

LAFAYETTE FEDERAL CREDIT UNION

Membership Disclosures

Included in this brochure

- Membership & Account Agreement
- Share Savings
- Checking Accounts
- Money Market Accounts
- Preferred Savings

- Premier Savings
- Certificate/IRA Certificate
- Funds Availability Disclosure
- Exceptions to the Funds Availability Rule
- Electronic Funds Transfer Agreement and Disclosure

- Arbitration Agreement
- Privacy Policy
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- Consent to Electronic Records
- USA Patriot Act

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USA Patriot Act Disclosure

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. 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 ask to see your driver's license or other identifying documents. In accordance with Section 326 of the USA PATRIOT Act, signed October 26, 2001, Lafayette Federal Credit Union is required to obtain a copy of the documents used in identifying our new account members and in identifying signatory individuals added to an existing or new account. In some cases, identification will be requested for those individuals banking with the Credit Union prior to the effective date of the member identification requirements because original documentation was not obtained with the opening of the account or the Credit Union is unable to form a reasonable belief that it knows the true identity of the existing member.

Beneficial Ownership. For business accounts, Lafayette Federal requires the identification of all persons that share ownership of the business entity. In all cases protection of our members' identity and confidentiality is Lafayette Federal's pledge to you.

Membership and Account Agreement

This Agreement covers your and our rights and responsibilities concerning Account(s) that Lafayette Federal Credit Union offers. In this Agreement, the words "you," "your" and all variants mean anyone who signs a Membership Enrollment Form or otherwise opens an account at the Credit Union. The words "we", "us," "our" and "the Credit Union" mean Lafayette Federal Credit Union. The word "account" means any one or more savings or other accounts you have with the Credit Union.

Your account type(s) and ownership features are designated on your Membership Enrollment Form. By signing a Membership Enrollment Form or completing or transmitting an on-line Membership Enrollment Form, each of you, jointly and severally, agree to the terms and conditions in this Membership and Account Agreement, Funds Availability Disclosure, Electronic Funds Transfer Disclosure, the Truth in Savings Terms and Conditions Disclosure, any account receipt accompanying this Agreement, the Credit Union's Bylaws and policies, and any amendments of these documents from time to time that collectively govern your Membership and Accounts.

1. Membership Eligibility. To join the Credit Union, you must meet the membership requirements including purchase and maintenance of at least one share (the "membership share") as set forth in the Credit Union's Bylaws. To verify your eligibility for any account(s), service(s), or loan products, now and in the future, you authorize us to make inquiry to determine your employment history and to obtain information concerning any accounts with other institutions and your credit history, including consumer credit reports. You agree that this authority applies to any account, account-related service, loans or other financial products you request or which we may offer or make available to you. Credit report information pulled in connection with any authorized request for any service or accounts with the Credit Union may be used to assess and/or offer other Credit Union services and/or products.

2. Special Provision for Multiple Owner Accounts that Originated with CSC Employees Federal Credit Union. Any account in the Credit Union that originated with CSC Employees Federal Credit Union and that was titled in the names of multiple owners (a "Grandfathered Multiple Owner Account") shall be permitted to remain with the same titling as existed on the effective date that CSC Employees Federal Credit Union merged into the Credit Union ("Merger Date") without change. The Credit Union may condition any change in titling to a Grandfathered Multiple Owner Account upon each listed owner becoming a member of the Credit Union.

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

4. Multiple Party Accounts. An account owned by two (2) or more persons is a multiple party account (herein after referred to as a joint account).

a. Rights of Survivorship. A joint account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). In the event that the account is an individual account, or upon the death of the last joint account owner, the interest of the deceased owner will pass to the decedent's estate unless a payable on death beneficiary (POD) has been properly designated. Unless otherwise stated on the Membership Enrollment Form, a joint account owned by individuals is an account with rights of survivorship, and the interest of a deceased owner will pass to the surviving owner(s). A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it. The rights of a joint owner will always supersede the rights of any designated payable on death beneficiaries.

b. Control of Joint Account. Any single account owner acting alone is authorized and deemed to act for all other account owner(s) and any individual owner may instruct us regarding transactions and other account matters pertaining to any sub account connected to the account, including loans connected to the account. Each owner guarantees the signature(s) of all other owner(s). Except as otherwise set forth herein, any single account owner may individually withdraw any or all funds, stop payment on items, request and utilize debit transaction card(s), order checks, contract for overdraft protection, sign-up for and engage in on-line or signatureless transactions, transfer or pledge to us all or any part of the savings on deposit, or engage in any other activity concerning the account without the consent of the other joint account owner(s). In each such case, the act of any single account owner is binding upon all of the other joint account owners. We have no duty to notify any other owner(s) about any transactions. We reserve the right to require written consent of any or all of the account owners, for any transaction(s) which we deem unusual, or for any change to, termination or closure of a joint account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend all account activity or terminate the account and require a court order or written consent from all owners to act.

c. Joint Account Owner Liability. Each individual account owner individually guarantees absolutely and unconditionally the prompt payment when due and performance when required of all obligations of the other joint account owner(s) under this Membership and Account Agreement. If a deposited item in a joint account is returned unpaid, an account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any account charges or fees, regardless of which owner initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of any joint owner or all funds in the joint account regardless of who contributed them. We may issue ATM or Debit/Check Cards or devices to any account owner who requests them. All account owners are jointly and severally liable for all account activity related to such transaction devices regardless of which owner(s) holds the card(s) and regardless of which owner initiated or benefited from the card transaction(s).

d. Change of Ownership. If you wish to add a joint owner to your account, you must amend the Membership Enrollment Form to reflect the new owner. Any joint owner you wish to remove must also sign the appropriate form(s).

5. POD Accounts. A Payable on Death (POD) account designation is an instruction to the Credit Union that an account so designated is payable to the owner or owners during their lifetimes, and when the last account owner dies, it becomes payable to any named and surviving POD beneficiary/ payee. Accounts payable to more than one surviving beneficiary/payee become owned jointly by such beneficiaries/payees without rights of survivorship. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs), which are governed by a separate beneficiaries/payee designation. We are not obligated to notify any beneficiary/payees of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

6. Trust Accounts. The following rules govern trust accounts:

a. A lawfully created trust may establish an account at the Credit Union under certain criteria. A lawfully created trust is a trust which has been lawfully created in the United States pursuant to a written trust agreement executed by the grantor/settlor in which persons or entities have been designated to serve as Trustee(s) and administer the Trust by exercising the powers and authority described in the trust agreement. If the trust is designated as revocable, all of the settlor(s)/grantor(s) of the trust must be current members of the Credit Union. If the trust is revocable and some of the settlor(s)/grantor(s) are not members of the Credit Union, the trust cannot be established at the Credit Union. If the trust is designated as irrevocable, either all of the settlor(s)/grantor(s) of the trust or all of the trust beneficiaries must be current members of the Credit Union. If the trust is irrevocable and either all of the settlor(s)/grantor(s) or all of the beneficiaries are not members of the Credit Union, the trust cannot be established at the Credit Union.

b. The Credit Union does not have a trust department. Therefore, the Credit Union cannot act as a Trustee of any account. The Credit Union reserves the right to close any account held by a trust at any time by remitting the funds on deposit to the last known trustees.

c. Any individual trustee may act for the trust and may instruct us regarding transactions and any other account matters. Each trustee guarantees the signature(s) of all other trustee(s). Any single trustee may individually withdraw any or all funds, stop payment on items, order checks, or engage in any other activity concerning the account without the consent of the other trustee(s). In each such case, the act of any single trustee is binding upon the trust and all of the other trustee(s). We have no duty to notify any other trustee(s) about any transactions.

7. Estate Accounts. A lawfully created estate may establish an account at the Credit Union under certain criteria. A lawfully created estate is an estate created by a court of competent jurisdiction for the benefit of a deceased member or a member under the protection of the court. Only the persons or entities who have been designated to serve as personal representative(s)/conservator(s) may transact business on the account. Any individual personal representative/conservator may act for the estate and may instruct us regarding transactions and any other account matters. If more than one personal representative/ conservator is required to authorize a transaction, the estate cannot maintain an account at the Credit Union. Each personal representative/conservator guarantees the signature(s) of all other personal representative(s)/ conservator(s). Any single personal representative/conservator may individually withdraw any or all funds, stop payment on items, order checks, or engage in any other activity concerning the account without the consent of the other personal representative(s)/conservator(s). In each such case, the act of any single personal representative/ conservator is binding upon the estate and all of the other personal representative(s)/ conservator(s). We have no duty to notify any other personal representative(s)/conservator(s) about any transactions.

8. Accounts for Minors. We reserve the right to require any account established by a minor to be a joint account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay or refuse to pay funds directly to a minor listed on an account at our discretion without regard to his or her minority. We may refuse to make modifications to an existing account at the request of a minor, unless those requested modifications are accompanied by the consent of an adult also listed on the account. Unless a guardian or parent is an account owner on the child's account, the guardian or parent shall not have any right to access the account. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority, unless authorized in writing by all account owners.

9. Uniform Transfer/Gift to Minors Account. A Uniform Transfer/Gift to Minors Account (UTMA/UGMA) is an individual account established by a member as a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the beneficiary of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor, and barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account until we receive instructions from any person authorized by law to withdraw funds or a court order authorizing withdrawal.

10. Convenience Person. A convenience person designation is an instruction to us that the owner authorizes another person to make transactions for the account owner regarding the accounts designated. A convenience person has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the convenience person, unless required by law. The member must cancel the convenience person designation by signing the appropriate form(s). The convenience person designation is automatically

revoked upon the death of any of the owners of the account.

11. Representative Payee. A representative payee is an individual designated by the Social Security Administration to receive funds and transact business on behalf of a disabled or otherwise incapacitated member. A representative payee has no ownership interest in the account(s) or Credit Union voting rights. We may rely upon the instructions given to us by the representative payee concerning the account and the owner and the representative payee are jointly and severally liable for all transactions on the account. We have no duty to inquire about the use or purpose of any transaction made by the representative payee.

12. Guardian Account. A Guardian is an individual designated by the Court to act as a fiduciary for a member (Ward) that has been deemed incapacitated, disabled or otherwise incapable of managing their own financial responsibilities. A Guardian has no ownership interest in the account(s) or Credit Union voting rights. Anyone may be appointed as Guardian; however, the Ward for whom they have been appointed must meet all eligibility requirements. We may rely upon the instructions given to us by the Guardian concerning the account; however, the Ward has no signatory rights. The Guardian is liable for all transactions on the account.

13. Deposit of Funds Requirements. Funds may be deposited to any account in any manner approved by the Credit Union in accordance with the requirements set forth on the Funds Availability Disclosure based on Regulation CC.

a. Endorsements. We may accept transfers, checks, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. We have the right to require endorsement exactly as set forth on the item. Endorsements must be made on the back of the check within 1½ inches from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

b. Substitute Checks. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses we incur in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

c. Restrictive Legends. Some checks and drafts contain restrictive legends or similar limitations on the front or back of the item. Examples of restrictive legends include: "two signatures required", "void after 90 days" and "not valid over \$100". We are not liable for payment of any check or draft contrary to the terms of a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

d. Collection of Items. We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail, the night depository or at unstaffed facilities are not our responsibility until we actually receive and accept them. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.

e. Final Payment. All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers or both. We may impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or to return any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

f. Direct Deposits. We may offer preauthorized deposits (i.e., payroll, Social Security, retirement, or government distributions) or preauthorized transfers from other accounts. You must authorize each direct deposit or preauthorized transfer by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

g. Crediting of Deposits. Deposits made after the deposit cutoff time and deposits made on holidays or days that are not our business days will be credited to your account on the next business day. Deposits at an unstaffed facility such as a night depository will be credited on the day funds are removed and processed. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding any items we purchase or receive for credit or collection to your account.

h. Large Currency Transactions. The Bank Secrecy Act (a Federal Law) requires the filling out and filing of a Currency Transaction Report (CTR) for any large currency transaction. Specific information is required to fill out the CTR. The member must provide proper identification and the appropriate information or the transaction will not be completed.

14. Account Access.

a. Authorized Signature. Your original signature on the Membership Enrollment Form authorizes your account access. We will not be liable for refusing to honor any item or instruction if we do not have an original signature and/or we believe that the signature is not genuine. In the event that we elect to honor an item on one or more occasions without an original signature, that shall not obligate us to accept such items at other times. We may honor any check that appears to bear your facsimile signature even if it was made by an unauthorized person. We may also honor any checks without your original signature

if you have previously issued similar instruments and/or we reasonably believe that the instrument was made by you. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction. If you elect to utilize a Bill Payer service, you expressly adopt the words "Signature on File" as your signature on any check issued on your behalf and drawn on your account. By using such service, you expressly authorize us to honor all checks for payment of money drawn on your account bearing the words "Signature on File." If you sign up for our online banking service, you understand and agree that all persons listed as joint owners on your share account shall have unlimited access to all sub-accounts established under your membership number; including but not limited to any existing checking account, Mastercard Credit Card Account, Home Equity Line of Credit, etc. By signing up for online banking and/or utilizing the online banking service, you authorize all joint account owners, whether now existing or added in the future, to have unlimited access to all of your accounts, including the right to make advances under any available credit line.

b. Access Options. You may withdraw or transfer funds from your account(s) in any manner that we permit (i.e., check, Automated Teller Machine (ATM), in person, by mail, automatic transfer, online banking, mobile banking, automated phone banking or telephone, as applicable). We may return as unpaid any check on a form we do not provide, and you are responsible for any loss we incur handling such a check. We have the right to review and approve any form of power of attorney and may restrict any transactions on your accounts. We are under no obligation to honor any power of attorney.

c. ACH & Wire Transfers. If we provide the service, electronic funds transfers that we permit are subject to the Uniform Commercial Code of the state of Maryland. We may execute certain requests for electronic funds transfers by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J.

ACH Origination: You have the ability to initiate an ACH Origination credit or debit between your Lafayette account and any accounts that you own at other participating financial institutions. Once an ACH origination has been initiated through your online banking profile, the system will place a 48 hour hold of funds in your LFCU account that totals the amount of funds that has been ordered to leave or come into the account via the ACH origination. This hold of funds will expire upon receipt of funds or 48 hours, whichever occurs first. LFCU has the right to extend this hold as it sees fit based on circumstances of the transaction. All ACH originations are subject to similar ACH fees as set forth in the Schedule of Fees.

You may order electronic funds transfers to or from your account. We will debit your account for the amount of an electronic funds transfer and

will charge your account for any fees related to the transfer, as set forth in the Schedule of Fees. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account. We are not obligated to execute any order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your account. We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. We will not provide you with next day notice of ACH, wire transfers and other electronic payments credited to your account. You will receive notice of such credits on your account statement. You may contact us to determine whether a payment has been received. We may provisionally credit your account, at our option, for an ACH transfer before we receive final settlement. We may reverse the provisional credit or you will refund us the amount if we do not receive final settlement. If we are required by law to pay you interest, we will pay you interest based on the lowest nominal dividend or interest rate we paid on any accounts during the period for which we owe you interest. Payment orders we accept will be executed within a reasonable time of receipt. A payment order may not necessarily be executed on the date it is received. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments and if received after a cut-off time, may be treated as having been received on the next business day. Information about any cut-off times is available upon request. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and by account or identifying number. The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or identifying number even if the number identifies a different person or financial institution. Any account owner may amend or cancel a payment order even if that person did not initiate the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order. We may require you to follow a security procedure to execute a payment order or certain electronic funds transfer transactions. We will notify you of any such security procedures and you agree that our security procedures are commercially reasonable.

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

e. Electronic Check Transactions.

1. Electronic Checks. If you authorize a merchant to electronically debit your checking account using the routing, account and serial number of your check to initiate the transfer, whether the check is blank, partially or fully completed and signed, such authorization is an electronic check conversion. An electronic check conversion is an Electronic Funds Transfer ("EFT") subject to the terms of the Electronic Funds Transfer Agreement/ Disclosures. You authorize us to honor any electronic check conversion from your checking account just the same as a regular written check.

2. Electronic Check Authorization. When you or any person with authority authorize any Electronic Check you agree: (1) that we may pay the item as submitted to us; (2) that you shall be solely responsible for all information transmitted regarding such item(s) including but not limited to the payee(s) the amount(s) of the item(s), and endorsements or the lack thereof; and (3) you agree to indemnify us for all losses we incur in connection with any Electronic Check you authorize.

3. Electronic Re-presented Checks. If you write a check on a personal account that we return unpaid because of insufficient or uncollected funds, payee or any subsequent holder of the check may re-present the check to us, through an electronic instruction ("Electronic Re-Presented Check") to charge your account for the amount of the check. If we receive an electronic re-presented check, we will pay or return the electronic re-presented check as if the original paper check was presented to us. Any collection fee you authorize the merchant to debit from your account is an electronic funds transfer subject to the terms of the Electronic Funds Transfer Agreement/Disclosures. If you want to reverse an electronic re-presented check, you must complete a Written Statement Under Penalty of Perjury form within 15 days after we send or make available to you the periodic statement that reflects payment of that electronic re-presented check. In your signed written statement, you must certify under penalty of perjury that the electronic re-presented check was ineligible or unauthorized. If we receive a proper written statement from you within the 15-day period, we will re-credit your account with the amount of the charge. If you wish to stop payment of any electronic re-presented check, you must follow the procedures contained in the Agreement for stopping payment of checks, not the procedures for stopping payment on electronic loan or bill payments. If you ask us to request the depositor's bank to send us the original paper check or a copy of the paper check, and we provide it to you, you agree that you will not seek to have your account re-credited due to a prior stop payment order or if the item is otherwise ineligible for collection.

f. Powers of Attorney. The Credit Union may allow a third person acting as your attorney-in-fact to make transactions regarding your account(s), pursuant to a Power of Attorney, but has no obligation to do so. You agree that we have no obligation to verify the scope, authenticity, and validity of any Power of Attorney presented to us. If we accept the Power of Attorney, the Credit Union has no duty to inquire as to the use or purpose of any transaction(s) by your attorney-in-fact, and may restrict or refuse account access, withdrawals and transfers. Further, you agree to reimburse the Credit Union for all costs and expenses, including attorneys' fees, we incur and agree to indemnify us for any loss or other expense we incur from our acceptance of your Power of Attorney.

15. Account Rates and Fees. We pay account earnings and assess fees against your account as set forth in the Rate Schedule and Fee Schedule promulgated from time to time by the Credit Union. We may change the Truth In Savings Act Disclosure or our Rate Schedule and Fee Schedule at any time. You will be notified of such changes as required by law.

16. Transaction Limitations.

a. Withdrawal Restrictions. We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or have an established overdraft protection plan. Checks or other transfer or payment orders that are drawn against insufficient funds will be subject to a fee as set forth in the Rate Schedule and Fee Schedule. If there are sufficient funds to cover some but not all of your withdrawal orders, we may allow those withdrawals for which there are sufficient funds in any order at our discretion. We may refuse to allow a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute between the owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; (5) you fail to repay a Credit Union loan on time. We reserve the right to require members to give notice in writing of any intended withdrawals from any account of not less than seven (7) days and up to sixty (60) days in accordance with applicable law before such withdrawal except for the funds in the Checking Account.

b. Transfer Limitations. For Preferred and Premier Savings Accounts, if applicable, you may make up to six (6) preauthorized, automatic, telephone, online banking, or automated phone banking transfers to another account of yours or to a third party during any calendar month. All Preferred and Premier Accounts are subject to additional account limitations and fees as outlined in the Truth and Savings Terms and Conditions Disclosure and Rate Schedule and Fee Schedule. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through ACH. You may make unlimited withdrawals or transfers to any of your accounts in person, by mail, or at an ATM. However, we may refuse or reverse a transfer that exceeds these transfer limitations and may assess fees against, suspend, or close your account.

17. Certificate Accounts. Any certificate is subject to the terms of this Agreement and the specific terms and disclosures set forth in the Truth in Savings Terms and Conditions Disclosure, our then effective Rate Schedule and Fee Schedule and the and Certificate Receipt for each account that is incorporated herein by reference.

18. Overdrafts.

a. Overdraft Liability. If on any day, the funds in your Checking Account are not sufficient to cover checks, debit/check card transactions, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection source

you have with us. The Credit Union's determination of an insufficient account balance may be made at the Credit Union's sole discretion any time between presentation and the Credit Union's midnight deadline with only one review of the account required. We do not have to notify you if your Checking Account does not have funds to cover checks, fees or other posted items. Whether the item is paid as a courtesy or returned, your account may be subject to a charge as set forth in the Rate Schedule and Fee Schedule. Except as otherwise agreed in writing, we, by covering any overdraft, do not agree to cover overdrafts in the future. We may discontinue covering overdrafts at any time without notice. If we pay a check or impose a fee that would otherwise overdraw your account, you agree to pay the overdrown amount and any assessed fees immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.

b. Overdraft Protection. If we have approved an overdraft protection for your account, we will honor checks drawn on insufficient funds by transferring funds from another source, as you have directed, or as required under the Credit Union's overdraft protection policy. If you have not directed us to pull funds from another source, we will automatically use your savings account as the overdraft source. The fee for overdraft transfers, if any, is set forth in the Rate Schedule and Fee Schedule. The Credit Union may rely upon your overdraft Authorization until it is revoked or modified in writing by any account owner or an authorized representative, or by court order. You agree that all checking account overdraft transactions shall be governed by the Credit Union's current membership and deposit account contracts, rules and regulations, and Rate Schedule and Fee Schedules. You further agree that the Credit Union shall have no duty to make inquiries or monitor any overdraft account activities, payments, withdrawals, deposits, use of funds, or other actions of any account owner. You shall remain personally liable to the Credit Union for any overdraft activity, and agree to indemnify and hold the Credit Union harmless from any and all loss, cost or damage incurred or suffered by the Credit Union at any time by reason of the Credit Union honoring your instructions concerning overdraft activity or paying any overdraft. The terms and existence of your overdraft protection privileges may be revoked, modified or supplemented by the Credit Union at any time with or without advance notice to you.

c. Non-Sufficient Funds (NSF). If on any day, the funds in your account are not sufficient to cover checks, ACH debits, debit/credit card transactions, fees, or other items posted to your account and you have exhausted all overdraft protection sources you have on your account, you will be charged a non-sufficient funds (NSF) fee for each item presented to your account for payment even if the item has been re-presented due to a previously unsuccessful payment or retry, as set forth in the Rate Schedule and Fee Schedule.

19. Postdated and Stale Dated Checks. We may pay any check without regard to the date of the check even if the check is presented for payment before its date. You also agree not to deposit checks, or other items before they are properly payable. The Credit Union may at its option, but is under no obligation to you, pay a check drawn on your account which is presented more than six (6) months after its date.

20. Stop Payment Orders.

a. Stop Payment Request. You may request a stop payment order on any check, including postdated checks, you or any account owner may draw upon any savings, checking, or loan account. You may also request a stop payment on a series of checks which are lost or stolen. You may request a stop payment by telephone, mail, online banking, or in person. The stop payment will be effective if we receive the order in time for us to act upon the order. You must state the account number, check number, and its exact amount for an individual check. You understand that the exact information is necessary for the Credit Union's data processing system 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 recredit 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 all of your rights against the payee or other holders of the check to the Credit Union, and to assist us in any legal action, as requested by the Credit Union. The Credit Union shall not be responsible or liable for failing to stop payment of any check or other instrument, if the instrument has been modified or issued in such a way that prevents the Credit Union from being able to reasonably identify or track the instrument.

b. Duration of Order. You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time. A stop payment processed via online banking will be considered a written stop payment order. A written stop payment order will be effective for six (6) months and may be renewed in writing with the appropriate fee from the Rate Schedule and Fee Schedule. We do not have to notify you when a stop payment order expires.

c. Certified/Credit Union Issued Items. The Credit Union has no obligation to honor a stop payment request pertaining to a certified or Credit Union issued item. However, under certain conditions the Credit Union may effectuate such a request. Such conditions may include but are not limited to: a) your purchasing a lost instrument bond; b) your executing and providing to the Credit Union a declaration of loss form satisfactory to the Credit Union; and c) your providing such other assurances to the Credit Union as the Credit Union may request. In the event that the Credit Union accepts a stop payment request on a certified or Credit Union issued item, that stop payment is subject to being lifted at the Credit Union's discretion and to waiting such period of time as the Credit Union may require before reissuing or recrediting the funds.

d. Liability. Fees for a stop payment order are set forth in the Rate Schedule and Fee Schedule and are subject to change at the Credit Union's sole discretion. All stop payment requests are subject to your compliance with the Credit Union's rules, regulations and procedures regarding stop payment orders. You agree to indemnify and hold the Credit Union harmless from all costs, expenses, damages or claims, including attorney's fees, related to a stop payment request or our refusing payment on an item. This includes but is not limited to claims of any joint account owner, payee, holder or endorser.

21. Credit Union Liability. If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; (4) your account is subject to legal process or other claim; or (5) your account does not meet our membership requirements as set forth in this Agreement. We also reserve the right to deny liability related to any transaction when we determine that your own actions or omissions to act substantially contributed to the incurrence of the claim or loss. We may refuse to accept any check or draft drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check or draft and we shall have no liability for refusing payment. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, federal reserve regulations and operating letters, clearing house rules, and general banking practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement. Disputes will be resolved pursuant to the Arbitration provision found in the Arbitration Addendum attached to the Agreement and incorporated herein by reference.

22. Credit Union Lien and Security Interest. By applying for membership at the Credit Union you grant the Credit Union a consensual security interest in all of your funds at any time on deposit with the Credit Union to secure all amounts that you may now or in the future owe to the Credit Union. If you owe us money as a borrower, guarantor, endorser, account holder or otherwise, we may use the funds on deposit in any of the accounts in which you have an ownership interest to pay all or any portion of any debt or other amount which you owe to us. This right of offset will not apply where prohibited by law. We may apply the funds on deposit to your obligations in any order deemed appropriate by us, without further notice to you. If we choose not to enforce our security interest in your funds on deposit on a particular occasion, we do not waive our right to enforce the security interest later. All accounts are non-assignable and nontransferable to third parties.

23. Legal Process. If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest. Any collateral pledged by you at any time as security for any of your loan obligations to us (excluding real estate loans) shall also serve as collateral to secure payment of

any and all other liabilities or obligations which you now or in the future may owe to us until we agree in writing to release our security interest on such loan collateral. This cross-collateral right of the Credit Union shall also extend to any and all additions, accessions, attachments, improvements, accessories, repairs, replacements or substitutions to such pledged collateral. If we receive a garnishment or levy on any of your accounts, you agree that the Credit Union may offset any amount subject to garnishment or levy against any indebtedness that you may now or hereafter owe to the Credit Union. Additionally, you agree that the Credit Union may assess your account a reasonable fee not to exceed \$75 to compensate the Credit Union for the cost of processing the garnishment or levy, as set forth in the Rate Schedule and Fee Schedule.

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

25. Notices.

a. **Name or Address Changes.** You are responsible for notifying us of any address, phone number, name, or email address change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. The Credit Union may accept an address change by contacting the Credit Union, via online banking secured messaging, telephone, or an in person oral notice of an address change only if you provide your account password, and we may require written notice that must include your signature. In the absence of such notice, any mail, disclosure or notice to you at any address, forwarding address, or email address on our records will be deemed properly addressed and constitute effective delivery of any item we may be required to provide, regardless of actual receipt by you. We may discontinue sending any statements, notices or other items until you correct any deficiency under this provision. The Credit Union may impose a Returned Statement Fee as set forth in the Rate Schedule and Fee Schedule.

b. **Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement at any time in our sole discretion. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

c. **Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid, and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

26. Taxpayer Identification Numbers and Backup Withholding. Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service a percentage of dividends and certain other payments. If you fail to provide your TIN, or we find that the TIN is incorrect, the Credit Union may suspend the opening of your account or close your account, whichever is applicable.

27. Statements.

a. **Contents.** If we provide a periodic statement for your account, you will receive a periodic statement from us through the mail, or access to your periodic e-Statements when they are made available for your review describing transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for a joint account. If a statement is returned to us by the U.S. Postal Service, we reserve the right to hold further statements until you provide us with a good address. You understand and agree that, when paid, original checks become the property of the Credit Union and will not be returned to you. Copies will be retained by the Credit Union or payable through financial institutions and made available upon your request. You understand and agree that paper statements are made available to you on the date they are mailed to you. You also understand and agree that checks or copies thereof are made available as soon as possible. The Credit Union may impose a fee for any copies requested as set forth in the Rate Schedule and Fee Schedule.

b. **e-Statements.** When you agree to accept your periodic account statements online through online banking you will be responsible to access your e-Statements when they are made available for your review. Your e-Statements will be available for at least 90 days at www.LFCU.org and can be obtained by using any type of computer that is linked to the Internet. You may access your e-Statements through our online banking program (PCU). You may want the ability to download and store the statements electronically. If you want to create a paper-copy of your statements for your records, you will also want a printer connected to the computer you use to access your e-Statements. By your consent to receive e-Statements you are telling the Credit Union that you have printing capability, or the capability to store electronically, for your records. We will suspend mailing your statements when you consent to receiving statements online. In order to receive your periodic statements in paper form through the mail, you must withdraw your consent to receive online statements by completing a form authorized by the credit union for that purpose. You may obtain the form on our web site, by contacting the Credit Union, via online banking secured messaging, telephone or in person. A fee for ordering a copy of your statement will be applied as outlined in our Rate Schedule and Fee Schedule.

c. **Examination.** You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unsigned or unauthorized items drawn on your account if: (1) you fail to notify us within thirty (30) days of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

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

28. Inactive Accounts. If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 consecutive months) as specified in the Truth in Savings Terms and Conditions Disclosure, Membership and Account Agreement or as otherwise promulgated by us, we may classify your account as an inactive account. Unless prohibited by applicable law, we may charge a fee for continuing to process your dormant account as set forth in the Rate Schedule and Fee Schedule. If we impose a fee, we will notify you at your last known address. You authorize us to transfer funds from another account of yours to cover any fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. If your account is classified as inactive, we may close your account and return the funds on deposit to your address of record. NOTE: The posting of dividends to an account is not considered member generated activity under Maryland's abandoned property statute. Funds in abandoned accounts will be reported and remitted in accordance with applicable state law. Once funds have been turned over to the state, we have no further liability to you for such funds. If you choose to reclaim such funds, you must apply to the appropriate state agency.

29. Notice of Withdrawal. By law, the Credit Union has the right to impose a sixty (60) day notice of withdrawal requirement on all of its accounts except Checking. This legal right exists to protect the liquidity and solvency of the Credit Union should the need ever arise.

30. Termination of Account. We may terminate your account at any time. We may require you to close your account and/or your services may be involuntarily restricted or denied if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any checks are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection source; (6) there has been any misrepresentation or any other abuse of any of your accounts; (7) your account is declared inactive; (8) you have failed to participate in the Credit Union for six (6) months or more; (9) you have caused a loss to the Credit Union; (10) you threaten the safety of any staff person or member (11) you engage in behavior perceived by the credit union to be abusive, damaging or demeaning to any credit union staff person or member; (12) you have allowed your

account to fall below the minimum required balance for six (6) months or more; or (13) the Credit Union reasonably deems it necessary to prevent a loss to us. You may terminate single party account by giving written notice. We reserve the right to require the written consent of all owners to terminate a joint account. We are not responsible for payment of any check, withdrawal, or other item after your account is terminated. However, if we pay an item after termination, you agree to reimburse us.

31. 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.

32. Death of an Account Owner.

a. In the event of the death of a member, the funds in any deposit account shall automatically pass to any joint account owner(s), subject to the Credit Union's right of offset. In the event that there are no joint account owners, then the funds on deposit (after any required offset) shall be disbursed to the last designated POD (Payable On Death) payee(s). If there is more than one POD payee, the funds shall be disbursed to the named POD payees pro rata. In the event that there are no joint account owners and no designated POD payee(s), the funds may only be disbursed in accordance with the policies and procedures of the Credit Union consistent with applicable probate laws of the jurisdiction in which the decedent was a resident, or, if the application of such probate law would not, in our opinion afford the Credit Union sufficient protection in a given case, then we may elect to require compliance with any more protective provision under the probate laws then in effect in Maryland. The Credit Union shall have the right to retain any funds on deposit in a deceased member's account(s) until such time as satisfactory arrangements have been made for payment of any obligations of the deceased member, and until the Credit Union has been provided documentation satisfactory to the Credit Union supporting disbursement of the funds. We may require that anyone claiming a deceased owner's account funds indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

b. We may pay checks or honor payments or transfer orders authorized by a member for a period of ten (10) days after the date of that member's death unless we receive instructions from any person claiming an interest in the account to stop payment on the checks or other items.

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

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

35. Governing Law. This Agreement is governed by the Credit Union's Bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Maryland, and National Automated Clearing House Association rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county in which the Credit Union's main office is located.

Negative Information Notice. We may report information about your loan and deposit accounts to credit bureaus. Late payments missed payments or other defaults on your account may be reflected in your credit report.

Addendum to Membership and Account Agreement Regarding Arbitration of Disputes

RESOLUTION OF DISPUTES BY ARBITRATION: THIS ADDENDUM TO MEMBERSHIP AND ACCOUNT AGREEMENT REGARDING BINDING ARBITRATION AND WAIVER OF CLASS ACTION ("Arbitration Addendum") 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.

This Arbitration Addendum applies to any Arbitrable Matters as set forth below. Capitalized terms used in this Arbitration Addendum have the same meanings as in the Membership and Account Agreement. The provisions of this Arbitration Addendum modify the provisions of the Membership and Account Agreement with respect to dispute resolution, and any conflict between this Arbitration Addendum and the Membership and Account Agreement shall be resolved in favor of this Arbitration Addendum. The terms of the Membership and Account Agreement that are not expressly modified by this Arbitration Addendum shall remain in full force and effect with respect to all Accounts.

1. Arbitrable Matters Defined. As used in this Addendum the term "Arbitrable Matter" means any dispute arising out of, affecting, or relating to (i) any Account titled in your name or on which you are a signatory in any capacity and in which there are funds on deposit with the Credit Union (a "Deposit Account"), (ii) any products or services that Credit Union has provided, will provide, or has offered to provide to you relating to any Deposit Account, and/or (iii) any aspect of your relationship with the Credit Union that arises out of, affects or relates to any Deposit Account, in each such case except to the extent provided in Section 6 or Section 14 below. Arbitrable Matters also include disputes, claims, issues and matters relating to the enforceability, validity, scope or interpretation of this Arbitration Addendum.

2. Informal Resolution of Arbitrable Matters. You and we agree to attempt to informally settle any Arbitrable Matter if that cannot be done despite both parties' reasonable efforts, either you or we may elect, without the other's consent, to require that any dispute between us concerning any Arbitrable Matter be resolved by binding arbitration administered by a neutral arbitrator (as set forth in Sections 7 and 8 below).

3. 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 ANY 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 (2) 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 has or may have been assigned. It is expressly understood and agreed to that the arbitration of any Arbitrable Matter required under this Arbitration Addendum must proceed on an individual (non-class, non-representative) basis and that the arbitrator may award relief only on an individual (non-class, non-representative) basis, except to the extent expressly provided above.

4. No Jury Trial in Arbitrable Matters. YOU ACKNOWLEDGE THAT in arbitration THERE WILL BE NO RIGHT TO A JURY TRIAL.

5. Arbitration Required for Arbitrable Matters. Any Arbitrable Matter shall be subject to arbitration, regardless of whether it arose before or after your receipt of this notice. Any questions about whether a dispute, claim or issue is an Arbitrable Matter subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced. All Arbitrable Matters are subject to arbitration, no matter what legal theory they are based on, in what forum they arise or what remedy (damages, or injunctive or declaratory relief) they seek. Arbitrable Matters include any and all unresolved claims concerning any Arbitrable Matter. Arbitrable Matters 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 parent, affiliates, successors, assignees, 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 Arbitration Addendum, the other party may elect to proceed in arbitration pursuant to this Arbitration Addendum.

6. Disputes Excluded from Arbitration. Any claims or disputes filed by you or by us individually in a small claims court shall not be Arbitrable Matters and shall not be subject to arbitration, so long as the claims or 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 thereupon become an Arbitrable Matter subject to this Arbitration Addendum. Claims or disputes arising from your status as a borrower under any loan or credit accommodation provided by the Credit Union to which you are a party (including, but not limited to matters relating to payment and collection with respect to any such loan or credit accommodation) also shall not be Arbitrable Matters and shall be excluded from this Arbitration Addendum.

7. Commencing 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. 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.

a. If you initiate the arbitration, you must notify us in writing at: Lafayette Federal Credit Union, Attn: Risk Management, 2701 Tower Oaks Blvd, Suite 200, Rockville, MD 20852. If we initiate the arbitration, we will notify you in writing at your last known address on file.

b. 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.

8. Administration of Arbitration. The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be either a lawyer with at least ten (10) 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 award rendered by the arbitrator shall comply with the applicable rules of the arbitration forum and the relief granted must be relief that could be granted by a court of competent jurisdiction under applicable law. Judgment on the arbitration award may be entered by any court of competent jurisdiction.

9. 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.

10. 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, to foreclose on any collateral securing your obligation to us, 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. The initiation and maintenance of an action for judicial relief in court on the foregoing terms shall not constitute a waiver of the right to compel arbitration regarding any other dispute or remedy subject to arbitration under this Arbitration Addendum.

11. Arbitration Award. The arbitrator's award shall be final and binding unless a party appeals it in writing to the arbitration forum within fifteen (15) 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 (15) 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.

12. 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 Maryland shall apply.

13. Severability, Survival. This Arbitration Addendum shall survive (a) termination or changes to your Accounts or any related services; (b) bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Arbitration Addendum is deemed invalid or unenforceable, the remaining provisions shall remain in full force and effect. This Arbitration Addendum may not be amended, severed, or waived absent a written agreement between you and us.

14. Applicability. The requirement to arbitrate will not apply to you as long as you are a service member of the U.S. military on active duty.

15. Right to Reject this Arbitration Addendum. YOU MAY CHOOSE TO REJECT THIS ARBITRATION ADDENDUM BY SENDING US WRITTEN NOTICE AS

FOLLOWS:

- a. If you agree to be bound by the Arbitration Addendum, no action is needed on your part.
- b. If you take no action, then effective immediately your Accounts will be bound by this Arbitration Addendum.
- c. If you do not agree to be bound by this Arbitration Addendum, you must send us written notice that you reject the Arbitration Addendum within thirty (30) days of account opening or within thirty (30) days of receiving this notice, whichever is sooner. Your written notice must include (i) your name, as listed on your account, your account number, and a statement that you reject the Arbitration Addendum; and (ii) you must send your written notice to us at the following address: Lafayette Federal Credit Union, Attn: Risk Management, 2701 Tower Oaks Blvd, Suite 200, Rockville, MD 20852.

Addendum to Membership and Account Agreement Relating to Business Accounts

This Addendum to Membership and Account Agreement Relating to Business Accounts ("Addendum") applies to all accounts in the Credit Union held by businesses and that are denominated as such ("Business Accounts"). Capitalized terms in this Addendum have the same meanings as in the Membership and Account Agreement. The provisions of this Addendum modify the provisions of the Membership and Account Agreement with respect to Business Accounts, and any conflict between this Addendum and the Membership and Account Agreement shall be resolved in favor of this Addendum. The terms of the Membership and Account Agreement that are not expressly or by necessary implication modified by this Addendum shall remain in full force and effect with respect to Business Accounts.

A. Membership Eligibility. Section 1 of the Membership and Account Agreement is hereby modified to provide that Business Accounts shall only be issued to businesses who are within the Credit Union's field of membership and that supply us with accurate information concerning their identity and activities that we are required by applicable law to obtain and maintain. Failure of the holder of any Business Account to timely supply us with such information as we may require of you under the Bank Secrecy Act, Anti-Money Laundering Act and similar laws shall constitute grounds for immediate termination of a Business Account.

B. Signatories on Business Accounts. Section 3 is hereby modified to provide that we may permit Business Accounts to be subject to requirements that multiple parties sign checks or authorize other withdrawals, and we will not require that individuals having signature authority over a Business Account must be members of the Credit Union.

C. Truth in Savings Act and Certain Disclosures Inapplicable to Business Accounts. All references to the Truth in Savings Act and compliance by us with the Truth in Savings Act are deleted with respect to Business Accounts. The following disclosures shall be inapplicable to Business Accounts.

- In Case of Errors or Inquiries About Your Statement of Loan Account
- Share Savings Truth-in-Savings Terms & Conditions Disclosure
- Checking Account Truth-in-Savings Terms & Conditions Disclosure
- Preferred Accounts Truth-in-Savings Terms & Conditions Disclosure
- Premier Truth-in-Savings Terms & Conditions Disclosure
- Certificate/IRA Certificate Truth-in-Savings Terms & Conditions Disclosure
- Electronic Funds Transfers Agreement & Disclosure
- Consumer's Liability for Unauthorized Use of ATM Card, Access Card or Audio Response PIN
- In Case of Errors or Questions About Electronic Transfers Disclosure of Account Information to Third Parties

D. Additional Terms. Business Accounts may be subject to such other terms, conditions as we may effectuate from time to time by written notice to you and through written agreements that you and we may from time to time enter.

E. Unlawful Internet Gambling Restrictions. Regulation GG implements the Unlawful Internet Gambling Enforcement Act of 2006. The act prohibits any person engaged in the business of betting or wagering (as defined in the act) from knowingly accepting payments in connection with the participation of another person in unlawful Internet gambling. Such transactions are termed "restricted transactions." The act generally defines "unlawful Internet gambling" as placing, receiving, or otherwise knowingly transmitting a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable federal or state law in the state or tribal lands in which the bet or wager is initiated, received, or otherwise made. As a member of LFCU, these restricted transactions are prohibited from being processed through your account with us. If you do engage as an internet gambling business in an existing account or open a new account with us, we will ask you to provide evidence of your legal capacity to do so. Failure to provide requested documentation may result in the termination of your credit union services.

Savings Accounts

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield on your accounts are stated in the Rate Schedule and Fee Schedule accompanying this disclosure. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of

compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full year. A fee may lower the APY.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The Dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you make a deposit to your account. This would include, but is not limited to, checks, cash, direct deposit, and wire transfers. Foreign items sent for collection will begin to accrue dividends on the business day we receive the final payment.

5. Minimum Balance Information — The minimum balance necessary to open an account is \$50.00. The minimum required balance in the Share Savings Account is the membership share. It must be maintained to retain the membership in the Credit Union. For the accounts using the daily balance method, a daily periodic rate is applied to the full amount of principal in the account each day unless the current day's balance drops below the minimum required balance.

6. Account Limitations — For any Savings Account to which transfer limitations apply, no more than six (6) pre-authorized, automatic, telephone, online banking, fax, or audio response transfers may be made to another account of yours or to a third party in any month. If a transfer request would exceed these limitations in any month, the Credit Union may refuse the transfer. Your account may be subject to suspension or closure. The Credit Union may impose a charge as set forth on this disclosure.

7. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union

reserves the right to change Dividend Rates as determined by the Board of Directors.

8. Inactive Account — If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 months), the Credit Union may classify your account as an inactive account and charge a monthly inactive account fee, as set forth in the Rate Schedule and Fee Schedule. If we impose a fee we will notify you at your last known address. Refer to "Membership Agreement" for more information.

Checking Accounts

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield on your accounts are stated in the Rate Schedule and Fee Schedule accompanying this disclosure. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full year. A fee may lower the APY.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The Dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you make a deposit to your account. This would include, but is not limited to, checks, cash, direct deposit, and wire transfers. Foreign items sent for collection will begin to accrue dividends on the business day we receive the final payment.

5. Minimum Balance Information — No minimum balance requirements apply to this account.

6. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union reserves the right to change Dividend Rates as determined by the Board of Directors.

7. Inactive Account — If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 months), the Credit Union may classify your account as an inactive account and charge a monthly fee.

Money Market Accounts

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield on your accounts are stated in the Rate Schedule and Fee Schedule accompanying this disclosure. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full year. A fee may lower the APY.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The Dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you make a deposit to your account. This would include, but is not limited to, checks, cash, direct deposit, and wire transfers. Foreign items sent for collection will begin to accrue dividends on the business day we receive the final payment.

5. Minimum Balance Information — No minimum balance requirements apply to this account.

6. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union reserves the right to change Dividend Rates as determined by the Board of Directors.

7. Inactive Account — If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 months), the Credit Union may classify your account as an inactive account and charge a monthly fee.

Preferred Savings Accounts

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield, applicable for each balance tier, on your account are set forth in the Rate Schedule and Fee Schedule. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full year. A fee may lower the APY. End-of-Day balances will earn different daily Dividend Rates, depending on the applicable tier. The lower stated dividend rate will be paid on the portion of your daily balance that is less than \$20,000. The higher stated rate will be paid on the portion of your daily balance that is equal to or greater than \$20,000.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the period. The dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you make a deposit to your account. This would include, but is not

limited to, checks, cash, direct deposit, and wire transfers. Foreign items sent for collection will begin to accrue dividends on the business day we receive the final payment.

5. Minimum Balance Information — The minimum balance necessary to open an account is \$50. Because this is a tiered-rate account, a minimum balance of \$20,000 is required to earn the higher stated rate and APY. A daily periodic rate is applied to the full amount of principal in the account each day unless the current day's balance drops below the minimum required balance. If the balance drops below the required minimum, the Preferred Savings Account will earn no dividends for that number of days.

6. Account Limitations — For the Preferred Savings account no more than six (6) pre-authorized, automatic, telephone, online banking, fax, or audio response transfers may be made to another account of yours or to a third party in any calendar quarter. Should you exceed this transaction limitation, your account will be subject to a fee. See Rate Schedule and Fee Schedule. If a transfer request would exceed these limitations in any calendar quarter, the Credit Union may refuse the transfer. Your account may be subject to suspension or closure.

7. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union reserves the right to change Dividend Rates as determined by the Board of Directors.

8. Inactive Account — If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 months), the Credit Union may classify your account as an inactive account and charge a monthly fee. If we impose a fee we will notify you at your last known address. Refer to "Membership Agreement" for more information.

Premier Savings Accounts

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield, applicable for each balance tier, on your account are set forth in the Rate Schedule and Fee Schedule. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of compounding. The APY is calculated by assuming that the funds remain in the account untouched for a full year. A fee may lower the APY. End-of-Day balances will be broken into tiers and each tier will earn a different daily Dividend Rate. The tiers are as follows: 1st \$50,000, 2nd \$50,000, next \$150,000, next \$250,000 and higher. For example, if your end of day balance is \$155,000, the first \$50,000 will earn the lowest rate, the 2nd \$50,000 will earn the next highest rate, and the remaining \$55,000 will earn the next highest rate.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the period. The Dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you make a deposit to your account. This would include, but is not limited to, checks, cash, direct deposit, and wire transfers. Foreign items sent for collection will begin to accrue dividends on the business day we receive the final payment.

5. Minimum Balance Information — The minimum balance necessary to open an account is \$50,000. If the balance drops below the required minimum, the Premier Savings Account will earn no dividends for that number of days.

6. Account Limitations — For the Premier Savings account no more than six (6) pre-authorized, automatic, telephone, online banking, fax, or audio response transfers may be made to another account of yours or to a third party in any calendar quarter. Should you exceed this transaction limitation, your account will be subject to a fee. See Rate Schedule and Fee Schedule. If a transfer request would exceed these limitations in any calendar quarter, the Credit Union may refuse the transfer. Your account may be subject to suspension or closure.

7. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union reserves the right to change Dividend Rates as determined by the Board of Directors.

8. Inactive Account — If your account falls below the minimum required balance, and/or you have not made a withdrawal from, deposit to, or transfer involving your account for more than one year (12 months), the Credit Union may classify your account as an inactive account and charge a monthly fee. If we impose a fee we will notify you at your last known address. Refer to "Membership Agreement" for more information.

Certificate/IRA Certificate

TRUTH-IN-SAVINGS TERMS & CONDITIONS DISCLOSURE

The dividend rates, fees, terms, and conditions applicable to your account at the Lafayette Federal Credit Union are provided below. The Credit Union may change the rates, terms and conditions at any time. Please call a Member Service Representative at 301-929-7990 to see what may have changed.

Except as specifically described, the following disclosures apply to all Certificate accounts.

1. Dividend Rate Information — The Dividend Rate and Annual Percentage Yield on your account is provided to you on an accompanying receipt at the time your Certificate/IRA Certificate account is opened. The Annual Percentage Yield (APY) is a percentage rate reflecting the total amount of dividends paid on an account, based on the Dividend Rate and the frequency of compounding. The APY is calculated by assuming that the funds, including the dividends, will remain in the account untouched for a full year.

2. Nature of Dividends — Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period. The Dividend Rate and APY are the prospective rates and yields that the Credit Union anticipates paying for the applicable dividend period.

3. Compounding and Crediting — Dividends will be compounded and credited quarterly. The Dividend Period for each account is quarterly. For example, the beginning date of the first dividend period of the calendar year is January 1 and the ending date of such dividend period is March 31; dividends will be credited on April 1. All other dividend periods follow this same pattern of dates.

4. Accrual of Dividends — Dividends will begin to accrue on the business day you open the Certificate or IRA account.

5. Minimum Balance Information — The minimum balance required to open a fixed-rate certificate account is \$500. The minimum balance required to open a variable-rate certificate account is \$50. Dividends are calculated by applying a daily periodic rate to the full amount of principal in the account each day. You must maintain the minimum balance each day to obtain the disclosed APY.

6. Transaction Limitations — At the credit union's option, additional deposits may be made to the account without extending the maturity date of the account.

7. Maturity — Upon the maturity of this Certificate, it will automatically renew for the same term at the standard Certificate Dividend Rate. You have a 10 calendar day grace period to modify the Certificate. New Dividend Rates will be determined by the Credit Union on or before the renewal date. The Credit Union will notify you prior to renewal and provide rate information at that time. Dividends accrued during one term that are not withdrawn are added to principal for the renewal term.

8. Variable Rate Accounts — This term applies to an account when the Dividend Rate may change after the account is opened. This Credit Union reserves the right to change Dividend Rates as determined by the Board of Directors.

9. Penalty — We may impose a penalty if you withdraw any of the principal prior to maturity. Penalties for the fixed-rate certificates and IRA certificates will be imposed on amounts withdrawn whether dividends have been earned or not at the rate paid or payable for the term as follows:

- 7-month, 90 days of dividends (Not available on IRA Certificate)
- 1-year, 180 days of dividends
- 2-year, 270 days of dividends
- 3-year, 360 days of dividends
- 4-year, 480 days of dividends
- 5-year, 600 days of dividends
- Penalties for the variable-rate certificates and IRA certificates will be imposed on amounts withdrawn whether earned or not at the rate paid or payable for the term as follows:
 - 18-month, 180 days of dividends
 - 3-year, 360 days of dividends
 - 5-year, 600 days of dividends. This may reduce the principal. If the withdrawal reduces the Certificate below the minimum balance, it will be closed.

Penalties will not be applied if the withdrawal is made subsequent to the death of any owner of the Certificate account, or if the withdrawal is made as a result of the liquidation of the issuing credit union. IRA withdrawals may also be subject to additional IRS exemptions or penalties.

10. Transferability — A Certificate is non-negotiable and is assignable only to Lafayette Credit Union as security for a loan. The bylaws of this Credit Union provide authority to impose a notice of up to 60 days for withdrawal of funds.

Regulation “CC” — Funds Availability Disclosure

1. Check Hold Policy. The general policy of the Lafayette Federal Credit Union is to make funds from deposits to any Checking Account available on the business day the deposit is received. Electronic direct deposits will be available on the day the transaction is posted. Once the funds are available, a withdrawal may be made in cash or to pay items initiated by our member. For determining the availability of deposits, every day is a business day except Saturdays, Sundays, and Federal Holidays. The Credit Union has different deposit cutoff times for different deposit locations. The earliest cutoff time that will apply is 4:00 p.m. A deposit made before the cutoff hour on a business day that we are open, will be the day of the deposit. However, if the member makes a deposit after the cutoff hour, or on a day we are not open, the Credit Union will consider that the deposit was made on the next business day that we are open.

2. Reservation of Right to Hold. In some cases, the Credit Union will not make all of the funds deposited by check available on the same business day the deposit is received. Depending on the type of check deposited, funds may not be available immediately. Local checks may not be available until the second business day after the day of deposit. Checks subject to a longer delay may not be available until the seventh business day after the day of deposit. When a hold is placed on a deposit, the first \$225 of the deposit will be available on the first business day after the day of deposit. However, the first \$225 will be applied to any negative balance in the account. If the Credit Union is not going to make all of the funds available on the same business day, the member will be notified of the hold and availability of the funds at the time of the deposit. If the deposit is not made directly to an employee, or if the Credit Union decides to take this action after the member has left, the Credit Union will mail the notice by the next business day after the deposit is received.

3. Holds on Other Funds. If the Credit Union cashes a check for a member that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in the account. This money will be available at the same time funds from the check would have been available if it had been deposited.

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

- We believe a check you deposit will not be paid.
- You deposit check(s) 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 6 months.
- There is an emergency, such as failure of communications or computer equipment.

The Credit Union will notify you if we delay your ability to withdraw funds for any of these reasons. 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. Deposits at ATMs. Funds from any deposits (cash or checks) made at an ATM may not be available on the same business day received. Deposits made at our ATMs will follow our current funds availability policy as stated above. Deposits made at ATMs not owned by us may not be available until the fifth business day after the day of deposit.

6. Special Rule for New Accounts. The following special rules may apply during the first thirty (30) days of opening an account for a new member. The funds from electronic direct deposits will be available on the day the deposit is received. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier, certified, teller's, traveler and federal, state and local government checks will be available on the next business day after your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 will be available on the ninth business day after the day of your deposit. If the 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 on the seventh business day after the day of your deposit.

7. Immediate Availability of a Check. This regulation specifically states that in order for a check to be considered for immediate availability, certain conditions must be met. A check deposited must fit the following criteria:

- The check must be endorsed by the person to whom it was issued.
- The deposit must be in an account held by the payee.
- The deposit must be made to an employee of the Credit Union.

Exceptions to the Funds Availability Rule

1. New Account.* During the first 30 days of the draft account relationship both schedules for the local and non-local checks, as well as next day availability requirements for “on-us” checks and the \$225 rule, are suspended. Funds availability will be determined at deposit. Funds availability requirements for large deposits will be determined according to Exception B listed below.

2. Large Deposits.* The Credit Union may extend the hold placed on check deposits, to the extent that the aggregate amount exceeds \$5,525 on any one banking day for an additional five business days.

*NOTE: This hold provision can be waived by the branch office manager in advance of the deposit. We could also approve a loan to the member for that amount.

3. Redeposited Checks. The Credit Union may extend the hold placed on checks that have been returned unpaid and redeposited by the member. This exception does not apply to checks that have been returned and redeposited for missing endorsements and /or post-dated checks.

4. Repeated Overdrafts. If a member's account, or combination of accounts, has been repeatedly overdrawn, the check hold schedule will not apply for a period of six (6) months after the last such overdraft. An account is considered “repeatedly overdrawn” if in six (6) or more banking days

within the preceding six months, the account balance is negative, or would have become negative if checks or other charges to the account had been paid; or on two (2) or more banking days within the preceding six (6) months, the account balance is negative or would have become negative, in the amount of \$5,000 or more, if checks or other charges to the account had been paid.

5. Reasonable Cause to Doubt Collectability. The Credit Union may extend the hold placed on checks drawn on a Federal Reserve Bank or Federal Home Loan Bank, or cashier's, certified, or teller's check if the Credit Union reasonably believes the check is uncollectible from the bank and the branch office obtains approval to hold funds by the President or Vice President. The reason for the Credit Union's belief that the check is uncollectible will be included in a notice given to the member prior to accepting the deposit.

6. Emergency Conditions. The Credit Union check hold schedules

do not apply to funds deposited by check if there is any interruption of communication or computer or other equipment facilities; a suspension of payments by another bank; a war; or emergency condition beyond the credit union's control and the credit union exercises such diligence as the circumstances require. The credit union will not provide the date that the funds will be made available for withdrawal, if the emergency conditions exception has been invoked, and the Credit Union does not know the duration of the emergency and when the funds will be made available at the time this notice must be given. Also, under the emergency exception, no notice is required if the funds will be available for withdrawal before the notice must be sent.

7. Notice of Exception. If the Credit Union invokes any of the above-mentioned exceptions to the schedules, other than the new account exception, and extends the statutory hold periods, the member will be provided with a written notice. If your account is subject to repeated overdrafts, we will notify you at the time the hold is put in place indicating when the deposits subject to hold will be available and when the six-month period will end. The Credit Union will give applicable Notice of Exception to members prior to accepting the deposit when the deposit is made in person. We will mail the Notice of Exception on the same day the deposit is received if made through the mail or an ATM. The Credit Union may provide notice after notice would otherwise be required if we later determine the item qualifies as an exception to the Funds Availability policy; in such a case, the Credit Union will notify on the same day the determination is made.

8. Third Party Checks. The Credit Union will not accept third party checks for deposit.

9. ATM Deposits. Deposits made to the Prime Share account at any LFCU-owned ATM which are received before 4:00 p.m. on a business day will be credited to the account by 5:00 p.m. on that same day. Deposits made after 4:00 p.m. will be credited to the account by 5:00 p.m. on the next business day. If necessary, holds will be placed on any checks included for deposits in accordance with this Funds Availability policy. If we permit you to make deposits at ATMs we do not own or which are not on our premises (non-proprietary), you must allow up to 48 hours from the banking day of deposit for deposits made through ATMs to be credited to your account. If you make a deposit through the non-proprietary ATM, credit for the check amount will be given at the end of 48 hours. If the deposit is greater than \$225 and it is a local check, a three (3) day hold will be placed on those funds in excess of \$225. If the deposit is greater than \$225 and in the form of a check, a seven (7) day hold will be placed on those funds in excess of \$225.

Electronic Funds Transfer Agreement And Disclosure

This Electronic Funds Transfer Agreement is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer ("EFT") services offered to you by Lafayette Federal Credit Union ("Credit Union"). In this Agreement, the words "you" and "yours" mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more share and checking accounts you have with the Credit Union. Electronic funds transfers are electronically initiated transfers of money from your account through the electronic funds transfer services described below. By signing an application or account card for EFT services, signing your Card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

1. EFT Services.

If approved, you may conduct any one or more of the EFT services offered by the Credit Union. Mastercard Debit Card. You may use your Card to purchase goods and services from participating merchants. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the credit union will pay the amount and treat the transaction as a request to transfer funds from other deposit accounts, approved overdraft protection accounts or loan accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your Account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union, Cirrus, Maestro, STAR, Co-Op, Mastercard, or Visa terminals, and such other machines or facilities as the Credit Union may designate. At the present time, you may also use your Card to:

- Make deposits to your share and checking accounts but only at machines that accept deposits.
- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.
- Conduct Debit Purchase or POS (Point-of-Sale) transactions with your Card and PIN (Personal Identification Number) to purchase goods or services at merchants that accept Mastercard.
- Conduct Credit Purchase transactions with your Card to purchase goods or services at merchants that accept Mastercard. Some merchants do not require a Signature to be verified for smaller dollar amounts. Some merchants prompt to enter a PIN with your chip card for verification.
- Conduct Credit Purchase transactions to order goods or services by mail, telephone, computer or other internet accessible device from merchants that accept Mastercard.

Your Card may be used for lawful transactions only. You agree that use of your Card for illegal transactions (including but not limited to Unlawful Internet Gambling) will be deemed a default and/or breach of this Agreement and may result in the termination of this Agreement. If you use your Account for illegal transactions, you waive any right to sue us for any activity directly or indirectly related to such transactions. You also agree to indemnify and hold us harmless from any legal action or liability, directly or indirectly resulting from any illegal transactions. See our Rate Schedule and Fee Schedule for limitations on the frequency and amount of Mastercard Debit Card transactions.

Because of the servicing schedule and processing time required in ATM operations, there may be a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. Mastercard Gift Card. You may use your Card to purchase goods and services from participating merchants. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law. The Card may not be used for recurring payments, non-financial money exchange establishments and gambling establishments. The Card is not a credit card and may not be reloaded. You may only use it when there is a balance remaining on the Card and only up to the amount left on the Card. Purchases will be deducted from your Card until the value reaches zero. If a transaction initiated

by you exceeds the remaining balance on the Card, you must tell the merchant before completing the transaction. Any transaction attempted for more than the amount available on the Card will be declined. If you are given value through the use of the Card greater than the balance remaining, you will pay us on demand the amount by which your transactions exceeded the balance remaining on the Card. Telephone Banking (Audio Response) You may use your Audio Response PIN along with your account number to access your accounts. At the present time, you may also use the audio response system to:

- Change your PIN, check your account balances, transfer funds, make a loan payment, withdraw funds from your accounts, advance a loan or find out if a specific share draft has cleared and more.

The following limitations on the frequency and amount of audio response transactions may apply:

- Your accounts may only be accessed via a touchtone telephone.
- See Section 2 for transfer limitations that may apply to these transactions.

Preauthorized EFTs.

- **Direct Deposit.** Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your share or checking account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your share or checking account.
- See Section 2 for transfer limitations that may apply to these transactions
- **ACH Origination:** You have the ability to initiate an ACH Origination credit or debit between your Lafayette account and any accounts that you own at other participating financial institutions. Once an ACH origination has been initiated through your online banking profile, the system will place a 48 hour hold of funds in your LFCU account that totals the amount of funds that has been ordered to leave or come into the account via the ACH origination. This hold of funds will expire upon receipt of funds or 48 hours, whichever occurs first. LFCU has the right to extend this hold as it sees fit based on circumstances of the transaction. All ACH originations are subject to similar ACH fees as set forth in the Schedule of Fees.
- **Provisional ACH Payment.** Lafayette Federal Credit Union may give you credit for ACH payments before it receives final settlement of the funds transfer. Any such credit is provisional until Lafayette Federal Credit Union receives final settlement of the payment. You are hereby notified, and agree, if Lafayette Federal Credit Union does not receive final settlement, that it is entitled to a refund from you of the amount credited to you as a result of the ACH entry.
- **Rules Governing ACH Items.** ACH transactions are governed by the operating rules of the National Automated Clearinghouse Association. In accordance with these rules, Lafayette Federal Credit Union will not provide you with next day notice of a receipt of ACH credit transfers to your account. You will continue to receive notices of receipt of ACH items in the periodic account statements which we provide.
- **Stop Payment Rights.** If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to 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 from the previous payment or when the amount would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer 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.
- **International ACH Transactions (IAT).** The Office of Foreign Asset Control (OFAC) has determined that any ACH transaction that originates from a foreign entity or is sent to a foreign entity must be reviewed to determine if any party involved in the transaction is to be found on the OFAC list that is maintained by their office (www.treas.gov/ofac). If any party of the ACH transaction is on the OFAC listing, funds from the IAT may be held pending verification for up to three (3) business days.

Electronic Check Conversion/Electronic Returned Check Fees. If you pay for something with a check or checking you may authorize your check or checking 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 funds transfers 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. Online Banking. If we approve Online Banking for your accounts, a separate User ID and Password will be used to access your accounts. At the present time, you may use Online Banking to:

- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.
- Make loan payments from your share and checking accounts.
- Access your Line-of-Credit account.
- Make bill payments to preauthorized creditors.
- Determine if a particular item has cleared.
- Obtain tax information on amounts earned on share and checking accounts or interest paid on loan accounts.
- Verify the last date and amount of your payroll deposit.

Your accounts can be accessed under Online Banking via the Internet. Online Banking will be available for your convenience twenty-four (24) hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction, and there may be limits on the duration of each access.

- See Section 2 for transfer limitations that may apply to these transactions.

2. Transfer Limitations.

For Savings, Preferred, and Premier Accounts, if applicable, you may make up to six (6) preauthorized, automatic, telephone, or audio response transfers to another account of yours or to a third party during any calendar month. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearing house (ACH). You may make unlimited transfers to any of your accounts or to any Credit Union loan account and may make withdrawals in person, by mail, or at an ATM. However, we may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend or close your account.

3. Conditions of EFT Services.

Ownership of Cards. Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your Card or account to another person.

Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash

refund.

Foreign Transactions. Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Mastercard from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Mastercard itself receives or the government-mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. A fee, as set forth in the Rate Schedule and Fee Schedule, will be imposed on all foreign transactions, including purchases and cash withdrawals for the amount of the transaction as calculated in U.S. dollars. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the U.S., Puerto Rico or the U.S. Virgin Islands. This includes online purchases where the seller may be located in a foreign country and the cardholder is in the United States.

Security of Access Codes. Electronic funds transfers on your account typically require the use of an access code. Access codes such as PIN's, User ID's, Passwords or security questions, must be protected from unauthorized use at all times. The access codes issued to you are for your security purposes. Any codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the Card or account information. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes, that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any share and checking or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

4. Fees and Charges.

There are certain fees and charges for electronic funds transfer services. For a current listing of all applicable fees, see our current Rate Schedule and Fee Schedule that was provided to you at the time you applied for or requested these electronic services. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

5. Member Liability.

You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit someone else to use an EFT service, your Card or your access code(s), you are responsible for any transactions they authorize or conduct on any of your accounts. However, tell us at once if you believe your Card and/or access code has been lost or stolen or if you believe someone has used your Card or access code or otherwise accessed your accounts without your permission. Telephoning is the best way of contacting us. You will not be liable for unauthorized transactions, as long as you exercised reasonable care in safeguarding the card from risk of loss or theft, and upon becoming aware, promptly reporting the loss or theft to us. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after the sixty (60) days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods. This paragraph does not apply to unauthorized use of a Mastercard debit card or other access device. If you believe your Card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission:

Call: 301-929-7990

Email: Available on www.lfcu.org

Mail: Lafayette Federal Credit Union
2701 Tower Oaks Boulevard
Rockville, MD 20852

For Mastercard Debit or Gift Cards

Telephone: 800-449-7728, 888-918-7802 (24 hours)

6. Right to Receive Documentation.

Periodic Statements. Transfers and withdrawals made through any ATM or POS terminal, Debit Card transactions, telephone banking transactions, preauthorized EFTs, online banking transactions or bill payments you make will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

Terminal Receipt. You may receive a receipt (electronic or print) at the time you make any transaction (except inquiries) involving your account using an ATM, POS terminal, or Debit Card transaction with a participating merchant.

Direct Deposit. If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling (301) 929-7990 or (800) 888-6560. This does not apply to transactions occurring outside the United States.

7. Account Information Disclosure.

We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s);
- To comply with government agency or court orders; or
- If you give us your written permission.

8. Business Days.

Our business days are Monday through Friday, excluding holidays.

9. Credit Union Liability for Failure to Make Transfers.

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, we will not be liable for direct or consequential damages in the following events:

- If, through no fault of ours, there is not enough money in your accounts to complete the transaction, if any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy, or if the transaction involves a loan request exceeding your credit limit.
- If you used your Card or access code in an incorrect manner.
- If the ATM where you are making the withdrawal does not have enough cash.
- If the ATM was not working properly and you knew about the problem when you started the transaction.

- If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction from being completed..
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM, POS, Merchant or national network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your Card, access code, or any EFT facility for making such transfers.
- If the telephone or computer equipment you use to conduct audio response or online banking or electronic/PC transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- If you have bill payment services, we can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- Any other exceptions as established by the Credit Union.

10. Notices.

All notices from us will be effective when we have mailed them or delivered them to your last known address in the Credit Union's records. Notices from you will be effective when you have taken reasonable steps to provide the credit union with the pertinent information regarding your account. The credit union is considered to have received notice limiting your liability under the following circumstances:

- You have provided written notice via email or at the address specified in this Agreement.
- You have notified the credit union via telephone.
- Notification is made by a third party acting on your behalf such as a Power of Attorney or Guardian.

We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations. The following information is a list of safety precautions regarding the use of Automated Teller Machines (ATM) and Night Deposit Facilities.

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- Close the entry door of any ATM facility equipped with a door.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction. If it is after the regular hours of the financial institution and you are using an ATM, do not permit entrance to any person you do not know.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your Card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number or code on your Mastercard Debit Card.
- Report all crimes to law enforcement officials immediately. If emergency assistance is needed, call the police from the nearest available public telephone.

11. Billing Errors.

In case of errors or questions about electronic funds transfers from your share and checking accounts, telephone, email or send us a written notice to one of the following addresses as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem appears. Call us at:

Telephone: 301-929-7990 or 800-888-6560 (during business hours)

Email: mastercard@lfcu.org

Mail: Lafayette Federal Credit Union

Attn: Mastercard
2701 Tower Oaks Boulevard
Rockville, MD 20852

- Tell us your name and account number.
- Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union has made an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days*. We will tell you the results of our investigation within ten (10)* business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45)** days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

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

*If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

**If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

NOTE: If the error you assert is an unauthorized Mastercard transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.

12. Termination of EFT Services.

You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card and any access code. You must return all Cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your Card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.

13. International Remittances.

You may transfer funds in US dollars or the local currency of the recipient as long as the requested currency is available through our service provider.

To ensure the timely processing of your funds transfer, you must obtain the following information from the recipient (Beneficiary) of the funds transfer. Information requirements may be different depending on the country/bank that the funds will be sent to and missing or incorrect information may result in the wire being delayed or returned to the credit union. To process your international funds transfer request please provide the following information in addition to your Lafayette account information:

- Foreign Bank Name
- Swift Code
- Bank Address
- City, Country
- Currency Type (Foreign Currency Name or US Dollars)
- Amount to be sent (Please note that foreign taxes and fees in the recipient country may reduce the amount that the beneficiary receives)
- Beneficiary Name and Address
- Beneficiary Account Number
- IBAN
- Purpose of the transfer
- Any other bank instruction required by the Beneficiary's Bank to complete the wire. If you do not provide all of the required information for the Foreign Bank, your transfer may be delayed or returned for insufficient data to process.

*Pre-transfer notification: You will receive a disclosure via email, fax or print that outlines your transaction request including estimated fees, amount to be sent, recipient information and currency conversion rates (if applicable).

*30 minute Right to Cancel: If for any reason you need to cancel your foreign wire request, you may do so within 30 minutes of receiving your pre-transfer notice.

*Transfer Confirmation Receipt: You will receive a confirmation receipt once your transfer request has been processed. In addition to the information on the pre-transfer notice, the confirmation receipt will list all of the details of your foreign wire request including: estimated date of receipt, estimated local taxes or fees, and an Error Resolution Disclosure in the event the recipient does not receive their funds or any other error you believe may have occurred.

To ensure the timely receipt of your foreign bank wire notifications, please be sure to provide us with your current email address and contact information for your account.

Error Resolution and Cancellation Disclosure

What to do if you think there has been an error or problem:

If you think there has been an error or problem with your remittance transfer:

- Call us at: 301-929-7990,
- Email us at:wires@lfcu.org, or
- Write us at: Lafayette Federal Credit Union
Attn: Wires
2701 Tower Oaks Blvd
Rockville, MD 20852

You must contact us within 180 days of the date we promised to you that funds would be made available to the recipient. When you do, please tell us:

1. Your name and address, or telephone number;
2. The error or problem with the transfer, and why you believe it is an error or problem;
3. The name of the person receiving the funds, and if you have it, his or her telephone number or address; and
4. The dollar amount of the transfer
5. The confirmation code or number of the transaction.

We will determine whether an error occurred within 90 days after you contact us and we will correct any error promptly. We will tell you the results within three (3) business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of any documents we used in our investigation.

What to do if you want to cancel a remittance transfer:

You have the right to cancel a remittance transfer and obtain a refund of all funds paid to us, including any fees. In order to cancel, you must contact us at 301-929-7990 or wires@lfcu.org within 30 minutes of payment for the transfer. When you contact us, you must provide us with information to help us identify the transfer you wish to cancel, including the amount and location where the funds were sent. We will refund your money within three (3) business days of your request to cancel a transfer as long as the funds have not already been picked up or deposited into a recipient's account. For questions or complaints about Lafayette Federal Credit Union, contact:

National Credit Union Association
703-518-1140 www.MyCreditunion.gov

Consumer Financial Protection Bureau
855-411-2372
855-729-2372 (TTY/TDD)
www.consumerfinance.gov

14. Governing Law. This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of Maryland and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

LFCU Privacy Policy

Our credit union is committed to making financial products and services available that will enable you to meet your financial needs and reach your financial goals while at the same time protecting your personal information and using it in a manner consistent with your expectations.

We stand behind the following privacy policy:

Categories of Information We Collect

We collect only the personal information that is necessary to conduct our business. That means just what is necessary to provide competitive financial products and services, no more. This information can include:

- Social Security Number and income
- Account Balances and Payment History
- Creditworthiness and Credit History

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and
- Information we receive from a consumer reporting agency.

Confidentiality and Security

We restrict access to nonpublic personal information about you to:

- Employees and volunteers who need to know that information to provide products or services to you;
- Our attorneys, accountants, and auditors on a need to know basis;
- Government authorities to comply with federal, state or local laws, rules and other applicable legal requirements;
- Consumer reporting agencies in accordance with the Fair Credit Reporting Act.

We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Categories of Information We Disclose and Parties to Whom We Disclose

We may disclose all of the information we collect, as described above,

to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements provided the following conditions are met:

- The services include marketing our own products or services or marketing other financial products or services designed to enhance our member service and offered pursuant to a joint agreement (i.e., insurance products, brokerage products, etc.).
- We will partner only with businesses that follow strict confidentiality requirements. We have a contractual relationship that prohibits the third party from disclosing or using the information other than to carry out the purposes for which we disclosed the information.

We may also disclose nonpublic personal information about our members and former members to nonaffiliated third parties as permitted by law.

Protecting your personal information is a high priority for everyone associated with our credit union!

Internet Privacy Policy

Information Collected and Stored Automatically

For site security purposes and to ensure that this service remains available to all users, LFCU employs software programs to monitor network traffic to identify unauthorized attempts to upload or change information, or otherwise cause damage. For **site management**, information may be collected for statistical purposes. Computer software programs may be used to create summary statistics, which are used for such purposes as assessing what information is of most and least interest, determining technical design specifications, and identifying system performance or problem areas. No personal information, such as your name or address, is collected or used for this analysis. We collect no information that would identify you personally.

Information Collected from E-mails and Web Forms

When you send us personally identifying information, for example, in an electronic mail message containing a question or comment or by filling out a form or application that E-mails us this information, we use this information to fulfill or respond to your requests. We may store these requests to support the application process. We do not create individual profiles with the information you provide.

Consent to Electronic Records

Agreement

By providing your email address to Lafayette Federal, you are authorizing the credit union to send you electronic notifications for account activity, important information, promotional items, and all other electronic messages the credit union sends.

Applicable Records

Your consent applies to the following records:

- Member Statements
- Error Resolution Notices
- Notices of Changes in Terms
- Other Financial Documents involving your Accounts with LFCU

Your Rights

You have the option to have records provided or made available on paper or in electronic form upon request. You have the right to withdraw your consent to have records provided or made available in an electronic form without penalty.

- To withdraw consent for e-statements, your statement preference can be changed at any time via Online Banking or you may contact member services to update your account.
- To opt out of email notices, you may click "unsubscribe" at the bottom of the email.

Updating Your Information

To update information needed to contact you electronically, you can make changes to your contact information at any time via Online Banking or by contacting member services.

Requesting a Paper Copy

Should you want a paper copy of an electronic record, you will be charged in accordance with our Rate Schedule and Fee Schedule. To request a paper copy, e-mail us at memberservice@LFCU.org or call us at 301-929-7990.

Hardware and Software Requirements

In order for you to access and retain records in connection with Online Banking your system must meet the following requirements:

- Internet access
- An Internet browser
- A PDF Viewer – separate or inclusive of your Internet browser

Should these requirements change you will be notified via LFCU's website. If you cannot access the electronic records because of the change, you may exercise your right to withdraw your consent to have the records provided electronically without penalty.

LAFAYETTE FEDERAL CREDIT UNION

Office Locations

DISTRICT OF COLUMBIA

Columbia Heights Financial Service Center*

1381 Kenyon Street, NW, Washington, DC 20010 (301) 929-7990
ATM adjacent to branch

Jack Welty Financial Service Center

1300 Pennsylvania Avenue, NW, Room C. 1-80
Washington, DC 20523 (301) 929-7990
ATM adjacent to branch

(No mail accepted due to processing delays caused by security restrictions. Please send all mail to the Tower Oaks branch.)

SBA Financial Service Center

409 Third Street, SW, Suite 105, Washington, DC 20024 (301) 929-7990
ATM is down the hallway

MARYLAND

Corporate Office

2701 Tower Oaks Boulevard, Rockville, MD 20852 (301) 929-7990
ATM located on 1st floor in Lobby

Cabin John Financial Service Center*

7901 Tuckerman Lane, Potomac, MD 20854 (301) 929-7990
ATM adjacent to branch

Kensington Financial Service Center*

3535 University Boulevard West, Kensington, MD 20895 (301) 929-7990
ATM adjacent to branch

Tower Oaks Financial Service Center*

2701 Tower Oaks Blvd 2nd Floor
Rockville, MD 20852

VIRGINIA

Crystal City Financial Service Center*

2231 Crystal Drive, Suite R150, Arlington, VA 22202 (703) 639-6541
ATM adjacent to branch

McLean Financial Service Center*

6701 Lowell Avenue, McLean, VA 22101 (703) 639-1820
ATM adjacent to branch

HOURS: (M-F): 8:30 a.m. - 4:00 p.m.

*Saturday: 9:00 a.m.- 12:00 p.m.

For more information, please visit our website at www.lfcu.org.

Federally Insured by NCUA