the type of Share Draft Checking account held by the member.
- Cash withdrawals from your Share Draft account and Regular Share account.
- Transfer of funds (non-cash) from your Regular Share account to your Share Draft account and vice versa.
- Verify balances in specified savings, share draft or loan accounts that you have with us (not considered an electronic fund transfer). Please note: some networks may not allow all transaction types.

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

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

When we use information from your check to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make/we receive your payment and you will not receive your check back from us.

**ILLEGAL USE** – You understand and agree that you may not use any of our electronic fund transfer services for any illegal purpose.

**POINT OF SALE TRANSACTIONS** – Your ATM/Debit Card may be used to purchase goods or services from merchants who have arranged to accept an ATM/Debit Card as a means of payment. If you have an ATM/Debit Card, it may be used to purchase goods and services from certain merchants. These merchants are collectively referred to as Participating Merchants and will display a logo or other symbol which identifies them as a merchant who will accept your ATM/Debit Card. Purchases made with your ATM/Debit Card when you use your PIN, including any purchases where you receive cash back, are referred to as Point of Sale transactions or POS transactions. A POS transaction will cause your share draft account to be debited for the amount of the purchase.

**Point of Sale Transactions – dollar limitations** – dollar limits will be disclosed at card issuance.

**TELEPHONE, ONLINE BANKING AND MOBILE BANKING** – You may also access your accounts by calling CU\*Talk, 24 hours a day, seven (7) days a week at (616) 285-5720 using your PIN (personal identification number), account number and our credit union access code 074. You can connect to It's Me 247 Online Banking from a computer or through the browser on your cell or mobile phone via our website: [www.mykccu.com](http://www.mykccu.com), by entering your username and password. Use of Online Banking is subject to your acceptance of any additional agreements and/or disclosures. Transactions include:

- Transfer funds between your share savings and share draft checking account(s).
- Take an advance of funds on your KC Line of Credit or your Preferred Access to make a transfer into your share savings or share draft checking account.
- You can also make loan payments (on most credit union loans) by transferring from your share savings or share draft checking account.
- Account balance information can also be obtained on your share savings or share draft checking including the last 90 days deposit and withdrawal activity.
- Access online statements (eStatements): Online Banking only.
- Transfer from account to any other member account: Online Banking and Mobile Banking only.
- Make payments from checking to third parties (Bill Pay): Online Banking and Mobile Banking only.

**Online Banking** – Electronic Fund Transfer limits also apply to Online Banking transactions.

**Mobile Banking** – Electronic Fund Transfer limits also apply to Mobile Banking transactions.

**ONLINE BANKING BILL PAYMENT SERVICES** – You may pay recurring bills through Online Banking Bill Payment Services. Payments may be made from your share draft checking accounts.

**To Sign Up** – Log into It's Me 247 Online Banking and click on the Pay and Transfer tab, then Bill Pay and complete the enrollment form. Bill Pay functions include the following:

- View pending payments and recent payment history.
- Payee maintenance (change vendor address and account number)
- Add a payee (vendor)
- Make a payee payment(s)

**Timing of Payments** – The Credit Union processes payments through a third party vendor and is not responsible for the timing of payments. Allow about 10 working days for your payment to reach the vendor. Mail payments take longer than those sent electronically. The vendor determines which type of payment it will receive. The Credit Union is not responsible for late payments. We are only responsible in the event we fail to complete a payment in accordance with your correct instructions.

**Sufficient Funds** – You must have sufficient funds in your account to cover the payment. We will not take your balance negative to make a scheduled payment, unless you have an approved overdraft protection plan with us. See Fee Schedule for insufficient funds fees or other overdraft protection plan fees.

**Liability** – The Credit Union will not be liable for consequential, indirect, or punitive costs or damages. The Credit Union and the bill payer service provider will carry out your instructions in a reasonable manner.

**EXCLUDED TRANSACTIONS** – We have developed an elaborate electronic data processing system which makes it possible to offer you many electronic services. However, some of these services do not constitute electronic fund transfers for purposes of this disclosure. For example, automatic transfers from your account(s) to pay your loan(s) owing to us and automatic transfers between your own asset accounts in the credit union. The terms and conditions of this disclosure only apply to those services and transfers which are electronic fund transfers; they do not apply to other transactions which, although electronic in nature, do not constitute electronic fund transfers described in that section.

**AUTHORIZATION OF ATM AND EVERYDAY DEBIT CARD OVERDRAFT TRANSACTIONS** - You have the right to affirmatively consent, or opt into, payment of overdrafts for ATM and non-recurring debit card transactions. Such consent does NOT obligate us to authorize any transaction that would exceed your available account balance or available overdraft protection.

If we agree to authorize any transaction that would exceed your available account balance or available overdraft protection, you agree to pay the overdraft. If you have opted in to the credit union's overdraft services for ATM and non-recurring Debit Card transactions, you also agree to pay overdraft charges in effect from time to time for each transaction which causes your available account balance or available overdraft protection to be exceeded.

You also authorize us to apply from any other share account, any amount necessary to pay such an overdraft. If the overdraft is created in your share draft account, (1) a transfer may be made from your other share account(s) to cover the overdraft, in accordance with your share draft account agreement with us, or (2) an advance on your line of credit loan account with us may be made to cover the overdraft, and you will pay that depending upon which form of overdraft protection you have selected.

**FEES FOR ELECTRONIC FUND TRANSFERS** – We reserve the right to impose fees, and to thereafter increase them, if we deem it necessary. We will give you at least 21 days advance written notice before imposing or increasing any such fees. Please refer to our separate Fee Schedule for additional information about charges.

**ATM Operator/Network Fees** – When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

**ADDITIONAL CHARGES FOR FOREIGN CURRENCY AND CROSS BORDER TRANSACTIONS**

**Currency Conversion Fee** – If you effect or authorize a transaction with your ATM/debit card in a currency other than U.S. Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard will convert the charge into a U.S. Dollar amount. The MasterCard currency conversion procedure includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by MasterCard, as applicable. The exchange rate MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your account. A Currency Conversion Fee of up to 2% will be applied to transactions that are converted from foreign currencies to U.S. Dollars.

**Cross-Border Transaction Fee** – In addition, MasterCard charges us a Cross-Border Assessment up to 2% on each transaction on all cross border transactions regardless of whether there is a currency conversion. For purposes of this Section, cross-border transaction shall include both (a) transactions initiated in a foreign country which are subsequently settled in the United States, and (b) transactions initiated in the United States but which are ultimately settled in a country outside of the United States. The Credit Union will assess these fees to you to reimburse it for the fee it is required to pay for each of your transactions subject to these terms. The Cross-Border transaction fee will be shown separately on your periodic billing statement. The Currency Conversion Fee, if it applies to the transaction, will be included in the transaction amount posted on your statement.

**ELECTRONIC COLLECTION OF RETURNED ITEM FEES** - If your payment is returned unpaid, you authorize us to make a one-time electronic funds transfer from your account to collect a fee. Please refer to our separate Schedule of Fees for additional information about charges.

**DOCUMENTATION OF ELECTRONIC FUND TRANSFERS** -

- A. You can get a transaction receipt at the time you make any transfer to, from, or between your account(s) using an ATM, and each time you make a purchase using your ATM/Debit card.
- B. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call or write us at the telephone number and address appearing on your periodic statement or as shown on this Agreement to find out whether or not the pre-authorized deposit has been made to your account.
- C. Statement Frequency - You will get a statement every month of each asset account to which you have authorized any electronic fund transfer service, unless there are no transfers or transactions in a particular month. In any case, you will receive a quarterly statement.

**RIGHTS AND PROCEDURES TO STOP PAYMENT** - If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's How:

WRITE us at:            Kent County Credit Union  
                                 1619 Plainfield NE  
                                 Grand Rapids, MI 49505  
or Call:                    616-336-3490 or Toll Free: 888-336-3490

This notice must be sent in time for us to receive your request 3 business days, or more, before the payment is scheduled to be made. If you call, you will be REQUIRED to put your request in writing and get it to us within 14 days after you call. You will be charged for each stop payment in accordance with Kent County Credit Union's Schedule of Fees.

If these regular payments 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 or would fall outside certain limits that you set.

If you order us to stop one of these payments 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.

**BUSINESS DAY** – For the purposes of this Agreement, a Business Day is defined as Monday through Friday, except federal holidays.

**REVERSING ELECTRONIC FUNDS TRANSFERS** – If any electronic fund transfer previously described was a payment of \$50.00 or more for goods or services, you have the right to require us to reverse such transfer and to re-credit your account with the full amount of the transfer if (1) you tell us, within 4 calendar days after the date of the transfer, to make such a reversal, (2) you notify us that you have made a good faith attempt to resolve your dispute with the third party involved and (3) you assure us that returnable goods involved in the dispute will be returned. If you do these things in writing, you MUST send the letter to:

WRITE us at:            Kent County Credit Union  
                                 1619 Plainfield NE  
                                 Grand Rapids, MI 49505  
or Call:                    616-336-3490 or Toll Free: 888-336-3490

If you tell us orally that you want such a transfer reversed, you must send us a letter to confirm your reversal request, your notice of attempted resolution of the dispute and your assurance to return any returnable goods involved. You are required to get this letter back to us within 14 calendar days after the date of your oral request for reversal. We reserve the right to impose a reasonable charge for handling such reversal requests and to increase such charges thereafter.

**CONFIDENTIALITY** – In general, you agree that we may disclose information to third parties about your account or the transfers that you make: (A) Where it is necessary for completing transfers, or (B) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (C) In order to comply with government agency or court orders, or (D) If you otherwise give us your written permission.

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

**ERRORS OR QUESTIONS** – In case you have Errors or Questions about your Electronic Funds Transfers, contact us as soon as you can at:

WRITE us at: Kent County Credit Union  
1619 Plainfield NE  
Grand Rapids, MI 49505  
or Call: 616-336-3490 or Toll Free: 888-336-3490

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.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. In section 10 of this agreement we list our business days.

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

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

\*If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days.

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

**LIABILITY FOR FAILURE TO MAKE ELECTRONIC FUND TRANSFERS** – If we do not complete an electronic fund transfer, to or from your accounts on time or in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable for instance:

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

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

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

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

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

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

If circumstances beyond our control, such as fire or flood, prevent the transfer, despite reasonable precautions we have taken. We will also be excused from such liability if you fail to observe the terms of this agreement, or our account agreements with you, which relate to such electronic fund transfers.

**REGULATORY AGENCY** – If you believe that we may have violated the Federal Electronic Funds Transfer Act or its implementing regulation, Regulation E, you must contact:

Federal Trade Commission  
Electronic Funds Transfers  
1111 Superior Ave E.  
Suite 200  
Cleveland, OH 44114

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

Department of Insurance and Financial Services  
Office of Policy  
PO Box 30220  
Lansing, MI 48909-7720  
www.michigan.gov/difs  
Toll Free: 877-999-6442  
**Local: 517-373-0220**

**AMENDMENTS/TERMINATION** – We reserve the right to amend this disclosure (agreement) at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances; however, in the specific cases mentioned earlier, we will give you at least 21 days advance written notice. We also reserve the right to terminate this disclosure (agreement) by sending a notice of such termination by first class mail to your last known address on our records, which notice shall be effective when mailed.

**LOCATION OF MACHINES** – The number and location of automated teller machines is, of course, subject to change at any time.

Network:

Besides being able to use your electronic fund transfer card at ATM terminals, you may access our accounts at the following networks:

CO-OP Network, NYCE and Cirrus.

**CARD OWNERSHIP** – All ATM/Debit Cards and PINS remain the property of the Credit Union and may be revoked or cancelled at any time without giving you prior notice. You agree not to use your Card for a transaction that would cause your account balance to go below zero. We will not be required to complete any such transaction, but if we do, you agree to pay us the amount of the improper withdrawal, or transfer upon request.

**SECRECY OF PIN** – If we have issued a PIN to you, you agree to KEEP YOUR PIN SECRET, and you also agree that you will not write the PIN on your ATM/Debit Card or on any item you keep with your card.

**LIMITATIONS ON ELECTRONIC FUND TRANSFER SERVICE** – There are limitations to the number of transactions you may make per day at **any automated teller machine (ATM)** during a 24-hour operating cycle. You may make five (5) transactions per day. You must always maintain a minimum of \$5.00 in a Regular Share Account to be entitled to make Electronic Fund Transfers affecting your account. You may only make 4 withdrawal transactions from your Regular Share Account during any month without incurring a fee. Please refer to our Fee Schedule for the fees associated when more than 4 transactions have been made. To protect against possible losses, your card will not allow you to withdraw more than \$303.00 cash from an ATM during a 24-hour cycle (even if two ATM/Debit Cards have been issued for a single account). As to transactions other than those made at an automated teller machine or with your ATM/Debit card, there are no limitations as to how often you can make electronic funds transfer. Nor are there any restrictions as to the dollar amount of any one electronic funds transfer. We reserve the right to impose any such restriction in the future as we deem reasonable, but we will give you at least 21 days advance written notice before doing so.

**RESPONSIBILITY FOR OVERDRAFT** – If you obtain cash from an automated teller machine which creates a shortage in your account, the overdrawn amount is due and payable the moment you receive your money. You agree to pay the full amount of it to us, together with an overdrawn account charge per occurrence. You also authorize us, in such a case, to apply from any other share account any amount necessary to pay such an overdraft. If the overdrafts created in your share draft account, (1) a transfer will be made from your other share account(s) to cover the overdraft, in accordance with your share draft account agreement with us, or (2) an advance on your line of credit loan account with us will be made to cover the overdraft, and you will pay that advance in accordance with the conditions of your line of credit plan, depending upon which from of overdraft protection you have selected. If there are not sufficient funds to make a transfer according to (1) or (2) of this paragraph, or if you have no overdraft protection for your share draft checking account, then such overdraft will be paid to us as provided in the first sentence of this section.



**CREDITING OF DEPOSITS AND PAYMENTS** – Deposits or payments made in an ATM whether in cash, check, draft, or money order, are subject to verification and the funds of such deposits and payments to share or share draft accounts may be held until they can be collected from the machine, verified and entered into our accounting systems. Further delay may occur if the transaction is made on or immediately prior to a Saturday, Sunday or holiday on which we are closed. If you place a check, draft or money order in the machine as a deposit or payment, it is subject to collection in accordance with your account agreement with us and Regulation CC.

**FOREIGN TRANSACTIONS** – Purchase and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate to U.S. dollars will be determined in accordance with the operating regulations established by MasterCard. Currently the currency conversion rate used to determine the transaction amount in U.S. dollars is either a government-mandated rate or the wholesale market rate in effect one day prior to the transaction processing date, increased by two-percent. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

**MEMBER LIABILITY FOR UNAUTHORIZED USE** – Tell us AT ONCE if you believe your ATM Card, Debit Card, or PIN has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card or PIN without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card or PIN, and we can prove we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 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 a long trip or a hospital stay) kept you from telling us, we will extend the time periods. If you permit other persons to use an EFT service, your ATM/Debit Card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts.

**Special Rules for Debit MasterCard** – You will not be liable for any unauthorized transactions using your MasterCard Debit card, if: (i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft; (ii) you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period; and (iii) your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50.00 or the amount of money, property, labor, or service obtained by the unauthorized use.

Unauthorized use means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit.

**Notification of Lost/Stolen Card** – If you believe your ATM Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without our permission: IMMEDIATELY Contact us at:

WRITE us at: Kent County Credit Union  
1619 Plainfield NE  
Grand Rapids, MI 49505

or Call: 616-336-3490 or Toll Free: 888-336-3490

If you believe your Debit MasterCard\* or PIN has been lost or stolen IMMEDIATELY Contact us at:

WRITE us at: Kent County Credit Union  
1619 Plainfield NE  
Grand Rapids, MI 49505

or Call: 616-336-3490 or Toll Free: 888-336-3490 OR After Hours 888-241-2510

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

TO APPLY FOR AN ATM/DEBIT CARD:

WRITE us at: Kent County Credit Union  
1619 Plainfield NE  
Grand Rapids, MI 49505

or Call: 616-336-3490 or Toll Free: 888-336-3490

## **FACT ACT NOTICE/NOTICE OF NEGATIVE INFORMATION**

### **NEGATIVE INFORMATION NOTICE**

We may report information about your loan and deposit account to credit bureaus. Late payments, missed payments, or other default on your account may be reflected in your credit report.

### **NOTICE TO HOME APPLICANT**

In connection with your application for a home loan, the lender must disclose to you the score that a consumer reporting agency distributed to users, and the lender used in connection with your home loan, and the key factors affecting your credit score.

The credit score is a computer generated summary calculated at the time of the request and based on information that a consumer reporting agency or lender has on file. The scores are based on data about your credit history and payment patterns. Credit scores are used to determine whether you receive the loan and may also be used to determine what interest rate you may be offered on the mortgage. Credit scores can change over time depending on your conduct, how your credit history and payment patterns change and how credit scoring technologies change. Because the score is based on information in your credit history, it is very important that you review the credit-related information that is being furnished to make sure it is accurate. Credit records may vary from one company to another.

If you have questions about your credit score/the credit information that is furnished to you, contact the consumer reporting agency at the address and telephone number provided. The reporting agency is unable to provide specific reasons for lending decisions.

#### **Credit Bureau Contact Information**

Trans Union LLC  
PO Box 1000  
Chester, PA 19022  
Telephone: 1-800-888-4213

#### **Credit Union Contact Information**

If you have questions concerning the terms of the loan, contact the credit union at:  
Kent County Credit Union  
1619 Plainfield NE  
Grand Rapids, MI 49505  
Telephone: 1-616-336-3490

## **YOUR ABILITY TO WITHDRAW FUNDS**

This policy statement applies to “transaction” accounts. Transaction accounts, in general, are accounts which permit an unlimited number of payments to third persons and an unlimited number of telephone and preauthorized transfers to other accounts of yours with us. Share draft accounts are the most common transaction accounts. Our policy is to make funds from your check deposits available to you on the first business day after the day we receive your deposit, with the first \$200 available on the first business day after the day of your deposit. Electronic direct deposits will be available on the day we receive the deposit. Cash, wire transfers, and some specified check deposits will also be available before the second business day, as detailed below. Once the funds are available, you can withdraw them in cash and we will 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.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 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.

**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 Kent County 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 these deposits will be available on the second business day after the day we receive your deposit.

**OTHER CHECK DEPOSITS SUBJECT TO SECOND-DAY AVAILABILITY** – The first \$200 from a deposit of other 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 check of \$700 on a Monday, \$200 of the deposit is available on Tuesday. The remaining \$500 is available on Wednesday.

If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another bank, 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 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.
- We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the 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 of a day's total deposit of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 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 will not be available until the second business day after the day of your deposit.
- Funds from all other check deposits will be available on the ninth business day after the day of your deposit or sooner.

**DEPOSITS AT AUTOMATED TELLER MACHINES** – Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate may not be available until the fifth business day after the day of your deposit.

All ATMs that we own or operate are identified as our machines.

## **TRUTH-IN-SAVINGS DISCLOSURE**

### **PRIMARY SAVINGS ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors. For the current dividend rate and corresponding APY, refer to the Savings Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your share account before dividends are paid, you will not receive the accrued dividend.

**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 1st, and the ending date of such dividend period is March 31st. All other dividend periods follow this same pattern of dates. The dividend declaration date starts at the end of a dividend period, and for the example is March 31st.

**Minimum Balance Requirements** – The minimum balance required to open this account is \$5.00.

You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield. No minimum daily balance applies if you are 17 years of age or younger.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you place noncash items (e.g. checks) to your account.

**Transaction 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, or similar order to a third party. If you exceed the transfer limitations set forth above, 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 \$5.00.

**Fees and Charges** – See separate Fee Schedule.

### **NICKNAME IT (SUB -SHARE) SAVINGS ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors. For the current dividend rate and corresponding APY, refer to the Sub Share Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your sub-share account before dividends are paid, you will not receive the accrued dividend.

**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 1st, and the ending date of such dividend period is March 31st. All other dividend periods follow this same pattern of dates. The dividend declaration date starts at the end of a dividend period, and for the example is March 31st.

**Minimum Balance Requirements** – No minimum balance requirements apply to this account.

You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield. No minimum daily balance applies if you are 17 years of age or younger.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you place noncash items (e.g. checks) to your account.

**Transaction 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, or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

**Fees and Charges** – See separate Fee Schedule.

#### **CHRISTMAS CLUB SAVINGS ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors. For the current dividend rate and corresponding APY, refer to the Christmas Club Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your Christmas Club account before dividends are paid, you will not receive the accrued dividend.

**Dividend Period** – For this account type, the dividend period is monthly, for example the beginning date of the first dividend period for the calendar year is January 1st, and the ending date of such dividend period is January 31<sup>st</sup>. 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<sup>st</sup>.

**Minimum Balance Requirements** – No minimum balance requirements apply to this account.

You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield.

**Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividend(s) will begin to accrue on the business day you deposit noncash items (e.g. checks) to your account.

**Transaction Limitations** – No cash withdrawals are allowed from this account before the end of the club term. You may not make any withdrawals or transfer 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.

The club term runs from October 1 to September 30 of the following year. At the end of the club term dividends are calculated and the funds are deposited into another account of yours at the credit union. You may open a Christmas Club Savings Account at any time.

**Fees and Charges** - See Fee Schedule for early withdrawal fee.

#### **HIGH YIELD 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. This account is subject to a Tiered Variable Rate. For the current dividend rate and corresponding APY, refer to the High Yield Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your share account before dividends are paid, you will not receive the accrued dividend.

**Dividend Period** – For this account type, the dividend period is monthly, for example the beginning date of the first dividend period for the calendar year is January 1st, and the ending date of such dividend period is January 31<sup>st</sup>. 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<sup>st</sup>.

**Minimum Balance Requirements** – Refer to the current the High Yield Account Sheet for the minimum balance required to open this account.

You must maintain a required minimum daily balance in your account to avoid a monthly service fee. If, during any monthly statement cycle, your account balance falls below the required minimum daily balance, your account will be subject to a monthly service fee for that monthly statement cycle. See separate Fee Schedule.

You must maintain a required minimum daily balance in your account each day to obtain the disclosed annual percentage yield. This account is subject to a tiered variable rate structure. Refer to the current High Yield Account Sheet for daily minimum balance required and tier structure.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you deposit noncash items (e.g. checks) to your account.

**Transaction 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, automatic, or computer transfer, telephonic order or instruction, or by check, draft, or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

**Fees and Charges** – See separate Fee Schedule.

#### **EZ CHECKING ACCOUNT**

**Minimum Balance Requirements** – No minimum balance requirements apply to this account.

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

#### **FRESH START CHECKING ACCOUNT**

**Minimum Balance Requirements** – There is a \$10.00 minimum deposit required to open this account. This amount will be secured over the par value of the Account.

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

**Fees and Charges** – A service charge fee will be charged each month. See separate Fee Schedule.

#### **MONEY MARKET 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. For the current dividend rate and corresponding APY, refer to our High Yield Share Draft Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your share account before dividends are paid, you will not receive the accrued dividend.

**Dividend Period** – For this account type, the dividend period is monthly, for example the beginning date of the first dividend period for the calendar year is January 1st, and the ending date of such dividend period is January 31<sup>st</sup>. 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<sup>st</sup>.

**Minimum Balance Requirements** – Refer to the High Yield Share Draft Account Sheet for the minimum balance required to open this account.

You must maintain a required minimum daily balance in your account to avoid a monthly service fee. If, during any monthly statement cycle, your account balance falls below the required minimum daily balance, your account will be subject to a monthly service fee for that monthly statement cycle. See separate Fee Schedule.

You must maintain a required minimum daily balance in your account each day to obtain the disclosed annual percentage yield. Refer to the current High Yield Share Draft Account Sheet for daily minimum balance required.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you deposit noncash items (e.g. checks) to your account.

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

**Fees and Charges** – See separate Fee Schedule.

## **IRA SAVINGS ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors. For the current dividend rate and corresponding APY, refer to our Sub Savings Account Sheet.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your share account before dividends are paid, you will not receive the accrued dividend.

**Dividend Period** – For this account type, the dividend period is monthly, for example the beginning date of the first dividend period for the calendar year is January 1st, and the ending date of such dividend period is January 31<sup>st</sup>. 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<sup>st</sup>.

**Minimum Balance Requirements** – Refer to the Sub Savings Account Sheet for the minimum balance required to open this account.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you deposit noncash items (e.g. checks) to your account.

**Transaction Limitations** – Individual Retirement Accounts are subject to limitations and/or penalties imposed by the Internal Revenue Service. Please see your IRA Agreement and/or your tax advisor for additional information.

**Fees and Charges** – See separate Fee Schedule.

## **TERM SHARE CERTIFICATE ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors. For the dividend rate on your term share account and corresponding YAY, refer to your Term Share Certificate. You will be paid this rate until first maturity.

**Compounding and Crediting** – Dividends will be compounded every month and will be credited monthly. If you close your share account before dividends are paid, you will not receive the accrued dividend.

**Dividend Period** – For this account type, the dividend period is monthly, for example the beginning date of the first dividend period for the calendar year is January 1st, and the ending date of such dividend period is January 31<sup>st</sup>. 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<sup>st</sup>.

**Minimum Balance Requirements** – Refer to the current Term Share Certificate for the minimum balance required to open this account.

**Daily Balance Computation Method** – Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day.

**Accrual of Dividends on Noncash Deposits** – Dividends will begin to accrue on the business day you deposit noncash items (e.g. checks) to your account. Once dividends are credited to a certificate account, it becomes principal. If you close your Certificate account before any dividend is credited, you will not receive accrued but uncredited or unpaid dividends.

**Transaction Limitations** – In addition to any other applicable limitations described in this document, after a Term Account is opened, you may not make deposits into the account before maturity; Youth Term Share Accounts are excluded from this requirement. You may not make withdrawals of dividends from your account before maturity unless at account opening you arrange for dividend payments, if allowed by the Credit Union.

**Maturity Date** – Your account will mature on the date stated in your Certificate or any Renewal Notice the Credit Union provides to you.

**Early Withdrawal Penalties** – If all or part of the principal is withdrawn before the maturity date, the Credit Union may charge you a penalty. Withdrawal of the principal amount of your Certification may be made only with the consent of the Credit Union.

**Renewal** – Unless you instruct the Credit Union otherwise, your certificate account will automatically renew at maturity. You will have a grace period of ten (10) business days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty. However, the Credit Union reserves the right to give the owner written notice that the account will not be renewed. In the latter case, upon maturity, the account will be converted to a regular share account and receive earnings at the rate then paid on regular share deposits. The rate of earnings for any renewal terms shall be at the rate the Credit Union is then offering on the same accounts in this class. If you instruct us not to renew your account, then no dividends will be paid after the stated maturity date.

**Partial Withdrawal** – No partial withdrawal will be permitted at any time that would result in a principal balance of less than the required minimum opening deposit.

## **COMMON FEATURES OF ALL ACCOUNTS / ACCOUNT SUFFIXES**

**BYLAW REQUIREMENTS** – You must complete payment of one share in your Savings account as a condition of admission to membership.

**NATURE OF DIVIDENDS** – Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period, thus dividends are not guaranteed. The Dividend Rate and Annual Percentage Yield set forth in the Schedule are prospective rates and yields and the Credit Union anticipates paying for the applicable dividend period.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND** – Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

**LIMITATIONS ON MAXIMUM SHARES HELD BY ONE MEMBER** – The Credit Union's Board of Directors may limit the maximum amount of shares one member may hold by resolution, which they may set or change from time to time.

**TRANSACTION LIMITATION ON ALL ACCOUNTS** – No member may withdraw any amount on deposit below the amount of their primary or contingent liability to the Credit Union if they are delinquent as borrower, co-maker, or guarantor, without the Credit Union's written permission. Further, if your account(s) are pledged to us to secure any loan obligation, then you must pay, or, with our permission, renew the loan before any principal or dividends may be withdrawn or transferred. If we allow you to renew a loan secured by such a pledge, you may be required to renew any pledged account or leave the funds on deposit with us until the loan is paid or we specifically release the funds.

**NOTICE OF WITHDRAWAL** – A member may withdraw from their account at any time, but the credit union may require a notice of withdrawal from the withdrawing member as a condition of the withdrawal and when certain conditions are met. Withdrawals may be made from available funds and after deducting all amounts owed to the credit union by the member; after obligations to the credit union have been met, credit union shall pay a person whose membership is terminated, or who is a withdrawing member any amounts paid on shares or as deposits of the member and any dividends or interest accrued on the shares or deposits before the date of payment.

A member may withdraw funds on the maturity date or within 7 days after a maturity date on accounts where terms and maturity is required. Credit Union may require that a withdrawing member give a 60 day notice of intention to withdraw shares or a 30 day notice of intention to withdraw deposits. When the credit union requires a notice of intention to withdraw, credit union may wait until the expiration of applicable notice period before complying with request. Credit Union may waive an applicable notice period for a specific member or account in writing.

After termination or withdrawal the former member has no rights in the credit union, but the termination or withdrawal does not release the former member from any remaining liability to the credit union.

**FEES** - Please refer to our separate Fee Schedule for additional information about charges.