

**IRON MOUNTAIN-KINGSFORD COMMUNITY FEDERAL CREDIT UNION
ACCOUNT AGREEMENT AND FUNDS AVAILABILITY DISCLOSURE**

This document was developed to help you understand the rules we use in administering your account(s) with the Credit Union. By using your account after receiving this document, you signify your understanding of the rules and agree to abide by them.

Because federal and state laws and the Credit Union's own bylaws are too extensive and are subject to change, we can only provide general rules pertaining to your account(s) and specific disclosures required by law in this document.

The terms "you" and "your" refer to the depositor (whether individual or joint) and the terms "we", "us" and "our" refer to the Credit Union.

We welcome any comments or questions you may have regarding your account(s) with us.

General Rules

The following rules apply to all types of accounts and the provisions on their respective signature cards and are hereby incorporated by reference.

- 1. Deposits.** Deposits may be made in person, by Payroll Deduction, by Mail, by Direct Deposit, in the night depository or at some ATMs at any time. We will not be construed to have received deposits sent by mail until we have received actual delivery at our office. All deposits at an ATM (cash/checks) will not be credited for 5 days, but dividends, if applicable, will accrue from the date of deposit.

We may refuse to accept particular checks or similar instruments as a deposit to your account at our discretion. Any cash deposit will be credited to your account in accordance with these rules. Any other item that you deposit will be handled by us in accordance with our usual collection practices. If any item you deposit is returned unpaid, we will debit your account and adjust any dividends earned. You will, in any event, be liable to us for the amount of any check you deposit to your account that is returned unpaid, plus our costs and expenses associated with the collection of all or part of such amount from you, including reasonable attorney fees. You understand you may not be able to withdraw funds until we have received final settlement for any item deposited. Any deposit made Saturdays, Sundays, Holidays, or after hours on business days will be credited to your account at the beginning of the next business day. Deposits to checking accounts shall be handled in accordance with our current Funds Availability Policy which will control the business day deposits redeemed by us and when they will be available for deposit. You agree we can debit your account for the amount of any erroneous Payroll Deduction deposit or Federal Direct Deposit.

- 2. Collection of Deposited Items.** In receiving items for deposit or collection, we act only as your agent and assume no responsibility beyond the exercise of ordinary care. All items are credited subject to final settlement in cash or credits. We shall have the right to forward items to correspondents including all Federal Reserve Banks, and we shall not be liable for default or neglect of said correspondents for loss in transit, nor shall any correspondent be liable except for its own negligence. You specifically authorize us or our correspondents to utilize Federal Reserve Banks to handle such items in accordance with provisions of Regulation J (12CFR Part 210), as revised or amended from time to time by the Federal Reserve Board. If we permit you to withdraw funds from your account before final settlement has been made for any deposited item, and final settlement is not made, we have the right to charge your account or obtain a refund from you. In addition, we may charge back any deposited item at any time before final settlement for whatever reason. We shall not be liable for any damages resulting from the exercise of these rights. We will not be liable for dishonor resulting from any reversal of credit, return of deposited items or for any damages resulting from any of those actions.
- 3. Set-Offs.** We may set-off funds in your account to pay any debt you owe us. If the account is held jointly, we may set-off funds for the debt of any one of the joint owners.
- 4. Expenses.** You agree to pay all expenses we incur in responding to any attachment, garnishment or levy of your account, including actual attorney fees.
- 5. Dormant Accounts.** You understand that if your account is dormant, you agree that we are relieved of all responsibility if your account is escheated.
- 6. Joint Accounts, Trust Accounts and Custodial Accounts.** You acknowledge that if your account is set up as joint account, trust account, or custodial account, it is your sole responsibility to determine the legal effects of opening and maintaining an account of this nature.

- 7. Joint Accounts.** You agree that we may deposit or cash any draft or check payable to one or more joint account owners, relying upon the endorsement of any one of the joint account owners. All deposits are the property of the person(s) indicated on the account and we may release all or any part of the amount in the account to honor checks, withdrawals, orders, requests, or loan pledges from any person named on this account. Upon receiving written notice from any person named on the account, we may freeze the account. The account may be frozen until we receive written notice, signed by all parties named in the account, as to the disposition of funds. We may use the funds to satisfy a debt or judgment of any person named on this account if ordered to do so by a court of law. Upon the death of one party to a joint account, all sums in the account vest in and belong to the surviving party(ies) as his or her separate property and estate. All living joint owners of the account must consent to add another joint owner.
- 8. Beneficiary Accounts.** If the account has a beneficiary, all living joint owners must consent to change a beneficiary. Beneficiaries on your savings account are also the beneficiaries on any sub accounts except Individual Retirement Accounts (IRAs). A separate beneficiary designation form applies to IRAs. There can be no beneficiaries on checking accounts (except a revocable trust).
- 9. Custodial Accounts.** Any custodial account maintained is subject to the Uniform Transfers to Minor Act or other applicable state or federal law. There may be only one custodian and one minor or beneficiary for each account.
- 10. Powers of Attorney.** If you wish to name another person to act as your attorney-in-fact or agent in connection with your account, we must approve the form of appointment.
- 11. Corporate, Partnership and Other Organizational Accounts.** If we offer these accounts, you agree to supply us with a separate authorization informing us of the authorized signer(s) and to provide any other related documents if requested to do so.
- 12. Fees, Service Charges and Balance Requirements.** You agree to pay us, and are responsible for any fees, charges, or balance/deposit requirements. Fees and charges are disclosed on the separate Rate and Fee Schedule section of the Truth-In-Savings Disclosure and are hereby incorporated by reference.
- 13. Non-Sufficient Funds.** If your account lacks available collected funds to pay a check or preauthorized transfer presented for payment, we may return such check or preauthorized transfer for nonsufficient funds and will charge you a fee.
- 14. Amendments and Alterations.** Notice will be given to you if we change the terms of this Agreement at any time, by mailing notice to your address shown on our records as required by law.
- 15. Closing Accounts.** If your account is not a Share Draft/Checking Account, you may withdraw all collected funds in the account at any time subject to the provisions of paragraph #2 and the paragraph covering withdrawals for that type of account in the Truth-In-Savings Account Disclosure. You must maintain your Regular Share Account until all outstanding credit obligations are repaid. All "Other" (Share) Sub-Accounts must be closed prior to closing your Regular Share Account.
- 16. Effective Applicable Laws and Regulations.** You understand that these rules are governed by the laws of the State of Michigan except to the extent that federal law is controlling. Changes in these laws and regulations may modify the terms and conditions of your account(s). We may not have to notify you of these changes.
- 17. Payment of Dividends.** If your account is a dividend bearing account, dividends will be calculated and paid in accordance with the Truth-In-Savings Account Disclosure described in paragraph 24 and provided to you at the time you opened the account.
- 18. Checks.** All negotiable paper (called "drafts" or "checks") presented for deposit must be in a format that can be processed and or/photographed. We may refuse to accept any check that does not meet this requirement. All endorsements placed on the reverse side of any check which you deposit to your account must be placed so that they are on the left side of the check when looking at it from the front and must be placed so they do not go beyond an area located 1 ½ inches from the left edge of the check when looking at it from the front. We may refuse to accept any check that does not meet this requirement; and, if we do accept it, you will be completely responsible for any loss incurred by us which is premised on an endorsement not meeting this requirement, including reasonable attorney fees.

You have the responsibility to make sure at the time you issue any check that the format is such that there will be no writing whatsoever on the reverse side of the check placed beyond an area located 1 ½ inches from the left edge of the check when looking at it from the front. You will be responsible for any loss incurred by us which is premised on your violating this requirement, including reasonable attorney fees.

19. **Teller Checks and Money Orders.** When you request withdrawals from your account, you understand that you may not instruct us to stop payment on "Teller Checks" or "Money Orders"- checks or money orders issued by the credit union and signed by its president or other officer, except under the provisions of the Uniform Commercial Code.
20. **Stop Payments.** If you request that we stop payment on a check which you have written, you will supply us with a written request within fourteen (14) days after you make such a request. Written stop payments will be effective for six (6) months and you will be charged a fee for any stop payment you request unless otherwise agreed. Each continuation of a stop payment request will be treated as a new request for the purpose of fee assessment. We will not be responsible for any liability which we might otherwise incur if we pay an item upon which you have requested a stop payment. You also agree that if we return any other items drawn by you due to non-sufficient funds, which situation caused because we have paid an item upon which you had requested a stop payment we will not be liable for such action. Any joint owner on the checking account may sign a stop payment on a check that was written against the account. If you request a stop payment on a preauthorized transfer, such stop payment will be handled in accordance with the provisions of our Electronic Funds Transfer Agreement provided to you at the time you opened the account or any time thereafter.
21. **Stale, Postdated or Overdraft Checks.** You agree not to postdate any check drawn on the account. You hold us harmless for paying any stale, postdated or overdraft check and agree to reimburse us for any loss we might suffer because of such payment made in good faith.
22. **Check Safekeeping.** You understand that the canceled checks will be retained by us (and/our agent), and will be destroyed after a reasonable time period. Any request for a copy of any check is subject to a fee. If for any reason we cannot provide you with a copy of a check within seven (7) years of its payment date, our liability will be limited to the lesser of the face amount of the check or the actual damages sustained by you.
23. **Statements.** We will provide you with a periodic statement showing the account activity. You must notify us of any discrepancies within sixty (60) days after the statement was mailed to you. If you fail to notify us, you will have no claim against us. If you do not receive a statement from us because you have failed to claim it or have supplied us with an incorrect address, we may stop sending you statements until you specifically make written request that we resume sending your statements and you supply us with a proper address.
24. **Truth-In-Savings.** At the time you opened your account, you received a Truth-In-Savings Account Disclosure of all fees and charges applicable to the account, the Annual Percentage Yield and the dividend rate, minimum balance requirements, compounding and creating of dividends and other pertinent information related to the account. This information found in the disclosure may change from time to time. If the fees, charges, minimum balance requirements or other items change in a manner that would adversely affect you, we will provide you with written notice thirty (30) days prior to the change.
25. **No Waiver.** You understand and agree that no delay of failure on our part to exercise any right, remedy, power or privilege available to us under this Agreement shall affect or preclude our future exercise of that right, remedy, power or privilege.

Funds Availability Disclosure

In addition to the General Rules, deposits to your Share Draft/Checking Account will be subject to the following:

- A. **Same-day Withdrawals.** Our policy is to allow you to withdraw funds deposited into your account on the same business day that we receive your deposit. At that time, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. Deposits made at an Automated Teller Machine (ATM) that we own or at our night depository will be available for withdrawal the following business day. All ATMs that we own or operate are identified as our machines.

For determining the availability of your deposits, every day is a business day except Saturdays, Sundays, and Federal holidays. Your deposit will be considered received, however, only on a day we are open for business. For example: If you deposit on Thanksgiving, we consider the deposit made on Friday, the next day we are open for business.

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks that you deposit that are returned to us unpaid and for any other problems involving your deposit.

If you have any questions, contact the Credit Union at (906) 774-6020.

- B. **Longer Delays May Apply.** In some cases, we will not make all of the funds that you deposit by check available to you on the same business day that we receive your deposit. Depending on the type of check that you deposit, or if the deposit is made at a non-proprietary ATM, funds may not be available until the second or fifth business day after the day of your deposit, respectively. However, the first \$200 of your deposit will be available on the same business day, except in the case of a deposit at a non-proprietary ATM. Our proprietary ATMs will be identified as our machines.

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

If you will need the funds from a deposit right away, you should ask when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- a. We believe a check you deposit will not be paid.
- b. You deposit checks totaling more than \$5,000 on any one day.
- c. You have overdrawn your account repeatedly in the last six (6) months.
- d. There is an emergency, such as failure of communications or computer equipment.

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

Wire Deposits: If you will need the funds from a wire right away, you should ask when the funds will be available. In addition, funds deposited by wire may be delayed for a longer period under the following circumstances:

- a. We are unable to verify the legitimacy of the wired funds.

ACH & Corporate Transactions

This account is subject to Article 4A of the Uniform Commercial Code-Fund Transfers, as adopted in the state of Michigan, or if a separate agreement has been signed by the parties to the transaction that reference another version of 4A, that version will apply. 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 may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by the Automated Clearing House (ACH) 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 in Article 4A-403(a) of the Uniform Commercial Code. If we do not receive such payment, we are entitled to a refund from you in the amount credited to your account, and the party originating such payment will not be considered to have paid the amount so credited. 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.