



# Disclosures

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MICHIGAN



SCHOOLS & GOVERNMENT  
CREDIT UNION

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## MEMBERSHIP AND ACCOUNT AGREEMENT

This agreement covers your and our rights and responsibilities concerning accounts that Michigan Schools and Government Credit Union (“MSGCU” or “Credit Union”) offers. In this Agreement, the words “your” and “yours” mean anyone who signs an MSGCU Membership Account Card. The words “we,” “us” and “our” mean the Credit Union. The word “account” means any one or more share or other accounts you have with the Credit Union. By establishing an account with the Credit Union, you agree that this agreement is a binding contract between you and the Credit Union.

Your account type(s) and ownership features are designated on your Membership Account Card. By signing an Account Card, each of you, jointly and severally, agree to the terms and conditions in this agreement, the Membership Account Card, the Fee Schedule, any account receipt accompanying this agreement, the Credit Union’s bylaws and policies and any amendments to these documents from time to time which collectively govern your membership and accounts.

You should retain a copy of this agreement and feel free to contact us if you have any questions. This agreement also includes certain disclosures required under the Truth in Savings Act, National Credit Union Administration regulations, the Electronic Funds Transfer Act (Reg E), and the Expedited Funds Availability Act (Reg CC), Courtesy Pay Program Disclosure, and Privacy Notice. It also includes your EFT Agreement and Disclosure. By signing a Membership Account Card, you acknowledge receipt of these disclosures, including separate documents, which are incorporated within them by reference.

**1. Membership Eligibility:** To join the Credit Union, you must meet the membership requirements including purchase and maintenance of at least one (1) share (“membership share”) as set forth in the Credit Union’s Bylaws. You authorize us to check your account, credit and employment history and to obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request as allowable by the Fair Credit Reporting Act.

**2. Important Information About Procedures For Opening a New Account:**

a. 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.

b. In accordance with Federal regulations, MSGCU will not permit its members to use credit union accounts for the purpose of illegal Internet gambling. Attempted transactions will be blocked, and repeated attempts may result in account closure.

**3. Single Party Accounts:** A single party account is an account owned by one member (individual, trust, or other organization) qualified for Credit Union membership. If the account owner dies, the interest passes, subject to applicable law, to the decedent's estate or the Beneficiary(ies) designated for the account, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death.

**4. Multiple Party Accounts:** An account owned by two or more persons is a multiple party account.

**a. Rights of Survivorship:** Unless otherwise stated on the Account Card, a multiple party account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). For a multiple party account without rights of survivorship, the deceased owner's interest passes to his or her estate. Any owner who is a surviving owner agrees that the Credit Union to the extent allowed by law may set off any money in the account against any obligation of a deceased owner within thirty days after the Credit Union becomes aware of the deceased owner's death unless such a setoff would not have been allowed during the deceased individual's lifetime (such as would be the case with certain tax favored accounts). All owners who are surviving owners also agree that their interests in the account are subject to any security interest or pledge granted by a deceased owner, even if they individually did not consent to it.

**b. Control of Multiple Party 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.

**c. Multiple Party Account Owner Liability:** If a deposited item in a multiple party account is returned unpaid, an 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 an owner or all funds in the multiple party account regardless of who contributed them.

**5. Accounts with Beneficiary Designation.** If you have listed any beneficiaries on an Account Card, upon the death of the owner, or the last surviving owner if there is more than one, the funds in the account shall become the property of any beneficiary(ies) living at the time.

If none are living, the funds become the property of the estate of the account owner last surviving. The Credit Union makes no representation as to whether the use of the beneficiary designation is appropriate for any person establishing such an account. Once the owner (or the last owner if there is more than one) has died, the Credit Union is entitled to pay funds in an account as provided herein to any person designated as a beneficiary on the account and shall not be liable to the person(s) establishing the account, their heirs, representatives, or any other person by reason of such payment as long as the Credit Union has taken reasonable steps to identify the beneficiary receiving payment. If there is more than one beneficiary, each beneficiary shall have the power to withdraw only that beneficiary's share together with any accumulations on that amount. This Agreement's provisions on survivorship and joint control shall not apply to the ownership interest of the beneficiaries. No beneficiary shall have the right to change the terms and conditions of the account. The interests of the beneficiary(ies) is subject to the right of the Credit Union, to the extent allowed by law, to set off any money in the account against any obligation of the deceased owner (or the last owner to die, if there was more than one) within thirty days after the Credit Union becomes aware of the deceased owner's death unless such a setoff would not have been allowed during the deceased individual's lifetime (such as would be the case with certain tax favored accounts).

**6. Trust Accounts.** An account owned by and titled in the name of a trust is a trust account.

**a. Control of Trust Accounts.** All sums paid to the Credit Union on shares or deposits (less setoffs allowed by law and/or provided for by contract) shall be paid on proper withdrawal demand. Such demand must be made by at least one of the Trustees. The Credit Union has no obligation to follow the application of funds withdrawn from the account.

**b. Trust Document Provisions.** The Credit union will act in accordance with the terms and conditions of the most recent information presented to the Credit Union regarding the provisions of the trust document. Furthermore, the Credit Union is not bound by any changes to the trust document of which it has not received written notice.

**c. Multiple Trustees.** If there is more than one Trustee, the Credit Union is hereby authorized to recognize any of the signatures on the Account Card in the payment of funds of the transaction of any business for the account. The Trustees of the account agree with each other and the Credit Union that all sums paid into the account at any time by any or all of said Trustees with all accumulations on such sums are and shall be subject to the withdrawal or receipt of any of them, and payment to any of them shall be valid and discharge the Credit Union from any liability for such payment.

**d. Notice to Change Authority.** The Authority of the Credit Union shall not be changed or terminated by any of said trustees, jointly or single, except by written notice to the Credit Union. Such written notice to the Credit Union shall not affect transactions made prior to the time such notice is received by the Credit Union.

**7. Accounts for Minors:** We may require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under State law and 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.

**8. Uniform Transfer to Minors Act:** A Uniform Transfer to Minors Act (UTMA) 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. 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.

**9. Agency Designation on an Account:** An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent. The Credit Union may refuse to honor any agency designation done by you, whether done by a power of attorney or otherwise.

**10. Deposit of Funds Requirements:** Funds may be deposited to any account, in any manner approved by the Credit Union, in accordance with the requirements set forth in the account agreement.

**a. 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 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 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 as set forth on the back of the check or draft, we may require endorsement as set forth on the item. Endorsements must be made on the back of the share draft or check within 1-1/2 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.

**b. 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. Deposits made by mail or at non-staffed facilities are not our responsibility until we receive them. 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 handled on a collection basis only. You waive any notice of nonpayment, dishonor or protest regarding items we purchase or receive for credit or collection to your account.

**c. Final Payment:** All items or Automated Clearing House (ACH) transfers 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.

**d. Direct Deposit:** 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 authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon bankruptcy filing, unless you cancel an authorization, we will continue making 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.

**e. Crediting of Deposits:** Deposits made after the deposit cutoff 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.

## 11. Account Access

**a. Authorized Signature:** Your signature on the Account Card 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 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 other than through physical delivery of a paper check even if you do not authorize a particular transaction.

**b. 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, automatic transfer or telephone, as applicable). The Credit Union may require that any share draft, check, or other item you use in connection with a withdrawal be on forms approved (approval shall not be unreasonably withheld) by the Credit Union. Information concerning the requirements for approval may be obtained at the Credit Union's office upon request. If you use forms that do not meet these standards, the Credit Union is not liable if the failure to meet these standards causes a processing delay or return of the item, and you agree to reimburse the credit Union related to use of forms that do not meet the required conditions. An example of a form that does not meet the Credit Union's requirements is a check with a carbon strip on the back. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.

**c. ACH & Wire Transfers:** If we provide the service, you may initiate or receive credits or debits to your account through wire or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, we are not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. We may provisionally credit your account for an ACH transfer before we receive final settlement. We may reverse the provisional credit or you will refund us the amount if we do not receive final settlement. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number as the proper identification, even if it identifies a different party or institution.

**d. Credit Union Examination:** We may disregard information on any draft or check 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.

**Cash Withdrawal Limitations.** For security reasons we may limit the amount of withdrawals that may be take in cash from an account or by any given individual; we will establish such limits in our discretion from time to time. Please contact us if you have any questions about such limits

**12. Account Fees:** We assess fees against your account as set forth in the Fee Schedule. We may change the Fee Schedule at any time and will notify you as required by law.

**13. Foreign Transactions:** Purchases and cash advances made in foreign countries and currencies will be billed to you in U.S. dollars. An International Transaction Fee will be assessed on all transactions where the merchant country differs from the country of the card issuer. The converted transaction amount will be shown separately from the International Transaction Fee on your billing statement. This fee will be assessed on all international purchases, credit vouchers, and cash disbursements.

The exchange rate for transactions in a foreign currency will be a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate VISA itself receives, or the government mandated rate in effect for the applicable central processing date plus an International Transaction Fee.

#### **14. Transaction Limitations**

**a. Withdrawal Restrictions:** We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Drafts or other transfer or payment orders that are drawn against insufficient funds may be subject to a service charge set forth in the Fee Schedule. If there are sufficient funds to cover some but not all of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.

We may refuse to allow a withdrawal in some situations and will advise you accordingly, for example: (1) a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; or (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

**b. Transfer Limitations:** During any statement period, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized or automatic transfer (ACH), Internet Account Access, telephone order or instruction (including Member Connect), or transfer by check, draft, or debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account may be subject to fees and/or closure by MSGCU.

**15. Certificate Accounts:** Any 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 Rate and Fee Schedules and Account Deposit Receipt for each account the terms of which are incorporated herein by reference.

## **16. Overdrafts**

**a. Overdraft Liability:** If on any day, the funds in your share draft account are not sufficient to cover drafts, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your share account does not have funds to cover drafts, fees or other posted items. Whether the item is paid or returned, your account may be subject to a charge as set forth in the Rate and Fee Schedules. Except as otherwise agreed in writing, by covering one or any overdraft we do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay a draft or impose a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount upon our demand. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payer bank extra time beyond any midnight deadline limits.

**b. Overdraft Protection Plan:** If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from another account under this Agreement or a loan account as you have directed or as required under the Credit Union's overdraft protection policy. The fee for overdraft transfers, if any, is set forth on the Fee Schedule. This Agreement governs all transfers, except those governed by agreements for loan accounts.

**17. Postdated and Stale Dated Drafts:** We may pay any draft without regard to its date unless you notify us of a postdating. The notice

must be given to us in time so that we can notify our employees and reasonably act upon it. The notice must accurately describe the draft, including the exact number, date and amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. We are not responsible if you give us an incorrect or incomplete description or untimely notice. You may make an oral notice which lapses in fourteen (14) calendar days unless confirmed in writing. A written notice is effective for six (6) months and may be renewed in writing from time to time. You agree not to deposit checks, drafts or other items before they are properly payable. We are not obligated to pay a check or draft drawn on your account that is presented more than six (6) months past its date.

## **18. Stop Payment Orders**

**a. Stop Payment Order Request:** You may request a stop payment order on any draft drawn on your account. To be binding, an order must be dated, signed and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

**b. Duration of Order:** You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time. A written stop payment order is effective for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.

**c. Liability:** Fees for stop payment orders are set forth on the Fee Schedule. 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 except by Credit Union approval under certain circumstances. 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 multiple party account owner, payee or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**19. 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 your 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, clearing house rules and general banking 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 Account Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.

**20. Credit Union Lien and Security Interest:** If you owe us money as a borrower, guarantor, endorser, or otherwise, we reserve, except to the extent we have contracted to the contrary or where prohibited by law, all offset and lien rights provided under any law on the account funds in any account in which you have an ownership interest regardless of their source. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts, and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence unless prohibited by applicable law. All accounts are non-assignable and non-transferable to third parties. This right does not apply to the account if: (a) if it is an IRA or tax deferred retirement account; (b) the debtor's right of withdrawal arises only in a representative capacity; or (c) any other restrictions are imposed by State or Federal law.

**21. Legal Process:** If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

**22. Account Information:** 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.

## **23. Notices**

**a. 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 accept oral notices of a change in address and may require notice from you to us to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth on the Fee Schedule.

**b. Notice of Amendments:** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms, rates or fees as required by law.

**c. 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.

#### **24. Taxpayer Identification Numbers and Backup Withholding:**

Your failure to furnish a correct Taxpayer Identification Number (TIN) 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 you fail to provide your TIN, we may suspend opening your account, or if applicable, you may request a non-dividend or non-interest bearing account until a TIN is provided.

#### **25. Statements**

**a. 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 statement is necessary for a multiple party account. Your canceled checks (the checks drawn against your account that we honor) will not be returned to you, they will become Credit Union property and be held by us ("truncated") for you. They also may be truncated earlier in the check clearing process, such as by the bank into which the payee deposits them. This may be done either pursuant to a contractual electronic presentment process or under a federal law commonly referred to as "Check 21." Your monthly statement will itemize your canceled checks by number, date of clearing and the amount of the check. Any objection respecting any item shown on a periodic statement is waived unless made in writing to the Credit Union within sixty (60) days after the statement is mailed. A copy of any check will be available to you as required by law. There may be a small fee to obtain a copy of a check (see the Fee Schedule for a list of fees). When a copy of a check is requested, the Credit Union may provide it to you in the form of a "substitute check" as prescribed in the "Check 21" law. Upon issuance, the Credit Union will provide you with a disclosure regarding your rights regarding substitute checks and how you may make a claim for a refund for losses related to a substitute check. You understand and agree that statements are made available to you on the date they are mailed, or you and we have agreed to another distribution method, on the date they are otherwise delivered or made available to you. You also understand and agree that drafts or copies thereof are made available to you on the date the statement is mailed to you, even if the drafts do not accompany the statement.

**b. Examination:** You are responsible for examining each statement and reporting any irregularities to us. For consumer accounts, we will not be responsible for any forged, altered, unauthorized or unsigned items drawn on your account if: (1) you fail to notify us within sixty (60) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine. Business and organization accounts are subject to terms and conditions in our Business Account Disclosure.

**c. Notice to Credit Union:** You agree that the Credit Union's retention of 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 charge 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 fourteen (14) days of the time that you regularly receive a statement.

**26. Cooperation in Loss Recovery Efforts.** You agree to fully cooperate in any effort we undertake to recover funds that were taken from your account without authorization. For example, you will sign affidavits of loss or forgery that may be required by our insurance company. You also agreed to cooperate fully in any prosecution that may be initiated by the proper authorities pursuant to us filing a complaint about unauthorized activities involving your account.

**27. Inactive Accounts:** If you have not made any transactions in the last twenty-four (24) months and we have been unable to contact you by regular mail, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a fee as set forth on the Fee Schedule for processing 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. To the extent allowed by law, we reserve the right to transfer the account funds to an accounts payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by State law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with State law. We may remit the funds earlier than mandated by law to the extent the law authorizes us to do so earlier. We may charge a fee as set forth on the Fee Schedule for remitting your funds to the State. 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.

**28. 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 or 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 Account Change form and accepted by us.

**29. Termination of Account:** 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 com-

mitted involving your account; (3) there is a dispute as to the ownership of the account or the funds in the account; (4) any share 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 a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.

**30. Termination of Membership:** You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union.

**31. Death of Account Owner:** We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death. Once we are notified of a member's death, we may pay drafts or honor other payments or transfer orders authorized by the deceased member for a period of six (6) months after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the 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.

**32. 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.

**33. Enforcement:** You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, 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.

**34. Governing Law:** 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 of Michigan, and local clearing house 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's Main Office is located.

**35. Waivers.** We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

**36. Section Headings:** Section headings in this agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this agreement.

## FUNDS AVAILABILITY POLICY DISCLOSURE

This disclosure describes your ability to withdraw funds at Michigan Schools and Government Credit Union. It only applies to the availability of funds in transaction accounts. At the current time, the only accounts at the Credit Union that are transaction accounts are Checking Accounts. The length of the delay in availability is counted in business days from the day of your deposit. Every day is a business day except for Saturdays, Sundays, and Federal Holidays. If you make a deposit on a business day, we will consider that day to be the day of your deposit. However, if you make a deposit on a non-business day, we will consider that the deposit was made on the next business day we are open. Funds deposited to a night depository are considered deposited on the day on which the deposit is removed from such facility and is available for processing.

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

**1. Same Day Availability:** Our policy is to make funds from your deposit available to you on the same day that we receive your deposit. At that time, you can withdraw the funds in cash and we will use the funds for paying checks that you have written.

**2. Delayed Availability:** Delayed Availability: In some cases, we will not make all of the funds that you deposit by check available to you according to the previously stated availability schedule. Depending on the type of check that you deposit, funds may not be available until the seventh business day after the day of your deposit. Our ability to delay availability is subject to the following restrictions:

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

**b.** Funds from the following deposits will be available no later than the first business day after we receive your deposit:

1. U.S. Treasury checks that are payable to you
2. Wire Transfers
3. Checks drawn on this Credit Union

**c.** If you make the deposit in person to one of our employees, funds from the following deposits will also be available no later than the first business day after we receive your deposit:

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

If you do not make your deposit in person to one of our employees (for example, you mail your deposit), funds from these deposits will be made available no later than the second business day after the day we receive your deposit.

**d.** The first \$200 from a deposit of checks other than those described above will be available no later than the first business day after the day of your deposit. The remaining funds will be available on the second business day after the day of your deposit. For example, if you deposit a check of \$700 on a Monday, \$200 of the deposit is available on Tuesday. The remaining \$500 is available on Wednesday.

If we are not going to make all of the funds from your deposit available to you on the day that we receive your deposit, 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 day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**3. Holds on Other Funds:** If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If a longer delay will apply, we will tell you when the funds will be available. If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited. If a longer delay will apply, we will tell you when the funds will be available.

**4. Longer Delays May Apply:** We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of 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. The funds will generally be available no later than the seventh business day after the day of your deposit.

**5. Special Rules for New Accounts:** If you are a new member, the following special rules will apply during the first thirty (30) calendar days your account is open. Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth (9th) business day after

the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second (2nd) business day after the day of your deposit. Funds from all other check deposits will be available on the seventh (7th) business day after the day of your deposit.

**6. Deposits at ATMs:** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth (5th) business day after the date of your deposit. This rule does not apply at ATMs that we own or operate; funds deposited at our machines will be made available on the next business day after we receive your deposit unless we elect to delay the availability as described above. All ATMs that we own or operate are identified as our machines.

**7. Foreign Checks:** Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.

## **ELECTRONIC FUNDS TRANSFER AGREEMENT**

This Agreement is between the Credit Union member (designated as “you”, “your”) and Michigan Schools and Government Credit Union (designated as “we”, “us”, “our”).

This Electronic Funds Transfer Agreement describes the type of Electronic Funds Transfer (“EFT”) services that we provide. This Agreement should be reviewed carefully, since it informs you of the terms and conditions which apply to these services. The terms of this EFT agreement pertain to consumer accounts only. Different provisions may apply to business accounts and transactions. You are bound by the terms of this agreement if you use the account(s) covered by the disclosure after the receipt of this agreement and/or if you ask us to provide you with an ATM card and/or a PIN and you thereafter use them to make such transactions.

Should any inconsistencies exist between these terms and conditions and the general rules and regulations of your deposit account(s), these terms and conditions govern with regard to EFT services. Please keep this Agreement for future reference.

## **TYPES OF SERVICES**

Accounts Affected: Each of the following types of accounts in the Credit Union can be subject to some kind of “Electronic Funds Transfer” service:

- Regular Share Account
- Share Draft Account
- Money Market Checking Account
- Silver Share Account
- Gold Share Account
- Holiday Club Account
- Loan Line of Credit

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

**Automated Clearing House Transfer Services:** We offer preauthorized EFT services through the Automated Clearing House System. We are able to electronically transfer funds from your account(s) to accounts at other financial institutions or receive funds electronically from other financial institutions for deposit in your account. Because you must authorize such transfers in advance, these transfers are called “Preauthorized Transfers”. Some of the services offered as preauthorized transfers are direct deposit of payroll, Social Security and other government payments and automatic bill payment services.

**Electronic Funds Transfer Services:** At the present time, the following types of Electronic Funds Transfers to or from your account(s) in the Credit Union may be authorized:

Transfers TO your account(s) (credits):

- Deposit of payroll deductions from various employers which have agreed to send such deposits to us.
- Direct deposit of various governmental benefits.
- Deposit(s) from any third party through the facilities of the Automated Clearing House Association.
- Automatic transfers to your account(s) from another person’s account with us.

Transfers FROM your account(s) (debits):

- Electronic check conversion. You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information for your check to:
  - (i) pay for purchases
  - (ii) pay bills
- Automatic deduction from your account of premiums for insurance coverage available to our members.
- Payments of your house mortgage payments, insurance payments and utility bills, as well as other types of payments to third parties, through the facilities of the Automated Clearing House Association.
- Automatic transfers from your account(s) to another person’s account with us.
- Automatic transfers from your account(s) to make payments on another person’s loan owing to us.
- As to transactions other than those made at an authorized ATM, there are, at the present time, no limitations as to how often you can make EFTs, nor are there any restrictions as to the dollar amount of any one EFT. However, no transfer or withdrawal from your share account will be made by phone if earlier in the same month, 6 (six) transfers or withdrawals from the account have been made by phone or pursuant to authorization you previously gave us.

**Automated Teller Machine (ATM) Transactions:**

If you have an VISA Debit card for which we have issued a Personal Identification Number (PIN), you can use it to make any or all of the

following transactions at any Automated Teller Machine network which is a part of an Electronic Funds Transfer service network to which we belong (some transactions listed below may not be available to all networks).

- Deposits to your Regular Share account, Share Draft account, Money Market Checking, Silver Share account, Gold Share account and Holiday Club account.
- Transfer of funds between any of the aforementioned accounts.
- Cash withdrawals from any of the aforementioned accounts, (excluding Holiday Club account) plus advances from the Line of Credit to one of the aforementioned accounts.
- Verify balances on any of the aforementioned accounts and any loan account.

In order to assist us in maintaining the security of your account and the terminals, the Card remains our property and may be revoked or canceled at any time without giving you prior notice.

**Your Option to Limit Cash Withdrawals:** In addition to dollar amount limitations for withdrawals using your ATM card and/or code that we may establish, you have the option to limit the amount of cash that can be withdrawn by your ATM card and/or code to \$50.00.

**Notice Regarding ATM Fees By Others:** If you use an Automated Teller Machine that is not operated by us, you may be charged a fee by the operator of the machine and/or by an automated transfer network. If we reissue an electronic access card that has been lost, stolen, damaged, or confiscated for improper use we will charge our normal service charge according to our current Fee Schedule. If there are not sufficient funds in your account(s) to pay an EFT from the account we will charge our normal service charge according to our current Fee Schedule.

**Point of Sale Transactions:** If you have a VISA Debit card for which we issued you a PIN, you may also use it to purchase goods or services from merchants who have arranged to accept your VISA Debit card as a means of payment. These merchants are referred to as “Participating Merchants” and will display a logo or other symbol which identifies them as a merchant who will accept your card. Purchases made with your VISA Debit card, including any purchases where you receive cash back, are referred to as “point of sale” transactions or “POS” transactions and will cause your share draft account to be debited for the amount of the purchase. Only share draft accounts may be used in connection with point of sale transactions performed with your VISA Debit card.

**Telephone Audio Response Services/PC Access:** You may also call the Credit Union and, upon furnishing the Credit Union with information to identify yourself, transfer money between your accounts, transfer money from your account to another person’s account, transfer money to make loan payments, and verify balance inquiries in specified accounts.

You have previously told us which of these Electronic Funds Transfer services you want to use. You can discontinue use of any such service whenever you want to. If you begin using a different Electronic Funds

Transfer service after receipt of this Agreement, we must be notified of the account(s) to be affected. We may make additional types of Electronic Funds Transfer services available in the future. We may also discontinue one or more of our Electronic Funds Transfer services, but if we do that, we will give you at least twenty-one (21) days advance notice in writing.

**Excluded Transactions:** We have developed an elaborate electronic data processing system which makes it possible to offer you many electronic services. However, some of these services do not constitute “Electronic Funds Transfers” for the purposes of this Agreement such as, for example, automatic transfers from your account(s) to pay your loan(s) owing to us and automatic services and transfers which are “electronic funds transfers” as described above. They do not apply to other transactions which, although electronic in nature, do not constitute “Electronic Funds Transfers” described above.

## SERVICE LIMITATIONS

**Minimum Balance:** You must always maintain a minimum of \$5 in a Regular Share Account to be entitled to make “Electronic Funds Transfers” affecting your account. We reserve the right to increase the minimum balance requirement or to impose other restrictions in the future, but if we do so, we will give you at least twenty-one (21) days advance written notice.

**Limitation on Number of Transactions:** No limitation on number of transactions or withdrawals per day except as described elsewhere in this disclosure.

**Limitation on Dollar Amounts of ATM and Point of Sale Transfers:**

- \$500 at Proprietary and Network machines per day.
- Daily limit for point of sale purchases is based on the available funds in the member’s default account.

## RIGHTS AND RESPONSIBILITIES

**Notification of Regulatory Authorities:** This Agreement and the EFT services provided in this Agreement are governed by Michigan law. You may notify the State agency noted below of any violation of law.

The address of this agency is as follows:

Credit Union Division  
Office of Financial and Insurance Regulation  
P.O. Box 30224  
Lansing, Michigan 30220

**Electronic Funds Transfer (VISA Debit) Card:** If you have received a VISA Debit card (“Card”) from us for the type of terminal transfers noted previously, the following provisions are applicable.

- You agree not to use your Card for a transaction that would cause your account balance to go below zero. The Card may only be used with your Personal Identification Number (“PIN”), which is used to identify you as an authorized user of the Card. Because the PIN is used for identification purposes, you will agree to notify us im-

mediately if the Card is lost or if the secrecy of the PIN is compromised.

- We will not be required to complete any such transaction, but if we do, you do agree to pay us the amount of the improper withdrawal or transfer upon request.
- You also agree not to reveal your PIN to any person not authorized by you to use the Card.
- You agree not to write the PIN on the Card or on any item kept with the Card. The security of your account depends upon you maintaining possession of your Card and the secrecy of your PIN.

### **Documentation of Transfers**

**Terminal Transfers:** After each EFT transaction greater than \$15, you will receive a receipt (unless you request otherwise) from the Participating Merchant or ATM terminal. You may not receive a receipt for an EFT transaction of \$15 or less.

**Preauthorized Transfers:** If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call or write us to find out whether or not the preauthorized deposit has been made to your account at the telephone number and address appearing on your periodic statement or as shown on this Agreement.

### **Statements:**

- If your preauthorized transfer/ATM terminal transaction affects your Share Draft account, these transactions will be noted on your monthly statement.
- If your preauthorized transfer/ATM terminal transaction affects your Share account, you will receive a monthly statement unless there were no transactions in a particular month, in which case you would receive your normal quarterly statement.

### **Your Right to Stop Payment of Preauthorized Transfers**

**Rights and Procedures to Stop Payments:** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

**CALL:** .....(586) 263-8800

**OR**

**WRITE:** .....

Michigan Schools and Government Credit Union  
40400 Garfield Road  
Clinton Township, MI 48038

in time for us to receive your request three (3) business days or more before item is presented for payment. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. The fee for handling such stop payment orders is disclosed in a separate Fee Schedule.

**Notice of Varying Amounts:** If these regular payments may vary in amount the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment

would differ by more than a certain amount for the previous payment, or when the amount would fall outside certain limits that you set.

**Liability for Failure to Stop Payment of Preauthorized Transfer:**

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**In Case of Errors or Questions About Your Electronic Funds Transfers:**

Call us at (586) 263-8800 or write to the address appearing on your periodic statement or as indicated above as soon as you can if you think your periodic statement or receipt is wrong, or if you need more information about a transaction listed on the periodic statement or receipt in order to assert an error. For consumer accounts, we must hear from you no later than sixty (60) days after we send the FIRST periodic statement on which the problem or error appeared. You must do all of the following:

- (1) Tell us your name and account number.
- (2) Describe the error or transfer you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error. If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days (or twenty (20) business days for claims made within thirty (30) calendar days of the first deposit into an account that is a new account). If we need more time, however, we may take up to forty-five (45) calendar days (ninety (90) calendar days for point of sale transactions, foreign initiated transfers, or for a claim on a new account). If we decide to do this, we will re-credit your account within ten (10) business days (or twenty (20) business days on claims for new accounts) for the amount you think is in error, so you will have the use of the money during the time it takes us to complete our investigation.

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

**Clearing of Deposits:** Deposits made at an ATM whether in cash, check, draft or money order are subject to our Funds Availability Policy. The policy is included in this disclosure agreement.

**Crediting Payments:** Payments made at ATMs whether in cash, check, draft or money order are subject to verification and the posting of such payment to a loan account may be delayed until the funds can be collected.

**Responsibility for Overdraft:** If you obtain cash from an ATM or withdraw via a Point of Sale transaction which creates an overdraft in your regular share or share draft account(s), the overdraft amount is due and payable upon our demand and you agree to pay the full

amount of it to us, together with the service charge, if applicable when we so demand. You also authorize us in such a case to apply from any other share account, share draft account, club account or line of credit you may have in the Credit Union such amount as to be necessary to pay the overdraft amount and service charge.

**Notice of Loss or Theft:** If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission,

**CALL:** (586) 263-8800 during business hours OR  
(800) 991-4965 after hours

or

**WRITE:**

Michigan Schools and Government Credit Union  
40400 Garfield Road  
Clinton Township, MI 48038

**Special Liability Protection Rules for VISA Debit Card:**

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions made with your lost or stolen VISA Debit Card, when used for POS transactions (excluding transactions made at an ATM), as long as you report the loss or theft of your VISA Debit Card within two (2) business days of when you discover it is missing. If you do not tell us within two (2) business days, your liability is the lesser of \$50 or the amount of funds, property, labor or services obtained through the unauthorized use before you notified us. If your card was lost due to your gross negligence, or if you have handled your card fraudulently, these special rules do not apply, and your liability for the unauthorized use of your VISA Debit Card is addressed in the section titled "Consumer Liability".

**Consumer Liability:** Tell us AT ONCE if you believe your card and/or code has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account and in any backup account. If you tell us within 2 business days, you can lose no more than \$50 if someone used your card and/or code without your permission. (If you believe your card and/or code has been lost or stolen, and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your card and/or code without your permission.)

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, and we can prove we could have stopped someone from using your card and/or code without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

**Cooperation in Loss Recovery Efforts.** You are to fully cooperate in any effort we undertake to recover funds that were taken from your

account through an unauthorized electronic funds transfer transaction. For example, you will sign affidavits of loss or forgery that may be required by our insurance company. You also agreed to cooperate fully in any prosecution that may be initiated by the proper authorities pursuant to us filing a complaint about unauthorized activities involving your account.

**Reversal of Transaction:** We will reverse an EFT transfer resulting from a point of sale transaction at a Participating Merchant in Michigan and re-credit your account for the full amount of the transfer if all of the following occur:

- (1) You provide us notice of having made a good faith attempt to seek redress and make an assurance to us of the return to the Participating Merchant of related goods in dispute, where returnable goods are involved.
- (2) The amount of the transaction is \$50 or more.
- (3) Within four (4) calendar days following the transaction, we receive from you during our normal business hours, a written or oral request for the reversal.
- (4) You verify the reverse order, notice and assurance in writing within fourteen (14) calendar days following oral notification, on a form to be provided by us for that purpose. If written verification is not furnished, we shall reinstate the original debits and credits involved in the transaction to the extent of the available account balance.

**Disclosure of Account Information to Third Parties:** We will disclose information to third parties about your account or the transfers you make:

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

**Liability for Failure to Complete EFT Transfers:** If we do not properly complete an EFT transfer to or from your account on time or in the correct amount in accordance with the terms of this Agreement, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If we have terminated this Agreement or the transaction would have exceeded your established credit line.
- If the terminal or any part of the system supporting the operation of the terminal was not working properly, and you knew of the breakdown when you began the transaction or at some time during the process of the transaction.
- If the terminal where you attempted to make the transaction did not have enough cash to allow the transaction.
- When your Card has been reported lost or stolen or we have reason to believe that something was wrong with the transaction.
- When, despite reasonable precautions taken by us, an act of God

or other circumstance beyond our control interfered with or prevented the transaction.

- When we receive inaccurate or incomplete information needed to complete a transaction.
- If any necessary authorization for completing the EFT transfer has been revoked by an operation of law.
- In the case of preauthorized transfers, we will not be liable where there was a breakdown of the system which would normally handle the transfer at the time the transfer would have occurred.
- There may be other exceptions provided by applicable law.

**Amendments:** We may change or amend any of the terms and conditions of this Agreement at any time upon at least twenty-one (21) days written notice to you prior to the effective date of any change or amendment. Your failure to timely furnish notice as set forth below shall be deemed to be your acceptance of such change or amendment. If you do not agree to abide by a change or amendment, you must notify us of the fact prior to the effective date of the change or amendment. You must also surrender your Card and cancel this Agreement.

**Termination of Prior Agreements:** Upon your receipt of this Agreement, this Agreement terminates any earlier Electronic Funds Transfer agreements provided to you from us.

## THE TRUTH-IN-SAVINGS ACT DISCLOSURES

The Truth in Savings Act (TIS) is a section of the Federal Deposit Insurance Corporation Improvement Act of 1991. The National Credit Union Administration is charged with enforcing this law as it applies to all credit unions. The purpose of TIS is to promote and simplify comparisons among accounts at all financial institutions. TIS enables consumers to make informed choices and comparisons among competing claims of financial institutions by requiring disclosure of the interest rates payable on the accounts and the fees payable/assessed on these accounts. It is the intent of MSGCU to maintain compliance with this Federal law pertaining to full disclosure regarding the terms and conditions of all savings programs. The following disclosure information illustrates the various savings alternatives available at MSGCU.

For current rate information, please speak to a Member Service Representative or contact us at (586) 263-8800, option 6.

### 1. Regular Share Account

**a. Dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. This is a variable rate account. As such, dividend rates and Annual Percentage Yield (APY) may change. Refer to the Rate Schedule for current rate information.

**b. Compounding and Crediting:** Dividends will be compounded quarterly and will be credited quarterly. For this account type, the dividend period is quarterly, for example, the beginning date of the first period for the calendar year begins January 1, and the ending date of that period is March 31. All other dividend periods follow this same pattern. The dividend declaration date follows the ending date of a

dividend period, and in the example, this would be March 31. If you close this share account before dividends are paid, you will not receive the accrued dividends.

**c. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The minimum balance required to open this account is \$5.

**d. Balance Computation Method:** Dividends are calculated using the daily balance method, which applies a daily periodic rate to the balance in the account each day.

**e. Dividend Accrual on Deposits:** Dividends will begin to accrue on the business day you deposit items into your account.

**f. Fees and Charges:** See Fee Schedule.

**g. Transaction Limitations:** During any statement period, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized or automatic transfer (ACH), Internet Account Access, telephone order or instruction (including Member Connect), or transfer by check, draft, or debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the Credit Union.

## **2. Individual Retirement Account**

**a. Interest:** This is a variable rate account. As such, interest rates and APY may change. Refer to the Rate Schedule for current rate information.

**b. Compounding and Crediting:** Interest will be compounded monthly and will be credited monthly. For this account type, the interest period is monthly, for example, the beginning date of the first period of the calendar year begins January 1, and the ending date of that period is January 31. All other interest periods follow that same pattern. Interest is paid on the last day of the interest period. In the example, this would be January 31. If you close this deposit account before interest is paid, you will not receive the accrued interest.

**c. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account.

**d. Balance Computation Method:** Interest is calculated using the daily balance method, which applies a daily periodic rate to the balance in the account each day.

**e. Interest Accrual on Deposits:** Interest will begin to accrue on the business day you deposit funds into your account.

**f. Fees and Charges:** See Fee Schedule.

**g. Transaction Limitations:** IRAs are subject to limitation and/or penalties imposed by the Internal Revenue Service. Please see your IRA Agreement or your tax advisor for additional information.

### 3. Silver and Gold Share Accounts

**a. Interest:** These are variable rate accounts. As such, interest rates and APY may change. Refer to the Rate Schedule for current rate information.

**b. Compounding and Crediting:** Interest will be compounded monthly and will be credited monthly. For this account type, the interest period is monthly, for example, the beginning date of the first period of the calendar year begins January 1, and the ending date of that period is January 31. All other interest periods follow that same pattern. Interest is paid on the last day of the interest period. In the example, this would be January 31. If you close this deposit account before interest is paid, you will not receive the accrued interest.

**c. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account.

- For the Silver Share Account you must maintain a minimum average daily balance of \$100 in your account to obtain the disclosed annual percentage yield for the corresponding tier.
- For the Gold Share Account you must maintain a minimum average daily balance of \$50,000 in your account to obtain the disclosed annual percentage yield for the corresponding tier.

**d. Balance Computation Method:** Interest is calculated using the average daily balance method, which totals the ending balances for each day of the interest period, divides the results by the total number of days in the interest period and uses the resulting average balance to calculate interest based on the balances and tiered rates.

**e. Interest Accrual on Deposits:** Interest will begin to accrue on the business day you deposit funds into your account.

**f. Fees and Charges:** See Fee Schedule.

**g. Transaction Limitations:** During any statement period, you may not make more than six (6) withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized or automatic transfer (ACH), Internet Account Access, telephone order or instruction (including Member Connect), or transfer by check, draft, or debit card, if applicable, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the Credit Union.

### 4. Holiday Club Account

**a. Interest:** This is a variable rate account. As such, interest rates and APY may change. Refer to the Rate Schedule for current rate in-

formation. Interest will not be paid on funds that are withdrawn from the account prior to maturity.

**b. Compounding and Crediting:** Interest on this account does not compound and is credited annually on November 1. If you close this share account before the interest is paid, you will not receive the accrued interest.

**c. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account.

**d. Balance Computation Method:** Interest is calculated using the daily balance method, which applies a daily periodic rate to the balance in the account each day and is paid annually on November 1.

**e. Interest Accrual on Deposits:** Interest will begin to accrue on the business day you deposit funds into your account.

**f. Fees and Charges:** See Fee Schedule.

**g. Transaction Limitations:** Early withdrawal from this account will result in the account being closed.

## 5. Money Market Checking

**a. Interest:** These are variable rate accounts. As such, interest rates and APY may change. Refer to the Rate Schedule for current rate information.

**b. Compounding and Crediting:** Interest will be compounded monthly and will be credited monthly. For this account type, the interest period is monthly, for example, the beginning date of the first period of the calendar year begins January 1, and the ending date of that period is January 31. All other interest periods follow that same pattern. Interest is paid on the last day of the interest period. In the example, this would be January 31. If you close this account before interest is paid, you will not receive the accrued interest.

**c. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of a share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account. For the Money Market Checking Account you must maintain a minimum average daily balance of \$2,500 in your account to obtain the disclosed annual percentage yield for the corresponding tier.

**d. Balance Computation Method:** Interest is calculated using the average daily balance method, which totals the ending balances for each day of the interest period, divides the results by the total number of days in the interest period and uses the resulting average balance to calculate interest based on the balances and tiered rates.

**e. Interest Accrual on Deposits:** Interest will begin to accrue on the business day you deposit funds into your account.

**f. Fees and Charges:** See Fee Schedule.

**g. Transaction Limitations:** During any statement period, you may not make more than six withdrawals or transfers to another Credit Union account of yours or to a third party by means of a pre-authorized or automatic transfer, ACH check, Internet Account Access or telephone order of instruction (including Member Connect). If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the Credit Union.

## 6. Checking Account

**a. Interest:** Interest is not paid on this account.

**b. Minimum Balance Requirements:** To be a member and maintain accounts at our Credit Union you must purchase one share in the Credit Union. The par value of share in this Credit Union is \$5. The \$5 share in the Credit Union will be maintained in the Regular Share Account.

**c. Fees and Charges:** See Fee Schedule.

## COURTESY PAY PROGRAM

This disclosure describes the Courtesy Pay Program offered to MSGCU members (designated as “you”, “your”, or “the Depositor”). It is the policy of MSGCU to comply with all applicable laws and regulations and to conduct business in accordance with applicable safety and soundness standards. All guidelines that pertain to this service are included with this disclosure.

Courtesy Pay is an enhancement to your account that allows for a check, automatic recurring bill payment, and Automated Clearing House (ACH) transaction to be processed when the amount withdrawn exceeds the amount in your account. We will not process any transaction that occur at an ATM or through an everyday one-time debit card transaction when the amount withdrawn exceeds the amount in your account, unless you provide your affirmative consent for us to do so. You have the right to revoke this authorization at any time.

Based on your account history, MSGCU may cover the amount of the transaction to an aggregate Courtesy Pay privilege limit. This discretionary service prevents you from incurring additional Non-Sufficient Funds fees from other organizations and allows you to avoid the embarrassment of a denied transaction or returned check. There is no additional cost above the Courtesy Pay fee (per occurrence) for this service.

The Courtesy Pay privilege is not a line of credit. However, if you overdraw your account, MSGCU will have the discretion to pay the overdraft, subject to the Courtesy Pay limit and the amount of the Courtesy Pay fee (per item). If multiple items are presented against

your account on the same day, each item will be assessed the Courtesy Pay fee. Please refer to the current MSGCU Fee Schedule. Transactions may not be processed in the order in which they occur; the order in which transactions are received by MSGCU and processed can affect the total amount of overdraft fees incurred.

MSGCU is not obligated to pay any item presented for payment if your account does not contain sufficient available funds, and any discretionary payment (or other negotiation or processing) by MSGCU of any Non-Sufficient Fund check or draft (or other item) does not obligate MSGCU to pay any additional Non-Sufficient Fund check or item or to provide prior notice of its decision to refuse to pay any additional Non-Sufficient Fund check or item. For example, we typically do not pay overdrafts if your account is not in good standing, or you are not making regular deposits, or you have too many overdrafts. Pursuant to MSGCU's commitment to always provide you with the best level of member service, now and in the future, if you meet the following criteria, MSGCU will, at its discretion, provide the Courtesy Pay privilege to you:

- You must be 18 years of age or older.
- Your account must be in good standing
- You must have a share draft account with a positive balance history.
- You must, within thirty (30) days of the overdraft occurrence, either deposit funds into the account or obtain an approved loan from MSGCU to cover each overdraft.

If the above criteria are met, MSGCU, at its discretion, may extend the Courtesy Pay privilege to your account; this may help you cover some inadvertent overdrafts on your account.

The Courtesy Pay privilege will be suspended if:

- Any loan is delinquent for more than ten (10) days.
- The share draft account has not been brought to a positive balance at least once in the past sixteen (16) days.

The total of the Courtesy Pay privilege (negative) balance, including any and all fees and charges, is due and payable upon demand and the Depositor and each Authorized Signatory will continue to be liable, jointly and severally, for all such amounts, as described in the Membership and Account Agreement.

While MSGCU will typically pay overdrafts on accounts in good standing, (as described above), payment is a discretionary courtesy, and not a right or obligation. MSGCU in its sole and absolute discretion can cease paying overdrafts at any time without prior notice of reason or cause.

We may change or amend any of the terms of this disclosure at any time.

If you have any questions regarding the Courtesy Pay Program, please contact us at (586) 263-8800, option 6.

# MICHIGAN



SCHOOLS & GOVERNMENT

CREDIT UNION

## PRIVACY POLICY

<b>FACTS</b>	<b>WHAT DOES MICHIGAN SCHOOLS AND GOVERNMENT CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?</b>	
<b>Why?</b>	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.	
<b>What?</b>	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> <li>• Social Security number and income</li> <li>• account balances and payment history</li> <li>• credit history and credit scores</li> </ul> <p>When you are no longer our member, we continue to share your information as described in this notice.</p>	
<b>How?</b>	All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Michigan Schools and Government Credit Union chooses to share; and whether you can limit this sharing.	
<b>Reasons we can share your personal information</b>	<b>Does MSGCU share?</b>	<b>Can you limit this sharing?</b>
<b>For our everyday business purposes</b> —such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
<b>For our marketing purposes</b> —to offer our products and services to you	YES	YES
<b>For joint marketing with other financial companies</b>	YES	YES
<b>For our affiliates' everyday business purposes</b> —information about your transactions and experiences	NO	We Don't share
<b>For our affiliates' everyday business purposes</b> —information about your creditworthiness	NO	We Don't share
<b>For nonaffiliates to market to you</b>	NO	We Don't share
<b>Questions?</b>	Call 586-263-8800 or 866-674-2848 or go to <a href="http://www.msgcu.org">www.msgcu.org</a>	

What we do	
<b>How does Michigan Schools and Government Credit Union protect my personal information?</b>	We restrict access to your personal and account information to those employees who need to know the information to provide products and services to you. We maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your non-public personal information.
<b>How does Michigan Schools and Government Credit Union collect my personal information?</b>	We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>• open an account or deposit money</li> <li>• pay your bills or apply for a loan</li> <li>• use your credit or debit card</li> </ul>
<b>Why can't I limit all sharing?</b>	Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>• sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• affiliates from using your information to market to you</li> <li>• sharing for nonaffiliates to market to you</li> </ul>
Definitions	
<b>Affiliates</b>	Companies related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>Michigan Schools and Government Credit Union does not share with our affiliates so they can market to you.</i></li> </ul>
<b>Nonaffiliates</b>	Companies not related by common ownership or control. They can be financial and nonfinancial companies. <ul style="list-style-type: none"> <li>• <i>Michigan Schools and Government Credit Union does not share with our affiliates so they can market to you.</i></li> </ul>
<b>Joint marketing</b>	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>• <i>Our joint marketing partners include insurance companies.</i></li> </ul>

## Other Important Information

### Internet Security

#### Internet Cookies

If you conduct transactions with MSGCU via Internet Account Access, you may notice our use of Internet cookies. Cookies are a small text file assigned and attached by a web server to the directory file on your computer. Cookies enable our system to recognize your browser and your information as you navigate and conduct transactions within MSGCU Internet Account Access. MSGCU Internet Account Access uses temporary session cookies that are stored on your computer only during your current session and are automatically deleted from your computer when you close your browser. If you log out of the Internet Account Access session, you must login again with your user ID and password to re-enter the session. This procedure prevents another user from gaining access to the Internet Account Access session when using the same computer.

#### Third Party Website Links

Our website may contain links to other websites; these links are separate from MSGCU's website. MSGCU is not responsible for the content or availability of any linked third party websites or privacy practices of such third parties. You should always investigate the information practices of all websites that you access and carefully examine the privacy policies of any websites linking to or from our website. Information collected from the linked websites will be subject to the information practices of those websites.

#### E-Mails

For security purposes, please do not include sensitive data (e.g.: account or social security numbers) in any e-mail correspondence with us.

MSGCU will also never ask for your personal information (e.g. account or social security numbers) via any email correspondence.

# Locations & Hours

## Main Office

40400 Garfield Road • Clinton Township, MI 48038

## Chesterfield Office

34700 23 Mile Road • Chesterfield, MI 48047

## Hall Road Office

45120 Market Place Boulevard • Chesterfield, MI 48051

## Hayes Road Office

48945 Hayes Road • Shelby Township, MI 48315

## Madison Heights Office

480 W. 12 Mile Road • Madison Heights, MI 48071

## St. Clair Shores Office

24515 Little Mack Avenue • St. Clair Shores, MI 48080

## Shelby Township Office

8770 23 Mile Road • Shelby Township, MI 48316

## Sterling Heights Office

2356 Metropolitan Parkway • Sterling Heights, MI 48310

## Troy Office

4555 Investment Drive • Troy, MI 48098

## Warren Office

13602 E. 14 Mile Road • Warren, MI 48088

## Lobby, Call Center, and Drive-Thru Hours

Mon | Tue | Wed: 9 a.m. – 5 p.m.

Thursday: 9 a.m. – 6 p.m.

Friday: 9 a.m. – 7 p.m.

Saturday: 9 a.m. – 1 p.m.\*

Sunday: Closed

*\*Chesterfield, Hayes Road, Troy, and Warren lobbies, plus Call Center open. All other locations have only drive-thrus open.*

586.263.8800 | 1.866.MSGCU4U

[msgcu.org](http://msgcu.org)



Federally Insured  
by NCUA