



# MEMBERSHIP & ACCOUNT AGREEMENT

## INDEX

1. This Agreement
2. Membership Eligibility
3. Individual Accounts
4. Joint Accounts
5. Pay on Death Accounts
6. Accounts for Minors
7. Uniform Transfer / Gift to Minors Account
8. Representative Payee Accounts (Social Security)
9. Revocable/Irrevocable Trust Accounts
10. Accounts for Fiduciary Purposes (Estates – Guardianships – Conservatorships)
11. Club Accounts (Girl Scout, Boy Scout, PTA) and other Non-Business Accounts
12. Powers of Attorney
13. Account Access
14. Certificates Accounts
15. Checking Accounts
16. Payment of Overdrafts
17. Order of Payments
18. Postdated and Stale dated checks
19. Deposits to your Account
20. Mobile Deposits
21. Wire Transfer & ACH
22. Cashier's Checks/ Official Checks
23. Pledge/Statutory Lien
24. Credit Union Liability
25. Legal Actions Affecting Your Account
26. Notices
27. Changes/Exceptions to this Agreement
28. Dormant/Inactive Accounts
29. Unclaimed Accounts
30. Closing your Account & Terminating Services
31. Expulsion
32. Deceased Account Owners, Claims and Transactions
33. Statements
34. Severability
35. Account Insurance
36. Special Account Instructions
37. Account Rates and Fees
38. Enforcement
39. Friends and Family Fraud
40. Governing Law / Credit Union Bylaws
41. Negative information Notice
42. Automatic Dialing System
43. Unlawful Internet Gambling

**1. This Agreement:** This Agreement creates a legally binding service Agreement that governs your accounts and services with our credit union. It covers both your and the credit union's rights and responsibilities. By applying for membership, opening or using an account, initiating or using a service, signing or otherwise validating, each of you, jointly and severally, agree to the terms and conditions in this Agreement, the Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Funds Transfer Agreement and Disclosure, Privacy Notice Disclosure, any account related disclosure accompanying this Agreement, the credit union's bylaws and policies, and **any amendments or additions to these documents from time to time** which collectively govern your membership and accounts.

Please read and keep this Agreement so that you can refer to it anytime that you have a question about your membership. You may contact us at any time during normal business hours to obtain additional copies of this Agreement and you may find all of our disclosures anytime on our website at [www.ascentra.org/disclosures](http://www.ascentra.org/disclosures). As an owner of this credit union, it is important that you read and follow the terms of this Agreement so that we can meet your account related services needs and in order for you to carry out your responsibilities and avoid any losses or liability.

In this Agreement, the words "you" and "yours" means any account owner who has signed a membership document related to the account. The words "we", "us", and "our" mean Ascentra Credit Union. The word "account" means any one or more share or other account you have with the credit union.

#### **Definitions - Explanations:**

*Primary Member* – This is the member who is listed first on the account and under whose Federal Tax Identification Number pertinent information is stored and reported. This is the person who is considered the primary member and has voting rights.

*Joint Owner* – This is a person who shares in equal ownership of all share accounts under the specified account number with the exception of Individual Retirement Accounts (which must be held by an individual and may list different beneficiaries) and Certificates of Deposit (which may be held individually or with different joint owners and different beneficiaries).

*Beneficiary* – When a beneficiary is listed on an account document they are beneficiary to all accounts under that specified account number with the exception of Individual Retirement Accounts (which may list different beneficiaries), Certificates of Deposit (which may list different beneficiaries) and Iowa First Time Home Buyers Accounts (Iowa does not allow beneficiaries on these accounts).

*Multiple Beneficiaries* – If you designate more than one beneficiary on your account (or IRA or Certificate of Deposit), upon the death of the final owner, each **surviving** beneficiary will be entitled to his or her (or its) equal share of the funds in the account by dividing the amount of the funds by the number of **surviving** beneficiaries designated and will own those funds without right of survivorship. If a beneficiary dies before you, it is your responsibility to notify us and make any changes.

*Base Share* – The base share, also referred to as your membership share, is the primary savings account under the specified account number. A base share account is the account that establishes membership. All members are required to keep a minimum on deposit that is equal to the par value of one share in this account. Currently the par value of one credit union share is \$5.

*Sub-shares* – From time to time you may hear a reference to sub-share. A sub-share is a savings, money market or share draft account under a specified account number that is in addition to the base share.

**2. Membership Eligibility / Account Opening:** To join the credit union you must meet the membership requirements including purchase and maintenance of the minimum required share(s) (membership share) as set forth in the credit union's bylaws. In addition, you must be in our field of membership as described in our Charter. You authorize us to check your accounts, credit and employment history, obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request. You authorize us to conduct these checks at any time you apply for a new service or share/checking account.

To join the credit union, to be on an account or use a service you must provide us with your current name, residential or business street (physical) address and mailing address if different from physical address, phone number(s) and birthdate. You will be required to provide us with a current government issued picture identification and your Social Security Number (SSN), Employer Identification Number (EIN) or Tax Identification Number (TIN – for non-US Citizens). You must attest to the fact that information provided to us by you is correct and matches the information on record with the IRS/Social Security Administration. You must also inform us if you are currently subject to backup withholding.

Your failure to furnish a correct Taxpayer Identification Number (TIN, also includes SSN & EIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If the credit union receives notification from the IRS that your information is a mis-match, you agree to cooperate with the credit union in providing proper information and/or documentation to the IRS. Failure to do so may result in account closure and/or fines of \$50 per year.

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

You understand that we may deny membership to anyone based on any non-prohibited reason or basis, including but not limited to: 1) having caused us a loss, 2) harassment or abuse of our employees, volunteers, members or any affiliated person or organization, 3) having not repaid a loss, 4) lack of acceptable identification, 5) previous expulsion, 6) information we obtain about you from your account, employment and credit history or 7) your failure to comply with any of your responsibilities under this agreement.

You are required to provide us various contact methods and inform us if and when these change. This would include your physical address, mailing address, home phone number, work phone, cell/mobile phone number and email address. You agree to return phone calls or answer letters and emails in our attempts to contact you for issues that relate directly to activity on your account.

**3. Individual Accounts:** An individual account is an account owned by one (1) member (individual) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the account owner's estate or Payable on Death (POD) beneficiary/payee or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's power of attorney prior to notice of an owner's death and to any security interest or pledge granted by the account owner and subject to our statutory lien rights.

**4. Joint Accounts:** A joint account is an account owned by two (2) or more persons. **Rights of Survivorship.** Unless otherwise stated on the membership document, a joint account includes rights of survivorship. This means when one (1) owner dies, all sums in the account will pass to the surviving owner(s). A surviving owner's interest is subject to the credit union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it. **Control of Joint Accounts.** Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). Any owner may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the shares without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act.

As an owner or trustee on an account you can add a new account and/or service with us under an existing account number by any means we allow according to this Agreement. When you request to add an account and/or service, you understand that we may require you to sign additional documents. Any owner/trustee may add the new account and/or service without the permission of the other owners/trustees thus holding all owners liable for the action taken. The credit union will require all owners to acknowledge the addition of a checking account by signing the appropriate documents. If you wish to limit your liability based on the actions of another owner or trustee you may close the account or in some cases remove yourself from the account, and open a separate individual account. An owner or trustee cannot remove another owner or trustee from an account.

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

**Changes to a Joint Account.** If, upon mutual agreement, a joint owner is removed from an account it is your responsibility to change, or request our help in changing, any password, code, Personal Identification Number or other security method for all of your accounts and services.

**Access to Information.** You understand that a joint owner is applicable to all the deposits accounts under the specific account number with the exception of IRA (Individual Retirement Accounts – which can only be held in the name of the Primary Owner) and Certificates of Deposit (which in addition to the Primary Owner can have different joint owners). Loans may also be listed

under your account number which may or may not have the joint owner(s) as a party to the loan. Regardless, you understand that the joint owner will have access to all the information under the account number via digital banking and/or monthly statements.

**5. Pay on Death:** A Payable on Death (POD) account or Totten trust account designation is an instruction to the credit union that an individual or joint account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to all the surviving POD or trust beneficiaries/payees. If there is more than one (1) surviving beneficiary/payee, the account is owned jointly by such beneficiaries/payees without rights of survivorship upon the death of the last account owner. We are not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law. You understand that it is your responsibility and not ours to inform any person or organization that he, she or it is a beneficiary payee on your account. If the beneficiary payee on the account dies before you, it is your responsibility to notify us and make any changes to the account. All beneficiaries listed on the master account agreement apply to all subshares/subaccounts with some exceptions. Exceptions include certificates of deposit, Iowa First Time Home Buyer's Savings Accounts and Individual Retirement Accounts (IRA) accounts at the credit union. Certificates of deposit must specifically name beneficiaries on each certificate. IRA account beneficiaries are treated as separate and also have specifically designated beneficiaries. The State of Iowa does not allow for funds in a First Time Home Buyer's Savings Accounts pass to a beneficiary but must be included in the deceased member's estate. This paragraph does not apply to an account held on behalf of or held in the name of a trust.

**6. Accounts for Minors:** We may require any account established by a minor to be a joint account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority unless authorized in writing by all account owners and approved by the credit union. Checking accounts for minors under the age of 13 will normally not be allowed unless a recurring direct deposit is established or other circumstances warrant this type of account.

**7. Uniform Transfer / Gift to Minors Account:** A Uniform Transfers/Gifts/ to Minors Account (UTMA/UGMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. Though dividends/interest paid to the account are/is reported under the minor's name and Social Security Number, you as the custodian are the owner of the account on behalf of the minor. The custodian has possession and control of the account for the exclusive right and benefit of the minor and, barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal. When the minor reaches twenty-one / eighteen years of age, it is your responsibility to pay the funds in the account to the minor. You, as custodian, will still be the only owner of the account.

**8. Representative Payee Accounts (Social Security):** You may open and own an account and related services as representative payee for a social security beneficiary. You understand that we may require you to prove both your authority to act as representative for the social security beneficiary and your identity as a representative payee before opening the account. The account is a one owner account owned by you as a representative payee, in which you as the account owner-representative payee hold the funds for the exclusive right and benefit of the social security beneficiary. While dividends/interest paid the account are/is reported under the beneficiary's name and Social Security Number you as the representative payee are the owner of the account and, barring a court order, are the only person who is entitled to conduct transactions on the account, and initiate, change, add, close or terminate the account or services.

**9. Revocable/Irrevocable Trust Accounts:** Accounts may be opened for the benefit of a trust by the trustee(s) duly appointed in the trust documents. The credit union will require information on the grantors of the trust and will also require any and all trustees sign membership documents. The credit union will require a copy of the trust documents or certificate of trust prior to account opening. You understand that for IRS reporting purposes the name that appears on our account documents must match the social security number or EIN number provided by you to open the account. While we will notate in our records the full legal name of the trust. Limitations on our computer systems and reporting to the IRS dictate how the name will appear on your statements. Each person listed as trustee understands that any trustee acting alone may initiate, change, add, close or terminate the account and/or a service and that his or her signature on the membership documents or continued use of an account or service (including receipt of or availability to statements) confirms his or her agreement to any later initiation, change, addition, closure or termination of account and/or service by any other trustee on the account. Notwithstanding the above sentence, the credit union reserves the right to require all trustees to consent in writing to these actions. You understand that you or any other person listed as trustee on this account are fully responsible for fulfilling the duties and responsibilities of the trust,

and that we may rely exclusively on the terms of this Agreement. You understand that it is the responsibility of the grantors and/or trustees to provide the credit union information regarding the changes to the trust including changes to named trustees. All persons or organizations associated in any way with the trust agree to indemnify and defend us against and hold us harmless from any loss, damage, claim or liability that occurs as a result of opening, initiating, conducting transactions on, changing, adding, closing or terminating the account or services. Unless specifically allowed for in the trust documents and proof of such is provided to the credit union, we will not allow a person to act as power of attorney for a named trustee. For your and our protection, we will require all checks made payable to the trust be deposited into the account for the trust.

**10. Accounts for Fiduciary Purposes (Estates – Guardianships – Conservatorships):** When you open an account and related services to hold the funds of an estate, memorial, guardianship, conservatorship or other fiduciary, legal or court ordered purpose, you understand and agree that we are only providing you with an account to hold funds and we are not assisting you with or advising you about, the estate, memorial, guardianship, conservatorship or other fiduciary, legal or court ordered purpose. You also agree that you, the owner and fiduciary, are fully responsible for fulfilling the duties and responsibilities of that estate, memorial, guardianship, conservatorship or other fiduciary, legal or court ordered purpose and that we may rely exclusively on the terms of this Agreement. Your authority to transact business will remain in full force until we receive a court order or notice from lawful authority indicating otherwise. Any notice will not affect any checks, drafts or items in process at the time the notice is given. You will notify us of any change that affects the account and you warrant that all actions you take regarding the account be for the sole benefit of the person or purpose you are acting on behalf of.

**11. Club Accounts (i.e., Girl Scout, Boy Scout, PTA) and other Non-Business Accounts:** When you open an account for a non-profit, non-business club or organization, you understand that the credit union will require additional documentation to insure that you have the authority to open such an account. The credit union will require a minimum of two signers on the account. You also agree that should a governing authority (i.e., club board of directors, club sponsor) request in writing information relating the activity on the account, you hereby authorize release of such information.

**12. Powers of Attorney:** If you give a person power of attorney, you understand that we may require that person to prove the authenticity of the power of attorney and both his or her authority to act as your attorney-in-fact and his or her identity as your attorney-in-fact before allowing the attorney-in-fact to open, initiate, conduct transactions on, change, add, close or terminate an account or service. Further if we choose to rely on your power of attorney, both you and your attorney-in-fact agree to indemnify and defend us against and hold us harmless from any loss, damage, claim or liability that occurs as a result of our reliance on the power of attorney. In the event we choose to rely on your power of attorney you understand that the attorney-in-fact's authority to conduct transactions, open, initiate, change, add, close or terminate accounts and services will continue until we receive written notice that you have terminated their authority or until we receive written notice of your death and have a reasonable opportunity to act on that notice.

**Changes to Power of Attorney.** If you request to change or remove a power of attorney from your account it is your responsibility to change, or request our help in changing, any password, code, Personal Identification Number or other security method for all of your accounts and services.

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

**Access Options.** You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, Internet access, automatic transfer, or telephone, as applicable). We may return, as unpaid, any check or draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a check or draft.

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

**General Withdrawal Limitations:** There are a number of circumstances where you may not be able to withdraw funds from your account. These include but are not limited to the following: 1) you try to withdraw or make a transfer request by a method we do not permit; 2) you, a power of attorney or any person fails to present authoritative documentation and/or identification that we require; 3) disputes or uncertainty occurs over who owns the account or the funds held in the account; 4) funds from deposited checks are not yet available for withdrawal or deposited checks have been returned unpaid and we have charged them back against the account; 5) the funds held in the account are held or offset under our contractual security interest or statutory lien rights because you or another owner owes money to us; 6) we have been served with a garnishment or levy or other legal process or notice by a third party affecting the account; 7) you have exceeded daily limitations associated with the device being used; or, 8) for your own protection, should you appear to lack the capacity to conduct a transaction or appear to be acting under

duress. Finally, for the protection of all members and the credit union, you understand that we may require you to provide us with written notice of your intent to make a withdrawal from your account up to sixty calendar days before the time that you would like to withdraw the funds.

**Specific Account Withdrawal Limitations:** Certain account types, which are disclosed in the Truth-in-Savings documents, limit the number of withdrawals and/or transfers allowed on each account. Please refer to that document for specific limitations including early withdrawal fees, types of transactions allowed, and limits on specific various types of accounts.

**14. Certificates Accounts:** All time deposit, term share, share certificate, or certificate of deposit account allowed by state law (certificate account), whichever we offer, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure and Account Deposit Receipt for each account.

**15. Checking Accounts: Forms:** For your and our protection, you agree to use our check forms provided by our authorized vendor. You understand that if you use another form that we may not pay the check and agree that such non-payment is not wrongful. In addition, if we do pay based on such a form, you agree to be responsible for any loss and fees incurred as a result of using that check form. If your checkbook, box(es) of checks or any individual check is lost or stolen, you are to contact us immediately at 1-563-355-0152 or 1-800-426-5241. The sooner you contact us, the less liability you will have for unauthorized activity. If you choose to have your check forms printed with the notation "two signatures required" for your own internal control, you understand that we cannot and will not monitor this. You agree to take full responsibility for and address the matter to recover any loss that occurs should a check clear containing only one signature.

**Conversion of Checks to Electronic Funds Transfers.** A merchant, person or other organization can convert your check and checking information to an electronic funds transfer (EFT) and debit your account. The conversion of your check to an EFT is covered by the Agreement and our Electronic Fund Transfer disclosures. You agree that we may honor the EFT and debit your account just as if the original check were presented for payment. Should a person, merchant or other organization convert your check to an EFT you will have to contact them about obtaining a copy of your check. You acknowledge that checks that you issue which are subsequently processed as electronic debits may be eligible for processing on the same day they are authorized by you.

**Remotely Created Checks.** For purposes of this paragraph, "account" means a transaction account, credit account, and any other account on which checks (share drafts) may be drawn. A remotely created check is a check created by someone other than the person on whose account the check is drawn. A remotely created check is generally created by a third-party payee as authorized by the owner of the account on which the check is drawn. Authorization is usually made over the telephone or through on-line communication, such as Bill Payer. The owner of the account does not sign a remotely created check. In place of the owner's signature, the remotely created check usually bears a statement that the owner authorized the check or bears the owner's printed or typed name. If you authorize a third party to draw a remotely created check against your account, you may not later revoke your authorization. It is your responsibility to resolve any authorization issues directly with the third party. We are not required to credit your account and may charge against your account any remotely created check for which the third party has proof of your authorization.

**Stop Payment Order Request.** Any owner may request a stop payment order on any check or draft drawn on the owner's account. To be binding the order must be in writing, dated, signed, and must accurately describe the check or draft including the exact account number, check or draft number and the exact amount of the check or draft. This exact information is necessary for the credit union's computer to identify the check or draft. If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. In addition, we must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity for us to act on it. If we re-credit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all of your rights against the payee or other holders of the check or draft and to assist us in any legal action.

**Duration of Order.** You may make an oral stop payment order which will lapse within 14 calendar days unless confirmed in writing within that time. Written stop payment orders are effective for six (6) months and may be renewed for additional six (6) month periods by requesting in writing that the stop payment order be renewed within a period during which the stop payment order is effective. We are not required to notify you when a stop payment order expires.

**Liability.** Fees for stop payment orders are set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the credit union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**16. Payment of Overdrafts:** If, on any day, the available funds in your share account are not sufficient to pay the full amount of a check, draft, item, transaction or other items posted to your account plus any applicable fee ("overdraft"), we may pay or return the overdraft. The credit union's determination of an insufficient available account balance may be made at any time



between presentation and the credit union's midnight deadline with only one (1) review of the account required. We do not have to notify you if your account does not have sufficient available funds to pay an overdraft. Your account may be subject to a charge for each overdraft regardless of whether we pay or return the overdraft. Except as otherwise agreed in writing, if we exercise our right to use our discretion to pay an overdraft, we do not agree to pay overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay an overdraft or impose a fee that overdraws your account, you agree to pay the overdrawn amount in accordance with your overdraft protection plan or, if you do not have such a plan, in accordance with our overdraft payment policy.

**17. Order of Payments:** Checks, drafts, items and other transactions may not be processed in the order that you make them or in the order that we receive them. We may, at our discretion, pay a check, draft or item and execute other transactions on your account in any order we choose. The order in which we process checks, drafts and items and execute other transactions on your account may affect the total amount of overdraft fees that may be charged to your account. Please contact us if you have questions about how we pay checks or drafts and process transfers and withdrawals. Under most circumstances we pay items as they are received throughout the day, allowing for credits to the account to post first if they are received in the same batch with account debits. Checks received via draft in-clearing batches will be sorted and paid based on lowest dollar amount items first, this should result in the fewest overdraft charges to the member.

**18. Postdated and Stale Dated Checks:** You agree not to issue any check or draft that is postdated. If you do issue a check or draft that is payable on a future date and we pay it before that date, you agree that we shall have no liability to you for such payment. You agree not to deposit checks, drafts, or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account that is presented more than six (6) months past its date.

**19. Deposits to your Account:** Funds may be deposited to any account, in any manner approved by the credit union in accordance with the requirements as set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure.

**Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one (1) or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft or item that is payable to two (2) or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

**Collection of Items.** We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are not accepted for deposit. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor financial institution extra time beyond any midnight deadline limits.

**Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include "two signatures required", "void after 60 days" or "not valid over \$500." We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

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

**Direct Deposits.** We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must notify us at least 30 days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. Upon a bankruptcy filing, unless you cancel the authorization, we will continue applying payments from direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

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

**Erroneous Deposits to your Account.** If a deposit or other credit is made in error to your account that you are not entitled to, you understand that we may debit your account for the amount of the erroneous deposit and we may do so without notice to you, regardless of when the original deposit took place. If you withdraw any or all of the funds erroneously deposited to your account, you agree that you are obligated to reimburse us for the amount of the erroneous deposit or credit and any cost and fees as stated in this Agreement and the Rate and Fee Disclosures

**20. Mobile Deposit.** The credit union will offer mobile deposit via our digital banking application to eligible checking account holders. Members wishing to participate in this service must agree to the Digital Banking Terms and Conditions and the Mobile Deposit Agreement which are provided within the application. In general members are granted access to mobile deposits with the following limitations: For checking accounts in good standing, with a valid e-mail address on file a daily limit of \$5,000 is in effect. Members requesting an increased daily limit will have their accounts reviewed on an individual basis. Credit history, deposit history, and reasonableness of the request will be taken into account. Eligibility can be revoked at any time if a member breaches any term of the aforementioned agreements, or if a member uses the service for any unauthorized or illegal purpose. Members must endorse their checks with their signature and the notation "Mobile Deposit to Ascentra Credit Union Only". Please reference the Mobile Deposit Disclosure found in the application or online at <https://www.ascentra.org/disclosures> for further information. You must never give your digital banking login credentials to another person, especially to make mobile deposits.

**21. Wire Transfers and ACH:** Except as amended by this Agreement, electronic funds transfers we permit that are subject to Article 4A of the Uniform Commercial Code will be subject to such provisions of the Uniform Commercial Code as enacted by the state where the main office of the credit union is located, Iowa. We may execute certain requests for electronic funds transfers by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J. You may order electronic funds transfers to or from your account. We will debit your account for the amount of an electronic funds transfer and will charge your account for any fees related to the transfer. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account. We are not obligated to execute any order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your account. We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. We will not provide you with next day notice of ACH, wire transfers and other electronic payments credited to your account. You will receive notice of such credits on your account statements or through electronic notification if you have signed up for that service. You may contact us to determine whether a payment has been received. If we fail to properly execute a payment order, and such action results in a delay in payment to you, we will pay you dividends for the period of delay as required by applicable law. The dividends or interest paid to you will be based on the lowest nominal dividend or interest rate we were paying on any account during that period. Payment orders we accept will be executed within a reasonable time of receipt but may not necessarily be executed on the date they are received. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments and, if received after a cut-off time, may be treated as having been received on the next following funds transfer business day. Information about any cut-off times is available upon request. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and by account or identifying number. The credit union and any other financial institutions facilitating the transfer may rely strictly on the account or identifying number even if the number identifies a different person or financial institution. Any account owner may amend or cancel a payment order even if that person did not initiate the order. We may refuse requests to amend or cancel a payment order that we believe will expose the credit union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order. We may require you to follow a security procedure to execute a payment order or certain electronic funds transfer transactions. We will notify you of any such security procedures and you agree that our security procedures are commercially reasonable.

You acknowledge that processing of international ACH transactions may be delayed if necessary to complete OFAC screening. All entries will be credited to or debited from your account in US Dollars. You will bear all currency conversion risk associated with international entries; you will bear all gains or losses associated with currency conversion for international entries.

You acknowledge that electronic credits and debits, including checks you issue which are subsequently processed as electronic debits, may be eligible for processing on the same day they are authorized by you.

**22. Cashier's Checks/ Official Checks:** If we give you one our checks (Cashier's or Official Check), that is either payable to you as the payee or to another person or organization that you have requested, you understand that it is your sole responsibility to ensure that you want the person or organization to receive the funds before you give/deliver the check to them.



You understand that if after you have given or delivered the check to them, and later decide you do not want that person or organization to received payment for the check, for whatever reason, we will not be able to stop payment on the check. If you have any doubt about the transaction, do not give or deliver the check to the payee since we will not be able to refuse to pay the check. If you receive a check from us and decide to not use it, you may return it to us and ask for a refund of the check. If one of our checks in your possession is purportedly lost, stolen or destroyed, you agree to sign an affidavit stating that fact and wait 91 days from the date of the check to receive a replacement check for the one that was lost stolen or destroyed. If you purportedly do not receive one of our checks that was sent or mailed to you, you agree to sign a statement or notice prior to receiving a replacement check.

The credit union has chosen to put a "void after six months" restriction on all cashier's and official checks. Upon expiration of the six months, the credit union will consider the item stale dated and will prevent it from clearing the corporate account. We will attempt to contact you in order to determine your intentions. You may have the check re-issued to the original party or if the check is no longer needed you may receive the funds back by signing an indemnity / hold harmless agreement. Failure to respond to the credit union's attempts to clear up this matter will result in the funds being placed in the escheatment process. This escheatment process carries monthly fees which will diminish the value of the item. See the Rate and Fee Disclosure for more information.

**23. Pledge/Statutory Liens:** 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 any of you owe us now or in the future. If this account is owned by one or more of you as individuals, we may set off any funds in the account against a due and payable debt a partnership owes us now or in the future, to the extent of your liability as a partner for the partnership debt. If your debt arises from a promissory note, then the amount of the due and payable debt will be the full amount we have demanded, as entitled under the terms of the note, and this amount may include any portion of the balance for which we have properly accelerated the due date. 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 prohibited by law. For example, neither our contract rights nor rights under a statutory lien apply to this account if: (a) it is an Individual Retirement Account, or (b) the debt is created by a consumer credit transaction under a credit card plan (but this does not affect our rights under any consensual security interest), or (c) the debtor's right of withdrawal arises only in a representative capacity, or (d) setoff is prohibited by the Military Lending Act or its implementing regulations. 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.

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

**25. Legal Actions Affecting Your Account:** If your account is subject to legal action such as levy, garnishment attachment or other court order, we may pay out funds from your account according to that legal action or alternatively place a hold on the funds in the account until the matter is resolved. Unless otherwise prohibited, all legal actions are secondary to our contractual security interest and statutory lien rights in your account. You understand and agree that you will be charged a research fee for any time spent by our employees addressing: 1) any legal, regulatory or governmental action initiated by any person and/or private or government organization against you or your account(s) or for information concerning you or the account(s); or 2) any claim made by you for any transaction that is determined to be authorized as stated in the Rate and Fee Disclosures. To protect your and our interests, if we need to seek legal or other professional advice to review a levy, garnishment, attachment or other court order that affects your account, a service or transaction, you agree to pay all costs and expense, including reasonable attorney fees, incurred for the review of that levy, garnishment, attachment or court order. Your further agree that all costs and expenses of such review may be deducted from your account and that you will be responsible for any additional amount owed according to the terms of this agreement.

**26. Notices: Name or Address Changes.** You are responsible for notifying us of any address or name change. The credit union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges.

**Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any change in terms, rates, or fees as required by law. You understand and acknowledge that you can obtain the most recent version of this Agreement and all our disclosures by contacting us during business hours or at any time from our website at [www.ascentra.org](http://www.ascentra.org). We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement. In the event you do not want to be obligated to any change we make to the Agreement, you understand that you may always close your account and/or terminate your membership with us at any time we are open for business.

**Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners. For multiple owner and multiple trustee accounts, you agree that notice to one owner or trustee is notice to all owners or trustees.

**Electronic Notices.** If you have agreed to receive notices/statements electronically, we may send you notices electronically and discontinue mailing paper notices to you until you notify us that you wish to reinstate receiving paper notices.

**27. Exceptions to this Agreement:** To provide you with the best service possible and when it serves the best interest of all members of our credit union, you agree that we may make exceptions to (waive) any term of this Agreement. You also understand and agree that if we make an exception to this Agreement it does not affect our right to rely on and/or use (apply) any term of this Agreement in the future.

**28. Dormant/Inactive Accounts:** If you have not made any transactions on any of the subshare or loans under an account number for a period of 12 months, we may classify your account as inactive / dormant. Unless prohibited by applicable law, we may charge a service fee, as set forth in the Fee Schedule, for processing and maintaining your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. Inactive fees will be waived for accounts with aggregate share balances of more than \$500 or for members under the age of 18.

**Inactive Checking Accounts:** For your benefit and for that of the credit union, checking accounts that have been inactive for six months or longer may be closed and access devices deleted. Remaining funds, if any, will be transferred to the base share account.

**Inactive Sub-Shares:** Sub-share accounts that have been inactive for six months or longer may be closed and funds transferred to the base share account.

**29. Abandoned Accounts:** If there has been no activity on your account(s) for a period of time and we are unable to contact you (your mail is being returned), we reserve the right to transfer the account funds to an accounts payable and to suspend any further account statements. While in this abandoned status there will be a monthly escheatment processing fee. This will continue until the funds are either fully depleted or they are sent to the appropriate state agency. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

**30. Closing your Account & Terminating Services:** We may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks or drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate your account by giving written notice. We are not responsible for payment of any check, draft, withdrawal, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us. You may also terminate your membership by withdrawing your minimum required membership share, if any, and closing all your accounts. You may be denied services for causing a loss to the credit union or you may be expelled for any reason as allowed by applicable law.

**Temporary Restriction:** We may temporarily restrict services if you have violated the membership agreement including your obligation to keep us informed of your contact information and/or failure to respond to our attempts at contact as it relates to your accounts, including loan accounts.

**31. Expulsion:** You understand and agree that members who have had their account closed for failure to maintain a minimum share balance, inactivity, causing the credit union a loss, misrepresentation or other abuse of the account, fraud or forgery or for being physically or verbally abusive to credit union members or staff will be expelled from membership. This process is done monthly by the credit union board of directors without prior notice to the member. Members may reapply for membership and will be considered provided they meet the terms and conditions under the then current Agreement.

**32. Deceased Account Owners, Claims and Transactions:** We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we know of a member's death. Once we know of a member's death, we may pay checks or drafts or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks, drafts or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

**33. Statements: Contents.** If we provide a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one (1) statement is necessary for joint accounts. For share draft or checking accounts, you understand and agree that your original check or draft, when paid, becomes property of the credit union and may not be returned to you, but copies may be retained by us or by payable through financial institutions and made available upon your request. You understand and agree that statements are made available to you on the date they are sent to you. You also understand and agree that checks, drafts or copies thereof are made available to you on the date the statement is sent to you, even if the checks or drafts do not accompany the statement.

**Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement within 33 days of the date we sent the statement to you or as provided by law, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

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

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

**35. Account Insurance Coverage:** We are committed to providing a safe and sound capital structure through the retention of earnings to assure the protection of our members' savings and deposits. In addition to the strength of our capital, members' funds are insured at a minimum of \$250,000 per member-depositor by the National Credit Union Share Insurance Fund (NCUSIF).

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

**37. Account Rates and Fees.** We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosure or Schedule of Fees and Charges. We may change the Truth-in-Savings Disclosure or Schedule of Fees and Charges at any time and will notify you as required by law.

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

**39. Friends and Family Fraud:** If a family member, friend or one of your employees uses your account to write a check payable to any person or organization, you authorize the signature, completion and payment of that check and agree that you will take responsibility for and address the matter to recover any loss for payment of the check with the family member, friend or employee. Likewise, should such family member, friend or your employee use an ATM, debit or credit card of yours associated

with your credit union account you agree that you will take responsibility for and address the matter to recover any loss with the family member, friend or employee. You hereby acknowledge that you, like all members of the credit union, are in the best position to address these matters.

**40. Governing Law / Credit Union Bylaws:** This Agreement is governed by the credit union's bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state in which the credit union's main office is located (Iowa), and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the credit union is located.

**41. Negative information Notice:** We may report information about your loan, share accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

**42. Automatic Dialing System:** By providing us with phone numbers, including cellular numbers, you are agreeing to accept automated phone calls related to your accounts at the credit union. We will not disclose personal information on these calls that will adversely affect your right of privacy.

**43. Unlawful Internet Gambling:** 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.