

Member Account Agreement

AGREEMENT AND MEMBERSHIP: By signing this Agreement, you hereby make application for membership in Police and Fire Federal Credit Union (PFFCU). This Agreement establishes a continuing relationship between PFFCU and the account owner(s) (you/your) with respect to all share and loan accounts and other PFFCU services originated on the date this Agreement is signed, and to all future accounts and services. You agree to abide by PFFCU's policies, procedures, bylaws, rules and regulations, and hereby acknowledge receipt of a copy of the Member Account Agreement, attached hereto, and agree to be bound by the same.

You hereby acknowledge that you are eligible to join PFFCU, and are within the field of membership. You also acknowledge that all the information provided on the Membership Application is true and correct. If it is later determined that you were not eligible to join, or the information you provided was false, you agree that PFFCU may close your account(s) and terminate your PFFCU membership immediately, without notice. In addition, all members who joined PFFCU because of your status as a PFFCU member, will have their accounts closed, and membership terminated, as well. Joint owner status, does not, on its own, constitute PFFCU membership.

ACCOUNT INFORMATION: You agree to be bound by PFFCU's rules and regulations, including those providing for Charges Governing Accounts, and any future amendments thereto. Business accounts may be subject to additional fees as disclosed. If there is more than one account owner designated for an account, then the account owners agree that the property in the account shall be owned as joint tenants, with right of survivorship, and not as tenants in common. If the account owners are husband and wife, then the property shall be held as tenants by the entireties. All property in a joint account with the right of survivorship shall be payable to any one of the account owners during the lifetime of all, or any survivor or survivors after the death of one or more of them. For "In Trust For" accounts, upon the death of the last surviving trustee, the money, subject to any indebtedness owed to PFFCU, will be payable to the beneficiary(ies). Each account owner shall have full power, either before or after the death of the other(s), to make withdrawals from an account, pledge shares from an account or close an account, without the consent of any other joint owner, and upon the death of any joint owner, the balance then remaining in the account shall be the absolute property of the survivor(s).

SHARE REQUIREMENTS: Account owner(s) agree that at least one share (\$5.00) will be on deposit with PFFCU at all times. If an account balance falls below \$5.00, or all shares in an account are voluntarily withdrawn by the account owner, the account balance must be restored to \$5.00 within 30 days, or the account will be automatically closed and PFFCU membership terminated. Account owner(s) agree to immediately repay any negative share balances in an account, including overdrafts.

STATEMENTS / NOTIFICATION: PFFCU will send all statements, notices and any other information pertaining to an account to the address of the first named member on the account, which address shall be registered with PFFCU. For "In Trust For", custodian or guardian accounts, all statements, notices and advices will be delivered to the address of the trustee, custodian or guardian, if one exists. Account owner agrees to advise PFFCU of any changes of address and will be bound by any change made by any joint owner. Any joint owner of an account can authorize that statements are not to be mailed on an account. Account title is subject to verification by PFFCU. You agree to receive email from PFFCU if you provide PFFCU with your email address. You should carefully examine the statement when you receive it. If you feel that there is an error on the statement, or that someone has made an unauthorized debit to your account, you must notify PFFCU immediately. The statement is considered correct unless you notify PFFCU promptly after any error is discovered. Moreover, because you are in the best position to discover and report any unauthorized debit, you agree that PFFCU will not be liable for paying such item if (a) you do not notify any unauthorized debit to PFFCU within twenty (20) calendar days of the mailing date of the earliest statement containing the unauthorized debit, or (b) the unauthorized items were drawn in such a way that (as by a facsimile machine or otherwise), that the lack of authority could not be detected by PFFCU. Any account owner can authorize that statements are not to be mailed on an account.

DEPOSITS: All deposits made to PFFCU account(s) are subject to Regulation CC and the Expedited Funds Availability Act. PFFCU may refuse any deposit, limit the amount that may be deposited, and return all or any part of any deposit without notice. If deposits are made to an account(s) with other than cash, such items are subject to collection. If funds are made available for use prior to collection of such items, you agree to pay or otherwise reimburse PFFCU for any funds that are not collected. Checks drawn on foreign banks may be subject to collection fees and longer holds.

PFFCU may debit your account for an item returned by electronic or other means, at any time, notwithstanding the expiration of the drawee bank's midnight deadline. If you have insufficient funds to cover a returned item, an overdraft may be created that creates overdraft fees, and the right to exercise setoff against any other share accounts that you maintain with PFFCU.

WITHDRAWALS: Withdrawals may be made at any time, except that PFFCU reserves the right to require the account owner(s) to give notice in writing of an intended withdrawal not less than thirty (30) days before such a withdrawal is to be made. Restrictions may apply to withdrawals from certain accounts and dollar amounts when Automatic Teller Machines are utilized. PFFCU reserves the right to limit telephonic withdrawals and transfers at its discretion.

CHECKING AGREEMENT: If chosen, you authorize PFFCU to establish a checking account for you. PFFCU is authorized to pay checks signed by you (or by any of you, if this agreement is signed by more than one person), and to charge any payments against the Checking Account. It is agreed that:

- Only checks and other methods approved by PFFCU may be used to withdraw funds from the checking account.
- If this is a joint account, you are jointly and severally liable for all overdrafts in the account, regardless of who wrote the check or benefited from the payment.
- PFFCU is under no obligation to pay a check that exceeds the balance in the Checking Account; however, PFFCU may pay such a check and charge the resulting overdraft to your S1 account in accordance with its Overdraft Protection Policy.
- PFFCU is under no obligation to pay a check that is more than six (6) months old, but may at its option without notification to you.
- Except for gross negligence, PFFCU is not liable for any action it takes regarding the payment or non-payment of a check.
- You will not write postdated checks.
- If you voluntarily give information about your account, such as PFFCU's routing number and your account number, to a person who is seeking to sell you goods or services, and you do not physically deliver a check to that person, any debit to your account initiated by the person to whom you gave the information is deemed authorized.
- You agree to bear the risk of loss if (1) you have your checks printed by a vendor that is not approved by PFFCU, or use check stock or features, or make out your check in a way that causes critical data to disappear or be obscured upon truncation and (2) if you use stock that contains printing inaccuracies, faulty magnetic ink or encoding, or duplicate serial numbers.
- You agree that you will not deposit a substitute check without PFFCU's prior written consent. If you do so, you agree to reimburse PFFCU for losses, costs and expenses we may incur associated with warranty or indemnity claims.
- The balances in checking accounts may be internally classified to minimize the amount of funds PFFCU must maintain to meet the reserve requirements of Federal Reserve Regulation D. To do this, the checking account will consist of a transaction subaccount and a savings subaccount. PFFCU may periodically transfer funds between these two subaccounts. These subaccounts exist solely on the books of PFFCU, and will not affect your available balance, dividends you may earn, NCUA insurance protection, monthly statement, or any other features of this account.

ORDER OF PAYING CHECKS: In exercising PFFCU's rights, as granted by law, PFFCU reserves the right to pay items drawn against your account in any order, and to change the policy from time to time. You can find out about PFFCU's current policy by contacting us at any time.

AUTOMATED PROCESSING OF ITEMS: You recognize the fact that PFFCU has adopted automated collection and payment procedures so that it can process the greatest volume of items at the lowest possible cost to all members. These automated procedures rely primarily on information encoded onto each item in magnetic ink. In recognition of this fact, you agree that in paying an item, PFFCU may disregard all information on the item other than the identity of the drawee bank, the amount of the item, and any information encoded onto the item in magnetic ink according to the general banking standards, whether or not that information is consistent with other information on the item.

NO SIGHT REVIEW OF DRAWER SIGNATURE: You agree that PFFCU does not fail to exercise ordinary care in paying an item solely because its procedures do not provide for sight review, or provide sight review only for items above a threshold level, or on a sample basis, at the discretion of the PFFCU. PFFCU reserves the right not to sight review drawer signatures because it pays items on an automated basis to reduce the costs to all members. In addition,

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you allow PFFCU to recognize and pay checks when bearing or purporting to bear your facsimile signature, regardless of whether the person affixing it was authorized to do so. You accept sole responsibility for maintaining security over any devise affixing your signature to any checks.

STOP PAYMENTS: An account owner may order a stop payment on a check or draft orally or in writing. A stop payment is effective for one (1) year from the date it is received, and may be renewed by the account owner for an additional one (1) year period. A fee will be charged for each stop payment request. A stop payment is effective only if it includes the number and date of the check or draft, the name of the payee, and the exact amount of the check or draft. A stop payment order must be complete and accurate in its content to permit PFFCU to establish the necessary precautions against payment. PFFCU can only place stop payments on checks with four (4) digit check numbers. PFFCU will not be liable should any item be paid over a stop payment request as a consequence of inaccurate or incomplete data, or if a request was not received at such time and in such manner as to allow PFFCU to act on it prior to payment on the item. PFFCU will not be liable for any check or other item paid over a stop payment request prior to the expiration of this reasonable time. You agree to inform PFFCU at the time of the stop payment request, whether the stop payment relates to an Automated Clearing House (ACH) debit, or a paper check or draft that has been converted to an ACH debit. Failure to provide such information will not enable PFFCU to effectuate the stop payment, and PFFCU will not be liable for any amounts paid over the stop payment request. You agree to hold PFFCU harmless for all costs, expenses, or damages it may incur or suffer by refusing payment of a check which is the object of a stop payment request, and further agree not to hold PFFCU liable for reason of payment contrary to such a request, if the same occurs through inadvertence or accident, or if by reason of such payment other items drawn by the undersigned are returned for any reason of non-sufficient funds. If the account is joint, a stop payment order of any account owner shall be effective regardless of the maker or authorized signer. Stop payments can be placed on cashier's checks and certified checks only if they are lost or stolen, provided the proper PFFCU documentation is completed.

MONEY MARKET / PREMIUM YIELD ACCOUNTS: Dividends on daily balances will be earned at a rate announced from time-to-time by PFFCU. PFFCU must limit the number of pre-authorized transfers per month from the Money Market Account and the Premium Yield Account to six (6). Pre-authorized transfers include automatic transfers and telephone transfers to a third party, but do not include payments to the member with his or her other accounts, by mail or in person. No more than three of the above six transfers may be made by check, ATM, PFFCU Debit Card or similar transactions and payable to a third party. Money Market and Premium Yield Accounts cannot be accessed through Automatic Teller Machines. For Premium Yield Accounts, two free withdrawals or transfers out are permitted each month. Thereafter, you will be charged for each withdrawal or transfer out, according to the PFFCU's statement of fees and charges. Premium Yield Account funds are not eligible for life savings insurance.

ELECTRONIC BANKING SERVICES: You agree to be bound by the rules and regulations set forth in this Agreement and PFFCU's Electronic Banking Agreement and Electronic Funds Transfer Act Disclosures, which will be provided to you when you apply for any of PFFCU's electronic banking services. If you apply for an ATM/PFFCU Debit Card, you authorize PFFCU to obtain and use consumer credit reports and exchange credit information to process this information and for subsequent account review.

FEES AND CHARGES: A list of PFFCU fees and charges is located on the PFFCU website, www.pffcu.org. You may request a copy if you do not have access to our website. These fees and charges are subject to change at any time, and new fees and charges may be added. You will be responsible to pay any expenses incurred by PFFCU, including but not limited to administrative costs and reasonable attorneys fees, in responding to an attachment, garnishment or levy, for the collection of any negative shares and overdrafts and any other legal matters. These costs and fees, if not reimbursed, may be charged to your account without prior notice.

CHECK CASHING FEES: If you issue a check drawn on PFFCU and a non-member of PFFCU seeks to cash it at PFFCU, PFFCU reserves the right to charge a service fee as a condition of cashing the check. This fee helps PFFCU cover the additional costs and risks involved in cashing such a check.

EFFECT OF INSTRUCTIONS: Instructions may be given orally, by telephone or in person, in writing, through an automated teller machine, point of sale terminal, computer terminal, internet enabled device or any other method authorized by PFFCU. Each instruction for a withdrawal or transfer of funds from an account of account owner(s) will have the legal effect of account owner(s) authorization, written draft, or order. Each instruction for a deposit or other transfer of funds to an account will have the legal effect of authorizing PFFCU as account owner(s) agent for collection, until PFFCU receives final payment in the same manner as with checks deposited with PFFCU for collection. If there is more than one account owner, each will be bound by an instruction given by any of them. All instructions and transactions will be subject to verification by PFFCU and may be determined by PFFCU's official records and periodic statements pertaining to the account. Account owner(s) will, on request of PFFCU, provide PFFCU confirmation of any instructions. PFFCU may refuse to effectuate any transaction until such authorizations and/or confirmations are received by PFFCU. Each instruction will remain effective as to all such transactions until PFFCU has received notice of revocation or change thereof and has had the opportunity in the ordinary course of business to effect such revocation or change.

SET OFF: If any account owner(s), including a decedent, has any outstanding debt, liability, or similar obligation to PFFCU, account owner(s) agrees that PFFCU, to the extent allowed by applicable law and in addition to such rights as it may have under law, shall have a security interest in, a statutory lien upon, and a right to set off against such debt, liability or similar obligation, without prior notice, all money owed by PFFCU or its affiliates, to the account owner(s), or other property held by PFFCU for the account of the account owner(s), in any capacity whatever, including without limitation, any balance of or shares in of any deposit, trust, custodial or agency account, whether or not then due. Account owner(s) agree that the entire balances of any account(s), including funds received from social security, can be offset for the debts of any one or all of the joint owners. Any garnishment or other levy against your account is subject to PFFCU's right of set off and security interest.

INACTIVE ACCOUNTS: If an account is inactive for a period of time determined by PFFCU, and the balance is less than the minimum balance required by PFFCU, a service charge may be assessed for each calendar quarter the account is inactive. An account which has no activity for a period of five (5) years, or such other periods as may be required by applicable law, may be subject to escheat to the Commonwealth of Pennsylvania. An additional charge may be made against such account to compensate PFFCU for its service in endeavoring to locate the account owner(s) and escheating the funds.

AVAILABILITY OF SERVICES: All members may vote in the annual election and may maintain a savings account that does not accrue dividends. PFFCU is under no obligation to provide you with any other service or benefits. All services and benefits are provided solely at PFFCU's discretion to members in good standing, and may be rescinded or revoked at any time. Members who cause a loss to PFFCU (through bankruptcy, or any other means), abuse PFFCU services, are delinquent on PFFCU loans, maintain negative share balances, are abusive to, harass or discriminate against PFFCU staff, or who abuse their PFFCU privileges in any other manner, may have their PFFCU services revoked. The decision to reinstate an account, or any services, is solely at the discretion of PFFCU.

CLOSING ACCOUNTS: Any or all account owner(s) may close an account(s) by giving the proper notice to PFFCU and completing the necessary forms required by PFFCU. Such notice must be given in reasonable time, to afford PFFCU the opportunity, in the ordinary course of business, to effect the requested closing of an account(s). Account owner(s) will remain liable for any and all debts to PFFCU, until repaid, notwithstanding the close of any or all share accounts. PFFCU assumes no responsibility for any account(s) closed by one or any owners of an account(s), without the consent of the remaining joint owner(s). PFFCU may close any account subject to its By-laws, and/or applicable Rules and Regulations.

ILLEGAL ACTIVITY: Any financial service provided by PFFCU may be used for any transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such services may be terminated at PFFCU's discretion. You further agree, should illegal use occur, to waive the right to sue PFFCU for such illegal activity, directly or indirectly related to it. You also agree to indemnify and hold PFFCU harmless from any and all suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

ADDITIONAL SERVICES AND ACCOUNTS: To the extent this Agreement becomes applicable to services available to account owner(s) through existing accounts or other new accounts, account owner(s) agrees to be bound by all applicable conditions, rules, regulations and charges of PFFCU with respect to such services or accounts of which PFFCU has given notice to account owner(s). Notices of rules governing deposit accounts may be given by posting in the offices of PFFCU or by notice given by other methods stated in the rules and regulations governing particular types of accounts.