

CATHOLICS UNITED CREDIT UNION

TERMS AND CONDITIONS OF YOUR ACCOUNT

AGREEMENT: This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes rules which control your account(s) with us. Please read this carefully. If you sign the signature card or open or continue to have your account with us, you agree to these rules. You will receive a separate schedule of rates, and fees if they are not included in this document. If you have any questions, please call us. This agreement is subject to applicable federal laws and the laws of the state of Kansas (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal laws that govern our relationship with you, however, is too large and complex to be reproduced here.

The purpose of this document is to: (1) summarize some laws that apply to common transactions; (2) establish rules to cover transactions or events which the law does not regulate; (3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and (4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the signature card for your account or in some other document. As used in this document the words "we," "our," and "us" mean the financial institution and the words "you" and "your" mean the account holder(s) and anyone else with the authority to deposit, withdraw, or exercise control over the funds in the account. The headings in this document are for convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular.

BYLAWS: Our bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations which affect your account and membership. You may obtain a copy of the bylaws on request. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the bylaws. Dividends are based on current earnings and available earnings of the credit union, after providing for required reserves.

LIABILITY: You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from the account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

DEPOSITS: We will give only provisional credit until collection is final for any items, other than cash, we accept for deposit. Before settlement of any item becomes final, we act only as your agent,

regardless of the form of endorsement or lack of endorsement on the item and even though we may provide you provisional credit for the item. We may reverse any provisional credit for items that are lost, stolen, or returned. Actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars. We are not responsible for transactions by mail or outside depository until we actually record them. We will treat and record all transactions received after our "daily cut-off time" on a business day we are open, or received on a day we are not open for business, as if initiated on the next following business day that we are open. At our option, we may take an item for collection rather than for deposit. If we accept a third-party check for deposit, we may require any third-party endorser to verify or guarantee their endorsements, or indorse in our presence.

WITHDRAWALS: Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the signature card may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person signing the signature card to indorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date on the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us, by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of the stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiate it) to apply the frequency limitations. See the funds availability policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability policy disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION: These rules apply to this account depending on the form of ownership and beneficiary designation, if any, specified on the account records. We make no representations as to the appropriateness or effect of the ownership and beneficiary designations, except as they determine to whom we pay the account funds. The person(s) creating any of the following account types may: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the account funds at any time. Individual Account - is an account in the name of one person. Joint Account - With Right of Survivorship (And Not as Tenants In Common), is an account in the name of two or more persons, each of you intend that when you die the balance in the account (subject to any previous pledge to which we have agreed) will belong to the survivor(s). If two or more of you survive, you will own the balance in the account as joint tenants with right of survivorship and not as tenants in common. Revocable Trust or Pay-on-Death Account. If two or more of you create this type of account, you

own the account jointly with survivorship. Beneficiaries cannot withdraw unless: (1) any persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares, without right of survivorship.

BUSINESS ACCOUNTS: Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the legal entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the legal entity.

TELEPHONE TRANSFERS: A telephone transfer of funds from this account to another account with us, if otherwise arranged for or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account transfer restrictions may be described elsewhere.

AMENDMENTS AND TERMINATION: We may change our bylaws and any term of this agreement. Rules governing changes in rates are provided separately in the Truth-in-Savings disclosure or in another document. For other changes we will give you reasonable notice in writing or by any other method permitted by law. We may close this account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. Reasonable notice depends on the circumstances, and in some cases it might be reasonable for us to give you notice after the change or account closure becomes effective. For instance, if we suspect fraudulent activity with respect to your account, we might immediately freeze or close your account and then give you notice. At our option, we may suspend your rights to member services if you violate the terms of this agreement. You must keep us informed of your current address at all times. Notice from us to any one of you is notice to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s).

STATEMENTS: You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of all the relevant facts. As between you and us, if you fail to do either of these duties, you will have to either share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care and, if not, whether we substantially contributed to the loss). The loss could be not only with respect to items on the statement but other items with unauthorized signatures or alterations by the same wrongdoer. You agree that the time you have to examine your statement and report to us will depend on the circumstances, but will not in any circumstance, exceed a total of 30 days from when the statement is first sent or made available to you. You further agree that if you fail to report any unauthorized signatures, alterations, forgeries, or any other errors in your account within 60 days of when we first

send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care. The limitation in this paragraph is in addition to that contained in the first paragraph of this section.

ACCOUNT TRANSFER: This account may not be transferred or assigned without our prior written consent.

DIRECT DEPOSITS: If in connection with a direct deposit plan, we deposit any amount in an account which should have been returned for any reason, you authorize us to deduct the amount of our liability from the account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

RIGHT TO REPAYMENT OF INDEBTEDNESS: You each agree that we may (without prior notice and when permitted by law) charge against and deduct from this account any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account. Including any balance the due date for which we properly accelerate under the note or credit agreement if the debtor's right of withdrawal arises only in a representative capacity. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

PLEDGES: Unless we agree otherwise in writing, each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any surviving account owner or account beneficiary become effective. For example, if a account has two owners and one of the owners pledges the account (ie: uses it to secure a debt) and then dies, (1) the surviving owners rights in this account do not take effect until the debt has been satisfied, and (2) the debt may be satisfied with the funds in this account.

POWER OF ATTORNEY: You may wish to appoint an agent to conduct transactions on your behalf, we, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit. This may be done by allowing your agent to sign in that capacity on the signature card or by separate form, such as a power of attorney. A power of attorney continues until your death or the death of the person given the power. If the power of attorney is not "durable, it is revoked when you become incompetent. We may continue to honor the transactions of the agent until (a) we have received written notice or have actual knowledge of the termination of the authority or the death of an owner, and (b) we have had a reasonable opportunity to act on that notice or knowledge. You agree not to hold us responsible for any loss or damage you may incur as a result of our following instructions given by an agent acting under a valid power of attorney.

UNCLAIMED PROPERTY: The law establishes procedures under which unclaimed property must be surrendered to the state. We may have our own rules regarding dormant accounts, and if we charge a fee for dormant accounts it will be disclosed to you elsewhere. Generally, the funds in your account are considered

unclaimed if you have not had any activity or communication with us regarding your account over a period of years. Ask us if you want further information about the period of time or type of activity that will prevent your account from being unclaimed. If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with respect to the funds.

MONITORING AND RECORDING TELEPHONE CALLS: We may monitor or record phone calls for security reasons and to ensure that you receive courteous and efficient service. You consent in advance to any such recording. We need not remind you of our recording before each phone conversation.

DOCUMENTATION: You will get a quarterly account statement from us for your share accounts.

YOUR ABILITY TO WITHDRAW FUNDS: Our policy is to make funds from your cash and check deposits available to you on the same day we receive your deposit. Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit. For determining the availability of your deposits every day is a business day except Saturdays, Sundays, and federal holidays. If you make a deposit before closing on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after closing or on a day we are not open we will consider that the deposit was made on the next business day we are open. If we cash a check for you that is drawn on another bank, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it. If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure for the type of check that you deposited.

Transaction Condition: We reserve the right to at any time require not less than 60 days notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account as defined by Regulation D.

LONGER DELAYS MAY APPLY
Case-by-case delay: In some cases, we will not make all of the funds that you deposit by check available to you on the same day we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$100 of your deposits however, may be available on the same day.

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

right away, you should ask us when the funds will be available. **Safeguard exception:** In addition, funds you deposit by check may be delayed for a longer period under the following circumstances: We believe a check you deposit will not be paid.

You deposit checks totaling more than \$5,000 on anyone day. You redeposit a check that has been returned unpaid. There is an emergency, such as failure of computer or communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the ninth business day after the day of your deposit.

TRUTH-IN-SAVINGS DISCLOSURE FOR SHARE ACCOUNT(S)

Rate Information:

The dividend rate and annual percentage yield may change at any time, as determined by the credit union board of directors.

Compounding and crediting: Dividends will be compounded every quarter. Dividends will be credited to your account every quarter.

Dividend period: The dividend period 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. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period and for the example above is March 31.

If you close your share account before dividends are paid, you will not receive the accrued dividends.

Minimum balance requirements: The minimum balance required to open this account is \$25.00. You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield. Daily balance computation method: Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the account each day. Accrual of dividends on non-cash deposits: Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

Transaction limitations: During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, computer transfer, or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Par value of a share: The par value of a share in this account is \$25.00.

Nature of dividends: Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

National Credit Union Share Insurance Fund: Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

Please refer to our separate fee schedule for additional information about charges. Please refer to our separate rate sheet for dividend rates and annual percentage yields.