

## McKenzie Valley Federal Credit Union Checking Account Agreement

**Agreement** – The word “we” means McKenzie Valley Federal Credit Union, and the words “you” and “joint tenant(s)” mean the account holder(s). This agreement sets out the terms of this account. It includes your promise to pay any charges your account incurs and your permission for us to deduct these charges, as earned, directly from the account balance. This agreement includes, although not specifically listed here, clearinghouse rules and state and federal law, especially the Uniform Commercial Code (as amended by this form), and is subject to laws regulating transfers at death and estate and other succession taxes. When you sign an application for a checking account you and any joint tenants agree to all the terms and conditions in this agreement, the Truth-in-Savings Rate and Fee Schedule, the Funds Availability Policy Disclosure, and the regular account agreement that does not include these provisions for share drafts. Any change made to this agreement will be sent out in writing or typing on this form or on a separate written agreement.

**Approval and Background Information** – Your application for a checking account is subject to approval and review. You authorize the Credit Union to investigate your employment and credit history from others.

**Deposits** – If you deposit any non-cash items (including items “drawn on us”) we will give your account temporary or provisional credit only, until collection is final. (Any deposits made or payable in foreign currency will be given credit in the amount of U.S. dollars received in final collection of the item.) If a deposit item is not paid, we will reduce your account balance by this amount. In this case we may charge the fee for a “returned deposit item”. We are not responsible for transactions initiated by mail until we actually receive them in our Springfield office. We will treat all transactions we receive after our “daily cut-off time” on a business day, or on a day on which we are open for business, as if it occurred on our next following business day.

**Withdrawals Generally** – You may make withdrawals in written order (draft or withdrawal slip) on forms approved by us which have been signed by you. We will subtract your withdrawals from collected funds first. We may at any time refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. Any person authorized may withdraw all or any portion of the account balance. In the event that we receive notice of the death or incompetence of any authorized person, we may restrict or prohibit withdrawal until we are satisfied that our obligations under the law and this agreement have been met.

**All Joint Account** – If more than one person signs a joint share agreement as account holder, you become joint tenants. Each of you gives to each other joint tenant the power to endorse any item payable to you or your order, for deposit of such item to this account, for cash, or for any other transaction with us. When we receive notice of the death or incompetence of the joint tenant, or this account is changed or closed, these powers shall no longer exist with respect to the deceased joint tenant. If the account balance goes below zero you agree to be individually and together liable to us, regardless of which of you caused this to happen.

**Stop Payments** – You may stop payment on any item drawn on your account if you supply us with a stop payment request in the form we require. You may stop payment on any item drawn on your account whether you signed the item or not.

**Telephone Transfers** – You may make transfers of funds within the account under the same share number by telephone. Telephone transfers and pre-authorized transfers are restricted to a maximum of three per month.

**Amendments and Termination** – We may amend these rules and schedule of charges at any time. Before doing this we will give you a notice. Notice may be given by 1) enclosing the notice in the statement for this account, or 2) mailing the notice to you at the address listed on the signature card. We will close this account if you terminate your membership in the Credit Union. We may also close the account at any other time. If we do so, we will give you notice and will deliver the balance of the account to you personally or by mail.

**Insufficient Funds and Overdrafts** – If we refuse to pay an item drawn on this account because of insufficient funds, we may charge the “insufficient funds” fee. If we pay the item which overdraws the account, we may charge the “overdraft” fee, and deduct the overdraft from the next deposit or use any other collection remedy. Even if we occasionally or regularly pay an item which creates an overdraft on your account, we are not required to do so. The fact that we paid such an item in the past does not mean that we are obligated to do so in the future.

**Statements** – In order for you and us to keep the possibility of loss to a minimum, you must carefully examine your statement and report any errors, forgeries, unauthorized withdrawals or alterations to us as soon as possible. In all cases, you must report any such information to us within 60 days after the statement is made available to you. If you do not report this information to us within that time, you give up your right to contest the payment of any items reported in your statement or passbook and you accept the reported charges and account balance as being correct.

**Notice** – Notice from us to any one of you, whether by mail to the account address listed on the signature card, or otherwise, is notice to all of you.

**Lien** – We have a lien upon your shares and deposits with us to the extent of any money you owe us. This lien does not apply where it is clear you are representing another in your use of this account, or where prohibited by state or federal law. We may not enforce our lien against any amount greater than the amount you would be permitted to withdraw from this account.

## Electronic Funds Transfers

The McKenzie Valley Federal Credit Union provides direct deposit of recurring federal payments, and Automated Clearing House (ACH) payment of pre-authorized recurring bills. Our business days are Monday through Friday, excluding holidays.

### **In case of Errors or Questions about Electronic Transfers:**

Telephone us at (541) 746-6121 or 1-800-746-6121 or write us at PO Box 823, Springfield, OR 97477, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent you the first statement on which the problem or error appeared.

- a) Tell us your name and account number;
- b) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information;
- c) Tell us the dollar amount of the suspected error.

If you tell us verbally, 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, and will correct the 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 do this, we will re-credit your account within ten (10) business days the amount you think is in error so that you will have 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 if we do not receive it within ten (10) business days, we may not re-credit your account.

**Stop Payment** – To stop payment on a pre-authorized debit transfer, you need to write the company initiating the transfer. You may initiate a stop payment on a pre-authorized transfer through the credit union by providing us, in writing, notice of your intentions and by including a copy of your cancellation action with the company in question. The request for the stop payment must be received by us five (5) business days before the payment is scheduled to be made. A fee of \$20.00 will be assessed for each stop payment request of debits to your checking account.

## Your ability to withdraw funds at McKenzie Valley Federal Credit Union

Our policy is to make funds from your deposits available to you in the first business day after the day we receive your deposit. Electronic direct deposit will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. 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 4:00PM 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 4:00PM or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

**Longer Delay May Apply** – In some cases, we will not make all the funds that you deposit by check available to you in the first business day after the day of 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. However, the first \$100.00 of your deposits will be available on the first business day after we receive your deposit.

If we are not going to make all the funds from your deposit available to you on the first business day after 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 need the funds from a deposit right away, you should ask us when the funds will be available. In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You re-deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.
- There is an emergency, such as failure of communications or computer equipment.

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

**Special Rules for New Accounts** – If you are a new member, the following special rules apply during the first thirty (30) days your account is open.

Funds from electronic direct deposits into your account will be available on the day we receive the deposit. Funds from deposits of cash wire transfers, and the first \$5,000 of a day's total deposits of cashier's certified, teller's, traveler's, federal, state, and local government checks will be available on the first business day after the day of your deposit if your deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth business day after the day of your deposit. If your deposit of these checks (other than a US 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 ninth business day after the day of your deposit.