

Guide to Member Services.



Purdue Employees
Federal Credit Union

765.497.3328 | 800.627.3328
www.purduefcu.com

Table Of Contents

Funds Availability Policy	2
Membership and Account Agreement	3
Privacy Notice	4
USA Patriot Act.....	5
Taxpayer Identification Numbers and Backup Withholding	5
Deposit of Funds Requirements	6
Direct Deposit.....	7
Account Access	7
Account Transaction Limitations.....	9
Overdraft Liability and Protection Plan.....	9
Postdated and Staledated Drafts	10
Stop Payment Orders.....	10
Credit Union Liability	11
Account Information	12
Inactive Accounts.....	13
Special Account Instructions.....	13
Termination of Account Services	14
Termination of Membership	14
Death of Account Owner	14
Severability	14
Enforcement.....	15
Regulation “E” Disclosure	15
Statement of Federal Law Electronic Fund Transfers	

FUNDS AVAILABILITY POLICY

ABILITY TO WITHDRAW FUNDS AT PEFCU

Our policy is to make funds from your check deposits available to you on the day we receive your deposit unless your account is less than three hundred and sixty five (365) days old (depending on relationship); however, cash deposits will be available on the day we receive your deposit. You can withdraw available funds in cash and we will use them 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. If you make a deposit before 6 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. For more information, please refer to the Funds Availability Disclosure.

DELAYS MAY APPLY

In some cases we will not make all of the funds that you deposit by check available to you on the day we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the seventh (7th) business day after the day of your deposit. However, the first \$100 of your deposits will be available on the first business day after the day of deposit.

If we are not going to make all of the funds from your deposit available on the first business day after the day of deposit, we will notify you at the time that 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 your 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.

Availability of funds you deposit by check may be delayed 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 redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.
- Instruments drawn off non-U.S. Institutions.

If your deposit is made at a Purdue Employees Federal Credit Union 24-Hour Depository Box, the above policy will apply except that funds deposited after 3 p.m. on a business day may be posted to your account on the next business day.

We will make all of the funds you deposit in any Automated Teller Machine (ATM) or Credit Union Service Center available to you no later than the second business day following the business day on which funds are deposited. You will be notified if longer holds apply on a case by case basis. Electronic direct deposits will be available on the day we receive the deposit.

MEMBERSHIP AND ACCOUNT AGREEMENT

This agreement covers your and our rights and responsibilities concerning account(s) offered to you by the Purdue Employees Federal Credit Union (Credit Union). In this Agreement, the words “you” and “yours” mean anyone who signs an Account Card or Account Change Card (Account Card). The words “we” and “us” mean the Credit Union. The word “account” means any one or more share or other accounts you have with the credit union. The classification and form of ownership of your accounts is set forth on your Account Card. By signing an Account Card, each of you, jointly and severally, agree to the terms and conditions in this Agreement and in the Funds Availability Policy, the Truth-in-Savings Rate and Fee Schedule, if applicable, and any Account Receipt accompanying this Agreement, and the Credit Union’s Bylaws and Policies, and any amendments of these documents from time to time which collectively govern your membership and accounts.

GOVERNING LAW

This Agreement is governed by the Bylaws of the Purdue Employees Federal Credit Union (Credit Union), federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Indiana, and local clearinghouse rules, as amended from time to time. To the extent permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in Tippecanoe County, Indiana.

MEMBERSHIP ELIGIBILITY

To be eligible for membership in the Credit Union, you must be an individual or entity qualifying within the Credit Union’s field of membership and must purchase and maintain at least one share (the “membership share”) as required by the Credit Union’s Bylaws. You authorize us to check your account, credit and employment history, and to obtain a credit report from third parties, including credit reporting agencies to verify your eligibility for PEFCU accounts and services.

PEFCU membership is open to any current employee, persons retired as pensioners or annuitants of the Community Business Partners of the Credit Union, and any current member’s immediate family. A complete list of all current Community Business Partners is available at any PEFCU office location.

As a member of Purdue Employees Federal Credit Union you share in its ownership. You join a cooperative financial institution organized under federal Credit Union regulations. A \$5 minimum deposit to a main share account (primary share savings) entitles you to membership at PEFCU. As long as your account is active, you’ll be a member for life.

PEFCU insures deposits through the National Credit Union Administration (NCUA), an independent agency of the U.S. Government. Non-IRA accounts under one name are insured to a combined total of \$250,000. IRA accounts may be insured separately up to an additional \$250,000. Deposits may also be insured through ESI, Excess Share Insurance for accounts that qualify to a combined total of \$500,000. Additional coverage amounts vary by type of account as well as ownership of accounts.



This credit union is federally insured by the
National Credit Union Administration.

PRIVACY NOTICE

Purdue Employees Federal Credit Union, your member owned financial institution, is committed to providing you financial products and services to meet your needs and reach your financial goals. We are equally committed to protecting our members' privacy. You can be confident that your financial privacy is a priority of this credit union. We are required by law to give you this privacy notice to explain how we collect, use and safeguard your personal financial information. If you have any questions, please contact a member service specialist at 765.49.PEFCU, 800.62.PEFCU or mbrservice@purdueefcu.com.

INFORMATION WE COLLECT AND DISCLOSE ABOUT YOU

We collect non-public personal information about you from the following sources:

- Information we receive from you on applications and other forms;
- Information about your transactions with us or others;
- Information we receive from a consumer reporting agency;
- Information obtained when verifying the information you provide on an application or other forms. This may be obtained from your current or past employers, or from other institutions where you conduct financial transactions.

We may disclose all the information we collect, as described previously and as permitted by law to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements. To protect our members' privacy, we only work with companies that maintain strong confidentiality protections and limit the use of information we provide to other third parties.

In order to conduct the business of the credit union, we may also disclose non public personal information about you under the circumstances as permitted or required by law. These disclosures typically include information to process transactions on your behalf, conduct the operations of our credit union, follow your instructions as you authorize, or protect the security of our financial records. If you terminate your membership with Purdue Employees Federal Credit Union, we will not share information we have collected about you, except as permitted or required by law.

HOW WE PROTECT YOUR INFORMATION

We restrict access to non public personal information about you to those employees who have a specific business purpose in utilizing your data. Our employees are trained in the importance of maintaining confidentiality and member privacy. We maintain physical, electronic, and procedural safeguards that comply with federal regulations and leading industry practices to safeguard your non public personal information.

WHAT YOU CAN DO TO HELP PROTECT YOUR PRIVACY?

Purdue Employees Federal Credit Union is committed to protecting the privacy of its members. Members can help by following these simple guidelines:

- Protect your account numbers, card numbers, PINs (personal identification numbers) and passwords. Never keep your PIN with your debit or credit card, which can provide free access to your accounts if your card is lost or stolen.
- Use caution when disclosing your account numbers, social security

numbers, etc. to other persons. If someone calls you, explains the call is on behalf of the credit union and asks for your account number, you should beware. Official credit union staff will have access to your information and will not need to ask for it.

- Keep your information with us current. It is important that we have current information on how to reach you. If we detect potentially fraudulent or unauthorized activity or use of an account, we will attempt to contact you immediately. If your address or phone numbers changes, please let us know.

If you prefer we not disclose nonpublic information about you to nonaffiliated third parties, you may opt-out of these disclosures. To opt-out or if you have questions concerning this notice, please contact us at 765.497.3328 or 800.627.3328 or e-mail us at mbrservice@purduefcu.com. We are here to serve you.

If you have previously notified us about your privacy preferences, it is not necessary to do so again, unless you decide to change your preferences.

USA PATRIOT ACT

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

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

WHAT DOES THIS MEAN FOR YOU:

- When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you.
- We may also ask to see your driver's license or other identifying documents.

TAXPAYER IDENTIFICATION NUMBERS AND BACKUP WITHHOLDING

Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you do not have or fail to provide a valid TIN, we will open the account as a non-interest bearing account. An account with no valid TIN will be covered by NCUA's share insurance but additional coverage from Excess Share Insurance (ESI) will not be provided unless a valid TIN is provided for the account.

ACCOUNT OWNERSHIP OPTIONS:

Single Party is owned by one person.

Joint Ownership with Rights of Survivorship and not as Tenants in Common is owned by two or more persons. Upon your death the balance in the account will belong to the survivor(s).

Payable on Death (POD) is owned by one or more persons jointly with rights of survivorship. An account so designated is payable to the owner or owners during their lifetimes. Upon the death of the last account owner, the account is payable to any named POD beneficiary designated on the most recent account (change) card if that beneficiary is living on the date of the death of the last account holder. If the beneficiary does not survive the last account holder, the share of the

account payable to a deceased beneficiary will be divided pro rata among the remaining beneficiaries. Unless otherwise stated, accounts are payable to beneficiaries in equal shares. Any POD beneficiary designation shall not apply to Individual Retirement Accounts (IRAs), which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation whatsoever to notify any beneficiary of the existence of any account or the vesting of the beneficiary's interest in any account, except as otherwise provided by law. You may designate or change your beneficiaries at any time, but only by filling out and returning to us a form we provide you. If your account is joint with rights of survivorship any one of the joint owners may do so, even after the death of any of owner.

ACCOUNT DISCLOSURES:

We will disclose information to third parties about your account only where it is necessary for completing transfers or in order to comply with government agencies or court orders. No information will be given to other parties without your written consent.

DEPOSIT OF FUNDS REQUIREMENTS

Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements set forth on the Rate and Fee Schedule.

- a. Endorsements. You authorize the Credit Union, in its discretion, to accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, any one or more owners on the account, whether or not they are endorsed by all payees. If a check, draft or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. You authorize the Credit Union to supply missing endorsements of any owners if the Credit Union chooses to supply such endorsements. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, the Credit Union may require endorsement as set forth on the item. Endorsements must be placed in the space on the back of the share draft or check between the top edge and 1 1/2 inches from the top edge. The Credit Union may accept drafts or checks with endorsements outside this space. However, if any such endorsement or any other markings you or any prior endorser has made on the draft or check cause any delay or error in processing the item for payment, you will be responsible for any loss incurred by the Credit Union due to the delay or error.
- b. Collection of Items. The Credit Union shall not be responsible for deposits made by mail or at an unstaffed facility until the Credit Union actually receives them. In handling items for deposit or collection, the Credit Union only acts as your agent and assumes no responsibility beyond the exercise of ordinary care. The Credit Union will not be liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. The Credit Union reserves the right to send any item for collection.
- c. Final Payment. All items or Automated Clearing House (ACH) transfers credited to your account are provisional and subject to our receipt of final payment. If final payment is not received, we reserve the right to charge your account for the amount of such items or ACH transfers or both and impose a return item charge on your account. If the Credit Union incurs any fee to collect any item, the Credit Union may charge such fee to your account. The

Credit Union reserves the right to refuse or to return all or any item or funds transfer. The Credit Union shall have the right to charge back against your account all previously deposited items or other items endorsed by you that are returned to the Credit Union unpaid, regardless of whether the amount of the item has been available for your use.

- d. Crediting of Deposits. Deposits made after the deposit cutoff time and deposits made on Credit Union holidays and on days that are not business days of the Credit Union will be credited to your account on the next business day. Deposits received at unstaffed facilities such as night depositories will be credited on the day funds are removed and processed by the Credit Union. Items drawn on an institution located outside the United States are handled on a collection basis only. Amounts will be credited to your account when we receive final payment. You waive any notice of nonpayment, dishonor, or protest regarding any items purchased or received by the Credit Union for credit to your account or collection.

DIRECT DEPOSIT

You must authorize any direct deposits to your accounts by a separate authorization form. If applicable, you must notify the Credit Union at least thirty (30) days prior to any direct deposit or preauthorized transfer you wish to cancel or change the direct deposit or direct transfer option. Upon a filing of a bankruptcy, if you fail to cancel any direct deposit authorization, you instruct your employer and the Credit Union to make and apply direct deposits in accordance with your authorization on file with the Credit Union. If the Credit Union is required to reimburse the U.S. Government for any benefit payment directly deposited into your account for any reason, you agree the Credit Union may deduct the amount returned from any of your accounts, unless prohibited by law.

ACCOUNT ACCESS

- a. Authorized Signature. In order to access any account, the Credit Union must have your authorized signature on an Account Card. The Credit Union is authorized to recognize your signature, but will not be liable for refusing to honor any item or instruction of yours if it believes in good faith that the signature on such item or instruction is not genuine. If you have authorized the use of a facsimile signature, the Credit Union may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. If you give your account number to a third person, you authorize us to honor transactions initiated by the third person even if you did not specifically authorize a particular transaction.
- b. Access Options. You may make withdrawals or transfers from your account in any manner which is permitted by the Credit Union (i.e., draft, ATMs, in person, by mail, automatic transfer via the internet, or telephone, as applicable). If the Credit Union accepts any draft that is not drawn on a form provided by the Credit Union, you will be responsible for any loss incurred by the Credit Union for handling the draft. The Credit Union may return as unpaid any draft that is not drawn on the form provided by the Credit Union. The Credit Union has the right to review and approve any form of Power of Attorney and may restrict any withdrawals or transfers on your accounts.
- c. ACH & Wire Transfers. You may initiate or receive credits or debits to your account via wire transfer or ACH transfer. You agree that

if you receive funds by wire or ACH transfer, the Credit Union is not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. The Credit Union may provisionally credit your account for an ACH transfer before it receives final settlement for the transfer. You agree that if the Credit Union does not receive final settlement for an ACH transfer, we may reverse the provisional credit to your account or you will refund the amount to the Credit Union. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number as the proper identification, even if it identifies a different party or institution. Wire transfers are governed by Federal Reserve Regulation J if the transfer is cleared through the Federal Reserve. ACH transactions are governed by the rules of the National Automated Clearing House Association.

- d. Credit Union Examination. The Credit Union may disregard information on any draft or check other than the signature of the drawer, amount of the item and any magnetic encoded information. You agree that the Credit Union does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight examination of items.

NOTICE for Share Account Holders: This Regular Share Account or Share Draft Account will consist of a transaction sub account and a savings sub account. Funds not routinely needed to pay debits may be transferred to a savings sub account. We may periodically transfer funds between these two sub accounts. If your Account is a Plan on which dividends are paid, your dividend calculation will remain the same. Otherwise, the savings sub account will be non-dividend bearing. The saving sub account will be governed by the rules governing our other savings accounts indicated within the Account Transaction Limitations section within this Account Agreement. This process will not affect your available balance, the dividends you may earn, NCUA insurance protection, your monthly statement, or any other features of this Account.

ACCOUNT TRANSACTION LIMITATIONS

- a. Withdrawal Restrictions. The Credit Union may permit a withdrawal only if you have sufficient available funds in your account to cover the full amount of the withdrawal or have an established overdraft protection plan. Drafts or other transfer or payment orders which are drawn against insufficient funds will be subject to a service charge, set forth in the Fee Schedule. If there are sufficient funds to cover some, but not all, of your withdrawal orders, the Credit Union may allow those withdrawals for which there are sufficient funds in any order at the Credit Union's discretion.

The Credit Union reserves the right to require a 48-hour notice prior to making cash withdrawals of \$3,500 or more.

The Credit Union may also refuse to allow a withdrawal in other cases; for example: any dispute between the owners about the account (unless a court has ordered the Credit Union to allow the withdrawal); a legal garnishment or attachment is served; the account secures any obligation to the Credit Union; any required documentation has not been presented; or you fail to repay a Credit Union loan on time. You will be advised of the reasons for refusal if such action is taken. The Credit Union reserves the right to require members to give notice in writing of any intended withdrawals

from any account of not less than seven (7) days and up to sixty (60) days in accordance with applicable law before such withdrawal.

- b. Transfer Limitations. For share savings and money market accounts, if applicable, you may make up to six (6) preauthorized, automatic, or telephone transfers to another account of yours or to a third party during any calendar month. Of these six (6), you may make no more than three (3) transfers to a third party by check or VISA Debit Card. A preauthorized transfer includes any arrangement with the Credit Union to pay a third party from the member's account upon oral or written orders, including orders received through the Automated Clearing House (ACH). There is no limit on the number of transactions made in the following manner: (i) transfers to any loan account with the Credit Union; or (ii) transfers to another Credit Union account or withdrawals (checks mailed directly to you) when such transfer or withdrawal is initiated in person, by mail, by audio response, or at an ATM. If a transfer request would exceed the transfer limitations set forth above in any statement period, the Credit Union may refuse or reverse the transfer, and your account will be subject to suspension or closure by the Credit Union, and the Credit Union may impose a charge.

OVERDRAFT LIABILITY AND PROTECTION PLAN

- a. Overdraft Liability. If on any day, the available funds in your share draft account are not sufficient to cover drafts, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The Credit Union's determination of an insufficient account balance may be made at any time between presentation and the Credit Union's midnight deadline with only one review of the account required. The Credit Union may impose an overdraft fee for overdrafts created by checks, withdrawals, ATM withdrawals or by other electronic means. The Credit Union has no duty to notify you of an insufficient funds draft. Your account will then be subject to a charge for the item whether paid or returned as set forth in the Rate and Fee Schedule. Except as otherwise agreed in writing, the Credit Union, by covering one or any overdraft, does not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If the Credit Union pays a draft or imposes a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any midnight deadline limits.
- b. Overdraft Protection Plan. If we have approved an overdraft protection plan for you, we will honor drafts drawn on insufficient funds in your account by transferring the necessary funds from another account under this Agreement or a loan account, as you have directed, or as required under the Credit Union's Overdraft Protection Policy. The fee for overdraft transfers, if any, is set forth on the Rate and Fee Schedule. Transfers from an account will be governed by this Agreement. Transfers from a loan account will be governed by the applicable loan agreement.

POSTDATED AND STALEDATED DRAFTS

You authorize us to accept and pay any draft without regard to the date of the draft even if the draft is presented for payment before its draft date. You also agree not to deposit checks, drafts, or other items before they are properly payable. The Credit Union is under no obligation to you to pay a check or draft drawn on your account which is presented more than six (6) months after its date. If the member notifies the Credit Union of a postdated check, the Credit Union is required by law to wait until that date before the check can be cleared.

STOP PAYMENT ORDERS

- a. Stop Payment Request. You may ask the Credit Union to stop payment on any draft you or any account owner draw upon your share draft account. You may request a stop payment by telephone, by mail, online at www.purdueefcu.com, or in person. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the draft. If you give the Credit Union incorrect or incomplete information, the Credit Union will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for the Credit Union to act upon the order, the Credit Union will not be liable to you or to any other party for payment of the draft. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer all of your rights against the payee or other holders of the draft to the Credit Union and to assist the Credit Union in legal action taken against the person.
- b. Duration of Order. You may make an oral stop payment order which will lapse within ten (10) calendar days unless confirmed in writing within that time. A written stop payment order will be effective for six (6) months. A written stop payment order may be renewed in writing from time to time. The Credit Union is not obligated to notify you when a stop payment order expires.
- c. Liability. The Credit Union may charge a fee for each draft for which a stop payment order is requested, as set forth on the Rate and Fee Schedule. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft or payment guaranteed by the Credit Union. You should be aware that while payment of the item may be stopped, you may remain liable to any person, including the Credit Union, who is a holder of the item despite the stop payment order. The Credit Union reserves the right to refuse to place a stop payment order if the account balance is insufficient for the draft for which the stop payment order is requested to clear. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to the Credit Union's action in refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

CREDIT UNION LIABILITY

If the Credit Union does not properly complete a transaction accord-

ing to this Agreement, the Credit Union will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. The Credit Union will not be liable if: (a) through no fault of the Credit Union, your account does not contain enough money to make the transaction; (b) circumstances beyond the Credit Union's control prevent the transaction; (c) your loss is caused by your negligence or the negligence of another financial institution; or (d) the money in your account is subject to legal process or other claim. The Credit Union will not be liable for consequential damages, except liability for wrongful dishonor. The Credit Union's actions will constitute the exercise of ordinary care if such actions or nonactions are consistent with applicable state law, federal reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area served by the Credit Union. You grant the Credit Union the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between oral representations by you or Credit Union employees and any written form will be resolved by reference to this Agreement and the applicable written form.

CREDIT UNION LIEN AND SECURITY INTEREST

To the extent you owe the Credit Union money as a borrower, guarantor, endorser or otherwise, the Credit Union has a lien on any or all of the funds in any account in which you have an ownership interest, regardless of the source of the funds, unless prohibited by law. The Credit Union may apply these funds in any order to pay off your indebtedness. If the Credit Union chooses not to enforce its lien, the Credit Union does not waive its right to enforce the lien at a later time. In addition, you grant the Credit Union a consensual security interest in your accounts and agree the Credit Union may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, except for obligations secured by your residence, unless prohibited by applicable law. All accounts are nonassignable and nontransferable to third parties.

LEGAL PROCESS

If any legal action, such as a levy, garnishment, or attachment, is brought against your account, the Credit Union may refuse to pay out any money from your account until the dispute is resolved or may pay out funds according to the terms of the levy. If the Credit Union incurs any expenses or attorney fees in responding to legal process, such expenses may be charged against your account without prior notice to you, unless prohibited by law. Any legal process against your account is subject to the Credit Union's lien and security interest.

ACCOUNT INFORMATION

Upon your request, the Credit Union will inform you of the name and address of each credit reporting agency from which the Credit Union obtains a credit report in connection with your account. The Credit Union agrees not to disclose information to third parties about your account regarding any transaction or balances except when: (1) it is necessary to complete the transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure is in compliance with the law, government agencies or court orders; (4) you give us your written permission.

NOTICES:

a. Name or Address Changes. It is your responsibility to notify the

Credit Union upon a change of address, E-mail address or change of name. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to the Credit Union. The Credit Union may require change notices from you to the Credit Union be provided in writing. If the Credit Union attempts to locate you, the Credit Union may impose a service fee as set forth on the Fee Schedule.

- b. Notice of Amendments. Except as otherwise prohibited by applicable law, the terms of this Agreement are subject to change at any time. The Credit Union will notify you of any changes in terms, rates, or fees as required by law. The Credit Union reserves the right to waive any term in this Agreement. Any such waiver shall not affect the Credit Union's right to enforce any right in the future.
- c. Effect of Notice. Any written notice you give to the Credit Union is effective when it is actually received by the Credit Union. Any written notice the Credit Union gives to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any one account owner is considered notice to all owners of the account.

STATEMENTS:

- a. Contents. If the Credit Union provides a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for a joint account. For share drafts or checking accounts, you understand and agree that, when paid, your original draft becomes property of the Credit Union and may not be returned to you, but copies may be retained by the Credit Union or payable through financial institution and made available upon your request. You understand and agree that statements are made available to you on the date they are mailed to you or if you have so requested, when we make the statement available to you electronically. You also understand and agree that drafts or copies thereof are made available to you on the date the statement is mailed to you, even though the drafts do not accompany the statement. If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.
- b. Examination. You are responsible for examining each statement and reporting any irregularities to the Credit Union. The Credit Union will not be responsible for any forged, altered or unauthorized items drawn on your account if: (1) you fail to notify the Credit Union within thirty (30) days [NCUA regulation] of the mailing date of the earliest statement regarding any forgery, alteration or unauthorized signature on any item described in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.
- c. Notice to Credit Union. You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying the Credit Union of any errors. The statement will be considered correct for all purposes and the Credit Union will not be liable for any payment made or charge to your account unless you notify the Credit Union in writing within the above time limit for notifying the Credit Union of any errors.

INACTIVE ACCOUNTS

A monthly fee or the account balance, whichever is less, will be applied to your account if the aggregate share balances in your account are less than \$100.00 and there has been no account activity for thirteen (13) months or more.

A fee in the form of a Share Deficiency Penalty of \$4.99 or the account balance, whichever is less, will be assessed to accounts where the balance in the Primary Share Savings has been less than \$5.00 for over six (6) months.

To the extent allowed by law, the Credit Union reserves the right to transfer the account funds to an account payable and to suspend any further account statements.

If you fail to activate your PEFCU Visa® Debit Card within 90 days, it will be deactivated from our system.

SPECIAL ACCOUNT INSTRUCTIONS

You may request the Credit Union to facilitate certain trust, will, or court-ordered account arrangements. However, because the Credit Union does not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask the Credit Union to follow any instructions that the Credit Union believes might expose it to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, the Credit Union may refuse to follow your instructions or may require you to indemnify the Credit Union or post a bond or other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service must be evidenced by a signed Account Change form and accepted by the Credit Union.

TERMINATION OF ACCOUNT SERVICES

The Credit Union may terminate your account at any time without notice to you or may require you to close your account and apply for a new account 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 funds in the account; 4) any share drafts are lost or stolen; 5) if there are excessive returned unpaid items not covered by an overdraft protection plan; 6) if there has been any misrepresentation or any other abuse of any of your accounts; or 7) if the Credit Union reasonably deems it necessary to prevent a loss to the Credit Union or the Credit Union has already taken a loss. You may terminate any single party account at any time by notifying the Credit Union in writing. The Credit Union reserves the right to require the consent of all multiple party account owners for termination of a multiple party account. The Credit Union is not responsible for payment of any draft, withdrawal, or any other item after your account is terminated; however, if the Credit Union pays an item after termination, you agree to reimburse the Credit Union for the payment.

TERMINATION OF MEMBERSHIP

You may terminate your membership at the Credit Union after giving notice of your intent to withdraw from membership in writing.

DEATH OF ACCOUNT OWNER

The Credit Union may continue to honor all transfers, withdrawals, deposits and other transactions on the account until the Credit Union is notified of member's death. Once the Credit Union is notified of

a member's death, the Credit Union may pay drafts or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days unless the Credit Union receives instructions from any person claiming an interest in the account to stop payment on the drafts or other items.

The Credit Union will require an original copy of the death certificate issued by the government. The Credit Union may also require one or more of the following, depending on the ownership of the account: release documentation from the county assessor's office, necessary tax releases, letter of testamentary, notice of administration, or Small Estate Affidavit.

We will disclose information to third parties about your account only where it is necessary for completing transfers or in order to comply with government agencies or court orders. No information will be given to other parties without your written consent.

ACCOUNT DISCLOSURES:

We must be furnished with adequate proof of death, any necessary tax releases and proper identification, and we may first deduct any amount which any of you owe us. If any of you pledge the account to secure any obligations, that pledge shall take precedence over the interest of any beneficiary.

SEVERABILITY

In the event that any portion of this Agreement is held by a court to be invalid or unenforceable for any reason, 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 agree to be liable to the Credit Union for any loss, cost or expense that the Credit Union incurs as a result of your failure to follow this Agreement. You authorize the Credit Union to deduct any such loss, costs or expenses from your account without prior notice to you. In the event the Credit Union brings a legal action to enforce the Agreement or collect any amount due under this Agreement, the Credit Union shall be entitled, subject to applicable law, to payment of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

REGULATION "E" DISCLOSURE

STATEMENT OF FEDERAL LAW ELECTRONIC FUND TRANSFERS

Important Information about the following types of transactions:

1. Automated Teller Machines (ATMs) - 24 Hour Tellers,
2. ACH, Direct Deposits or Withdrawals of Funds,
3. Automated Telephone Banking System, Mobile Banking, Online Banking, automated transactions,
4. Point of Sale Transactions (POS)
5. Electronic Check Conversion and Fees

REPORTING UNAUTHORIZED USAGE OR LOST OR STOLEN CARDS:

In the event of unauthorized usage, lost or stolen cards call and write:

Purdue Employees Federal Credit Union
P.O. BOX 1950
West Lafayette, IN 47996-1950
765.497.3328 (locally) (extension 7514)
800.627.3328 (toll free)

PERSONAL IDENTIFICATION NUMBER (PIN):

When selecting your PIN, be sure to choose numbers that will be easy for you to remember. If you forget your PIN, or if you believe someone knows your PIN, you may contact our Personal Service Advisors at 765.497.3328 or 800.627.3328 during the hours of 7 a.m. to 7 p.m. Monday through Friday for assistance.

In choosing your PIN, for your added security, you should not use parts or variations of your:

- Social Security Number
- Birthdate
- Telephone Number
- Credit Card Numbers
- Checking or Savings Accounts
- Address

Memorize your PIN. Do not write it on the back of your card or keep it with you. Since the PIN is for security purposes, you should not disclose it to anyone.

REMEMBER, YOUR PIN IS YOUR SECRET IDENTIFICATION NUMBER. DO NOT TELL ANYONE YOUR PIN!

UNAUTHORIZED USAGE:

Notify Purdue Employees Federal Credit Union at once if:

- You believe your VISA Debit Card and code have been lost or stolen.
- You believe your PIN has been compromised.
- Your address has changed- not by you or any other member on the account.
- You believe that there have been fraudulent transactions made on your account. This could be any one of the following (but not limited to these examples):
 - Funds withdrawn - not by you or any other member on the account.

- Funds transferred - not by you or any other member on the account.
- Your authorization code being changed not by you or any other member on the account.
- Funds withdrawn by any electronic means - not authorized by you or any other member on the account (i.e. insurance premiums or health club membership fees).

STANDARD ONLINE CARD LIMITS:

VISA Debit Cards

- Debit Card Withdraw of \$410 Per Day
- POS \$2,500 Per Day
(If there are sufficient funds in the account)

Standard online limits will only be increased temporarily for emergencies. Requests for increases must be made in writing and can only be approved during normal business hours.

CARD SECURITY FEATURES:

1. Any card received in the mail will need to be activated before using. Activation instructions are included in the mailing.
2. Expiration date verification is performed on all transactions.
3. Address and name match verification is performed whenever possible.
4. VISA Debit Cards that have not been used for a transaction in the past six (6) months will be purged upon expiration without notification. Be sure to use either an ATM or make a POS purchase at least once every six (6) months to keep the card at an active status.
5. A neural network is used to identify possible fraudulent transactions. The cardholder will be contacted via telephone or email to verify if the transactions are valid. If contact cannot be made the card will be blocked without notification. On the next business day, a notice will be mailed to the current address on file.
6. PEFCU reserves the right to revoke a card at any time, without notification to the member and under court orders. A written request will be required from any outside parties.
7. All videos are property of PEFCU. Videos will not be released to cardholders.

MEMBER LIABILITY:

Your VISA Debit Card offers “zero liability” for unauthorized signature based transactions. PEFCU requests that you report any unauthorized use of your account immediately. For unauthorized POS transactions (PIN based transactions) on your VISA Debit Card, your loss can be no more than \$50 if you tell us within two (2) business days after you learn of the loss or theft.

If your statement shows transfers/transactions that you did not make, tell us at once. If you fail to notify the credit union within sixty (60) days for VISA Debit Card POS, and/or ACH after the statement was mailed to you, it is possible that none of your funds lost after the 60 day period will be refunded to you if it is proven the loss of funds could have been prevented had you notified us in the time frame noted above.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

A VISA Debit Card may not be used for any illegal transactions.

NON-VISA DEBIT TRANSACTION (PIN-LESS DEBIT) PROCESSING WITHOUT CARDHOLDER PIN VALIDATION.

Occasionally, a few merchants such as utility companies, telecommunication services, insurance services, government agencies, educational institutions, and financial institutions may process your debit card payment through a non-Visa network. Non-Visa networks supported by your PEFCU Debit Card includes CO-OP and PLUS. Transactions via these networks may not qualify for Visa-associated benefits like zero liability protection or rewards.

TYPES OF AVAILABLE TRANSACTIONS AND LIMITATIONS: DEBIT ONLY:

Make POS purchases at merchants displaying the Visa® logo.

POS:

Make retail purchases using your VISA Debit Card and PIN where the CO-OP and Interlink logo is displayed (whichever is applicable).

VISA DEBIT CARD:

- Withdraw cash from your checking, savings, money market, VISA or line-of-credit accounts daily.
- Transfer funds between your checking, savings, or money market accounts within the same account number.
- Receive balance information on your checking, savings, money market, or PEFCU VISA account.

At any participating Automatic Teller Machine:

- Make deposits to your checking or savings accounts.
- Pay your loan(s) or VISA(s) by cash, check, or transfer from your checking or savings that your card accesses.
- Purchase U.S. Postage Stamps.

When you use your VISA Debit Card or PEFCU credit card at a non-U.S. ATM location that dispenses in a currency other than U.S. dollars or for purchases made outside of the U.S. the transaction amount will be converted into a U.S. dollar amount on your card. You will also be charged a fee mandated by Visa, currently 1% on the transaction amount. PEFCU does not charge a fee in addition to the 1% mandated by Visa for international transactions.

When using a non-PEFCU ATM, you may be required to pay a surcharge by the ATM owner, which will be determined at the time of the transaction.

ACH DIRECT DEPOSITS OR WITHDRAWALS OF FUNDS:

Electronic deposits consist of, but are not limited to, social security benefits, government payrolls, company payrolls, military payrolls, and child support. Deposits made through the ACH program are not guaranteed until the actual date of receipt of funds. Electronic withdrawals consist of, but are not limited to, insurance premiums, membership fees, mortgage payments, child support payments. No receipt will be issued from ACH deposits or withdrawals.

To stop an ACH transaction, a signature and a letter to the payee revoking the preauthorized withdrawal is required. Member is required to notify the credit union regarding the stop payment of a

preauthorized item three (3) days prior to the occurrence of the transaction. ACH transactions may not be used for any illegal transactions.

AUTOMATED TELEPHONE BANKING SYSTEM, MOBILE BAKING, ONLINE BANKING:

Financial transactions, balance inquiries, draft inquiries, dividend and interest inquiries, account history and other transactions not categorized.

ELECTRONIC CHECK CONVERSION OR ELECTRONIC RETURNED CHECK FEES:

If you pay for purchases or bills with a check or share draft, you may authorize your check or share draft to be converted to an electronic funds transfer. You may also authorize merchants or other payees to electronically debit your account for returned check fees.

AUTOMATED CLEARING HOUSE (ACH) TRANSACTIONS VIA ACCOUNTS RECEIVABLE CONVERSION (ARC):

Your check automatically authorizes electronic debit. When you provide a personal check for payment, you authorize Purdue Employees Federal Credit Union (PEFCU) to process your payment as a one-time electronic funds transfer from your account in the amount of your check.

If we initiate such a transfer, funds may be withdrawn from your account as soon as the same day we receive your payment and you will not receive your check back from your financial institution. Please make sure that the check is covered by funds already in your account before you mail us a check.

You may elect not to have your check processed as an electronic funds transfer by calling PEFCU at (765)497-3328 / (800)627-3328. When you choose to opt out, all of your checks will be exempt from electronic funds transfer.

DOCUMENTATION OF YOUR TRANSACTIONS:

Each time you use an ATM with your PEFCU VISA Debit Card and PIN, a receipt may be generated and dispensed to you. This receipt reflects the transactions you performed, the dollar amount, or the date and time of day. You may call to verify any electronic funds transaction by either calling 765.497.8272 to access the automated telephone banking system directly; by visiting www.purdueefcu.com to access Online Banking; or by calling the Contact Center at 765.497.3328.

You will receive a monthly statement on your account if: you have a checking account, or if you have any electronic funds transaction on any type of savings account during that month. Otherwise you will receive at least a quarterly statement.

ACH STOP PAYMENT PROCEDURES:

You may request a stop payment by telephone, by mail, online at www.purdueefcu.com, or in person. Please allow enough time for the Credit Union to receive your request three (3) business days or more before the electronic payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) business days after you call. (We will charge you the amount disclosed on our Fee Schedule for each stop-payment order you give.)

Liability for failure to stop payment of preauthorized transfer:

If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION LIABILITY:

If we do not complete a transaction to or from your account on time or in a correct amount according to our agreement with you, we may be liable for your losses or damages. However, there are some exceptions.

We are not liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transaction.
2. If the transaction would go over your credit limit on your overdraft line-of-credit.
3. If the automated teller machine where you are making the transaction does not have enough cash.
4. If the terminal was not working properly and you were aware of any malfunction when you started the transaction.
5. If circumstances beyond our control (such as fire or flood) prevent the transaction despite reasonable precautions that we have taken.
6. If a delinquent loan on your account is restricting funds.
7. If there is a telecommunication situation beyond our control.
8. There may be other exceptions stated in our agreement with you.

PROCEDURE FOR CORRECTING ERRORS:

Notify us promptly if you think your statement or receipt is wrong or if you need more information about any electronic funds transaction listed on your account or receipt. You must notify us no later than sixty (60) days for ACH, POS, automated telephone banking system, kiosks, online banking and/or VISA Debit Card transactions after the first statement on which the problem or error appeared which is sent by the credit union.

1. Tell us your name and account number.
2. Describe the error or the transaction you are unsure about and explain as clearly as you can why you believe it is an error or why you need more information.
3. Tell us the dollar amount, the date, and the type of electronic funds transaction that is suspected to be an error.

If you tell us orally, we will require that you also send us your complaint or question in writing within 10 business days for ATM, POS and/or automated telephone banking system, mobile banking, online banking and 14 business days for ACH.

We will tell you the results of our investigation within ten (10) business days after we hear from you and we will correct any error promptly. If we need more time, however, we may take up to ninety (90) days to investigate your complaint or question. If this action is deemed necessary, we will credit your account with provisional credit within ten (10) business days for 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 we do not receive it within ten (10) business days, we may not credit your account.

For new accounts within thirty (30) days after the first deposit was made we may take up to twenty (20) business days to investigate after we hear from you. If we need more time, however, we may take

up to ninety (90) days to investigate your complaint or question. If this action is deemed necessary, we will credit your account with provisional credit within twenty (20) business days for 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 we do not receive it within ten (10) business days, we may not credit your account.

If we decide that there was no error, we will debit your account the amount of the provisional credit and send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

FEES:

You may be assessed a fee for the following services:

1. Replacement VISA Debit Card(s) and/or PIN(s).
2. A transfer fee for covering overdraft ACH, VISA Debit Card or POS transactions.
3. An overdraft fee for any ACH, VISA Debit Card or POS transactions that brings your account into a negative state.
4. A stop payment of an ACH transaction.
5. Telephone transactions.
6. Surcharges, if applicable, by ATM owners at non-PEFCU ATMs.

All applications for electronic services are subject to approval.