



**United Methodist
FEDERAL CREDIT UNION**

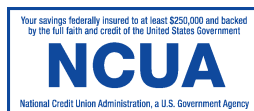
Lighting the way to financial stewardship

P. O. Box 60651
Montclair, California 91763
(909) 946-4096 • (800) 245-0433

TRUTH-IN-SAVINGS Disclosure Agreement

PLEASE KEEP THIS
BROCHURE FOR
YOUR RECORDS

Effective January 1, 2012



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deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available by the ninth business day after the day of your deposit.

OTHER METHODS OF HOLDS ON FUNDS

Holds on Other Funds (Check Cashing):

If we cash a check for you that is drawn on another 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, in accordance to our Disclosure of Delayed availability of Deposited Funds.

Holds on Other Funds (Other Account):

If we accept for deposit a check that is drawn on another 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.

Automated Teller Machine Deposits (Extended Hold):

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 business day after the day of your deposit. This rule does not apply at ATM's that we own or operate. ATM's that we own or operate follow the standard delayed availability of deposit funds policy.

All ATMs that we own or operate are identified as our machines.

the signature card or share certificate are the genuine signature(s) of said authorized person(s); and that your authority shall continue in force until written notice to the contrary is received by us.

2. You understand that you are pledging any or all of the shares on deposit in the Account as collateral security for any loan or loans subject to then current loan policies.
3. If a Share Draft Account is opened with us, you agree that the Account shall be governed by the terms of this Account Agreement as well as the terms of the Checking Account Agreement.

DISCLOSURE OF DELAYED AVAILABILITY OF DEPOSITED FUNDS

Our policy is to make funds from your cash and check deposits available to you on the first business day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks you have written.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and Federal Holidays. If you make a deposit on a business day that we are open, Monday through Friday 8:00 a.m. to 5:00 p.m. we will consider that day to be the day of your deposit. However, if you make a deposit on a non-business day or on a day we are not open, we will consider the deposit to be made on the next business day we are open.

LONGER DELAYS MAY APPLY

In some cases, we will not make all of the funds you deposit by check available to you on the first business day of your deposit. Depending on the type of check you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, may be available on the first business day.

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

If you need the funds from a deposit right away, you should ask us when the funds will be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- * We believe a check you deposit will not be paid.
- * You deposit checks totaling more than \$5,000 on any one day.
- * You re-deposit a check that has been returned unpaid.
- * You have overdrawn your Account three or more times in a six month period.
- * 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.

SPECIAL RULES FOR NEW ACCOUNTS

If you are a new member, the following special rules will apply during the first 30 days your Account is open.

Funds from electronic direct deposits to your Account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's and federal, state, and local government checks will be available on the first business day of your deposit if the

In the following agreement(s), the words "You", "Your", and "Yours" mean each and all of those (whether one or more persons) who are subject to the agreement(s) as a result of signing a Membership Invitation / Signature Card. The words "We", "Us", and "Our" mean UNITED METHODIST FEDERAL CREDIT UNION.

This disclosure is presented for your information and is accurate as of the date shown on the cover. Furthermore, the Credit Union's Fee Schedule is incorporated herein by reference. We have the right to change its terms and conditions or amend this disclosure from time to time. You will receive 30 days' advance notice of changes where required by law. You may always obtain more information by calling the Credit Union at (909) 946-4096.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also make a copy of your driver's license or other identifying document.

SECTION ONE

TRUTH-IN-SAVINGS DISCLOSURE GENERAL INFORMATION

ACCRUAL OF DIVIDENDS ON NON-CASH ITEMS: Dividends begin to accrue on the business day you deposit non-cash items (e.g., checks) to your Account if deposited before the close of business, (5 p.m. Monday - Friday, except holidays).

NATURE OF DIVIDENDS: Dividends are paid from current income and available earnings after required transfers to reserves at the end of a dividend period.

BALANCE INFORMATION: For all Accounts at United Methodist Federal Credit Union, we compute the balance to determine the dividends you will be paid by using the daily balance method which applies a daily periodic interest rate to the balance in your Account at the close of business, each day.

BYLAW REQUIREMENTS: If a member fails to complete payment of one share within six (6) months of his/her admission to membership, or reduces his/her share balance below the par value of one share (\$25) and does not increase the balance to at least the par value of one share within six (6) months of the reduction, his or her shareholdings may be absorbed by late charges upon authorization of the board.

Shares may be transferred only from one member to another, by written instrument in such form as the Credit Union may prescribe. The Credit Union reserves the right, at any time, to require members to give, in writing, not less than seven (7) nor more than 60 days' notice of intention to withdraw the whole or any part of their shares.

No member may withdraw shareholdings that are pledged as required for security on loans without the written approval of a loan officer, except to the extent that such shares exceed the member's total primary and contingent liability to the Credit Union. No member may withdraw any shareholdings below the amount of his/her primary or contingent liability to the Credit Union if he/she is delinquent as a borrower, or if borrowers for whom he/she is co-maker, endorser, or guarantor are delinquent, without the written approval of a loan officer.

The maximum amount of shares which may be held by any one member shall be established from time to time by the board.

PAR VALUE: The par value of a share in the United Methodist Federal Credit Union is \$25.

REQUIREMENT TO MAINTAIN A REGULAR SHARE ACCOUNT: You must open a Regular Share Account and maintain an average daily balance of \$25 in the Regular Share Account, to open any subsequent

accounts. You must maintain a balance of \$25 in your Regular Share Account to avoid closure of that account and any subsequent accounts.

TERMS AND CONDITIONS APPLICABLE TO ALL ACCOUNTS

1. You must be a member in good standing to maintain any account.
2. All Accounts (except Share Draft Accounts) are not transferable except on the records of UNITED METHODIST FEDERAL CREDIT UNION.
3. We may endorse checks for you which we receive for deposit.
4. All non-cash payments received for credit to any account are credited subject to final payment. Your right to withdraw funds represented by certain checks or other items you deposit may be delayed for several days. You will be notified if your right to withdraw will be delayed. Please refer to the Credit Union's Disclosure of Delayed Availability of Deposited Funds for further details.
5. All account statements will be sent only to your address of record. You shall exercise reasonable care and promptness in reconciling your statement, but in all cases within the applicable time limits set forth in the Uniform Commercial Code or you are precluded from any objection against us. Keep the Credit Union informed of your current address to ensure current mailing of statements.
6. We may pay out funds or transact business pertaining to any account with the signature of any one (1) of the account owners or the signature of any designated agent. If we receive written notice from an owner that withdrawals in accordance with the terms of the account should not be permitted, we may refuse, without liability, to pay any sums on deposit pending a determination of the rights of the owners. Further, if there is more than one owner and there is a conflict between owners, we may require the signatures of all owners.
7. You or we may terminate your account at any time. You understand, however, that your authority to us may not be changed or terminated except by written notice to us which will not affect prior transactions. You understand that it is our policy that so long as you have an outstanding loan balance, you may not close out your share account with us.
8. You understand that Individual, Joint, Trust, and Pay-on-Death accounts are subject to the Multiple Party Accounts Law, Division 5 of the California Probate Code, as now in effect or hereafter amended.
9. We are not responsible for items lost while not in our possession.
10. California law states that inactive balances must be turned over to the State (escheated) after a period of 3 years if you have not:
 - A. Increased or decreased the amount of any of your account(s) with us or presented an appropriate record of crediting dividends or cashed a dividend check from any of your accounts with us; or
 - B. Corresponded in writing or electronically with us concerning any of your accounts with us; or
 - C. Otherwise indicated an interest in any of your accounts with us as evidenced by a memorandum on file with us.To recover funds turned over to the state, you must file a claim with the state.
11. You agree that by signing any account Membership Invitation, IRA Agreement or Share Certificate, you are also subject to the terms and conditions of the form of account (as described below and as stated on the Membership Invitation) which you have selected. The terms and conditions stated on the account Membership Invitation, Share Certificate, or any IRA Agreement you sign are fully incorporated by reference herein.

TERMS AND CONDITIONS APPLICABLE TO ALL CUSTODIAL ACCOUNTS UNDER UTMA

1. The transferor/custodian is opening an Account as custodian for the minor named on the signature card or share certificate under the Uniform Transfers to Minors Act (UTMA). The transfer of money, including dividends and any future deposits on transfers, to the minor named on the signature card or share certificate, is irrevocable and is made in accordance with and to include all provisions of the said statute of the State of California now in effect or hereinafter amended.
2. You acknowledge that by signing the signature card or share certificate, you have received the funds deposited to the Account as custodian for the minor named herein under the Uniform Transfers to Minors Act.
3. The successor custodian named in the signature card or share certificate shall serve if you should be unable to act as custodian because you resign, die, or become legally incapacitated.

TERMS AND CONDITIONS APPLICABLE TO ALL FIDUCIARY ACCOUNTS

1. You are duly appointed and acting in the capacity of Executor / Executrix, Administrator / Administratrix, Guardian or Conservator. By the authority vested in you, you are, acting individually or jointly, authorized and empowered to transact any and all business on the applicable account(s).
2. You may pledge any or all shares on deposit in the Account as collateral security to any loan(s) subject to then current loan policies.
3. If a Share Draft Account is opened with us, you agree that the Account shall be governed by the terms of this Account Agreement as well as the terms of the Checking Agreement.
4. If the Account is blocked, you understand that you shall file with the Court a written receipt including the agreement with the Credit Union that the money in the Account, including any earnings thereon, shall not be withdrawn except upon court order.

TERMS AND CONDITIONS APPLICABLE TO ALL SOLE PROPRIETORSHIP ACCOUNTS

1. You affirm that you are the sole proprietor of the sole proprietorship named on the signature card or share certificate. We may accept and/or endorse checks made payable to you or the sole proprietorship named on the signature card or share certificate which we receive for deposit. Funds received are subject to the Credit Union's policy on Delayed Availability of Deposited Funds.
2. You understand that you are pledging any or all of the shares on deposit in the Account as collateral security for any loan or loans subject to then current loan policies.
3. If a Share Draft Account is opened with us, you agree that the Account shall be governed by the terms of this Account Agreement as well as the terms of the Checking Account Agreement.

TERMS AND CONDITIONS APPLICABLE TO ALL CORPORATE, PARTNERSHIP AND UNINCORPORATED ASSOCIATION ACCOUNTS

1. The persons named on the signature card or share certificate duly authorized to make certification, certify that at a regularly held meeting the person(s) named were elected or appointed officers of said corporation or organization or are duly acting partners of said partnership, and that by virtue of the authority vested in you by the constitution, bylaws or otherwise, any one (1) of the signatures, as named on the signature card or share certificate, is authorized and empowered to transact business of any character whatsoever in connection with the Account. You certify that the signature(s) appearing on

- c. if a withdrawal reduces the balance below the required minimum, the account shall be closed and a loss of dividends as in a or b above, whichever is less, will be assessed on the entire amount in the account.

If the qualifying period is more than one year, the member shall forfeit an amount equal to:

- a. all dividends for 180 days on the amount withdrawn, or
- b. all dividends on the amount withdrawn since the date of issuance or renewal, whichever is less with a minimum equal to 7 days dividends, or
- c. if a withdrawal reduces the balance below the required minimum, the account shall be closed and a loss of dividends as in a or b above, whichever is less, will be assessed on the entire amount in the account.

EXCEPTIONS TO PENALTIES: The penalties stated above will not apply if:

1. The withdrawal is made subsequent to the death of any owner of the Share Account or the Share Certificate Account, or is made pursuant to the Credit Union's bylaws.
2. The Share Certificate Account is part of a pension plan which qualifies or is qualified to specific tax treatment under Section 401 (d) or 408 of the Internal Revenue Code and withdrawal is made to effect distribution of the funds evidenced by such account following the participant's death or disability or upon attaining not less than 70 1/2 years of age, or
3. Such withdrawal is made as a result of the voluntary or involuntary liquidation of the Credit Union issuing the account.

TERMS AND CONDITIONS APPLICABLE TO ALL INDIVIDUAL AND JOINT ACCOUNTS

1. If there is more than one owner, all agree with each other and with us that all sums now paid in on shares or hereafter paid in on shares by any one or all Account owner(s) including all dividends thereon, if any, are and shall be owned by all Account owner(s) jointly and equally regardless of their net contributions with a right of survivorship and regardless of their net contributions shall be subject to withdrawal or receipt by any of the Account owner(s) or the survivor(s) of any of the Account owner(s). Any such payment shall be valid and shall discharge the Credit Union from any liability.
2. We are not obligated to inquire as to the source of funds received for deposit to a joint Account or to inquire as to the proposed use of any sums withdrawn from the Account for the purpose of establishing net contributions.
3. No transfer of voting rights or other membership privileges is permitted by virtue of a transfer of shares.
4. You may pledge any or all of the shares on deposit in the Account (except IRAs) as collateral security to any loan(s) subject to current loan policies. Further, a pledge of shares by any owner shall be binding on all owners.

TERMS AND CONDITIONS APPLICABLE TO PAY-ON-DEATH (P.O.D) DESIGNATIONS

If you have made a pay-on-death (P.O.D) designation, all sums are payable on request to you during your lifetime and upon your death to your designated P.O.D. payee(s) or if the Account is jointly owned, to one or more Account owner(s), during their lives and on the death of all of them to one or more payees then surviving in equal and individual shares. As between P.O.D. payees, there is no right of survivorship.

12. Please refer to our Fee Schedule and Rate Schedule as they apply to all accounts. We shall debit such fees from any account you own (except an IRA Account), if there are insufficient funds available, the fees are payable on demand, and for Share Draft Accounts, will be treated as an overdraft.

13. Any payment made by us on your account in good faith and in reliance on the terms and conditions of this Truth-in-Savings Disclosure and Agreement and Membership Invitation shall be valid and discharge us from liability.

14. Ownership of the account will be established by the most recent Membership Invitation or other document(s) evidencing such accounts. A different form of ownership may be established by executing a new Membership Invitation.

15. Although we are not obligated to, we may pay or accept checks and other items bearing restrictions or notations (e.g., "Void after 6 months," "Void over \$50.00," "Payment in Full," and the like), whether on the front or back, in any form or format. If you cash or deposit an item or write a check with such notation, you agree that it applies only between you and the payee or maker. The notation will have no effect on us, and you agree to accept responsibility for payment of the item. You agree to indemnify and hold us harmless from any claim or alleged loss of any make or payee or the funds are otherwise deposited into an account in which you have an interest.

16. You agree that we will not be responsible to you for any damages you may incur in the event you deposit an item with us which is later returned unpaid by the paying bank and that return is "late" due to markings on the back of the check caused by a prior endorser.

17. If we are served with a restraining order, garnishment, writ of execution or attachment, tax levy or other legal process with which we must by law comply, we will, to the extent permitted by law, notify you accordingly.

18. If we receive a Writ of Attachment within the first hour we are open, we must reverse any checks deposited the night before if needed to achieve full balance.

19. **SPECIAL NOTICE REGARDING ENDORSEMENT STANDARDS:** The federal law dealing with funds availability requires the financial institution's endorsement area on the back of a check be kept clear or unobstructed.

This rule is designed to prevent unnecessary delays in processing your deposits as well as to promote speedier returns of dishonored checks. Only the 1-1/2 inch space from the "trailing edge" (the left edge of the backside of the check when it is facing you) can be used by you for endorsements or any other markings.

We will not be responsible for any damages incurred in the event you deposit an item which is subsequently returned unpaid by the paying bank and that return is "late" due to markings on the check caused by you or a prior endorser on the back of the check.

In the event that you draw any check on your Account(s) with us, you are responsible for any delay or misrouting of the check caused by markings placed on the check by you that obscure any depository endorsements placed by us or our agent and you agree to hold us harmless and indemnify us from any liability due to such delay or misrouting.

20. You authorize us to gather whatever credit, Share Draft Account and employment information we consider appropriate from time to time. You understand that this will assist us in determining your initial and ongoing eligibility for an Account. You authorize us to give information concerning our experience with you to others.

21. In the event that a negative balance is created in any of your Share or Share Draft Accounts (whether due to ATM activity, nonsufficient funds activity, Credit Union imposed fees and charges, or otherwise) you understand and agree that we may transfer funds to such Account from any other Share, Share Draft Account or Line of Credit

Account (excluding IRA Accounts), including Account(s) upon which you are a joint owner, in an amount equal to the negative Account balance.

22. You must be a member in good standing to maintain any savings, checking and/or loan Accounts. We may report information about your Account to credit bureaus. Late payments, missed payments, negative balances, or other defaults on your Account may be reflected in your credit report.
23. In the event that a money order, cashier's, teller's, or certified check is lost or stolen, you must execute and deliver to us a written Stop Payment Request and Indemnification Agreement and/or affidavit in a form acceptable to us and in time for us to have a reasonable time to act thereon. You further understand and agree that the Stop Payment Request and Indemnification Agreement is not enforceable until the later of: (1) the time the Stop Payment Request and Indemnification Agreement is properly delivered to us, or (2) the 90th day following the date of the cashier's or teller's check, or the 90th day following the date of the attempting to, or stopping payment on such check. You agree to indemnify us for any loss or claim occasioned by our attempting to, or making, your stop payment.
24. An action or proceeding by you to enforce an obligation, duty or right arising under this Agreement or by law with respect to your Account must be commenced within one year after the cause of action occurs.
25. Collection Items: Some items, such as items subject to processing delays (e.g., insurance drafts, returned substitute checks and foreign items), cannot be credited to your Account until we receive the funds. On such items, we will tell you this and give you an estimate of the time it will take to receive the funds. When funds are received, we will notify you and immediately credit your Account for that amount minus any service charge levied by a third party. Refer to our current Fee Schedule.
26. If you voluntarily give information about your Account?(such as your routing number and your Account number) to a party who is seeking to sell you goods or services, and you don't physically deliver a check to the party, any debit to your Account initiated by the party to whom you give the information is deemed authorized.
27. LOST ITEMS FOR DEPOSIT OR ENCASHMENT: We act only as your collection agent when receiving items for deposit or encashment. You should be aware that we reserve the right to reverse the credit for any deposited item or charge your Account for cashed items should they become lost while in the process of collection. If we do not reverse a credit, you agree to assist us in collecting the amount of any lost items by providing us with such information and other assistance as we request. We may charge your Account when a photocopy of a check you have written is presented to us for payment in place of a lost original, unless a stop payment order is in effect for the check.
28. Account Services for Minors: The Credit Union may, from time to time, elect to offer and/or provide minors with access to their Credit Union funds via Share Draft Accounts and/or ATM Cards. In such cases, the Credit Union recognizes that minors cannot be legally bound by the wording in the related contractual Account agreements. An adult joint owner may be required and will be the responsible party for the Account.
29. TERMINATION / RESTRICTION ON ACCOUNTS: Consistent with the Credit Union's bylaws, your Account or other relationship with us may be terminated by you or by us at any time and without previous notice. Closure of an Account will not affect your obligation to pay any outstanding balances or charges owed. We may terminate the Account by mailing you a notice (prior to or immediately after closing the Account) and/or a check for the Account balance. Thereafter, the funds will stop earning interest (even if the check is returned or remains un-cashed for any reason).

Your Account(s) may also be terminated or closed by us at any time, without prior notification, if it has a zero balance, for a period greater

made by check, draft or similar order payable to a third party. If you exceed, or attempt to exceed, these transfer limits, the excess transfer requests may be refused or reversed. The excessive transfer fee listed on the Rate Schedule will be imposed on the excess transfer request, and the Credit Union may reclassify or close your account.

YOUR CHRISTMAS CLUB ACCOUNT

TRANSACTION LIMITATIONS: Our Christmas Club Account may be opened at any time. Two withdrawals may be made prior to October 15. If more than 2 withdrawals are necessary, the full balance must be withdrawn and the account closed.

YOUR IRA SHARE ACCOUNT

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum deposit required to open an IRA Share Account is disclosed on the enclosed Rate Schedule. If ACH electronic fund transfers or rollover deposits are to be made, there is no minimum deposit requirement.

INCORPORATION OF IRA AGREEMENT AND DISCLOSURES: All other terms and disclosures for our Individual Retirement Accounts are contained in the Credit Union's Individual Retirement Account Agreement and Disclosure Statement, which by this reference is incorporated into this account disclosure in its entirety. When you open your Individual Retirement Account, the Credit Union Agreement and Disclosure Statement will be provided to you.

YOUR SHARE CERTIFICATE ACCOUNTS

United Methodist Federal Credit Union's Share Certificate Accounts let you deposit your money for a specified period of time. Our Share Certificate Accounts are Term Certificates and IRA Certificates.

ANNUAL PERCENTAGE YIELD: The Annual Percentage Yield is based on an assumption that dividends will remain on deposit until maturity. If you make a withdrawal from your account, your earnings will be reduced.

MATURITY: Your account will mature as reflected on the Rate Schedule. The maturity date will be stated on the certificate provided to you at the time of opening your account.

RATE INFORMATION: Our Share Certificate Accounts are designated fixed rate accounts on the Rate Schedule. You will be paid this rate and yield until maturity.

DIVIDEND COMPOUNDING AND CREDITING: Dividends will be compounded quarterly and will be credited quarterly. If you close your account before dividends are credited, you will not receive accrued dividends.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum deposit required to open a Share Certificate Account is indicated on the Rate Schedule. You must maintain the minimum average daily balance to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure.

RENEWAL OF ACCOUNT/GRACE PERIOD: Your account will automatically renew at maturity for the same time period as the original term unless you withdraw all of the funds in your account at maturity or within a grace period of 7 days after maturity.

ACCOUNT LIMITATIONS: See early withdrawal penalties. You may make withdrawals of dividends from your account at any time.

EARLY WITHDRAWAL PENALTY: We may impose a penalty if you withdraw principal from your account before the maturity date. The penalty imposed shall be as follows:

If the qualifying period is one year or less, the member shall forfeit an amount equal to:

- a. all dividends for 90 days on the amount withdrawn, or
- b. all dividends on the amount withdrawn since the date of issuance or renewal, whichever is less with a minimum equal to 7 days dividends, or

returned items deposited into the Account, and for other services in accordance with our Fee Schedule.

8. All requests that payment of a check be stopped must be provided to us in such form as we may establish and as required under the California Uniform Commercial Code. A fee in an amount established by us may be charged for each stop payment request.
9. A photocopy of a paid check is available for seven (7) years from the date the check was paid by us. A fee may be charged as provided in our Fee Schedule. The first two copies from each statement period are free.
10. You agree and authorize us that when paid, checks become the property of the Credit Union and will not be returned with the periodic statement of this Account or otherwise.
11. **RATE INFORMATION:** The initial dividend rate and annual percentage yield ("APY") on your Share Draft Account is stated on the Rate Sheet accompanying this Disclosure.

Your Share Draft Account is a variable rate Account. The dividend rate and APY may change at any time at the Credit Union's discretion.

12. **DIVIDEND COMPOUNDING AND CREDITING:** Dividends will be compounded monthly and will be credited monthly.

The dividend period for your Share Draft Account is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date coincides with the ending date of a dividend period and, in the above example, is January 31st.

If you close your Share Draft Account before dividends are credited, you will not receive accrued dividends. You must maintain a minimum daily balance of \$400 in your Premium Share Draft Account each day to obtain the disclosed applicable APY. You must maintain a minimum daily balance of \$1.00 in your Golden Share Draft Account each day to obtain the disclosed applicable APY.

13. **MINIMUM BALANCE AND DEPOSIT REQUIREMENTS:** You should refer to the Rate Sheet accompanying this Disclosure for any minimum balance requirements applicable to your Share Draft Account. The minimum daily balance requirement means that if during any day in a month your Account balance falls below the required minimum daily balance, depending on the requirements of your Account, you will not earn dividends for that day and/or your account will be subject to the Monthly Service Fee shown on the Fee Schedule. The Average Daily Balance requirement means if the Average Daily Balance of your Share Draft Account for the month is below the required minimum, your Account will be subject to the Monthly Service Fee shown on the Fee Schedule accompanying this disclosure. The Fee Schedule states any minimum deposit requirements for opening a Checking Account.
14. **TRANSACTION LIMITATIONS:** No transaction limitations apply to this account.

YOUR MONEY MARKET ACCOUNT

United Methodist Federal Credit Union offers a Money Market Account that lets you earn money market rates while providing liquidity.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum deposit required for you to open your Money Market Account is disclosed on the enclosed Rate Schedule. You must maintain a minimum average daily balance as disclosed on the enclosed Rate Schedule to obtain the Annual Percentage Yield stated on the Rate Schedule and to avoid closure after 90 days. If the Account is closed, the funds will be transferred into the Regular Share Account.

TRANSACTION LIMITATIONS: No more than six preauthorized, automatic, or telephonic transfers may be made from your Money Market Account to another account at the Credit Union or to a third party in any calendar month, and no more than three of these six transfers may be

than three months. The Credit Union also reserves the right to close your Account without prior notification if: (1) there has been a forgery or fraud reported or committed involving your Account; (2) there is a dispute as to the ownership of the funds in the Account; (3) your Account checks are lost or stolen; (4) there are excessive returned unpaid items; or, (5) there has been any misrepresentation, deliberate manipulation or any abuse of your Account. Manipulation includes, but is not limited to, kiting and repeated patterns of transactions which have no apparent business reason other than to take advantage of Regulation "CC" hold periods and/or "interest float" to our detriment.

We reserve the right to suspend or deny all services, close your Account and, if appropriate restrict your access to Credit Union premises if you fail to conduct your business with the Credit Union in a civil and business-like way. Violence, or threats of violence, against Credit Union staff, volunteers or other Members will not be tolerated.

You may terminate any Account at any time by notifying us in writing at the Credit Union, or by informing us in person at the Credit Union, but such notice will not affect any prior transitions on any Account. The Credit Union is not responsible for payment of any check, withdrawal or other item once any Account is terminated; however, if the Credit Union pays any items after termination, or if any Account is terminated due to overdraft, you agree to reimburse the Credit Union for any payment or overdraft.

30. Address change requests must be in writing and may require authorization from the Primary Account Owner.
31. If a check or other item which we cash for you or which you deposit to your account is returned to us as unpaid for any reason, we may charge your account for the amount of the check or other item. This may include, among other circumstances, checks which were paid originally and later are returned to us accompanied by documentation indicating that the endorsement is forged or unauthorized or that the item has been altered in any way. We may charge your account for the amount without questioning the truth of such documentation. We may also charge back any amount of accrued or paid dividends related to the returned check.
32. **WITHDRAWALS, PRIOR WRITTEN NOTICE REQUIREMENT:** The Credit Union reserves the right to require prior written notice of intention to withdraw all or any part of Shares not to exceed the notice requirement as set forth in the Credit Union's bylaws.
33. **DISPUTES:** If there is a dispute about ownership or control of an Account, the Credit Union may place a hold on the Account and not release funds until the Credit Union receives either a court order or an instruction signed by all persons claiming an interest in the Account.
34. **NOTICE:** Notice to one owner shall constitute notice to all persons authorized to have access to the Account.
35. **ENFORCEMENT OF LIENS:** All funds in an Account remain subject to any and all liens, including but not limited to statutory liens and/or consensual liens, security interests, rights of set-off and charges, notwithstanding the source of the constitution.
36. **NOTIFICATION OF CHANGES:** The right or authority of the Credit Union under an Account Agreement shall not be changed or terminated by the Account Holder(s), except by written notice to the Credit Union, which written notice shall not affect transactions previously made. All parties to an Account Agreement shall keep the Credit Union informed of any change in their address(es).
37. **WAIVER OF CERTAIN RIGHTS:** The Credit Union reserves the right to waive the enforcement of any of the provisions of this Agreement with respect to any transaction or series of transactions. Any such waiver will not affect the right of the Credit Union to enforce any of its rights with respect to later transactions and is not sufficient to modify the terms and conditions of this Agreement.

38. **SECURITY INTEREST:** Each and every owner of this/these Account(s) shall be jointly and severally liable for any and all losses and damages to the Credit Union occasioned by any owner. Further, each and every owner pledges as collateral for any loss or damage suffered by the Credit Union all funds on deposit (except funds held in IRAs) with the Credit Union along with any other collateral pledged either currently or in the future for any loan, and if the owner's have or will have from the Credit Union. This pledge of collateral is meant to secure the payment of all debts and obligations each owner owes to the Credit Union either currently or in the future. However, this cross collateral provision does not apply to any loan secured by any owner's principle residence or any other real property that an owner now owns or may hereafter acquire. In the event any owner does not repay his/her debt, obligation or loss, all owners authorize the Credit Union to apply, without notice, any and all such shares or deposits to the debt, obligation or loss and/or obtain possession of the collateral, sell same pursuant to applicable law and apply the proceeds to the debt, obligation or loss.
39. **AMENDMENTS:** The Credit Union may change the terms and conditions of this Agreement from time to time by mailing written notice to your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least thirty (30) days prior notice of the change. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of ATM Cards, POS Cards or designated accounts.
40. **WAIVER OF RIGHTS:** The Credit Union can delay enforcing any of the provisions under this Agreement or the law any number of times without losing its right to enforce them at a later date.
41. **OTHER AGREEMENTS:** Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Credit Union.
42. **SEVERABILITY:** If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.
43. Federal law requires that we obtain and have certified by you a Social Security Number (SSN) on all accounts. We will not open an account without this identification number. For any additional information on this requirement, read "Instruction to Payer's Request for Number and Certification (IRS form W-9)."
44. **REGULATION D RESTRICTIONS ON ELECTRONIC FUNDS TRANSFERS:** During any month, you may not make more than six withdrawals or transfers from your Money Market or Share Accounts to another Credit Union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic (such as Audio Response, Home Banking, fax or personal computer) order or instruction. You may make an unlimited number of withdrawals from, or transfers among, your Money Market or Share Accounts by mail, messenger or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your Money Market or Share Accounts through Audio Response or Home Banking if you request that we send you a check.

Transfers in excess of the above limitations may not be honored.

YOUR SHARE ACCOUNT

United Methodist Federal Credit Union's Share Accounts let you deposit and withdraw your money at your convenience. Our Share Accounts are called Share, Youth Share, Christmas Club and IRA Share Accounts.

RATE INFORMATION: The initial dividend rate and annual percentage yield ("APY") on your Share, Youth Share, Christmas Club and IRA Share Accounts are stated on the Rate Sheet accompanying this Disclosure.

Your Share, Youth Share, Christmas Club and IRA Share Accounts are variable rate Accounts. The dividend rate and APY may change at any time at the Credit Union's discretion.

Your Share Account is a tiered rate account. The Dividend Rate and Annual Percentage Yield ("APY") for each tier is disclosed on the enclosed Rate Schedule.

DIVIDEND COMPOUNDING AND CREDITING: Dividends will be compounded monthly and will be credited monthly.

The dividend period for your Share, Share Draft, Youth Share, Christmas Club and IRA Share Accounts is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date coincides with the ending date of a dividend period and, in our example, is January 31.

If you close any Share, Share Draft, Youth Share, Christmas Club or IRA Share Account before dividends are credited, you will not receive accrued dividends.

MINIMUM BALANCE AND DEPOSIT REQUIREMENTS: The minimum daily balance required in your Account each day to earn the disclosed APY is disclosed on the enclosed Rate Sheet.

TRANSACTION LIMITATIONS: Other than as stated under items 1, 10, 15, 19 and 20 of the General Disclosures, no other transaction limitations apply to the Share, Youth Share, Christmas Club or IRA Share Accounts; however, certain federal and state tax penalties may apply if IRA funds (including dividends earned on IRA Accounts) are withdrawn early. The maximum yearly contribution you may make to an IRA Account is limited under the Internal Revenue Code. Our Share Draft Accounts are called Value Vantage, Premium, Golden and Corporate Share Draft Accounts.

YOUR SHARE DRAFT ACCOUNT

United Methodist Federal Credit Union offers several Share Draft Accounts that let you withdraw your money and write checks against your Account at your convenience.

1. You authorize us to establish a Share Draft Account. We are hereby authorized to recognize any of the signatures subscribed to the Share Draft Signature Card for the payment of funds or the transaction of any business for this Account.
2. We are authorized to pay checks signed by you and the payments will be charged against your Account.
3. The Credit Union will automatically transfer funds from an Account(s) as designated by you at the time of opening a Share Draft Account to cover overdrafts. If no Account is designated a transfer will be made first from your Share Account then from your Line of Credit Account. Should no Line of Credit Account exist, the overdrafts will be treated as a Non-Sufficient Funds items.
4. Only UNITED METHODIST FEDERAL CREDIT UNION checks, or other methods approved by us, may be used to withdraw funds from the Account.
5. Except for negligence, we are not liable for any action we take regarding the payment or non-payment of a check.
6. We are under no obligation to pay a check on which the date is more than six months old. We are under no obligation to hold a post-dated check, unless you give us notice describing the check with reasonable certainty and unless the notice is received by us at such a time and in such a manner as to afford us a reasonable opportunity to act upon it; otherwise, we reserve the right to process every item presented as if dated the same date received by us or our check processor.
7. You shall be liable for such service charges/fees as we may impose for returned items written against insufficient funds, closed Accounts,