



MEMBERSHIP AND ACCOUNT AGREEMENT FOR BUSINESSES AND OTHER ENTITIES

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MEMBERSHIP AND ACCOUNT AGREEMENT FOR BUSINESSES AND OTHER ENTITIES

This is the Agreement between you (the member) and Michigan Schools and Government Credit Union (hereinafter "Credit Union"), a Michigan state-chartered Credit Union whose principal place of business is located at 40400 Garfield Road, Clinton Township, Michigan, 48038, regarding your business accounts with the Credit Union. By establishing an account with the Credit Union through a membership card that makes reference to this Agreement, you agree that this Agreement is a binding contract between you and the Credit Union.

This Agreement is designed to allow certain businesses and other entities as more fully described below to join the Credit Union and to obtain various financial products and services offered by the Credit Union. For purposes of this Agreement, a sole proprietorship is regarded as a "business" even though it is one and the same as its owner, as opposed to being a distinct entity.

You should retain a copy of the Agreement and feel free to call the Credit Union if you have any questions. This Agreement also includes certain disclosures required under the Expedited Funds Availability Act (Regulation CC), Regulation D, and Uniform Commercial Code Article 4A.

Throughout this Agreement, the words "you," "your," "organization," and "business" mean the business or other entity that has signed a membership card which makes reference to this Agreement. The words "we," "our," "us," and "Credit Union" mean this Credit Union.

NOTICE OF ARBITRATION PROVISION

This Agreement contains an Arbitration Provision which provides that you or the Credit Union may elect to have all disputes resolved by **BINDING ARBITRATION INSTEAD OF IN COURT**.

You should read the Arbitration Provision carefully. It provides, among other terms:

You **GIVE UP YOUR RIGHT TO GO TO COURT** to assert or defend your rights under this Agreement (**EXCEPT** for matters that may be taken to **SMALL CLAIMS COURT**).

Your rights will be determined by a **NEUTRAL ARBITRATOR** and **NOT** a judge or jury.

You are entitled to a **FAIR HEARING**, BUT the arbitration procedures are **SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT**.

Arbitrator decisions are as enforceable as any court order and are subject to **VERY LIMITED REVIEW BY A COURT**.

YOU MAY NOT PARTICIPATE AS A CLASS REPRESENTATIVE

1. Membership Eligibility: If your business is a sole proprietorship, you may open an account for it and maintain the account as long as you are a member of the Credit Union in good standing. A business or other entity that is not a natural person is eligible for membership in the Credit Union if on its own qualifies for membership or if its shareholders, partners, owners, or members are composed primarily of persons who are within the field of membership of this Credit Union.

2. Documentation: No organization, incorporated or otherwise, shall be eligible for membership in the Credit Union without substantiating its legal existence, to the reasonable satisfaction of the Credit Union, by providing such documentation as the Credit Union may, from time to time, require, and such Resolutions as may be required by the Credit Union. We reserve the right to require that you provide, and you agree to provide, any such documentation upon request at any time. The Credit Union reserves the right to refuse membership to an organization when such organization is not properly registered with the State of Michigan.

While the individuals who comprise an organization, incorporated or otherwise, shall not be joint owners on an account created for the organization, each of the individuals signing the Business Membership Card as a Guarantor personally guarantees any obligation created by the organization owing to the Credit Union.

In addition to a Business Savings Account, the Credit Union will make various types of financial products and services available to businesses and other organizations. These products and services are subject to change at any time, and you may not be eligible for all products and services offered by the Credit Union.

You understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Resolutions or other authorizing document on file at the Credit Union. The organization and all persons who make any representation to the Credit Union concerning the Resolutions, or other such document, forever indemnify and hold the Credit Union harmless for distributions made in good faith pursuant to those Resolutions or other document. You further agree that it is your responsibility to notify the Credit Union when the terms of those Resolutions or other document have been revoked, rescinded, revised, or in any way modified.

3. Becoming a Member: An organization within the field of membership of the Credit Union may establish an account under the terms of this Agreement. The organization must provide the Credit Union with resolutions authorizing the opening of the account, in a form acceptable to the Credit Union. The organization must then complete a Business/Other Entity Membership Card. Only persons authorized by resolution of the organization's governing body will be permitted to make withdrawals from, or give instructions about, the account. The organization must promptly inform the Credit Union in writing of changes in the persons authorized by the organization to make transactions in the account. Until written notice of a change is received by the Credit Union, the Credit Union may rely on the resolution designating persons authorized to transact business at the Credit Union last received from the organization.

The basic share deposit that you must always keep in your Business Savings Account is \$5. If you are opening an account for a sole proprietorship, you must complete a Sole Proprietorship Membership (Account) Card, which is incorporated into this Agreement by reference.

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.

OUR RECORDS

We may agree to assist you with any product, service, and/or transaction by telephone, mail, in person or electronically. In some cases, in our discretion, we may enter the information in a document, or we may enter the information electronically into our computer system without having you sign a paper document. You understand and agree that if we assist you with any account, product, service, or transaction by phone, mail, in person or electronically without a signed document, we will maintain and manage in the same manner that is reflected in our records. If you prefer to proceed by way of a paper document or by another method we allow, you must let us know. We are happy to provide you with a document for your signature or find an alternative method for you to take actions or conduct transactions with us.

You agree to check all records related to your account(s) periodically (not less than once per year) to ensure that all ownership and authorized signer arrangements are set up in the manner you desire. You may request to review, confirm, obtain, charge, add or terminate any product, service, action or transaction, anytime we are open for business by any

method we allow. You agree to contact us immediately if any ownership or authorized signer arrangement is not how you wish it to be. You may also request a paper electronically managed copy of your information or a document in our records from us anytime during business hours or as we allow. You further agree that we may rely upon our paper and/or electronic records to determine any arrangement related to your account(s), that our determination with respect to same shall constitute final and conclusive evidence as to such account arrangements, and you will hold the Credit Union harmless from any claims related thereto.

BUSINESS SAVINGS ACCOUNT

The Credit Union offers several types of savings accounts (“Business Savings Accounts”). The following general information applies to all Business Saving Accounts. For more detailed information on the types of Business Savings Accounts offered, minimum balance requirements, transaction limitations, fees, and other terms, conditions and limitations associated with each account type, please refer to the Business Fee Schedule and the Rate Sheet.

- 1. Deposits Generally:** After you have established your Business Savings Account, you may make additional deposits into that account, or establish other types of accounts as described herein, at any time and in any amount, subject to the Credit Union account requirements. This account is not transferable except on the Credit Union’s books and records. Your interest in a Business Savings Account cannot be used as collateral for a loan with another financial institution unless we consent in writing and the transfer is reflected in our records. We may establish minimum amounts for deposits in your Business Savings Account. You can make deposits in person, by mail, or by any other means established by the Credit Union.
- 2. Withdrawing Money from Your Business Savings Account:** As long as you have funds in your account, and subject to any applicable state or federal laws and regulations, funds can be withdrawn from your account by any method approved by the Credit Union. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.
- 3. Funds Availability:** If you make a non-cash deposit, those funds will be available to you in accordance with our Funds Availability Policy, the receipt of which you hereby acknowledge. If you make a deposit by authorizing us to receive funds from another account (for example, from a savings account at another credit union or bank), that deposit will not earn dividends or be available to you until we actually receive the funds. A minimum hold of two (2) days may be placed on any check presented and accepted for deposit into a Business Savings Account within the first thirty (30) days after a Business Savings Account has been opened. We reserve the right to extend that hold at our discretion.
- 4. Interest:** The Credit Union pays interest on its Business Savings Accounts. Please refer to the current Rate Sheet for Additional Information.

BUSINESS CHECKING ACCOUNTS

The Credit Union offers several types of checking accounts (“Business Checking Accounts”). For more detailed information on the types of Business Savings Accounts offered, minimum balance requirements, transaction limitations, fees, and other terms, conditions and limitations associated with each account type, please refer to the Business Fee Schedule and the Rate Sheet.

- 1. Deposits Generally:** After you have established your Business Checking Account, you may make additional deposits into that account at any time and in any amount subject to the terms of this Agreement. The account is not transferable except on the Credit Union’s books and records. Your interest in a Business Checking Account cannot be used as collateral for a loan with another financial institution unless we consent in writing and the transfer is reflected in our records. You can make deposits in person, by mail, or by any other method approved by the Credit Union. There is no minimum deposit for your Business Checking Account, but we may from time to time establish minimum amounts for deposits in the account. 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.
- 2. Minimum Balance:** You must maintain a basic membership share of \$5 on deposit in your Business Savings Account to retain a Business Checking Account. We may establish a minimum balance requirement for a Business Checking Account, and we reserve the right to adjust the minimum balance requirements from time to time. If you do not maintain any such required minimum balance, we may charge you a maintenance fee as described in the Business Account Fees Schedule.
- 3. General Checking Terms:** In addition to the other terms set forth in this Agreement it is agreed that:
 - Only checks and other methods approved by the Credit Union may be used to withdraw funds from the account.
 - All non-cash payments received in this account will be credited subject to final payment.
 - The front side of all checks shall at a minimum contain the legal or “Doing Business As” name of the Business or other entity.
 - The Credit Union is under no obligation to pay a check that exceeds the balance in the account.
 - The Credit Union is under no obligation to pay a check that is over six (6) months old but may at its option pay such a check without notice to you.
 - Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a check.
 - Any electronic debit initiated by a third party against this account is deemed authorized by any signatory if the signatory voluntarily gives the third-party information about the account and the Credit Union’s routing number other than by delivery of a check. You may use information from your check to initiate a one-time electronic fund transfer from your account. If you pay for something with a check you may authorize your check to be converted to an electronic fund transfer. You may also authorize merchants to electronically debit your account for returned check fees. You are considered to have authorized these electronic debits if you complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.
 - The Credit Union reserves the right to pay items drawn against the account in any order.
 - The Credit Union may pay any check without regard to its date (post-dated items).
 - The use of the Business Checking Account is subject to other terms, conditions and requirements as the Credit Union may establish from time to time.
- 4. Interest:** The Credit Union pays interest on its Business Essentials Checking Plus Accounts. All other Business Checking Accounts are non-interest bearing accounts.
- 5. Funds Availability:** Funds shall be made available to you in accordance with our Funds Availability Policy as disclosed. You hereby acknowledge receipt of our Funds Availability Policy disclosure.
- 6. Your Liability for Overdrafts. PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU DO NOT UNDERSTAND ANY PROVISION IN THIS “YOUR LIABILITY FOR OVERDRAFTS” SECTION, OR IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT (586) 263-8800 or (866) 674-2848 OR VISIT YOUR LOCAL BRANCH.**

a. General

1. What Does it Mean to Overdraw Your Account? “Overdrawing” your account means that there are not sufficient available funds (as described in Section (b) below) in your account to pay for a transaction, resulting in a negative or “overdrawn” balance. Some transactions that can result in an overdraft in your account include, but are not limited to:

- the payment of checks, electronic fund transfers, telephone-initiated transactions, preauthorized payments under our Bill Payment Service, debit card transactions, or other withdrawal requests authorized by you;
- the return (unpaid) of items deposited by you;

- the assessment of service charges by us; or
- the deposit of items that are treated as not yet “available” according to our Funds Availability Policy.

2. What Happens if the Credit Union Refuses to Pay the Item? If you overdraw your account, we may return the item unpaid, commonly known as a return for “non-sufficient funds” or “NSF”. It is important to understand that the Credit Union has no control over how many times an intended payee will resubmit an item to us for payment. When we return an item unpaid, we will assess you an NSF Fee **each time the item is presented** to us for payment. There is no limit on the number of NSF Fees we may assess against your account. NSF items are described in more detail below. You are responsible for keeping track of the funds in your account that are **available** for you to use before you write a check, preauthorize a payment under our Bill Payment service, authorize an ACH transaction, make a cash withdrawal at an ATM, or use your debit card for a transaction. Among other things, you should keep a running balance that reflects all of your transactions. **It is imperative that you keep track of the transactions you may have authorized (such as outstanding checks or automatic bill payments), as your available balance (discussed in more detail below) may not reflect these transactions until they are paid from your account.**

3. Overdraft Line of Credit. The Credit Union offers an overdraft line of credit for qualifying members. If you have questions regarding applying for an overdraft line of credit, please contact the Credit Union for additional information.

b. Your Available Balance.

1. Actual Balance Versus Available Balance Your checking account has two kinds of balances: the “actual” balance and the “available” balance. Both can be checked when you review your account online, at a Credit Union-owned ATM, by phone, or at a branch. It is important to understand how these two balances work so that you know how much money is **available to you** in your account at any given time. This section explains actual and available balances and how they work.

2. Your Actual Balance. Your actual balance is the amount of money that is actually in your account at any given time, but not all funds included in the actual balance are considered “available” for transactions on your account. The actual balance is also sometimes referred to as your “ledger balance”. Your actual balance reflects transactions that have posted to your account, but it does not reflect transactions that have been authorized and are pending or deposits that may be on hold. While the term “actual” may sound as though the number you see is an up-to-date indication of what is in your account that you can spend, that is not always the case because any purchases, holds, fees, other charges, or deposits made on your account that have not yet posted will not appear in your actual balance. For example:

- Assume you have a \$50 actual balance, but you just wrote a check for \$40. Your actual balance is \$50 but it does not reflect the pending check transaction. Though your actual balance is \$50, you have already spent \$40. In this scenario, your available balance is \$10 (\$50 actual balance minus \$40 check).

3. Your Available Balance. Your available balance is the amount of money in your account that is available to you to use without incurring a fee. The available balance takes into account factors such as holds placed on deposits and pending transactions, like pending debit card purchases that the Credit Union has **authorized**, but that have not yet **posted or settled** to your account. For example:

- Assume you have an actual balance of \$50. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment in that amount (or even a different amount). If the merchant requests preauthorization in the amount of \$20, we will place a “hold” on your account for \$20 (referred to as an “authorization hold”). Your actual balance will still be \$50 because this transaction has not yet posted, but your available balance will be \$30 because of the restaurant’s \$20 preauthorization request. When the merchant submits its bill for payment (which could be days later and for a different amount than the amount of the authorization hold), we will release the authorization hold, post the transaction to your account, and your actual balance will be reduced by the amount of the posted transaction.

4. Your Available Balance and Non-Debit Card Transactions. For electronic funds transfers (ACH), checks, bill payments, and any other non-debit card transactions, we use your **available balance** at the time a transaction **posts** to determine whether your account is overdrawn and whether a fee will be assessed. For information on your available balance works with respect to debit card transactions, please see Section C.

c. Authorization Holds for Debit Card Transactions.

1. What is an Authorization Hold? When you use your debit card to pay for goods or services, the merchant may seek preauthorization from us for the transaction. When we preauthorize the transaction, we commit to make the requested funds available when the transaction finally posts and as such, we generally place a temporary hold against some or all of the funds in the account linked to your debit card, based on the amount of the preauthorization request from the merchant. We refer to this temporary hold as an “authorization hold,” and the amount of the authorization hold will be subtracted from your available balance as authorization requests are received by us throughout each day.

2. How Does an Authorization Hold Affect Your Available Balance? Until the transaction finally settles or we otherwise remove the hold (for example, we may remove the hold because it exceeds the time permitted or we determine that it is unlikely to be processed), the funds subject to the hold will not be available to you for other purposes. At some point after you sign for the transaction, it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. We have no control over when a merchant may present an item for payment. Merchant payment requests are received in real time throughout the day and are posted to your account as they are received.

3. The Amount of an Authorization Hold May Differ From the Amount of the Actual Transaction. The amount of an authorization hold may differ from the actual transaction amount because the actual transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, this can happen in connection with transactions where your debit card is authorized before your actual transaction amount is known, such as at a restaurant (where you may choose to add a tip to the transaction amount) or a gas station. For these types of transactions, there may be no authorization hold, or the amount of the authorization hold may be different from the transaction amount. In some other cases we may not receive an authorization request from the merchant, and there will be no authorization hold reflected in your available balance. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

4. Length of an Authorization Hold. We are permitted to place an authorization hold on your account for up to three (3) business days (or for up to thirty (30) business days for certain types of debit card transactions) from the time of the authorization or until the transaction is paid from your account. However, if the transaction is not submitted for payment, we will release the authorization hold, which will increase your available balance until the transaction is submitted for payment by the merchant and finally posted to your account. If this happens, we must honor the prior authorization and will pay the transaction from your account.

In certain instances, when the amount of the authorization hold is either more or less than the amount of the actual transaction, we may maintain the authorization hold even after the purchase amount is actually paid from your account, which will decrease your available balance. However, in these instances, we will not maintain an authorization hold for longer than three (3) business days (or for up to thirty (30) business days for certain transactions).

5. Your Available Balance and Debit Card Transactions. For debit card transactions, we use your **available balance** at the time a transaction is **authorized** to determine if each specific transaction will overdraw your account and whether a fee will be assessed. Your available balance may not reflect all of your debit card transactions. For debit card transactions involving merchant authorization holds, we look at the available balance at the time a transaction is authorized to determine whether the transaction will result in an overdraft. If your available balance is sufficient to cover a merchant’s authorization request, the authorization request will be approved, and an authorization hold will be placed on your account in the amount of the merchant’s authorization request. If your available balance is insufficient to pay the preauthorization amount requested by a merchant, we will decline the request.

d. Payment of Overdrafts.

1. The Credit Union Has No Obligation to Pay Your Overdrafts. We are not obligated to pay any item presented for payment (other than a preauthorized debit transaction as discussed above) if your account does not contain sufficient available funds. You are liable to us to repay any overdrafts on your account whether you created them or not. If you do not pay us, and we take collection action against you, you agree to pay for any costs of collection. We may close, without notice, any account with excessive overdraft activity, and report the account to a consumer reporting agency.

2. Fees Associated with Overdrawing Your Account – NSF Fees. If we do not pay an item, we will return the item and charge you an NSF Fee each time an item is presented for payment and we return it unpaid due to an insufficient available balance. We have no control over the number of times an intended payee may resubmit the same item to us for payment. There is no limit on the total fees we can charge you for overdrafting your account.

3. Business Fee Schedule. Please refer to the Business Fee Schedule for a current listing of all fees associated with overdrawing your account.

4. YOU ACKNOWLEDGE THAT YOU MAY STILL OVERDRAW YOUR ACCOUNT EVEN THOUGH THE AVAILABLE BALANCE APPEARS TO SHOW THERE ARE SUFFICIENT AVAILABLE FUNDS TO COVER A TRANSACTION THAT YOU WANT TO MAKE. This is because your available balance may not reflect all of the outstanding checks, automatic bill payments that you have authorized, or other outstanding transactions that have not yet been paid from your account. For example, you may have written a check that is still outstanding because it has not been submitted for payment by the payee. That check will not be reflected in your available balance until it is presented to us and paid from your account.

In addition, your available balance may not reflect all of your debit card transactions. We have no control over when a merchant submits an item for payment. For example, if a merchant obtains our prior authorization but does not submit a debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions including, but not limited to, car rental transactions and international transactions), we are required to release the authorization hold on the transaction. Your available balance will not reflect this transaction once the hold has been released. Please refer to the section entitled “Authorization Holds for Debit Card Transactions” below for information about how authorization holds affect your available balance.

Finally, your available balance may not reflect the most recent deposits to your account. Please refer to the Funds Availability Disclosure for information regarding the availability of your deposits for withdrawal.

e. How Transactions Are Posted To Your Account.

There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money is available to you at any given time. This section explains generally how and when we post transactions to your account.

When processing items drawn on your account, our policy is to pay them as we receive them. We commonly receive items to be processed against your account(s) multiple times per day in what are referred to as presentment files. Each presentment file received commonly contains a large amount of a specific type of item (checks, ACH transactions, or ATM/POS transactions). It is common for each of these presentment files to contain multiple items to be processed against your particular account. When multiple items are received at the same time, the items will be paid as follows:

- Checks withdrawals are generally paid based on the check numerical order (from lowest to highest);
- ACH deposits and withdrawals are generally posted in the order received
- ATM, Teller and Debit PIN transactions are generally posted in real time.
- Transactions performed in person, such as withdrawals or checks cashed at one of our locations or a shared branch, are generally paid at the time they are performed.

The order in which items are paid is important if your account does not contain sufficient available funds to pay all of the items that are presented. If an item is presented for payment and your available balance is insufficient to pay it, we may, return the item (NSF).

Please understand that the above information is only a general description of how certain types of transactions are posted. These practices may change, and the Credit Union specifically reserves the right to pay items in any order, as permitted by law.

THE BEST WAY TO KNOW HOW MUCH MONEY YOU HAVE AND AVOID PAYING OVERDRAFT FEES IS TO RECORD AND TRACK ALL OF YOUR TRANSACTIONS CLOSELY. ANOTHER OPTION TO AVOID PAYING OVERDRAFT FEES IS TO HAVE YOUR ACCOUNT LINKED TO OTHER DEPOSIT ACCOUNTS OR A LINE OF CREDIT. PLEASE REVIEW THIS INFORMATION CAREFULLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT US AT (586) 263-8800 OR (866) 674-2848 OR VISIT YOUR LOCAL BRANCH.

STOP PAYMENTS

1. Stop Payment Order Request: Any authorized signer may request a stop payment order on any check drawn on your account. To be binding, an order must be dated, signed, and describe the account and check 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 check, and its exact amount. You understand that the exact information is necessary for the Credit Union’s computer to identify the check. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the check. 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 check. If we re-credit your account after paying a check 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.

2. 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 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.

3. Liability: Fees for stop payment orders are set forth on the Business 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. Even if payment of such an item is 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 endorser in failing to stop payment of an item as a result of incorrect information provided by you.

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. MSGCU is not responsible for deposits placed in the night depository until the depository is opened, and deposits are subject to count by the credit union.

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: 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 \$225 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, \$225 of the deposit is available on Tuesday. The remaining \$475 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 \$5,525 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) 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. They 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. The Credit Union may place a seven (7) day hold on all funds being deposited into a new account. Funds from electronic deposits to your account will be available on the day we receive the 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 no later than the second business day 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 they are drawn.

8. Fees: We will not be liable for refusing to pay items presented if, at any time, fees or charges leave insufficient available funds in your account to cover the items. You agree to pay a monthly maintenance charge, plus our current service charges, for each separate activity engaged in during the month. These charges may be changed at any time and from time to time by us without advance notice. These charges are set forth in our Business Fee Schedule.

9. Drafts/Statements: Your canceled checks will not be returned to you; they will become Credit Union property and be held by us ("truncated") for you. They may also be truncated earlier in the check clearing process, such as by the financial institution 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 before the end of sixty (60) days after the statement is mailed. You also understand and agree that checks or copies thereof are made available to you on the date the statement is mailed, electronically posted, or the statement is otherwise made available to you, even if the checks do not accompany the statement. A copy of any check will be available to you as required by law. There may be a fee to obtain a copy of a check as described in the Business Fee Schedule.

ELECTRONIC FINANCIAL SERVICES

You may, if you desire, request one (1) or more of the electronic financial services described below. If you do so, you agree to be bound by the applicable terms and conditions set forth below as well as the Electronic Funds Transfer Agreement set forth later in this booklet and any other required agreement for the use of various electronic services offered by the Credit Union and requested by you in connection with accounts owned by you. You understand and acknowledge that some of the services referenced below may require approval prior to the Credit Union authorizing their use. Approval for such use may require review of the Organization and signatory credit histories and standing in the Credit Union.

Anyone who has remote account access (e.g., at an Automated Teller Machine or through online, mobile or phone banking) information to your account will have access to ALL subaccounts regardless of the ownership of the subaccounts.

1. E-Statements: You acknowledge that should you request our E-Statement service that you are capable of retaining such record and that our system does not inhibit your ability to print or store the record. If you have agreed to receive statements electronically, we may discontinue mailing paper statements to you until you notify us that you wish to reinstate paper statements.

2. ATM/Debit Card: If you request an ATM/Debit Card, you hereby authorize issuance of an ATM/debit card and a Personal Identification Number (PIN) for conducting Automated Teller Machine (ATM), Point of Sale (POS), VISA merchant transactions or any other transactions that may be authorized in the future.

You acknowledge that the Credit Union may revoke any ATM/debit card issued hereunder or any other agreement to provide such an access device.

3. Internet Account Access: If you request Internet Account Access, you hereby authorize issuance of a Personal Identification Number (PIN) and any other verification and identification password, code or security device to access accounts and perform other authorized transactions including the payment of bills via the Internet. You understand and acknowledge that a separate agreement for access to the system or for some of its services may be required, and you agree to be bound to the terms and conditions of such agreement. You acknowledge that the Credit Union may revoke any access or services hereunder or any other agreement to provide such an access device.

4. Member Connect Telephone Access: If you request our “Member Connect” service, you hereby authorize the issuance of a Personal Identification Number (PIN) to access accounts and perform other authorized transactions via a touch tone telephone. You acknowledge that the Credit Union may revoke any access or services hereunder to provide such an access device.

OTHER TERMS AND CONDITIONS

1. Credit for Deposits: All deposits are subject to proof and verification. If you deposit a check, draft or other non-cash item, we have the right to clear it before we make the funds available to you subject to applicable federal regulations. If there are fees for collecting your deposit, you promise to pay them. We may deduct them directly from your account. If we feel there is a reason, we may refuse, limit or return any deposit. We have the right to refuse to accept any deposit and we specifically reserve the right to refuse to accept checks for deposit that have more than one endorsement. We reserve the right not to pay dividends/interest on amounts subject to garnishment, levy or other legal process and to assess a fee for processing such a garnishment, levy or other legal process. We reserve the right not to pay dividends/interest on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited dividends/interest). Your account will be charged for any check or other deposited item that is returned or is uncollectible for any reason. You will not receive notice before such a charge is made. We will notify you after your account has been charged either with a separate notice or on your next periodic statement.

We may require all items presented for deposit, including items payable to cash or bearer, to be endorsed in our presence by the person depositing them. We may, within our sole discretion, supply any missing endorsements on items deposited into your account.

All negotiable instruments presented for deposit must be in a format that can be processed and/or photographed. The Credit Union may refuse to accept any check or draft that does not meet this requirement. All endorsements placed on the reverse side of any check or draft which you deposit to your account must be placed so that they are on the left side of the item when looking at it from the front and must be placed so they do not go beyond an area located 1 and ½ inches from the left edge of the item when looking at it from the front. The Credit Union may refuse to accept any item that does not meet this requirement; and if the Credit Union does accept it, you agree that you are completely responsible for any loss we incur which is premised on an endorsement not meeting this requirement or requirements of the Uniform Commercial Code as adopted in Michigan. “Loss” for this purpose shall include any court costs and reasonable attorneys’ fees related to the loss.

Any item presented to the Credit Union that is made payable to the business or other organization must be deposited into one of your accounts.

2. Cash Withdrawal Limitations: For security reasons we may limit the amount of withdrawals that may be taken 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.

3. Signatures: We may accept for deposit all checks, drafts, notes or other instruments signed or endorsed in writing, whether by rubber stamp or any other means. We may pay and charge your account for all checks, drafts or other items bearing your signature, or the facsimile signature(s) you designate, whenever they resemble the specimen furnished by you, regardless of by whom or by what means the actual or purported facsimile signature may have been affixed. The Credit Union shall not be responsible for any loss incurred as result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, the Credit Union may refuse to execute any facsimile request or order.

4. Fees and Charges: You agree to pay us charges in connection with your accounts in accordance with the Business Fee Schedule in effect from time to time. These fees may be changed at our discretion. We will provide advance notice of any increase in current charges, or any new charges, as required by law. We may deduct any charges from any of your accounts. We reserve the right to waive any charges in our sole discretion.

5. Return Deposits/Closed Accounts: We may, at any time, in our sole discretion, refuse to accept any deposit, or close any or all of your accounts with us without prior notice to you. Provided, however, we may not terminate your membership in the Credit Union without satisfying applicable legal requirements. If we close an account, we will notify you and send you a check for any balance in your account after deducting all applicable charges. Any withdrawal that reduces the amount in an account to zero may automatically close that account. We are not liable for any check, draft, withdrawal or other order after an account is closed. Any drafts presented after the account has been closed will be returned unpaid. We reserve the right to advise consumer or commercial reporting agencies and other third parties of accounts closed for misuse.

6. Inactive Accounts: The Credit Union will consider your account inactive after twenty-four (24) months of no deposits or withdrawals on your account and will assess a fee to the Business Savings Account every calendar quarter after twenty-four (24) months. (See Business Fee Schedule). “Deposits” for this purpose exclude dividends/interest credited to your account by the Credit Union. If a deposit or withdrawal has not been made on the account and we have had no other significant contact with you within the period specified by State law, the account will be presumed abandoned. Funds in abandoned accounts will be reported and remitted in accordance with State law. We may charge a fee as set forth in the Business 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; you must apply to the appropriate State agency.

7. Check Legends: We will not be responsible for, and you hereby waive any losses or costs you incur as a result of, the payment by us of any check that contains any extraneous legends, for example, “void after sixty (60) days,” unless we agree otherwise.

8. Automated Processing: You recognize that the Credit Union has adopted automated collection and payment procedures that rely primarily upon information encoded on each item in magnetic ink. In recognition of this fact, you agree that in paying or processing an item, the Credit Union may disregard all information on the item other than the identity of the drawee financial institution, the amount of the item, and any information encoded onto the item in magnetic ink according to general banking standards, whether or not that information is consistent with any other information on the item. You acknowledge that the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight review of items.

9. Statement: You will receive a periodic statement (normally monthly) for your Business Checking Account. You will receive a periodic statement (normally quarterly) for your Business Savings Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement), or you will receive a combined statement on a monthly basis if you have a Business Checking Account and other savings accounts. 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. Each such statement shall show the transactions on your accounts and any charges. We reserve the right not to send statements for accounts we consider inactive, or for those accounts on which we do not have a valid address on file.

You should examine the periodic statement carefully and reconcile the account. If there are any discrepancies, the Credit Union should be notified immediately. You are in the best position to detect an unauthorized signature, a forged endorsement, or an alteration. You have the responsibility for any fraud loss if you fail to exercise reasonable care in examining the statement or fail to report forgeries or alterations to the Credit Union within sixty (60) days of the mailing date of the earliest statement containing those items, unless another time period is required by state or federal law. The Credit Union will not be liable if items were forged or altered such that the fraud could not be detected by a reasonable financial institution.

10. 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.

11. Agreement: This Agreement shall be effective and shall govern all of your business or other organization accounts with us. By signing a signature card, making deposits or withdrawals, or leaving amounts on deposit, you agree to the terms of this Agreement. This Agreement shall supersede all previous agreements for such accounts.

12. Amendment: We may change any of the items of this Agreement at any time without prior notice to you if the change is favorable to you. We may make changes that are adverse to you only if we provide you with any notice required by law or required in this Agreement. When we change the Agreement, you may close the account if you do not agree to the changes; if you continue to use the account or keep the account open after the effective date of such change, you will be deemed to have agreed to the changes.

13. Notices: You are responsible for notifying us of any address or name change. Whenever we are required to send you notice, the Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us in writing. Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms or rates as required by law or as required in this Agreement. All notices regarding the account will be sent to you at the address shown on your statement.

We reserve the right not to send notice for accounts we consider inactive. Notices to us should be sent to:

Michigan Schools and Government Credit Union
Attn: Records Department
40400 Garfield Road, Clinton Township, MI 48038

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.

14. Indemnity: If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any losses, expenses, liabilities or damages including actual attorneys' fees resulting from such a claim or suit. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions, or we may require a bond or other protection.

You agree, as set forth above, to provide sufficient funds to cover any overdraft and any penalties assessed upon notice of the overdraft, and to reimburse us for any costs we incur in collecting the overdraft, including, without limitation, reasonable attorney's fees and the costs of litigation, to the extent permitted by law. Please refer to "Your Liability for Overdrafts" for important additional information concerning overdrafts.

You agree to indemnify and hold us harmless from any liability loss, costs, or expenses, including reasonable attorney's fees, to the extent permitted by law, that we incur as a result of any dispute involving your account, including any loss, costs, or expenses resulting from a delay in the forward collection or return of any check you deposit caused by improper placement of endorsements or other material on the back of the check that affects the ability to endorse the items as required by federal regulations. You authorize us to deduct any such loss, costs, expenses, or attorney's fees from your account without prior notice to you.

In the event we become a party to any legal proceedings between you and any third parties or between members of your organization, you agree to indemnify us and hold us harmless from any liability for any loss, costs, or expenses, including reasonable attorney's fees, to the extent permitted by law, that we incur as a result of any such proceeding. We may exercise our right of offset to recover such amounts from your accounts. This obligation includes situations that cause us, in good faith, to seek the advice of counsel, whether or not we actually become involved in a dispute.

15. Severability: If any provision or portion of this Agreement is found by any other court or regulatory body of competent jurisdiction to be invalid or unenforceable in whole or in part for any reason, the enforceability of the remaining provisions or portions shall not be affected.

16. Waiver: We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. If we chose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

17. Offset: If you owe us funds as a borrower, guarantor, endorser, or otherwise, we have a lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. You agree that 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 an individual's residence, unless prohibited by applicable law. We will notify you if we have exercised our right of offset. All accounts are non-assignable and nontransferable to third parties.

18. Telephone Requests: You agree that funds in any of your accounts with us can be transferred upon the telephone request of any authorized signer on the account. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any telephone request or order.

19. Information About Your Accounts: You authorize us to share information concerning your accounts with other entities as permitted or required by law, including affiliates of the Credit Union.

20. 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.

21. Credit Union Lien and Security Interest: If you owe us funds as a borrower, guarantor, endorser or otherwise, we have a lien on the account funds in any account in which you have an ownership interest regardless of their source, unless prohibited by law. 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 unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties. This right does not apply to the account if: (a) the debtor's right of withdrawal arises only in a representative capacity; or (b) any other restrictions are imposed by State or Federal law.

22. 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 pay out 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. In lieu of expenses other than attorneys' fees, we may charge a Legal Process Fee as set forth in our Business Fee Schedule. Any legal process against your account is subject to our lien and security interest.

23. Taxpayer Identification Number 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.

24. Special Account Instructions: You may request that we facilitate certain business 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 business 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 other protection. Account changes requested by you, such as adding or closing an account or service, must be evidenced by a signed account change form and accepted by us.

25. Termination of Account(s) and Service(s): We, in our sole discretion, may terminate, limit or restrict, as we in our sole discretion deem appropriate, any of your Account(s) or service(s), including but not limited to loan services and electronic services, or place a freeze on any sums on deposit with us at any time without notice or require you to close your Account(s)/service(s). We may also require you to apply for a new Account(s)/service(s) if: (1) there is a request to change the owners or authorized users; (2) there is a fraud/forgery or unauthorized use committed or reported; (3) there is a dispute as to ownership of any Account or sum on deposit; (4) there are any share drafts that are lost or stolen; (5) there are returned unpaid items-transactions not covered by an overdraft protection plan with us or any abuse of any such plan per our assessment thereof; (6) there is any misrepresentation regarding any Account(s) or service(s) or any other abuse of any of your Accounts(s) or service(s); (7) the Credit Union incurs any loss or believes it may incur any loss relating to any loan(s), Account(s) or service(s) you have with us; (8) if we believe you have been negligent in protecting any access devices or codes; (9) we deem it necessary to protect the Credit Union from any risks or losses, or otherwise deem it to be in the best interests of the Credit Union, our members or our employees; (10) you breach any promise under this Agreement or any other agreements with us including but not limited to any default or other delinquency with regard to any loan or other agreements; (11) if bankruptcy or any other insolvency proceeding is filed by or against you, or if we otherwise deem you to be insolvent or incapable of meeting your obligations to us; (12) you refuse or fail to cooperate as provided in this Agreement; or (13) you violate any Credit Union policy, procedure or standard or any law, regulation or rule. We, on our own accord, may place a stop payment on any share draft, item or transaction if we are notified or otherwise reasonably believe that any of the foregoing circumstances have occurred. If you do not accept any deposit or part of a deposit that we attempt to return after termination, then such deposit will no longer earn dividends/interest. You may terminate an individual Account by notifying us in writing. We have the right to require the written consent of all owners to terminate a joint Account. We are not responsible for any draft, withdrawal, item or transaction after your Account is terminated. However, if we pay any item after termination, you agree to reimburse us.

26. Our Right to Place a Hold on Your Account(s): If at any time we believe that your Account may be subject to irregular, unauthorized, fraudulent or illegal activity, we may, at our discretion, freeze the funds in the Account and in other Accounts you maintain with us, without any liability to you, until such time as we are able to complete our investigation of the Account and transactions. If we do freeze your Account funds, we will provide notice to you as soon as reasonably possible. Notice may be made by mail or verbally or provided by other means, such as online banking or text alerts as permitted by law. We may not provide this notice to you prior to freezing the Account if we believe that such notice could result in a security risk to us or to the owner of the funds in the Account.

27. 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.

28. Governing Law: This Agreement shall be governed by the laws, including applicable principles of contract law, and regulations of the State of Michigan, except as superseded by federal laws and regulations. This Agreement shall also be subject to the Credit Union's Bylaws and local clearinghouse rules. Unless prohibited by applicable law, and except as otherwise provided in the Resolution of Disputes by Arbitration provision below, any action brought pursuant to this Agreement against the Credit Union must be brought in the local State District Court or State Circuit Court with jurisdiction over the location of the Credit Union's principal place of business.

29. Permitted Time for Filing a Lawsuit or Arbitration. You must file any lawsuit or arbitration against us within one year after the cause of action arises, unless federal or state law or an applicable agreement provides for a shorter time. This limit is in addition to limits on notice as a condition of making a claim.

30. Binding Arbitration and Class Action Waiver – Resolution of Disputes by Arbitration. THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

a. Agreement to Arbitrate Disputes. Either you or we may elect, without the other's consent, to require that any dispute between us concerning your membership, your deposit accounts ("Accounts") and the services related to your membership and Accounts, including but not limited to all disputes that you may raise against us, must be resolved by binding arbitration, except for those disputes specifically excluded below.

b. No Class Action or Joinder of Parties. YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY general ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

c. Disputes Covered by Arbitration. YOU ACKNOWLEDGE THAT IN ARBITRATION THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis.

Disputes also include claims relating to the enforceability or interpretation of any of these arbitration provisions. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced.

All disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek. Disputes include any unresolved claims concerning any services relating to your Accounts. Disputes include not only claims made directly by you, but also made by anyone connected with You or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its affiliates, successors, assignees, officers, directors, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If party initiates a proceeding in court regarding a claim or dispute which is included under this Resolution of Disputes by Arbitration provision, the other party may elect to proceed in arbitration pursuant to this Resolution of Disputes by Arbitration provision.

d. Disputes Excluded from Arbitration. Disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this Resolution of Disputes by Arbitration provision. Our Claims or disputes against you arising from your status as a borrower under any loan agreement with the Credit Union or to collect any funds you may owe us are also excluded from this Resolution of Disputes by Arbitration provision.

e. Commencing an Arbitration. The arbitration must be filed with one of the following neutral arbitration forums and follow its rules and procedures for initiating and pursuing an arbitration: American Arbitration Association or JAMS. If you initiate the arbitration, you must notify us in writing at:

Michigan Schools and Government Credit Union
Attention: Records Department
40400 Garfield Road, Clinton Township, MI 48038

If we initiate the arbitration, we will notify you in writing at your last known address on file. You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting these arbitration forums:

American Arbitration Association
1-800-778-7879 (toll-free)
www.adr.org

JAMS
1-800-352-5267 (toll-free)
www.jamsadr.com

The arbitration shall be conducted in the same city as the U.S. District Court closest to your home address, unless the parties agree to a different location in writing.

f. Administration of Arbitration. The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten years of experience or a retired or former judge selected in accordance with the rules of the arbitration forum. The arbitrator shall follow procedures and rules of the arbitration forum in effect on the date the arbitration is filed unless those rules and procedures are inconsistent with this arbitration provision, in which case this arbitration provision will prevail. Those provisions and rules may limit the discovery available to you or us. The arbitrator will take reasonable steps to protect customer account information and other confidential information if requested to do so by you or by us. The arbitrator shall decide the dispute in accordance with applicable substantive law consistent with the Federal Arbitration Act and applicable statutes of limitations, will honor claims of privilege recognized at law, and will be empowered to award any damages or other relief provided for under applicable law. The arbitrator will not have the power to award relief to, or against, any person who is not a party to the arbitration. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision rendered by the arbitrator shall be in writing. At your or our request, the Arbitrator shall issue a written, reasoned decision following applicable law and relief granted must be relief that could be granted by the court under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

g. Costs. The party initiating the arbitration shall pay the initial filing fee. If you file the arbitration and an award is rendered in your favor, we will reimburse you for your filing fee. If there is a hearing, we will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, we will advance or reimburse filing and other fees if the arbitrator rules that you cannot afford to pay them or finds other good cause for requiring us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

h. Right to Resort to Provisional Remedies Preserved. Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies, except in an action by us against you that has been initiated by Us to collect funds that you may owe to us.

i. Arbitration Award. The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. The appeal must request a new arbitration before a panel of three neutral arbitrators selected in accordance with the rules of the same arbitration forum. The panel will consider all factual and legal issues anew, follow the same rules that apply to a proceeding using a single arbitrator, and make decisions based on the vote of the majority. Costs will be allocated in the same manner as allocated before a single arbitrator. An award by a panel is final and binding on the parties after fifteen days of notice of the award or pursuant to the rules of the arbitration forum, whichever is later. A final and binding award is subject to judicial intervention or review only to the extent allowed under the Federal Arbitration Act or other applicable law. A party may seek to have a final and binding award entered as a judgment in any court having jurisdiction.

j. Governing Law. You and we agree that our relationship includes transactions involving interstate commerce and that these arbitration provisions are governed by, and enforceable under, the Federal Arbitration Act. To the extent state law is applicable, the laws of the State of Michigan shall apply.

k. Severability, Survival. These arbitration provisions shall survive (a) termination or changes to your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Resolution of Disputes by Arbitration provision is deemed invalid or unenforceable, the remainder of this Resolution of Disputes by Arbitration provision shall remain in force. No portion of this Resolution of Disputes by Arbitration provision may be amended, severed, or waived absent a written agreement between you and us.

l. Applicability. Arbitration will not apply to your Account if you are an active-duty Service Member.

m. Right to Reject this Resolution of Disputes by Arbitration provision. YOU MAY CHOOSE TO REJECT THIS RESOLUTION OF DISPUTES BY ARBITRATION PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:

Agreement to the Resolution of Disputes by Arbitration provision:

1. If you agree to be bound by the above Resolution of Disputes by Arbitration provision, then no action is needed on your part.
2. If you take no action, then effective immediately your Accounts will be bound by this Resolution of Disputes by Arbitration provision.

Rejection of the Resolution of Disputes by Arbitration provision:

1. If you do not agree to be bound by this Resolution of Disputes by Arbitration provision, you must send us written notice that you reject the Resolution of Disputes by Arbitration provision within 30 days of receiving this notice, including the following information:
 - a. Your written notice must include: your name, as listed on your account, your account number, and a statement that you reject the Resolution of Disputes by Arbitration provision, and;
 - b. You must send your written notice to us at the following address:
Michigan Schools and Government Credit Union
Attention: Records Department
40400 Garfield Road, Clinton Township, MI 48038

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”).

If you have applied (by indicating as such on the Business or Other Entity Membership Card or otherwise) to receive an ATM Card, a VISA Debit Card, or other electronic fund transfer services, you hereby request that the Credit Union provide you with electronic fund transfer services that are authorized by the individuals you have designated as authorized users on the accounts established by and for your business entity at the Credit Union, and the following provisions apply.

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 SERVICE

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

- Essential Community Checking
- Business Essential Checking
- Business Essential Checking Plus
- MSGCU Business Share
- Business Essential Savings
- Business Essential Savings Plus

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.

Automated Teller Machine (ATM) Transactions: If you have a 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 account.
- Transfer of funds between any of the aforementioned accounts.
- Cash withdrawals from any 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 Business Fee Schedule. If there are not sufficient available funds in your account(s) to pay an EFT from the account, we will charge our normal service charge according to our current Business 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 Business Checking Account to be debited for the amount of the purchase. Only Business Checking 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 available funds between your accounts, transfer available funds from your account to another person’s account, transfer available funds 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 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 applicable Business Checking 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:

Department of Insurance and Financial Services
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 immediately 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 (866) 674-2848

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 Business 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.

Error Resolution: If you notify us orally or in writing, within 60 days after receipt of a statement, that an electronic fund transfer error affecting your account(s) has occurred, we will investigate the alleged error and report the results of the investigation to you within 10 business days. We will have no duty to investigate any such error unless you notify us by calling us at 586.263.8800 or by writing to us at:

Michigan Schools and Government Credit Union
Attention: Records Department
40400 Garfield Road, Clinton Township, MI 48038

during business hours, nor, in the event you provide us with oral notification, will we be required to investigate any such error unless you provide us with written notification of that alleged error within 14 calendar days following oral notification on a form we will provide to you for that purpose.

Our report to you shall do either of the following:

1. Provisionally correct the amount in question and provide you with written notification of the correction and, if the correction is not in the exact amount of the alleged error, provide you with a written explanation of any difference between the alleged error and correction made. In the event we make a provisional correction to your account, we may charge back the corrected amount to your account 15 days after providing notification and an explanation of the charge-back to you. A provisional correction shall become final not later than 60 days after the day it is made. A provisional correction shall be accompanied by a notice explaining to you that the amount of the correction may be charged back to your account within 60 days.
2. Provide you with a written explanation, stating the reason we believe the statement is correct.

For purposes of this section, an electronic fund transfer error consists of:

1. An unauthorized electronic fund transfer;
2. An incorrect electronic fund transfer from or to your deposit account; or
3. The omission of an electronic fund transfer affecting your account.

An error does not include any electronic fund transfer made by a person who was furnished an access device or who was otherwise authorized to make electronic fund transfers, unless you notified us that transfers by that person were no longer authorized, nor does an error include any electronic fund transfer made with fraudulent intent by you or any person acting in concert with you. In addition, an error does not include a transfer of funds, though electronic in nature, that is excluded from the definition of “electronic fund transfer” (see “Excluded Transactions” above).

When we receive a notice under subsection (1), we will not place a hold on the funds in the account which are in excess of the amount in dispute. If we close the account in which the disputed funds are held, we will provide the report to the customer required by subsection (3). This section shall not be construed or interpreted to prohibit us from placing a hold on any account as permitted by law or contract.

If the correction of an error relating to an electronic fund transaction in an account of yours results in a credit to the account, we will additionally credit the account with dividends or interest which would have been due to you if there had not been an error.

Your Liability: You shall not be liable for an unauthorized use of your account through an electronic fund transfer unless we can prove, without benefit of inference or presumption, that your negligence substantially contributed to the unauthorized use and that we exercised reasonable care to prevent the loss. As used in this section your negligence means only the following:

1. Writing the PIN on the card or other means of affording access;
2. Keeping the PIN with the card or other means of affording access;
3. Voluntarily permitting the account accessing device, including the PIN and the card, to come into the possession of a person who makes or causes to be made an unauthorized use.

If you fail to notify us of an unauthorized use within 30 days after the receipt of a statement containing an unauthorized use, you shall be liable for any subsequent unauthorized use that could have been prevented by timely notification.

You shall not be liable for further unauthorized use of your account by electronic fund transfer after you have reported that the means of access to the account has been lost or that the security of the PIN has been violated or otherwise compromised.

Other Terms and Conditions

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 Business Checking Account 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 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. Please refer to the “Your Liability for Overdrafts” section of your Membership and Account Agreement for additional important information concerning overdrafts.

Notice of Loss or Theft: If you believe your Card has been lost or stolen or that someone has transferred or may transfer available funds 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

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.”

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 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, or.
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 sufficient available funds 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.

WIRE TRANSFER NOTIFICATION (UNIFORM COMMERCIAL CODE ARTICLE 4A)

The following rules shall apply to all wire transfers services provided by the Credit Union.

The Credit Union may accept, on your behalf, payments to your account that have been submitted by Fedwire. Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Subpart B—Funds Transfers Through Fedwire. These regulations and state law are applicable to funds transfers involving your account.

If you give us a payment order that identifies a beneficiary (the person to whom you are wiring funds) by name and account or some other identifying number (such as a Social Security, Taxpayer I.D., or Driver’s License Number), we may pay the beneficiary on the basis of the number provided to us by you and consider that number to be proper identification. This will be true even if the number you provided to us identifies a person different from the named beneficiary, unless otherwise provided by law or regulation.

If you give us a payment order that identifies the beneficiary’s financial institution in the funds transfer by name and Routing and Transit (“R/T”) or other identifying number, we, as well as the receiving financial institution, may rely on the number provided to us by you as the proper identification. This will be true even if the number provided identifies a financial institution that is different from the named financial institution, unless otherwise provided by law or regulation. Therefore, it is in your best interest to contact the receiving institution to acquire the appropriate wire transfer instructions so that you may feel confident that your funds will arrive safely. You, the member, are ultimately responsible for providing accurate information regarding funds transfers and are consequently liable for any losses or expenses should an error occur.

You may not be provided with separate notification each time we receive a wire transfer into your account. We will provide you with notification of an incoming wire transfer as part of your periodic statement. In the event we accept payments to your account through one or more Automated Clearing Houses (“ACH”), the operating rules of the National Automated Clearing House Association (“NACHA”) will be applicable to ACH transactions involving your account. These rules do not require that we provide you with next day notice of receipt of an ACH item. Therefore, we will provide you with notification of the receipt of these items as part of your periodic statement.

In addition, if we are ever obligated to pay interest on the amount of a transfer, you will be paid interest on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorney’s fees, unless otherwise provided by law or regulation.

We may accept, on your behalf, payments to your account which have been transmitted through one or more Automated Clearing Houses and that are not subject to the Electronic Funds Transfer Act (“Regulation E”). Your rights and obligations with respect to such payments shall be governed and construed in accordance with the applicable Federal Reserve Bank Operating Circular. Whenever an ACH is used as part of a transaction, its rules will govern that part of the transaction. Where none of the above stated rules apply, the transactions contemplated by this agreement shall be governed by the laws of the State of Michigan, including Article 4A of the Michigan Uniform Commercial

Code.

Credit given by us to you with respect to an ACH entry is provisional until we receive final settlement for the credit entry through a Federal Reserve Bank. If we do not receive final settlement, you are hereby notified that we are entitled to a refund of the amount credited to you in connection with the credit entry. Moreover, you are hereby notified that the party making payment to you (originator) shall not be deemed to have paid you the amount of the credit entry.

The Credit Union will not be liable for failure to make a wire transfer if the failure is caused by legal constraint, interruption or failure of transmission and/or communications facilities, war, emergency, labor dispute, acts of nature, or other circumstances beyond the control of the Credit Union.

The Credit Union will charge a fee prior to completing a wire transfer. The amount of the fee is subject to change by the Credit Union; the fee for any given transfer will be provided to you prior to you authorizing the transfer and the Credit Union accepting the authorization.

The Credit Union may amend the terms of this Agreement by giving notice to you. However, no such amendment shall change the security procedures (other than to add additional requirements) without your consent. You may be requested to execute a new version of this Agreement reflecting the changes involved prior to the Credit Union accepting a future request for a wire transfer.