

MEMBER SERVICES GUIDE



Agreements and
Disclosures

We'll make you proud to be a member



DC
Credit Union

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NOTICE: Information in this publication is effective March 2020. DC Credit Union reserves the right to change the terms and conditions on any account and will notify the membership of any such change, as required by applicable law. You may call 877-784-5551 to inquire about current terms.

INTRODUCTION

Welcome to DC Credit Union, and thank you for opening an account with us. In this brochure, DC Credit Union may be referred to as “the Credit Union,” “we” or “us.” Any member of DC Credit Union may be referred to as “member” or “you.”

Throughout this brochure, we give you important terms and conditions relating to DC Credit Union deposit account programs. We also discuss related and optional services, as well as special situations that may apply to your accounts.

Please read this publication carefully and keep it for your records. We encourage you to compare our rates on savings and loans and our services with those of other financial institutions anytime you open an account with us or we change our charges or practices.

When you open an account with us, you agree to the terms and conditions described in this brochure. We may change these terms and conditions anytime. We will give you written notice of any changes as required by law. If you maintain your account or renew your Share Certificate Account after the effective date of the change, you indicate your agreement to the change. The agreement you make with us, and the rights and obligations we both have, are governed by and interpreted according to federal and state law as applicable.

To help the government fight the funding of terrorism and money-laundering activities, the USA PATRIOT Act requires all financial institutions to obtain, verify and record information that identifies each person who opens an account.

What this means for you: when you open an account, the Credit Union will ask for your name, address, date of birth and other information that will allow us to identify you. The Credit Union may also ask to see your driver's license or other identifying information.

The Credit Union will only ask for the information required by law and will use the information solely for the purpose of complying with the law. A driver's license or other government-issued photo ID card is an acceptable form of identification for U.S. citizens. Non-U.S. citizens may use a passport or alien identification card.

Please be prepared to present your identification when opening a new account.

Your signature on any DC Credit Union account application acknowledges receipt of the Agreement and accompanying Disclosure for the account you've opened.

MEMBERSHIP

Who's Eligible to Join?

DC Credit Union serves both our community and the local D.C. government, and there are many ways to be eligible for membership. We're strongly committed to diversity, inclusion, and to serving people who would otherwise be unable to access quality financial services.

You may be eligible through your affiliation with a program, organization or employer:

Individuals (who live, work or worship) and businesses (including legal entities, associations, religious organizations and non-profits) located in:

- Adams Morgan
- Mt. Pleasant
- Columbia Heights

You may be eligible through your affiliation with a program, organization or employer:

- Bank on DC Participants

Immediate family members and household members of those eligible for membership

Employees, residents and members, retirees, pensioners or annuitants of the following organizations:

- District of Columbia Government employees and others paid by the DC Disbursing Officer*
- District of Columbia Housing Finance Agency
- National Capital Housing Authority/Department of Housing and Community Development
- Maryland & DC Credit Union Association
- Mi Casa, Inc
- Hillcrest Family Center
- American Income Life Insurance Company
- Black Entertainment Television
- Passport Toyota, Marlow Heights, MD
- Saint Augustine Catholic Parish in Washington, DC
- CASA de Maryland in Hyattsville, MD

When you establish your account, you are establishing a lifetime relationship with the Credit Union. **Once a member, always a member.** Credit Union membership means Credit Union ownership — all members of the Credit Union have a voice in the election of officials and are encouraged to attend membership meetings and to volunteer to serve on special committees.

*Employees of the District of Columbia Government or other employees paid by the DC Disbursing Officer except the employees of the District Board of Education, the District Board of Higher Education, and the District Board of Vocational Education.

Federal Deposit Insurance

Funds on deposit in your accounts at DC Credit Union are insured to at least \$250,000 by the National Credit Union Administration, an agency of the United States government. In general, every IRA is separately insured up to an additional \$250,000. However, IRA and Roth IRA accounts are combined together and insured in the aggregate up to \$250,000. (See *Your Insured Funds Booklet* for details.)

ACCOUNT TERMS, DISCLOSURES AND AGREEMENTS

Dividends/Interest

"Dividends" is the term used for the earnings paid on your share accounts. (It is the equivalent to what other financial institutions may refer to as "interest.") Dividends are variable and are determined by the Board of Directors. Dividends are paid from current income and available earnings after required transfers to reserves.

Joint Ownership

Your Credit Union account(s) may be jointly owned by you as the primary member and with one or more persons. All joint owners have equal ownership rights in the account and the right of survivorship. All joint owners must sign the Application for Membership. Joint owners may or may not be in the field of membership.

A joint owner is not a Credit Union member (even if eligible) unless he or she is the primary owner of a Savings account.

If your joint owners are within the field of membership, they may have accounts of their own. If not within the field of membership, they are not entitled to accounts of their own and may not borrow from the Credit Union.

On jointly owned accounts, all owners are joint on all sub-accounts of the primary account, such as Checking and Share Certificate Accounts.

A joint account is terminated in one of two ways:

- a. Only one joint owner survives (if the joint owner is a non-member eligible for membership, he or she may join the Credit Union immediately; if the remaining joint owner is an ineligible non-member, we must close the account and disburse funds);
- b. One joint owner requests to be deleted from the account by notarized letter; all other joint owners must then sign a new joint savings account agreement.

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.

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 beneficiary/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.

Trust Accounts.

The following rules govern trust accounts:

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.

- a. 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.
- b. 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.

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.

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.

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.

TYPES OF ACCOUNTS

Share Savings

DC Credit Union's basic share account is called "savings." Savings can be withdrawn at any time and are totally liquid. To be a member of DC Credit Union, you must maintain a \$5 minimum balance in your savings account. Members whose balances drop below the required minimum will be assessed a fee in accordance with our current Schedule of Fees. Please see fee schedule on our website at www.dccreditunion.coop.

Dividends accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded monthly and paid on the last day of the month in which they are earned.

Holiday and Vacation Club Accounts

\$5 minimum balance is required in these accounts. For Holiday Accounts, we make an annual transfer to the Checking account no later than November 1st. Any withdrawal prior to the transfer date may cause the account to be closed and funds to be transferred to checking. Early withdrawal may affect the Annual Percentage Yield earned. Vacation Club funds are not transferred on a specified date.

Dividends accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded monthly and paid on the last day of the month in which they are earned.

Share Draft Checking Accounts and Agreement

DC Credit Union's basic checking account is also known as the "Share Draft" account. It will be referred to as Checking throughout this brochure. The Checking account requires no minimum balance and has no monthly maintenance charges. A minimum balance of \$300 is required to earn dividends. Of course, you must maintain a sufficient balance to cover the checks you write. Every effort will be made to clear an item presented for payment in accordance with the procedures outlined below.

You authorize the Credit Union to establish an account for you to be known as a "Checking Account." The Credit Union is authorized to pay checks signed by you and to charge the payments against the Checking account.

You agree that:

- a. Only checks and other methods approved by the Credit Union may be used to withdraw funds from your Checking account;
- b. The Credit Union is under no obligation to pay a check which exceeds the balance in your Checking account; the Credit Union may, however, pay such a check and charge the amount of the resulting overdraft against any other savings account from which the person who signed the check is entitled to withdraw funds; or the Credit Union may pay such a check and add the amount of the overdraft to your line of credit account up to your approved limit, and subject to the terms of your line of credit agreement;

If the Credit Union finds it necessary to use the overdraft transfer clause as described above, the overdraft transfer will be made according to the accountholder's specifications;

- c. The Credit Union is not obligated to pay a check that is more than six months old;
- d. If funds are not available to cover an overdraft from item (b), the check(s) will be returned;
- e. You waive any objection regarding any item shown on your monthly Checking account statement unless you put your objection in writing to the Credit Union on or before the sixtieth (60th) day following the day the statement is mailed;
- f. The Credit Union may pay drafts that have been postdated and have not yet matured unless the member provides specific advance notice that the draft should not be honored until the posted date.
- g. The Checking account is subject to service charges as adopted by the Credit Union from time to time;
- h. The use of your Checking account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time.

Money Market Accounts

Money Market accounts give members an opportunity to earn dividends at a higher rate than regular share savings accounts. There is a minimum balance requirement, with tiered dividends based on balance. Minimum withdrawals of \$500 are required with a maximum of three withdrawals per month.

Please refer to current rates on our website for details.

Share Certificate Accounts

A Share Certificate account earns dividends at a higher rate than regular savings accounts for the same period if the funds remain on deposit for a pre-established period of time. DC Credit Union offers several types of Share Certificate accounts, including Regular Share Certificates and IRA Share Certificates (see Individual Retirement Account section of this brochure). The rate is fixed for the entire term of the Share Certificate. Dividends are computed on the Daily Balance in the Certificate account and paid and compounded quarterly. Please review your share certificate agreement and disclosure and visit our website for current rates.

Regular Share Certificates

Share Certificate accounts range in terms from 12 months to 48 months and require a minimum balance. (Please refer to current rate sheet for terms.) You may elect to have your dividends transferred to another share account. (In such a case, the compounding and Annual Percentage Yield earned would be affected.)

Any withdrawal of principal will close the share certificate account. Share certificate accounts are subject to substantial penalties for early withdrawal, which may result in a loss of principal.

Twenty days prior to maturity we will send a notice to you. Unless we receive notice from you, the share certificate account will automatically roll into another share certificate account on the maturity date, for the same term and at the current rate. There is a 10-day grace period after the maturity date during which you may elect to make changes without penalty.

Share Certificate Accounts may be used as collateral for a secured loan. The term of the loan may be up to the remaining life of the certificate.

Individual Retirement Accounts (IRAs)

DC Credit Union offers IRAs which give you the option of investing in Traditional, Roth and Educational IRAs. IRAs can save you money because of possible tax deductions and tax-deferred growth or tax-free withdrawals. Federal regulations dictate some penalties on early withdrawals. Please ask us for details. Dividends accrue daily and are paid and compounded quarterly.

Traditional, Roth and Educational IRA Share Accounts

No minimum deposit is required and there are no administrative or maintenance service charges. You may be subject to substantial penalties for early withdrawal as federal regulations dictate. Dividends are variable and accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded quarterly and paid on the last day of the quarter.

Traditional and Roth IRA Share Certificate Accounts

Traditional and Roth IRA Share Certificate accounts are offered for terms of 24 months. Each requires a \$2000 minimum balance. Dividends accrue from the day the certificate is opened and are calculated on the daily balance. Dividends are compounded quarterly and paid on the last day of the quarter.

Once the IRA Share Certificate is established, no additional deposits may be made to it. Any withdrawals may close the IRA share certificate account. IRA Share Certificate accounts may be subject to substantial penalties for early withdrawal, which may result in a loss of principal. IRA Share Certificates may not be pledged as loan collateral.

Twenty days prior to maturity we will send a notice to you. Unless we receive notice from you, the share certificate account will automatically roll into another IRA share certificate account on the maturity date for the same term and at the current rates. There is a 10- day grace period after the maturity date during which you may elect to make changes without penalty. Please call the Credit Union to obtain current rate information or visit our website at www.dccreditunion.coop.

Dividends accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded monthly and paid on the last day of the month in which they are earned."

RELATED SERVICES

We offer related services that may be used with accounts described in this publication.

Automatic Transfer Service

You may authorize the Credit Union to make automatic withdrawals from your Savings or Checking account to be applied, as you request, to make loan payments and/or deposits. You may also have funds transferred to other accounts and applied as you request. The automatic transfer will take place on dates you specify. We require written notification of changes or cancellations.

Canceled Checks (share drafts)

We do not return canceled checks to you. Each time you write a check, it is automatically recorded on a carbon copy. If you should need a copy of a canceled check as proof of payment you can login to It'sMe247 online banking to obtain a copy of a written cancelled check for up to one year, or you may obtain it for a reasonable service charge. Please refer to current Schedule of Fees.

Direct Deposit

We offer both direct deposit and payroll deduction (allotment) services. You may use direct deposit of your net salary or retirement check to fund your checking or savings account automatically. (You may elect to have funds further distributed among your Credit Union accounts.) With direct deposit you don't wait in line to deposit your check and your money is deposited on time — even if you're ill or out of town, because you get a guaranteed date of deposit.

Payroll allotment allows you to choose specific amounts to be deducted from your paycheck and sent to the Credit Union.

Overdraft Protection

To help protect your account from overdrafts and rejected items, you may want to have your Checking account set up with overdraft protection.

Line of Credit. When your Checking account balance falls below zero, we may make loans to you from your approved line of credit by transferring to your Checking account the amount required to cover your overdraft. The amount of the loan may not exceed the unused credit available from your line of credit. We make these loans under the terms and conditions of your line of credit agreement.

Savings Overdraft Coverage. As a second option, when your Checking account balance falls below zero, we may automatically transfer funds from your Regular Savings Account with a limit of six per month (see below).

You may choose either option or combine them in any order to maximize your overdraft protection coverage.

Transaction Limitations

You're limited to a total of six preauthorized, electronic, or telephone transfers and withdrawals per month from each Share Savings account in any combination of the following methods:

- Preauthorized electronic funds transfers
- Automatic overdraft coverage from savings
- CU Talk audio response
- It'sMe247 Online Home Banking
- Call Center

Exceeding the limit may result in transactions being denied, an overdrawn checking account, fees being assessed and inconvenience. See schedule of fees on our website at www.dccreditunion.coop

Statements

You will receive a monthly statement that shows the activity in your Checking account. The statement period for these accounts is based on the calendar month.

For all other accounts, you will receive a statement each calendar quarter that shows the activity in your account. You will receive a monthly statement, however, if you perform any of the following EFT transactions during the month:

- a. Preauthorized debits or credits;
- b. Deposits, transfers, or withdrawals with your ATM card;
- c. Debit Card transactions;
- d. CU Talk audio response transactions;
- e. It'sMe247 Online Home Banking.

We send all your deposit account statements to the address on file. If your statements are returned to us undelivered, we will assess a return mail handling fee. Please refer to current Schedule of Fees.

ACH & Wire Transfers

If we provide the service, electronic funds transfers that we permit are subject to the Uniform Commercial Code of the District of Columbia. We may execute certain requests for electronic funds transfers by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J. 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. 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.

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.

ELECTRONIC FUNDS TRANSFER DISCLOSURE

The following information applies to the following services which are now offered: **ATM** service (Automated Teller Machine), **CU Talk** service (audio response), **Visa® Debit Card**, **It'sMe247 Online** Home Banking service (computer home banking) and **Bill Payer** (online bill-paying service).

"Card" refers to the ATM access card or Visa Debit Card; "PIN" refers to a Personal Identification Number for any of the above services. All of these services are activated immediately upon receipt of your PIN.

Available Transfers and Limits on Transfers

You may use your ATM card and/or your Visa Debit Card to withdraw cash from your Savings and Checking accounts. You may also transfer funds between your accounts, make balance inquiries on your Savings and Checking accounts, or other services that the Credit Union may make available in the future.

You may not make withdrawals for an amount in excess of funds available in the account. ATM networks may impose additional limitations on the

availability of the above services on some ATM terminals. Please call the Credit Union to obtain current daily transaction and withdrawal limit information.

With a Visa Debit Card, you can make purchases without carrying cash or your checkbook. The Visa Debit Card is a debit card which accesses funds in your checking account. Service charges may apply if using a non DC Credit Union ATM. Please view schedule of fees and view our website at www.dccreditunion.coop for surcharge fee ATM's and locations the limit is twelve transactions per day (in any combination of (POS) or ATM transactions.) The only exception is that, like writing a check, you can't exceed the combined funds available in your checking and other accounts set up for automatic transfer.

When you purchase something with the Debit Card instead of a check, you'll avoid the usual identification requirements at the point of sale. Many point-of-sale transactions require no PIN. The merchant simply swipes your Debit Card (in the same manner as a credit card). Funds are automatically deducted (debited) from your checking account.

You may use CU Talk and It'sMe247 Online to make balance inquiries on your Savings, Checking and Loan accounts and transfer funds within your accounts. You may withdraw money (minimum \$100 by check from your Savings or Checking account, or make other inquiries, including account history, clearing of checks, and the amount of the most recent deposit via electronic funds transfer.

We may update the functions and limits of CU Talk and It'sMe247 Online without notice, at the option of DC Credit Union, in order to provide improved service.

Electronic Check Conversion/Electronic Returned Check Fees

If you pay for something with a check or share draft, you may authorize your check or share draft 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. When information from your check or share draft is used to make an electronic fund transfer, funds may be withdrawn from your account as soon as the same day you make your payment.

On October 28, 2004, the Federal Reserve Board implemented a regulation called the "Check Clearing for the 21st Century Act" (Check 21). This regulation is intended to make the movement of checks through the Federal Reserve System more efficient. It permits financial institutions to truncate (not return) paper checks and create a new negotiable instrument called a "substitute check." Substitute checks are legal equivalents of original checks and include all of the same information.

You will not see substitute checks very often. But you may see them, for example, if you request a copy of a check or if a check is returned to you unpaid. To qualify as a substitute check, the document must contain an image of the front and back of the original check; include the MICR line information

as it appears on the bottom of the check; conform to industry standards for substitute checks; and be as suitable for automated processing as the original. You can use the substitute check in the same way that you would use the original check if it is an accurate representation of the original check and bears the statement, "This is a legal copy of your check. You can use it the same way you would use the original check."

The most noticeable way that Check 21 affects you is that checks you write could clear sooner than before, increasing the risk that your checks will be returned if sufficient funds are not in your account when the checks are written. You are urged to always be sure appropriate funds are available in your account prior to writing checks.

Lost/Stolen Card or PIN and Unauthorized Transfers

Tell us AT ONCE if you believe that any of your cards or PINs have been lost or that someone has transferred or may transfer funds from your account without your permission. If you lose your *Debit Card*, we suggest you contact the Credit Union and close your card immediately. Telephoning is the best way of keeping your possible losses down.

Call us at 877-784-5551 during regular business hours, on weekends and after hours at 888-241-2510 and International at 909-941-1398.

DC Credit Union
2000 14th Street, NW, 2nd Floor
Washington, DC 20009

If you don't tell us, you could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two business days, you can lose no more than \$50 if someone used your card/PIN without your permission. (The Visa Debit Card has an enhanced liability protection policy that removes the 48-hour limit and the \$50 liability if fraudulent activity occurs on any signature-based transaction, including Internet purchases.) If you do NOT tell us within two business days after you learn of the loss or theft of your card/PIN, and we can prove we could have stopped someone from using your card/PIN without your permission if you had told us, you could lose as much as \$500.

If your statement shows transfers that you or other signers of the account did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason such as a long trip or a hospital stay prevented you from notifying us within the above time periods, we may extend the time periods.

Procedures for Stop Payments of Preauthorized Debits

If you have pre-authorized in advance to make regular payments out of your account, you can stop any of these payments. Here's how: call us at 877-784-5551 or visit our website at www.dccreditunion.coop for a stop payment form or write us at:

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Washington, DC 20009

Allow us time to receive your written request three business days before the payment is scheduled to be made.

If you follow these procedures and we do not stop payment, we shall be liable for your losses or damages.

If you have requested a Preauthorized Debit from your Credit Union account to another vendor, you must cancel that debit with the vendor, and not with the Credit Union.

Notice of Preauthorized Debits Varying in Amounts

If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be.

General Provisions

1. Business Day

Our business days are Monday through Friday (excluding holidays).

2. 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 will be liable for resulting losses or damages. However, there are some exceptions. We will not be liable, for instance:

- a. If circumstances beyond our control (such as fire, flood, or acts of God) prevent the transfer, despite reasonable precautions we have taken;
- b. If, through no fault of ours, you do not have enough money in your account to make the transfer;
- c. If the ATM where you are making the transfer does not have enough cash;
- d. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer;
- e. If you institute a transaction in error or improperly use an EFT service;
- f. If the funds in your account are subject to collection or legal process, such as garnishment or attachment, or if the account is subject to a pledge or security agreement;
- g. If you use your account(s) to make or facilitate any illegal transaction(s) such as determined by applicable law;
- h. If the transfer would go over the limit on your overdraft line of credit;
- i. If there are other exceptions stated in our agreement with you.

Institutions or merchants participating in the STAR or Cirrus networks or other networks shall be held harmless if their ATM is not working at the time when you need it or if there is insufficient cash in the ATM. In the event the ATM dispenses less cash than you have requested due to mechanical or

currency supply difficulty, your receipt and account balance will reflect the actual amount dispensed. This will be considered a good transaction.

3. In Case of Errors or Questions About Your Electronic Transfers

If you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt, call us as soon as you can at (877-784-5551) or write us at:

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Washington, DC 20009

We must hear from you no later than 60 days after we send 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 and the date that the transaction occurred.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will tell you the results of our investigation within 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 45 days to investigate your complaint or question. If we decide to do this, we will provisionally your account within 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 10 business days, we may not recredit your account.

For errors involving new accounts, point-of-sale, or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation.

If we decide that there was no error, we shall send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documentation that we used in our investigation.

4. Privacy Policy

It is our mission to provide you with quality, attentive and accurate service, which includes being extremely sensitive to confidential information. Financial information or any information relating to the Credit Union or any of our members is held in the strictest confidence and used only for legitimate Credit

Union purposes. We are committed to ensuring the information we have is safeguarded. We have strict policies about the access, security, storage and destruction of our member information.

- We hold our employees and vendors accountable for adhering to those policies.
- We do not sell information about our members to anyone.
- We do not disclose any nonpublic personal information about our members and former members to anyone except as permitted by law.

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

- a. Where it is necessary for completing transfers, or
- b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- c. In order to comply with government agency or court orders, or
- d. If you give us your written permission.

We believe it is very important that your level of trust in DC Credit Union remains high. Without your confidence, we would not be able to adhere to the credit union philosophy of *People Helping People*. We will continue to provide you with the best possible service in terms of technology and personalized attention.

5. Receipt, Notice of Preauthorized Credits and Statement Information

- a. You will receive a receipt when you make any transaction using ATMs or POS terminals;
- b. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money. You can call us at 877-784-5551 to find out whether or not the deposit has been made.
- c. You will get a monthly account statement (unless there are no transactions in a particular month). In any case, you will get the statement at least quarterly. Details of every CU Talk, ATM and It'sMe247 Online transaction will appear on your statement.

Service Charges

Currently, we do not impose any service charges for CU Talk, Debit Card or It'sMe247 Online services. We do impose fees for ATM services. However, these charges are subject to change, and the Credit Union may adopt service charges in the future. Other institutions may impose their own fees for using their ATMs or ATM networks and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. Please refer to current Schedule of Fees.

ATM, VISA® DEBIT CARD, CU TALK AUDIO RESPONSE, It'sMe247 ONLINE AND BILL PAYER AGREEMENT

You understand that the use of the Personal Identification Number (PIN) to access Credit Union accounts acknowledges acceptance of the following terms and conditions:

- a. The Credit Union registers the PIN for your use only. You assume responsibility for all transactions made through the ATM, Visa Debit Card, CU Talk and It'sMe247 Online;
- b. The PIN is the property of DC Credit Union and is subject to cancellation at any time. You may cancel your ATM, Visa Debit Card, CU Talk and It'sMe247 Online at any time by notifying DC Credit Union in writing;
- c. We reserve the right to revoke your access and retain your Card:
 - If you are indebted to the Credit Union as a maker or co-maker, and the loan for which you are responsible becomes delinquent;
 - If your account is overdrawn or you exceed your approved line of credit;
 - If you fail to pay applicable service charges;
 - If you allow an unauthorized person to use the card;
 - For any other reasons the Credit Union may adopt from time to time.
- d. We reserve the right to amend any term or condition of this agreement upon notice to you as required by law.
- e. You acknowledge that your PIN is personal and confidential. Therefore, you agree to take all reasonable precautions that no one else learns your PIN. At no time will you reveal or make available, directly or indirectly, the PIN to any other person. If you do, your account with us may be revoked immediately;
- f. You will report any loss or theft of the PIN promptly. If you have notified us that your PIN has been lost or stolen and you find it, you must notify us to reactivate your PIN before you will be able to use it again;
- g. The use of the ATM, Visa Debit Card, CU Talk and It'sMe247 Online is subject to all agreements and regulations on Checking and Savings accounts. You agree not to withdraw your funds in excess of the balance in your account. Electronic transfers may be restricted by federal regulation;
- h. If a PIN is registered for a joint account, you agree to be jointly and severally liable under the terms of this Agreement;
- i. In the event the Credit Union assesses service charges, you authorize the Credit Union to collect service charges from your accounts as deemed necessary.

DEBIT CARD AGREEMENT DISCLOSURE

In this Agreement, "Debit Card" means the DC Credit Union Visa Debit Card and any duplicates and renewals we issue.

Use

You may use your Debit Card to buy goods and services anyplace your Debit Card is honored. You may use your Debit Card for all purposes and subject to all disclosures detailed in this brochure pertaining to Electronic Funds Disclosure and ATM Card Agreement. Unless you have designated a different access order to us, funds to cover your Debit Card transactions will be deducted first from your checking account. If the amount of money in the account will not cover the transaction amount, we will then apply funds from your savings account. If the amount of money in that account still will not cover the transaction, we will access sufficient funds, if available, in your overdraft line of credit.

CHECK HOLD POLICY

Your Ability to Withdraw Funds at DC Credit Union

Our policy is to attempt to make funds from your deposits available to you on the same business day we receive your deposit. At that time, you can withdraw the funds in cash and/or we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. We may have different deposit cut-off hours for different locations.

Our earliest cut-off hour is 2:00 p.m. If you make a deposit before our cut-off hour 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 our cut-off hour or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first \$250 of your deposits will be available on the first business day after the day of your deposits. If we are not going to make all of the funds from your deposit available on the same business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If you do not make your deposit 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 business 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.

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.

Longer Delays May Apply

We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- a. You deposit checks totaling more than \$5,000 on any one day;
- b. You re-deposit a check that has been returned unpaid;
- c. You have overdrawn your account repeatedly in the last six months;
- d. We have reason to believe a check you deposit might not be paid, for example: personal check or one of your own drawn on another institution;
- e. There is an emergency, such as a failure of communications or computer equipment.

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

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.

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 \$5,000 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 \$5,000 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.

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 by to an employee of the Credit Union.

COLLECTION

The Credit Union has the right to seek collection of any amount owed under this agreement, including service charges, charges and overdrafts paid. You agree to pay the costs of such collection, including reasonable attorneys' fees.

DEPOSIT RESTRICTIONS

All non-cash deposits made to any account will be credited subject to final payment (the final clearing of the check deposited). No postdated checks or checks with conditional or qualified endorsements will be accepted for payment or deposit.

SPECIAL SITUATIONS

The following terms may affect your deposit accounts.

Account Closing

Only the primary owner may close the primary savings account and we may require your signature to close your account. Accounts may not be closed when there is an outstanding loan balance, fees, charges or other obligations due to the Credit Union. All services associated with the account must also be terminated. We may close your account if you violate the terms of our agreement. There is a fee for closing your account within six months of opening see schedule of fees. We reserve the right to require account depositors to give seven days' written notice before an intended withdrawal.

If you have periodic payments deposited directly to your account or preauthorized debits subtracted from your account, you should notify the third party initiating the payments or debits that your account is being closed. After your account is closed, we will reject any debits and return any payments we receive.

Inactive Accounts

When an account has had no transactions for one year, then the account is considered inactive. A reasonable service charge will be imposed on the account. If required by law, the Credit Union will give written notice of the service charge to the primary owner of the account, at the last known address in the records of the Credit Union, prior to the initial imposition of such charges. Please refer to the current Schedule of Fees.

Escheatment

If your account is inactive for three years (regardless of balance) and we are not able to reach you by mail, District of Columbia law requires us to transfer your account to the Office of Abandoned Property.

Change of Address

You must notify us in writing to change your address. Because we perform monetary transactions by phone request, it is for your protection and security that we do not accept change of address information over the phone. The Credit Union reserves the right to destroy any mail returned to us

as undeliverable. It is **your responsibility** to maintain a current address on file with the Credit Union.

Insufficient Funds

When you don't have enough funds in any of your accounts to cover a check or other debit we receive, the check or debit is considered an insufficient funds item. If you have sufficient coverage under one of our overdraft protection plans, we transfer funds to your Checking account to cover the item. If you don't have overdraft protection or sufficient coverage under the plan, we return the item for insufficient funds. (For more information, see Overdraft Protection.) We charge a service charge for each insufficient funds item each time said item is presented against insufficient funds and you authorize us to offset such charges from any of your accounts. Please refer to current Schedule of Fees.

Legal Process

A legal order — such as a levy or attachment from a court or other government authority — may require us to hold or deliver funds on your account. Depending on the type of order, we either immediately deliver funds to the levying authority or hold the funds for a legally required period of time.

Payment of Debt by Right of Setoff

The Federal Credit Union Act grants us a statutory lien and the right of setoff — that is, we have the right to use funds in any of your deposit accounts (except Retirement Accounts or other accounts that receive special tax treatment) to pay debts you owe us. For joint accounts, we may exercise this right to pay individual debts of any owner of the account. If we use funds from a share certificate, the account is then subject to the early withdrawal penalty that applies. We notify you after we exercise this right.

Power of Attorney

If you wish to grant someone power of attorney over your account, we require that you furnish us with a legal document which has been properly executed and notarized and in a form acceptable to us.

Reporting Problems

If you find that your records and ours disagree, if you lose your checks or check register, or if you suspect that a check or endorsement is altered or forged, call the Credit Union immediately. If you fail to examine your statement and to report such problems promptly, you may not be able to recover any losses resulting from a forged check you detect or any losses resulting from any subsequent checks forged by the same person.

Return of Deposited or Cashed Items

If a check or other item you cash or deposit to your account is returned to us for any reason, we will redeposit the item when possible, or we may charge your account for the amount of the item. We also charge a service charge for each returned item and notify you that the item was returned. Please refer to current Schedule of Fees.

Right to Limit Account Use

The Credit Union may limit services to any member who causes the Credit Union a loss or has a delinquent account.

Stop Payment Orders

You may ask us to stop payment on a check or an ACH debit if it has not yet been paid from your account. You may request a stop payment order in person, at a DC Credit Union branch location, and online at It'sMe247. You may also request an order by mail or by telephone.

An oral notice is valid for only 14 calendar days when given, unless a written confirmation is presented to the Credit Union. A written notice shall be valid for six months when received by the Credit Union. Unless otherwise provided by law, we need the following information: the account number, the exact amount and number of the check, the name of the person who signed the check, and the name of the party to whom the check was made payable.

A stop payment goes into effect after we verify that the check or other ACH debit is unpaid. A stop payment order is valid for six month, after which time you may renew the order. If the check is presented for payment after the stop payment expires, we may pay the check against your account. You may cancel the order anytime in person or by writing to us. We cancel the order automatically when the account on which the check is drawn is closed.

We charge your account a service charge when a stop payment order goes into effect. Please refer to current Schedule of Fees.

For information on stopping a preauthorized payment (debit) from your account, see Procedures for Stop Payments (EFT Disclosure, page 14).

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.

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 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 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.

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.

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 (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 District of Columbia. 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.

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.

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.

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 District of Columbia, 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.

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