

Personal Account Agreement **Effective March 13, 2017**

This document, and any other documents we give you, constitutes an agreement between you and the Credit Union. Please review this information carefully. If you open and keep an account with us, you agree to these terms and conditions, and any amendments that may be made from time to time.

NOTICE OF AMENDMENTS. We reserve the right to change the terms of this agreement. We will notify you of any changes in terms, rates, or fees as required by law.

DEFINITIONS. "You" or "your" refers to any signer on an account. "CapEd," "CapEd Credit Union," "Credit Union," "we," "our," or "us" means Capital Educators Federal Credit Union. "Account Ownership" includes the following types of accounts: *Individual Account*-An account in the name of, and owned by one person. *Joint Account with Right of Survivorship*-An account in the name of, and owned by more than one person. Each person has an ownership interest in the account and if one person dies, the account is then owned by the surviving owner(s). *Pay on Death (POD) Account*-A person or entity is named as the POD beneficiary by the account owner(s). The POD beneficiary does not own and cannot access the funds until all owners die. If more than one POD beneficiary is named, the beneficiaries own the account in equal percentages, without right of survivorship. *Minor Account*-An account in the name of, and owned by a person under age 18.

ADDRESS, E-MAIL, AND PHONE NUMBER CHANGES. It is your responsibility to notify us if your address, e-mail, or phone numbers change. You may notify us of a change either in writing or through eBanking.

ATM/DEBIT/CREDIT CARD USE. You are responsible for any transactions conducted by you or anyone you give permission to use your card, even if he or she is not an owner of the account and the transaction is more than you authorized.

CHECK CLEARING. We may pay your checks in any order we choose.

CHOICE OF LAW. We may accept on your behalf payments to your account which have been transmitted through one or more ACHs and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of Idaho as provided by the operating rules of NACHA, which are applicable to ACH transactions involving your account.

CLOSING ACCOUNTS. Only a member may close an account.

ELECTRONIC DELIVERY OF STATEMENTS. To receive electronic delivery of your statements, the following minimum requirements must be met:

- Internet connection,
- Current email address,
- PDF Viewer (such as Adobe Reader), and
- CapEd eBanking account

FACT ACT NEGATIVE REPORT DISCLOSURE. We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

INTERNATIONAL ATM TRANSACTIONS. When withdrawing cash at an ATM outside the U.S., funds will be withdrawn from your checking account when the ATM system does not offer you a choice between savings and checking.

JOINT ACCOUNT. Funds in a joint account are considered the property of all signers and are owned by them jointly. We may release funds from the account to any signer. We will honor checks drawn by, or withdrawal requests (including electronic transfers) from, any signer. The signatures on the most current Account Card designate the authorized signers on an account.

MEMBER'S DUTY TO DISCOVER AND REPORT UNAUTHORIZED SIGNATURE OR ALTERATION. You must notify us promptly in writing, and in no event, later than 30 days after your account statement was mailed or made available to you, of any unauthorized debit, unauthorized signature, lack of signature, alteration, or other irregularity. Failure to report such irregularity to us within such 30-day period shall preclude you from recovering any amounts from us.

NAME CHANGES. We require legal documentation of your name change. You must provide us with a marriage license, divorce decree, driver's license (with the name changed), or other legal proof of your name change.

NOTICE OF RECEIPT OF ACH ITEMS. Under the operating rules of NACHA, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item, and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

OVERDRAFT PROTECTION. If the member has a line of credit account and funds in a checking (or savings) account within the same member number are not sufficient to cover transactions presented for payment, we will transfer available funds from the member's line of credit into the checking (or savings) account to cover the transaction, even if the joint owner initiated the transaction and is not a signer on the line of credit.

If no funds are available on the member's line of credit or no line of credit account exists, we may transfer available funds—up to Regulation D limits, if they apply—from:

- The primary savings account that is within the same member number as the checking account to the checking account to cover overdrafts, even if a joint owner initiated the transaction and is not a signer on the savings account, or
- A checking account that is within the same member number as the savings account to the savings account to cover overdrafts, even if a joint owner initiated the transaction and is not a signer on the checking account.

Please see the "Regulation D Transfer Limits" in this Agreement. If you have other accounts you would like to use as overdraft protection or would like funds transferred in a different order, you may make a request to us in writing. **PLEASE NOTE:** Overdrafts on HELOC checking accounts will be paid only by transfers from available funds from the corresponding HELOC.

PERSONAL IDENTIFICATION NUMBER (PIN) SECURITY. CapEd will never ask you for your PIN, either orally or in writing.

PLEDGE OF SHARES. Any owner of an account may pledge all or part of the shares in the account as security for a loan or loans.

PROVISIONAL PAYMENT. Credit given by us to you with respect to an ACH entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in

connection with such entry, and the party making payment to you via such entry (i.e., the Originator of the entry) shall not be deemed to have paid you the amount of such entry.

REGULATION D TRANSFER LIMITS. Reg D imposes a six transfer/withdrawal limit on certain types of savings accounts, which includes the following types of transactions: preauthorized or automatic withdrawals; telephone transfers; and transfers initiated by personal computer to another account at the same credit union or to a third party during a calendar month. Transactions not included in the six transfer/withdrawal limit include: Credits to an account; transfers from a credit union account to the same credit union for purposes of repaying loans and associated expenses; and transfers or withdrawals you make in person, through an ATM, by mail, by messenger, or by telephone (which results in the mailing of a check to you). If you request more than six Reg D transfers during a calendar month (including automatic transfers from savings to checking) we may not make the transfer, depending on the type of account. Your checking account will be charged overdraft or insufficient fund fees to pay or return items not covered by a transfer of funds or an overdraft plan.

REMOVING SIGNERS/OWNERS. *From Shares:* The member may remove joint owners from a share account by completing a new signature card and returning to us any ATM cards issued to the joint owners. *From Checking:* The member may close the account and open a new checking account. If the joint owner requests to be removed from the account, we will send a letter to the member notifying him/her that we will close the account in ten business days.

REPAYMENT OBLIGATION. If you have any outstanding financial obligation of any kind that is owed to us, whether caused by you or another with access to your account, that balance will be subject to applicable collection and legal fees, which will be your responsibility to pay.

RIGHT OF OFFSET. If you have any outstanding financial obligation of any kind that is owed to us, whether caused by you or another with access to your account, we may at any time, without prior notice and when permitted by law, withdraw funds from any credit union account in which you have an ownership interest to pay the obligation.

RIGHT OF REFUSAL. We may refuse to accept any check or negotiable instrument that is not drawn on CapEd.

SAVINGS SUB ACCOUNTS. Certain savings accounts we offer may consist of a checking sub account and a savings sub account. The Credit Union may periodically transfer funds between these two sub accounts. If your Account is a Plan on which interest is paid, your interest calculation will remain the same. Otherwise, the savings sub account will be non-interest bearing. The savings sub account will be governed by the rules governing our other savings accounts. ***This process will not affect your available balance, the interest you may earn, NCUA insurance protection, or your monthly statement.***

SHARED BRANCHING. To use our shared branching service, your account must be in good standing. We reserve the right to revoke this service on accounts that are not in good standing.

USA PATRIOT ACT DISCLOSURE. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. **WHAT THIS MEANS FOR YOU.** When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.