

# Business Accounts

Account Agreement

Federally Insured by NCUA



**Important legal information concerning your account.  
Please retain for your records.**

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Effective May 1, 2020

## BUSINESS ACCOUNT AGREEMENT

This Agreement is the contract that governs Your Account. Please be sure to read it carefully and keep it for Your records. If You have any questions regarding Your Account or any information contained in this Agreement, please contact Us.

By signing the Account application or using any of Our Services, You and anyone else identified as an owner, Authorized Signer, and/or beneficiary of the Account agree to Our bylaws and the terms and conditions in this Agreement. Personal accountholders will receive a different agreement. Personal Accounts will be governed by that agreement not this Agreement.

This Agreement defines terms and conditions of Your Account and provides You with other disclosures We are required by law to provide You with prior to the Account being opened or Services being provided. This Agreement includes:

- Statutory and Consensual Lien Agreement
- *Overdraft Policy*: Important Information Concerning Your Account; and
- *Funds Availability Policy*: when a deposit may not be available for withdrawal.

## DEFINITIONS

**Account:** any deposit or other asset Account, including any lines of credit linked to a deposit or asset account, designated by You and made eligible by Us for any of the transactions contemplated by this Agreement.

**ACH:** an electronic deposit to or withdrawal from Your Account, such as a directly deposited payroll Check or a bill payment, sent to Us through the “automated clearing house,” which is an electronic network that sends and receives those transactions.

**Authorized Signer:** a person who has the authority to transact business on the Business Account. This person will be identified by You on the signature card, application, or in a similar writing. Each Authorized Signer may act alone in conducting transactions. We may continue to recognize an Authorized Signer’s authority until We have received and had a reasonable time to act upon Your written modification or revocation.

**Available Balance:** Your “Available Balance” is the balance in Your Account after deducting (1) deposits that are not yet available for withdrawal under Our Funds Availability Policy; (2) Card Transaction or other transactions that We are legally obligated to pay or have already paid out in cash; (3) other pending transactions such as ACH transactions; and (4) any Holds on Your Account, such as Holds on funds to comply with court orders or other legal requirements.

**Beneficial Owner:** each individual, if any, who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, owns 25% of the equity interests of a legal entity member; and a single individual with significant responsibility to control, manage or direct a legal entity member, including an executive officer or senior manager or any other individual who regularly performs similar functions.

**Business Account:** an Account opened or maintained by an individual doing business as a named business, a partnership, a limited partnership, a limited liability partnership, an unincorporated association or club, a corporation, a limited liability company or other business entity for business purposes.

**Business Day:** any day, Monday through Friday, during which We are open for conducting all of Our normal banking functions, but excluding any recognized State or Federal holidays or any days We may be closed due to emergency conditions.

**Business Hours:** hours of operations for Elements branch locations.

**Card Transaction:** any purchase from a merchant using an ATM card, debit card, or other access devices (including the number on that card), under any name or brand, issued or approved by Us for use in conjunction with an ATM, banking terminal, electronic funds transfer device, internet access product, line of credit account or any Account.

**Check:** any written order to pay a specific amount of money drawn on, payable through or at, or processed by, a credit union or other depository institution. If a Check is sent or returned as an electronic image or as a substitute Check, it is still considered a Check.

**Direct Deposit:** with “Direct Deposit,” another party, such as a vendor or the government, sends Your funds directly into Your Account through the ACH electronic payment system.

**eBranch:** Our online banking Service.

**Electronic Fund Transfer:** any transfer of funds that is initiated through an electronic terminal, telephone, or computer for purposes of ordering, instructing, or authorizing Us to debit or credit Your Account.

**Hold:** on the funds in Your Account means that the funds are still in Your Account but We will not allow You to withdraw them. A Hold may be placed because of delayed funds availability, a court order requiring Us to prevent withdrawals, or other reasons outlined in Our Funds Availability Policy. The amount of a Hold reduces Your Available Balance by that amount.

**Item:** any Check, ACH, fund transfers, Card Transaction, or any other withdraw or deposit that is added or subtracted from Your Account.

**Elements Mobile or Mobile Banking:** Our mobile application to access Our online banking Service.

**Mobile Deposits, Elements Mobile, or Remote Check Deposit:** mobile device Check scanning and Check image transmission Service.

**Overdraft or Overdrawn:** when Your Account balance, minus any deposits You’ve made that are not yet available, and minus Holds on Your Account, is less than \$0 or that Your Available Balance is not enough to pay all the Items that have been presented to Us on a Business Day.

**Overdraft Privilege:** Our discretionary limit to pay an Item that has Overdrawn Your Account. The limit includes the amount of Overdraft fees. We do not offer Overdraft Privilege on Business Accounts.

**Personal Account:** any Account that is established primarily for personal, family or household purposes. Personal accounts are not governed by this Agreement.

**Service:** any ancillary product We provide You to access, monitor, transfer, or perform any other transactions related to Your Account. This does not include prepaid cards, gift cards, or other ancillary Services not related to Your Account.

**Share Certificate:** a deposit with Us for a specific period of time.

**You, Your, and Yours:** the business entity, the Beneficial Owners, employees, officers, agents, and anyone You authorize to access Your Account or perform transactions on the business entity’s behalf, herein referred to as

agents. Agents may also include those performing on behalf of an Authorized Signer, such as a power of attorney.

**We, Us, and Our:** Elements Financial Federal Credit Union (“Elements” or “Elements Financial”) or as applicable and as the context may require, any other affiliate or third party that We may, in Our sole discretion, involve in Our Services or processing of transactions.

Other terms may be defined elsewhere in this Agreement.

## **BUSINESS ACCOUNTS**

### **1. Business Membership Eligibility**

All owners, shareholders, members, and partners of the business, hereafter referred to as “owners,” must qualify for membership or the business entity must be approved by NCUA as a Select Employee Group of Elements. Our membership eligibility is defined by Our bylaws.

This Agreement is the contract that governs Your Account. Please be sure to read it carefully and keep it for Your records. If You have any questions regarding Your Account or this Agreement, need to update your contact information, or notify us of any other questions or concerns, please contact Us at:

Elements Financial  
P.O. Box 7123  
Indianapolis, IN 46207-7123  
(800) 621-2105

### **2. How We Identify You**

You must provide Us with sufficient documentation regarding the Business Entity to comply with Federal and State laws including laws designed to establish identity of Our members, Account beneficiaries, and Beneficial Owners prior to opening an Account or performing Services. We will use this information to verify Your identification at the time of application and We will use it as We deem necessary to confirm Your identity for future transactions and Service requests. What this means for You:

- i. Business Entity must provide organization documents as applicable including, but not limited to, Certificate of Assumed Business Name; for Partnerships, the Certificate of General or Limited Partnership, Partnership Agreement; Articles of Organization or Incorporation; Operating Agreement; Bylaws; and Resolutions (“Entity Documents”).
- ii. When You apply for a business product or Service, We will ask for Your name, address, date of birth, and any other information that will allow Us to identify You and the Beneficial Owners of the business entity.
- iii. Once You submit Your application, We may request Your information from credit reporting agencies and confirm Your relationship with an employer group or association.
- iv. For applications received by mail or the internet, We may contact You to verify the information supplied on Your application.
- v. Prior to performing any Service or providing You with a product, We may ask to see Your driver’s license or any other identifying documents We deem necessary.
- vi. We may provide alternative means to identify You, such as passwords, security words, passcodes, or passphrases. However, We are not required to authorize a transaction if We have any reason to doubt Your identity or believe Your information may be compromised.
- vii. You agree that You have an ongoing obligation to provide Us with updated Entity Documents should any of them have changed since You last provided them.

Accounts opened without receiving the identifying information we request will result in closure of any applications, Services, or Accounts and return of any funds posted to the account after 60 days.

You confirm that neither You nor any beneficial owner of any Account is covered by any sanctions programs administered or enforced by the U.S. Department of the Treasury, Office of Foreign Asset Control.

### **3. Confidentiality**

Subject to the requirements of applicable law, We may disclose information about You and Your use of Our Service and/or products.

### **4. Business Entity Representation**

You expressly represent: (i) that the business entity named on the Entity Documents and applications provided to Us is duly organized, validly existing, and in good standing under the laws of the states where organized and has filed all required documents to ensure that no other person or entity shall conduct business under the same name or any name deceptively similar to that of the business entity named; and (ii) each owner, officer, member, partner, or agent listed on an Account or Service application as an Authorized Signer is qualified and authorized to sign in the capacity represented and is empowered to so act on behalf of the entity.

### **5. Designation of Authorized Signers**

You expressly represent that those persons named on the applications as Authorized Signers are vested with full authority to open and close Accounts on behalf of the business, add, modify, and remove Authorized Signers on behalf of the business and to transact any business of any nature on such Accounts.

You agree to notify Elements of any change affecting your Accounts, such as (and not limited to) a change to any Authorized Signers on the Accounts or your conversion to a different type of business entity. We may consider your business entity and the Authorized Signers as continuing as described on the applications you completed until we have received a new application and presentment of an updated resolution of the business entity specifying the action to be taken and have a reasonable time to act. For removal of an Authorized Signer, a valid resolution may be substituted for the signature of the person authorizing the change.

### **6. An Authorized Signer’s Authority**

You expressly represent any Authorized Signer, acting singly, shall be authorized to:

- i. Open, modify or close an Account(s), though we reserve the right to require more than one signature to close the Account when there is more than one Authorized Signer;
- ii. Deposit, withdraw or transfer any of the funds in such Account(s) in any manner permitted by Us (for example (i) cash, Checks in person, by mail, electronically or by telephone, whether represented by cash; (ii) issue and make payments by Checks, electronic funds, notes or other evidence of debt);
- iii. Receive the statements and records of the business entity with respect to such Account(s);
- iv. Stop payment against Checks or other payment orders; and
- v. Make any other agreements and stipulations with Us with respect to such Account(s) and to bind the Business Entity thereto.

You agree that any designation by You requiring the signatures of two or more Authorized Signers is for Your internal business purposes only.

### **7. Internal Revenue Code – Tax Reporting and Exemptions**

We are under no obligation to inquire about or to investigate Your status as tax-exempt or to verify the accuracy of any of the statements You make on Your Account application or any other document provided to You by Us that relates to Your Account. We assume no responsibility for tax or other consequences to anyone arising from the establishment or use of an Account with Elements. You are solely responsible for any taxes, interest, penalties and other expenses which may be payable under applicable law in connection with the establishment and maintenance of Your Account.

Contributions made by or on behalf of an Account beneficiary who is not an Eligible Individual or Tax Exempt Organization as defined in the Internal Revenue Code will result in adverse tax consequences to the Account beneficiary. Consult with Your tax advisor or legal expert to confirm eligibility.

### **8. Money Service Business (“MSB”)**

Our policies prohibits servicing Accounts that operate as a MSB as defined by the Financial Crimes Enforcement Network; currently defined in 31 CFR 1010.100(ff). You represent that You do not and will not operate as a MSB. You agree to give Us thirty days advance written notice if You decide to operate as a MSB. You understand upon receipt of Your written notification that We will close Your Account.

#### 9. Consent to Communicate with You by Email or Phone

We may record and/or monitor any of Our telephone conversations with You. If We do record, We do not have to keep the recordings, unless required by law.

When You give Us Your mobile phone number, We have Your permission to contact You at that number about all of Your Accounts. You may have separately consented to allow Us to use text messaging, artificial or prerecorded voice messages and automatic dialing technology for informational and Account Service calls, as well as telemarketing or sales calls. It may include contact from companies working on Our behalf. Message and data rates may apply. You may contact Us anytime to change these preferences.

If You give Us Your email address, You agree that We may send marketing and servicing messages related to Your Accounts (such as fraud alerts and Hold alerts) to that address. Any communications We send may be delivered electronically, such as e-mail or text messages, rather than via U.S. mail or other means, unless the law says otherwise. Please contact Us if You wish to receive any electronic communications We have provided to You in a paper form.

#### 10. Account Alerts

If You have elected or authorized Us to send, We will send You Account alerts, which may include fraud alerts. These messages may be delayed for various reasons including Service outages affecting Your phone, technical difficulties with Our Service providers or Your Service providers, and system capacity limitations. You agree that You will not rely solely upon these alerts. These Services are provided as a courtesy and in no way waive Your obligation to carefully review Your statements and routinely monitor Your Accounts. You understand We are not liable for losses or damages from any delayed delivery, failed delivery, or inaccurate content contained in an alert.

Data rates may apply. Contact Your wireless Service provider prior to authorizing Us to send You Account alerts. You may contact Us at any time to discontinue receiving these alerts. You agree to promptly notify Us if You change Your wireless telephone number. We may attempt to recover any costs We incur as a result of You failing to notify Us that the telephone number You provided Us is no longer accurate.

#### 11. Online Banking (eBranch) and Mobile Banking (Elements Mobile)

We may provide You with access to Our eBranch or Elements Mobile to view Your Account information, make deposits, transfer funds between Your Elements Accounts, pay qualifying Elements loans or credit cards, or make payments from Your Checking Account to third parties. You can apply for these Services by calling Us at (800) 621-2105 or by visiting an Elements branch location. A list of Our locations is available on Our website [elements.org](http://elements.org). You must agree to the additional disclosures and specific terms for using the eBranch Services provided when You apply.

#### 12. Telephone Banking

You may use Our automated customer Service system or speak to an Elements representative to get Your Account information, transfer funds between Your Accounts with Us, or pay qualifying Elements loans or credit cards. You must have established a password, security word, or PIN. We may request that You provide Us with this security information, as well as additional information in order to confirm Your identity and to protect You and Your Accounts. Transactions will not be authorized without successful identify verification. You agree We shall not be liable for any of Your losses due to the inability to provide the correct identity credentials.

#### 13. Beneficiary – Death of an Owner

NOTE: NO PAYABLE ON DEATH (POD) BENEFICIARY DESIGNATION WILL APPLY ON A BUSINESS ACCOUNT. IF YOU OWN YOUR ACCOUNT AS A SOLE PROPRIETOR, UPON YOUR DEATH, THE BANK MUST BE PROVIDED WITH THE ESTATE OR SUCCESSOR'S TAX ID NUMBER. PLEASE CONSULT YOUR ESTATE PLANNING ADVISOR OR ATTORNEY TO DISCUSS THE DISSOLUTION AND DISTRIBUTION OF THE BUSINESS ENTITY AND THE BUSINESS ENTITY'S ASSETS.

#### 14. Inactive and Unclaimed Accounts

Each state has laws that govern when Accounts are considered inactive or unclaimed. We are required to send unclaimed property to the state. We encourage You to use Your Account so You will avoid inactive

Account fees, receive statements, have full use of Your Account, and avoid having funds transferred to the state as unclaimed property. We will mail a letter to the address We have on record, in advance of transferring funds to the state. YOU ARE RESPONSIBLE FOR NOTIFYING US IF YOUR MAILING ADDRESS CHANGES.

#### 15. Share Insurance Coverage

Your deposits are insured by the National Credit Union Share Insurance Fund (NCUSIF). Funds deposited by a corporation, partnership, or unincorporated association are insured up to a maximum of \$250,000. Funds deposited by a corporation, partnership, or unincorporated association are insured separately from the Personal Accounts of the stockholders, partners, or members. To qualify for this coverage, the entity must be engaged in an independent activity, meaning that the entity is operated primarily for some purpose other than to increase deposit insurance.

Share Accounts owned by a sole proprietor are insured as the single funds of the person who owns the business. For example, if an individual has an Account in his name alone and another Account in the name of his sole proprietorship, the balances in those Accounts would be combined and insured up to a maximum of \$250,000 in the single ownership Account category.

The National Credit Union Administration (NCUA) is the independent agency that administers the NCUSIF. Like the FDIC's Deposit Insurance Fund, the NCUSIF is a federal insurance fund backed by the full faith and credit of the United States government. Visit [NCUA.gov](http://NCUA.gov) and [mycreditunion.gov](http://mycreditunion.gov) to learn more about this insurance. NCUSIF does not insure investment and insurance products.

#### 16. Statutory and Consensual Lien on Accounts

Unless prohibited by law, You pledge and grant as security for all obligations (including Overdrafts and negative balances) You may have now or in the future, except consumer credit obligations secured by Your principal residence, all shares and dividends and all deposits and interest, if any, in all Accounts You have with Us now and in the future. Your pledge applies to any Account in which You may have an ownership interest, regardless of the source of funds. If You pledge a specific dollar amount in Your Account(s) for a loan, We will freeze the funds in Your Account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in Your pledged Account(s) may be withdrawn unless You are in default.

Federal or state law, as applicable, gives Us a statutory lien on all share and dividends and all deposits and interest, if any, in Accounts You have with Us now and in the future. Except as limited by federal or state law, the statutory lien gives Us the right to apply the balance of all Your Accounts to any obligation on which You are in default. After You are in default, We may exercise Our statutory lien rights without further notice to You.

Your pledge and Our statutory lien rights will allow Us to apply the funds in Your Account(s) to what You owe when You are in default, except as limited by federal or state law. If We do not apply the funds in Your Account(s) to satisfy Your obligation, We may place an administrative freeze on Your Account(s) in order to protect Our statutory lien rights and may apply the funds in Your Account(s) to the amount You owe Us at a later time. By not enforcing Our right to apply funds in Your Account to Your obligations that are in default, We do not waive Our right to enforce these rights at a later time.

#### 17. Fees

You agree to pay all fees applicable to Your Account. A schedule of Our fees was provided to You at Account. Please contact Us to receive additional copies or visit Our website [www.elements.org](http://www.elements.org).

#### 18. Contact Information

You are responsible for providing Us with Your preferred method of contact and the contact information We should rely upon. If You fail to notify Us of any changes to Your contact information, You may not receive important information concerning Your Account, such as fraud alerts, Account statements, changes to this booklet or to any terms and conditions of Your Account, any notice of revocation or changes to a Service or access device, fees, or any other information We are required

by law to send or send to You as a courtesy. You agree to keep Us informed of any changes that may be relevant to Your Account and the method in which We may contact You. Minimally, contact information will include, name, phone number, and address.

YOU ARE BOUND TO ANY AMENDMENT OR MODIFICATION OF THIS AGREEMENT WE ATTEMPT TO PROVIDE TO YOU, BUT IS REJECTED AS UNDELIVERABLE DUE TO YOUR FAILURE TO PROVIDE US WITH YOUR UPDATED CONTACT INFORMATION. You will hold Us harmless of any injury You sustain directly or indirectly as a result of Your failure to comply. You agree that You will hold Us harmless even if We had some proportional liability if it is later determined that by notifying Us You could have in any way reduced Your injury. We may attempt to deliver communication to You using alternative methods. Any attempt does not waive Our rights or Your liability.

#### **19. Right to Restrict Account Access or Revoke Services**

We will at all times exercise good faith in order to protect You and the credit union and to adhere to legal requirements. We reserve the right to restrict Account access or limit Services to any Account or Authorized Signer at any time without notice to You. We may restrict or revoke pending an investigation or after reaching a conclusion that the business entity or the Account is involved in one or more of the following circumstances:

- i. A legal or administrative proceeding;
- ii. We receive conflicting information or instructions regarding the business entity ownership, control, or activity;
- iii. There has been a change in ownership of the business entity;
- iv. We suspect that You may be a victim of fraud or financial exploitation (even if You have authorized the transaction);
- v. To comply with any federal, state, or local law, rule, or regulation;
- vi. Failure to adhere to the terms of this or any other agreement We have provided to You;
- vii. Significant financial misconduct including, but not limited to, delinquent loans or causing a loss to Us; or
- viii. As a result of highly disruptive or abusive behavior.

#### **20. Convert Your Account**

We may convert Your Account to another type of deposit Account (We will notify You) if:

- i. We determine an Account is inappropriate based upon Your use; or
- ii. We stop offering the type of Account You have.

#### **21. Termination of Membership and Closing Your Account**

Membership is defined by Our bylaws. All owners (or business entity when applicable) must maintain an Account with no less than the par value defined by the bylaws. The Account used to establish Your membership was designated at the time We established Your membership. Please contact Us prior to reducing any Account below the par value to verify Your membership will not be impacted.

In the event the business entity has a loan or credit card with Us, the membership Account(s) cannot drop below the par value. Otherwise, You may close Your Account(s) at any time by notifying Us. We reserve the right to require any Account closure request to: (i) be in writing; (ii) comply with Our judgment in determining whether to allow only one or to require more than one owner or Authorized Signer to authorize; and (iii) deliver Account proceeds as requested by any Authorized Signer unless otherwise prohibited by court order or by law. We are not required to close Your Account if You have pending transactions or the Account is Overdrawn. In those cases, We may restrict Your Account against all future withdrawals until pending transactions are paid or returned and the Account balance is no longer negative.

Any closed Account may be automatically reopened if We receive a deposit to the Account. Either You or We may close Your Share Certificate Account on any maturity date without cause.

We may close any and all Your Account(s) in accordance with Our bylaws. Within a reasonable time We will return the Account balance less any fees, claims, setoffs, or other amounts. After Your Account is closed, We have no obligation to accept deposits or pay any outstanding Checks. We will have no liability for refusing to honor any Item on a closed Account. We have the right to advise CONSUMER REPORTING

AGENCIES and other third party reporting agencies of Accounts closed for misuse, such as kiting or Overdrafts.

#### **22. Recovery of Fees and Expenses**

You agree to be liable to Us for any loss, cost, or expense that We incur as a result of Your failure to comply with the terms of this and any other binding agreements We have provided to You. You authorize Us to deduct any such loss, cost, or expense from Your Account without prior notice to You. In the event We bring a legal claim to enforce this or any other agreement or to collect any amount due, We shall be entitled to payment of its reasonable attorney fees and costs, including fees and costs on any appeal, in bankruptcy proceedings, and in post-judgment collection actions.

#### **23. Adverse Claims, Legal Process Orders, and Court Orders**

If We receive any legal process order relating to You or Your Account, You authorize Us to comply with it. Such orders include any garnishment, attachment, execution, levy, or similar order. If We receive any subpoena, court order, or request for information or documents relating to Your Account from a governmental entity or arbitration panel, We are required by law to comply with it. TO COMPLY WITH SUCH ORDERS, WE MAY CHARGE YOU A PROCESSING FEE AS DEPICTED IN OUR FEE SCHEDULE.

Further, if there are conflicting instructions, suspected fraud or Check kiting, any dispute regarding Your Account, or any other possible legal claim, We may remove funds from Your Account to Hold them pending an investigation in one or more of the following circumstances:

- i. Your Account is involved in any legal or administrative proceeding;
- ii. We receive conflicting information or instructions regarding Account ownership, control, or activity;
- iii. We suspect that You may be the victim of a fraud, scam, or financial exploitation, even if You have authorized the transaction(s);
- iv. We suspect that any transaction may involve illegal activity or may be fraudulent;
- v. To comply, in Our sole judgment, with any federal, state, or local law, rule, or regulation, including federal asset control and sanction rules and anti-money-laundering rules, or with Our policies adopted to assure that We comply with those laws, rules, or regulations; or
- vi. We reasonably believe that doing so is necessary to avoid a loss or reduce risk to You or Us.

We will have no liability for any actions We take under this section.

#### **24. Illegal Transactions**

You agree that You will not use Your Account for any transaction that is illegal in the jurisdiction where You live, in the jurisdiction where the transaction is consummated, or in any other jurisdiction affected by the transaction. You agree that it is Your responsibility to determine the legality of each transaction in all applicable jurisdictions before entering into such transaction. Display of the Visa® logo or any other logo by any person accepting payment does not indicate that the transaction is legal in all applicable jurisdictions. You acknowledge and agree that We have no obligation to monitor, review or evaluate Your transactions for legality and that We may presume that all Account transactions are legal in all applicable jurisdictions. However, We reserve the right to reject, decline, or return any transaction that We believe is an illegal transaction or a high-risk transaction in any applicable jurisdiction. To the fullest extent permitted by law, You further agree that We are not responsible for the recovery or reimbursement to You of any funds transferred in connection with any transaction authorized by You that is determined to be illegal.

#### **25. Internet Gambling Transactions**

You agree that You will not use Your Account in connection with any internet or online gambling transaction, whether or not gambling is legal in any applicable jurisdiction. We reserve the right to reject, decline, or return any transaction that We believe is an internet or online gambling transaction or a high-risk transaction.

#### **26. Checks**

Any Check to be deposited into an Account must be endorsed exactly as written on the payee line. We may require You to deposit a Check instead of permitting You to cash it. Checks made out to a payee not

matching the business entity name on the Account may not be accepted or may be sent for collection.

Each time You present a Check or Check image to Us, You represent and warrant to Us that: (i) the proceeds relate to a legal transaction; (ii) You are entitled to enforce the Check; (iii) all signatures on the Check are authentic and authorized; (iv) the Check is not a counterfeit item; (v) the Check has not been altered; (vi) the Check is not subject to a defense or claim that can be asserted against You; (vii) You have no knowledge of any insolvency proceeding commenced on the maker and/or drawer of the Check; (viii) any Check image transmitted by You to Us contains an accurate representation of the front and the back of the Check and otherwise complies with Our requirements (including any endorsement restrictions); (ix) You will neither create nor transmit to Us any duplicate image of a Check, nor will You deposit or otherwise negotiate the original Check after presenting the Check image for deposit to Us or to another financial institution; and (x) You have no knowledge that We or any subsequent transferees of the Check or its image are likely to sustain a loss as the result of the fact that We accepted the Check from You.

Although We attempt to identify and prevent fraudulent transactions, We have no duty to You to determine whether any Check You deposit or cash is forged, counterfeit, altered, improperly endorsed, or otherwise improper. If You cash or deposit the Check in to Your Account and it is returned unpaid, We may charge Your Account or any Account in Your name the amount of the Check and any fees We incur or charge as a result. The chargeback may result in a negative Account balance. You are responsible for any and all insufficient Account balances and insufficient balance fees We may impose.

#### **27. Lost or Stolen Checks**

You agree to safeguard Your blank and canceled Checks, and to take reasonable steps to prevent unauthorized use. IF YOUR CHECKS ARE LOST OR STOLEN, YOU AGREE TO NOTIFY US IMMEDIATELY. For security reasons, We reserve the right to close Your Account and transfer the balance to a new Account. If We close Your Account, all Checks written but not paid may be returned to payee as "Account Closed" or "Refer to Maker." You will be responsible for issuing any replacement Checks.

#### **28. Deposits and Transfers**

We may refuse at any time to accept any deposit items You present. We will make every effort to provide You with justification for not accepting Your deposit. However, We will at all times adhere to state and federal laws which may prohibit or limit Us from providing You with Our analysis and determination.

If You deposit any Check or other item to Your Account or cash any Check, and We are notified that the item will be returned unpaid, or another financial institution demands that We repay them for the item for any reason, We may deduct the amount of the item from any of Your Accounts, even if doing so creates an overdraft. If a deposited or cashed item is returned, We will charge You a fee, and We may deduct the amount from any of Your Accounts.

If You instruct Us or another institution to send a funds transfer, such as a wire or ACH transfer, We and every other institution involved in the transfer may rely upon any routing number or Account number You provide. If the funds transfer instruction gives a routing number, Account number, and a name, and the name identifies a different person from the Account owner identified by the numbers, We and other institutions that handle the funds transfer may still rely exclusively upon the numbers, and have no duty to detect any inconsistency between the Account numbers and the name.

See Our Funds Availability Policy for detailed explanation of when deposited items are available for withdrawal.

#### **29. Technical Issues with Electronic Services**

Because electronic services, such as eBranch, Elements Mobile, Remote Check Deposit, or an ATM, could be unavailable from time to time for various reasons, You should not rely on these services as the sole means of depositing items. Please notify Us if You are experiencing technical issues with any of Our services.

#### **30. Endorsements**

If any Check deposited to Your Account is missing Your endorsement, We may endorse it for You, treat the Check as if We had endorsed it, or

return it to You or the payee. Also, any Check deposited to Your Account that appears to contain Your stamped or facsimile endorsement will be treated as if You had actually endorsed it.

#### **31. Restrictive and Conditional Checks**

You agree to hold Us harmless in the event We do not adhere to any restrictive or conditional endorsements or stale and future-dated Check instructions. YOU UNDERSTAND THAT CHECK PROCESSING IS AN AUTOMATED PROCESS AND WE HAVE NO DUTY TO OBSERVE OR COMPLY WITH ANY SUCH INSTRUCTIONS.

#### **32. Large Cash Withdrawals**

We may reasonably restrict large cash withdrawals. These restrictions may include the time, method, and providing Us with a reasonable advance notice to ensure We have sufficient cash on hand. We do not advise large cash withdrawals. We provide several alternative means to withdrawal and transfer Account proceeds. If You make a large cash withdrawal, We may also require that You sign a document releasing Us from any liability if You are robbed or assaulted. We may refuse the cash withdrawal if You do not agree to any of these restrictions and conditions.

#### **33. Wire Transfers**

You may initiate or receive credits or debits to Your Account through wire transfers. You agree that if You receive funds by a wire, We are not required to notify You at the time the funds are received. Instead, the transfer will be shown on Your periodic statement. A separate agreement will govern initiating a wire transfer. Please refer to Our fee schedule for any charges that may apply.

#### **34. Statements and Account Notices**

The Business Accounts, including Share Certificates, loans, and lines of credit may be combined on a single statement either automatically or at Your request. If Accounts are combined on a single statement and You want separate statements, notify Us and We will issue separate statements for future statement periods.

YOU UNDERSTAND AND AGREE THAT INFORMATION REGARDING YOUR ACCOUNT MAY BE DELIVERED TO ANY CONTACT ADDRESS YOU HAVE PROVIDED TO US FOR YOUR BUSINESS ACCOUNTS. We'll send only one statement or any other notice for an Account, even if it has more than one owner or Authorized Signer. You agree that sending it to one owner or Authorized Signer qualifies as sending it to all. A statement not being addressed to You does not remove or reduce Your liability.

Paper statements will be delivered to You unless You consent to receiving statements electronically. We may charge a fee for paper statements. We will stop issuing statements to You if the U.S. Postal Service notifies Us the address is no longer Your valid address or if Your Account becomes inactive. This is to protect You from identity theft. TO KEEP YOU INFORMED OF YOUR ACCOUNT BALANCE, INTEREST RATE, FEES, AND OTHER IMPORTANT INFORMATION, PROMPTLY NOTIFY US OF ANY CHANGE IN YOUR MAILING ADDRESS, KEEP YOUR ACCOUNT ACTIVE, AND CONTACT US IF YOU DO NOT RECEIVE YOUR ACCOUNT STATEMENT.

### **OVERDRAFTS:**

#### **Important Information Concerning Your Account**

##### **35. Insufficient Funds – Your Account is Overdrawn**

An Account is considered Overdrawn when the Available Balance is negative. It is Your responsibility to avoid overdrawing Your Account.

If an item is presented and there are not enough available funds in Your Account to pay it, We may, at Our discretion, pay the item or return the item. We will charge a fee for each item (such as a Check, in-person withdraw, Card Transaction, and ATM withdrawal) that causes or would cause the ending Available Balance to be negative even if We return the item. Refer to Our fee schedule for a list of fees.

You authorize Us to use the money from any future deposits to Your Account or any other Account You establish with Us to pay any Overdraft and resulting fees. Deposits include any Direct Deposit payments You receive from a government agency (including Social Security or other governmental benefits), Your employer, or any other third party that posts its payment directly to Your Account. You understand You must

contact the third party (not Us) to change Your Direct Deposit instructions.

You agree to pay all costs and expenses We incur in collecting any Overdraft, including attorneys' fees. We may still pursue collection of the amount You owe (including suing You) after it is charged off. Further, if You do not promptly pay the amount of any Overdraft along with any fees that We charge Your Account within thirty (30) days, WE MAY REPORT YOU TO A CREDIT REPORTING AGENCY. THIS COULD AFFECT YOUR ABILITY TO OPEN ACCOUNTS WITH US OR OTHER FINANCIAL INSTITUTIONS IN THE FUTURE.

**36. What is the Difference between the Current Balance and the Available Balance?**

Your Checking Account has two kinds of balances: the current balance (also commonly referred to as "actual balance" or "ledger balance") and the Available Balance. The current balance is the amount of money that is actually in Your Account at any given time. It reflects transactions that have posted to Your Account, but it does not include transactions that have been authorized and are pending. Your Available Balance is the amount of money in Your Account that is available to You to use without overdrawing Your Account. The Available Balance takes into Account Holds placed on deposits and pending transactions (such as pending debit card purchases) that have been authorized but that have not yet posted to Your Account. WE USE YOUR AVAILABLE BALANCE TO DETERMINE WHETHER SUFFICIENT FUNDS ARE AVAILABLE WHEN TRANSACTIONS ATTEMPT TO CLEAR THE ACCOUNT AND FOR DETERMINING WHETHER TO CHARGE AN OVERDRAFT PRIVILEGE FEE OR A RETURNED ITEM FEE. Importantly, You may still overdraw Your Account even though the Available Balance appears to show there are sufficient funds to cover a transaction that You want to make. This is because while Your Available Balance reflects Holds on deposits and pending transactions it may not reflect outstanding Checks and automatic bill payments (or other outstanding transactions) that You have authorized but that have not yet posted to Your Account.

**37. How Do We Process Transactions?**

Transactions will be processed against the Available Balance in the Account at the time of processing. Importantly, the current balance and Available Balance may differ as the Available Balance may be reflective of any pending Card Transactions that have not posted to Your Account or due to Check Holds. WE USE YOUR AVAILABLE BALANCE WHEN DETERMINING WHETHER A TRANSACTION WILL CAUSE YOUR ACCOUNT TO OVERDRAW AND FOR CHARGING FEES.

When processing Items drawn on Your Account, Our policy is to pay the Items in the order they are presented to Us. In the event that more than one Item is presented during the same batch processing, We will pay the smallest dollar Items first. The order in which Items are paid is important if there is not enough money in Your Account to pay all the Items that are presented.

- i. Available Balance changes throughout the day as **time stamped** deposits and withdrawals are received.
  - a) Examples of timestamped deposits (also referred to as real time):
    - Direct Deposit of Your payroll Check
    - Transfers into the Account such as ACH and wire transfers
    - Online or Mobile Banking transfers into the Account
    - Card Transaction refunds
    - Mobile deposits
  - b) Example of timestamped withdrawals (authorized at the time of receipt for use):
    - ATM withdrawals
    - Debit card purchases
    - Online or Mobile Banking transfers to another Elements Account
- 2) Nightly, Our system posts any **batch** Items (Items not time stamped)
  - a) Examples of batch processing deposits:
    - Deposits made at an ATM
    - Deposits made at an Elements branch location
    - Deposits made at a shared branch location

b) Examples of batch processing withdrawals:

- Checks written
- Online transfers to a non-Elements Account
- eBranch bill payments
- Posted outgoing ACH transfers (automatic bill payments)
- Posted outgoing wire transfers
- Withdrawals performed at an Elements or shared branch location

There is no policy that is favorable in every instance. If an Item is presented without sufficient available funds in Your Account to pay it, We may, at Our discretion, pay the Item (creating an Overdraft) or return the Item (NSF). The fee amounts are disclosed on Our fee schedule. We encourage You to make careful records and practice good Account management. This will help You to avoid writing Checks or conducting transactions without sufficient available funds and incurring the resulting fees. A fee will be imposed for Overdrafts created by Checks, ACH, Point-of-Sale, ATM withdrawals, in-person withdrawals, or by other electronic means.

YOUR AVAILABLE BALANCE ONLY INCLUDES DEPOSIT AMOUNTS WE HAVE MADE AVAILABLE. REFER TO OUR FUNDS AVAILABILITY POLICY.

**38. Cut-off Times**

Deposits and withdrawals that You initiate with Us are subject to cut-off times. Cut-off times allow Us to process and validate transactions. Transactions that are initiated before a cut-off time on a Business Day are applied to Your Account that day, however deposits are SUBJECT TO FUNDS AVAILABILITY LIMITATION. REFER TO OUR FUNDS AVAILABILITY POLICY FOR WHEN FUNDS WILL BECOME AVAILABLE FOR WITHDRAWAL. Transactions initiated after a cut-off time on a Business Day are posted to Your Account the next Business Day.

	DEPOSIT CUT-OFF TIMES	WITHDRAWAL CUT-OFF TIMES
<b>Transactions Done at an Elements Financial Branch Location</b>	6:00 PM ET	6:00 PM ET
<b>Transactions Done at a Shared Branch Location</b>	6:00 PM ET	6:00 PM ET
<b>eBranch</b>	9:00 PM ET	9:00 PM ET
<b>Elements Mobile</b>	9:00 PM ET	9:00 PM ET
<b>Debit Card Purchase Transactions</b>	6:00 PM ET	6:00 PM ET
<b>Elements ATM Transactions</b>	ATM Service times may vary. Please contact us for details.	
<b>Shared Branch ATM Transactions</b>	Transfers and deposits will post at 9:00 PM ET. Please contact the Shared Credit Union for deposit cut-off times.	
<b>Wire Payment Order Requests Made with eBranch</b>	Our internal processing times are defined in the Business Online Service Agreement. You may also contact us at (800) 621-2105.	

Services, such as wires, transactions at ATMs not owned by Us and not part of Our Shared Branch network, Checks clearing through other financial institutions, and ACH transactions, are processed through the Federal Reserve Bank and/or other intermediaries. We do not control processing times or cut-off times of these intermediaries. A list of Shared Branch Locations and ATMs in Our Shared Branch Network is available at elements.org. Please contact Us for questions or additional information (800) 621-2105.

### 39. Overdraft Protection

If You request Overdraft Protection, We will link Your Checking Account to other deposit Account(s) in the same business name. If You link two or more Accounts, We will first transfer funds from the linked deposit Accounts in the order You specified when You linked the Accounts.

OPTION	WHAT IT MEANS TO YOU	COST
Link to Another Deposit Account(s)	Money transfers from another deposit Account to match the exact amount of Your Overdraft.	No charge.

### 40. Overdraft Privilege

We do not offer Overdraft Privilege on Business Accounts. We are under no obligation to pay Items that would exceed Your Available Balance. It is Your responsibility to promptly correct any insufficient balance. Prompt actions will likely reduce any financial harm to You.

### 41. Unauthorized Transactions

We will act in good faith in authorizing and transmitting payments on Your behalf. You have a duty to review Account statements and to notify Us of any errors, misapplied payments, and fraudulent payments. You are in the best position to discover and report any unauthorized withdrawal or charge to Your Account.

You agree to notify Us immediately if you discover any error or discrepancy between Your records and the Account information we provide to You about Your Account(s) or transactions, as well as any unauthorized transactions. Telephone is the best way of keeping Your possible losses down. You agree to notify Us in writing regarding any error, discrepancy, or unauthorized transaction within a reasonable time not to exceed 15 calendar days from the date you first discover the problem or receive information revealing the issue, whichever comes first. You agree to assume all liability for Your failure to notify Us within 15 calendar days including loss of dividends that results from the failure to give Us notice or which might have been prevented by Your giving Us such notice.

Written notices to Us must be mailed or delivered to Us at:

**Elements Financial**  
**P.O. Box 7123**  
**Indianapolis, IN 46207-7123**  
**(800) 621-2105**

### 42. Your Responsibility to Prevent Fraud

You agree to maintain procedures and controls to detect and prevent losses due to fraud which includes but is not limited to Item forgery. Further, you agree to diligently supervise and monitor the conduct and work of all Authorized Signers and all agents and employees having a role in the preparation of Your Items and Your Account statement reconciliation or other Account functions. We shall have NO responsibility or liability whatsoever for any loss due to fraud UNLESS:

- i. the fraud was perpetrated by a person who was at no time Your agent, employee or Authorized Signers;
- ii. the loss was unavoidable despite that fact that You took all reasonable steps to prevent the loss, AND;
- iii. the loss was caused solely by Our gross negligence, fault or willful misconduct.

You agree to take reasonable steps to ensure the integrity of Your internal procedures with respect to Your Account and Items drawn on Your Account or deposited into it. Reasonable procedures include:

- i. Safeguarding passwords, security words, passcodes, or passphrases using commercially reasonable methods and practices consistent with industry standards;
- ii. Segregating Account responsibilities to multiple individuals;
  - a. Those who create payment Items should be different than those who approve and release payment Items; and
  - b. Those who reconcile statements should be different than those who issue Items drawn on Your Account.
- iii. Securing Your supply of Check stock at all times;
- iv. Notifying Us immediately when an Authorized Signer's authority ends;

- v. Limiting authorization of debit card use (including withdrawal limits) and eBranch and Elements Mobile to those required to perform such obligations on Your behalf;
- vi. Maintaining up-to-date anti-malware software and using strong passwords on any; device that has online access to Your Account;
- vii. Obtaining insurance coverage for these types of financial risks in the event You do not have sufficient funds to remedy such loss; and
- viii. Contacting Us immediately if You suspect fraud. For example, You:
  - a. Do not receive the statements for Your Accounts when You would normally expect to;
  - b. Believe someone attempted to use Your Account without Your authorization; or
  - c. You suspect Your Account authentication or identification has been compromised.

### 43. Force Majeure

We are not liable for failure to execute a payment order, including ACH and Wire transfers, if an interruption in communication facilitates or some other circumstance beyond Our control such as government emergency orders, judicial or governmental action, emergency regulations, riots, terrorist acts, vandalism, labor strikes, or acts of God prevents the payment order despite reasonable precautions We have taken.

### 44. Stop Payments

You may stop payment on a Check or Electronic Fund Transfer and We will charge a fee. Refer to Our fee schedule.

#### I. Limitations of Stop Payments

If You have arranged, in advance, to make repeating payments out of Your Account, You can stop these payments. However, in consideration of the use of a debit or ATM card, You agree that any sales drafts or withdrawal vouchers originated by use of the card *shall NOT be deemed to be to be Items on which stop-payment orders may be issued*. Further, We cannot stop payment on an Item We have already paid or otherwise become responsible for payment of the Item.

If We issue a cashier's Check, certified Check, or teller Check We are obligated to pay the Check unless the demand for payment is unlawful or We have reasonable doubt that the person asserting payment is not the person entitled to receive payment. We will **NOT** issue a stop payment on these Checks **UNLESS** You provide Us with a sworn statement – on a form We accept – that the Check is (i) lost (and the loss is not a result of a transfer or lawful seizure), (ii) stolen, or (iii) destroyed. We may delay reissuance of the Check for 90 days from the issue date of the original Check.

#### II. To Request a Stop Payment:

1. Any Authorized Signer may request a stop payment order.
2. Please visit an Elements branch location or call Us three (3) Business Days or more before the transfer is scheduled. If You call, We may also require You to put Your request in writing within fourteen (14) days. If We fail to stop the payment, We will be liable for Your losses or damages.
3. Give Us the exact Account number, Check number, and the exact name of the payee.
4. Provide Us with the exact amount of the payment, a range of amounts, or an instruction to block all payments from the named payee. Contact Us immediately if the named payee notifies You of any changes to the amount, named payee, or other information You provided to Us to issue the stop payment.
5. Unless You request a longer period, the stop payment order is effective for six (6) months. After the effective date, stop payment orders expire and Items presented are paid.
6. A stop payment fee will apply. Refer to Our fee schedule.
7. You understand any failure to adhere to Our instructions may result in payment of an Item. You will hold Us harmless if an Item is presented and paid after the stop payment order has expired or You failed to provide Us sufficient instructions to restrict the desired payment.

#### III. Release of a Stop Payment Order

If You later determine that a stop payment request is no longer needed, You may contact Us to have it released. We may request that the release order be in writing and include detailed instructions.

We may deny Your request if You do not provide Us with the information We request to process the release order.

## **FUNDS AVAILABILITY**

Our Policy is to make funds from Your cash and Check deposits available to You on the first Business Day after the day We receive Your deposit. The first \$2,000 of a day's total funds deposited will be immediately available unless We notify You of a longer delay. Electronic Direct Deposits will be available on the Business Day We receive the deposit.

For determining the availability of Your deposits, every day is a Business Day, except Saturdays, Sundays, and federal holidays. If You make a deposit 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 on a day We are not open, We will consider that the deposit was made on the next Business Day We are open.

LONGER DELAYS MAY APPLY: Funds You deposit by Check may be delayed for a longer period under the following circumstances:

- We have reason to believe a Check deposit will not be paid.
- Deposited Checks total more than \$5,000 on any one day.
- Checks that are redeposited that have been returned unpaid.
- You have Overdrawn Your Account repeatedly in the last six months.
- There is an emergency, such as a failure of power, communication or computer equipment.
- New Accounts – see below.

If a longer delay applies and We are not going to make all of the funds from Our deposit available on the first 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 Your deposit is not made directly to one of Our employees, or if We decide to take this action after You have left the premises, We will mail You the notice by the Business Day after We receive Your deposit or the Business Day following the day the facts upon which a determination to Hold Your funds become known to Elements Financial. If You will need the funds from a deposit right away, You should ask Us when the funds will be available.

NEW ACCOUNTS: If You are a new Elements member, special rules will apply during the first 30 calendar days Your Account is open. Funds from electronic Direct Deposits to Your Account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers, and cashier's, certified, teller's, traveler's, and federal, state and local government Checks will be available on the first Business Day after the day of Your deposit if the deposit meets certain conditions. For example, the Checks must be payable to You.

Funds from all other Checks (Items not listed in the preceding paragraph) will be available for withdrawal on the fifth Business Day following the day of deposit with the first \$200 available for withdrawal on the first Business Day following the day of deposit.

## **GENERAL TERMS OF AGREEMENT**

### **45. Construction of Defined Terms and Headings**

As appropriate, the definition of a singular term shall include the plural and the plural shall include the singular. The headings used in this Agreement are for convenience only and shall not be held to limit or affect the terms of this Agreement.

### **46. No Waiver**

Any waiver of a right in this Agreement does not waive Our right to enforce that right or any other right in the future.

### **47. Severability**

If any of the provisions of this Agreement are found to be invalid or unenforceable for any reason, it will not affect any of the other provisions of this Agreement and all the other provisions will remain in effect as if the invalid or unenforceable provisions had never been contained in this Agreement.

### **48. Governing Law**

All Accounts, and Services provided to You, and dispute relating to those Accounts and Services are governed by this Agreement, Our bylaws, federal laws, and regulations, and the laws of the State of Indiana. You agree any legal action regarding this agreement shall be brought in

Marion County, Indiana and Indiana choice of law will govern to the extent that the law allows.

If this Agreement conflicts with any statements made by one of Our employees or Our affiliates' employees, this Agreement will control.

If a Service We offer has a separate agreement, and there is a conflict between the terms of this Agreement and the separate Service agreement, the Service agreement will apply.

### **49. Amendments - Changes to this Agreement**

Except as otherwise prohibited by law, We may change the terms of this Agreement, including any fees and features of Your Account, at any time. We will notify You of any changes. You agree that notice of any of these changes may be provided to any owner or Authorized Signer. By maintaining Your Account after the effective date of any change, You agree to the change. We are not required to send You notice of certain changes to Your Account; including but not limited to: interest and annual percentage yield changes for variable rate Accounts or notice of changes in Check printing fees.

### **50. We are NOT Responsible – Limitations of Liability**

EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT OR BY APPLICABLE LAW, YOU AGREE THAT WE SHALL NOT BE RESPONSIBLE TO YOU FOR ANY LOSS, INJURY, OR DAMAGE ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY. IN NO EVENT SHALL WE BE RESPONSIBLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, EVEN IF WE HAVE BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

### **51. Your Authorized Signer(s)**

If You appoint an Authorized Signer(s) to conduct transactions on Your behalf, it is Your responsibility to advise Your Authorized Signer(s) of all obligations contained in this Agreement and any other agreement We provide You as it relates to other Services We have provided to You. You are responsible to notify Us of the termination of or amendment to the authority of the Authorized Signer(s) You have appointed, pursuant to Section 4 of this Agreement. We may rely on Your prior appointment of an Authorized Signer(s) until We are provided with notice of the termination or amendment and have had a reasonable opportunity to act upon that notice.

### **52. Assignment**

You may not grant a security interest in, transfer, or assign Your Account to anyone other than Us without Our written consent. No assignment will be valid or binding on Us, and We will not be considered to have knowledge of it unless We consent in writing. Any permitted assignment of Your Account is subordinate to Our statutory lien. Our consent; however, does not warrant that the assignment is valid.

### **53. Legal Advice**

We make every attempt to explain the terms and conditions of Your Account. If You have any hesitation or feel that We could not answer a question to Your satisfaction, We advise You to seek legal counsel of Your choice to confirm Your understanding of any and all legal documents affecting Your Account, including this Agreement.

### **54. Referrals**

In an effort to assist You with meeting all of Your financial needs, We may from time to time develop relationships with other financial providers. We may post these providers names on Our website or if You request Our assistance We may provide You with the name of these providers. While We have carefully selected these companies, You are responsible for the procurement of Services, negotiating the price and terms of the Services purchased, and the fitness of their Services to Your financial needs. We do not make any warranties or representations about these providers' products or Services. We will not represent You in any dispute. You acknowledge that any referral We make to You is limited to providing You with a named financial provider and it is Your responsibility to perform any due diligence on this party as You deem necessary for the level of Service contemplated.



## **BUSINESS DEPOSIT PRODUCTS**

<b>ACCOUNT FEATURES</b>	<b>BUSINESS BASIC CHECKING</b>	<b>BUSINESS STANDARD CHECKING</b>	<b>BUSINESS PREMIUM MONEY MARKET SAVINGS</b>
<b>Minimum Deposit to Open</b>	\$50	\$50	\$5
<b>Minimum Balance to Avoid Monthly Maintenance Fee</b>	No minimum balance requirements <sup>1</sup>	\$10,000 <sup>2</sup>	No minimum balance requirements
<b>Maximum Allowable Transactions (per monthly statement cycle)</b>	100 (combined deposit and withdrawal transactions)	500 (withdrawal transactions)	No transaction limit
<b>Per Item Fee If Exceed Maximum Allowable Transactions</b>	No per Item fee	\$0.25 per withdrawal transaction over limit	Not applicable
<b>Monthly Maintenance Fee (Waived if enrolled in eStatements and Account activity is within transaction limits)</b>	\$10	\$25	No maintenance fee
<b>Dividend Computation Method</b>	This Account does not earn dividends	This Account does not earn dividends	Dividends are calculated by the daily balance method which applies a daily periodic rate to the balance in the Account each day.
<b>Dividend Payments</b>	This Account does not earn dividends	This account does not earn dividends	Dividends will be compounded every month. Dividends will be credited to Your Account every month provided that Your Account is open on the last day of the month. If Your Account is closed prior to the end of the dividend period, Your dividends are forfeited and will not be credited to Your Account.
<b>Minimum Balance to Earn Dividends</b>	This Account does not earn dividends	This Account does not earn dividends	\$100 Average Daily Balance each month
<b>Special Features</b>	eBranch	eBranch Plus Self-Service Wire	eBranch

1) Must also enroll in eStatements and Account activity remains within the transaction limits to avoid the Monthly Maintenance Fee. 2) Must enroll in eStatements and Account activity remains within the transaction limits to avoid the Monthly Maintenance Fee.

## COMMON FEATURES TO ACCOUNTS

<b>To Earn Dividends</b>	To earn dividends on an Account, You must provide a United States tax identification number (TIN).
<b>Bylaw Requirements</b>	Membership requires a share (\$5.00) in an Account. Membership eligibility is defined in Section 11 of this Agreement.
<b>Transaction Limitation</b>	We reserve the right to at any time to require not less than seven days' notice in writing before each withdrawal from an interest-bearing Account, other than a Share Certificate, or from any other savings Account as defined by Regulation D.
<b>Nature of Dividends</b>	Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.
<b>National Credit Union Share Insurance Fund</b>	Member Accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund, which is maintained by the National Credit Union Association, a U.S. Government Agency. Please refer to <a href="http://MyCreditUnion.gov/estimator">MyCreditUnion.gov/estimator</a> for additional information.
<b>Fees</b>	Please refer to Our fee schedule for additional information
<b>Inactive Relationship</b>	A monthly inactivity fee will be assessed if there has been no activity in Your Account for a period of 12 months, and You have no other active deposit, loan, or credit card product with Elements. In the event multiple Accounts are inactive for a period of 12 months, the monthly inactivity fee will be assessed first against the Account with sufficient funds to pay the monthly fee until the full amount of each fee is collected or the Account becomes active. Please refer to Our fee schedule for additional information.

# ADDENDUM #1

## MEMBERSHIP POLICIES

The following information reflects updates to our policies that relate to the subjects of nonparticipation and limitation of services.

Elements Financial (the “Credit Union”) may terminate the membership of members or limit the services or products available to them under certain circumstances.

### **Nonparticipation Policy**

If you do not participate in the affairs of the Credit Union, we may terminate your membership. Participation in the affairs of the Credit Union is determined by the following activities:

1. voting in the annual elections of the Credit Union;
2. purchasing shares from the Credit Union;
3. obtaining a loan from the Credit Union;
4. actively maintaining a deposit relationship with the Credit Union; or
5. maintaining the share balance in your member share account at least at the current par value for at least 90 consecutive days.

Expulsion of a member for nonparticipation does not relieve the member of any liability to the Credit Union. The Credit Union will pay all member shares less any amounts due to the Credit Union upon the member’s expulsion.

### **Limitation of Services Policy**

The Credit Union may limit the services or products available to members who have exhibited inappropriate behavior; engaged in conduct that has caused a loss to the Credit Union or that threatens the safety of Credit Union employees, facilities, or other members; or are not in good standing.

A member in good standing is a member who:

1. maintains at least the minimum share at the current par value;
2. is not significantly delinquent on any Credit Union loan;
3. has not had any account with the Credit Union closed due to abuse or negligent behavior;
4. has not caused a financial loss to the Credit Union; and
5. has not engaged in violent, belligerent, disruptive, or abusive activities.

Any member determined in the Credit Union’s sole determination to be not in good standing may have Credit Union services or products limited. This limitation may apply if the member services or products are sought directly or indirectly and may apply to any person who has access to Credit Union services or products either directly or indirectly through a member who is considered to be not in good standing.

Any limitation of services or products will bear a logical relationship between the objectionable activities and the services or products suspended. However, the Credit Union retains the ability to limit any Credit Union service or product it deems appropriate in its sole discretion, including, but not limited to: ATM services, credit cards, loans, share draft privileges, online banking, preauthorized transfers, shared branch activity, and access to Credit Union facilities. The Credit Union will notify the member of the services or products that have been limited.

## ADDENDUM #2

### IMPORTANT CHANGE IN TERMS

The following are changes and/or clarifications to the “Account Agreement” and “Fee Schedule” that govern the terms of your accounts with Elements Financial Federal Credit Union. Please read this document carefully. *It includes an Arbitration Provision and Class Action Waiver.*

#### **The “OVERDRAFTS: Important Information Concerning Your Account” section of the Account Agreement, Trust Account Agreement and Special Account Agreement is replaced with the following:**

Overdraft Privilege is a discretionary overdraft service that may be available if you do not have Overdraft Protection. If you qualify for Overdraft Privilege, then Elements may, but is not obligated to, pay “overdrafts” up to an assigned courtesy pay limit.

An Overdraft occurs when you do not have enough money in the “Available Balance” in your checking account **at the time a transaction is presented to us for payment**. If we pay an overdraft transaction, including a check, ACH payment, debit card payment that we have previously authorized, or any other electronic payment, with Overdraft Privilege, then you will be assessed an Insufficient Funds Charge (Paid) fee (for standard Overdraft Privilege) or a Premium OD Usage fee (for extended Overdraft Privilege) as provided on our Fee Schedule. If we reject a check or ACH payment transaction when it is presented to us, then you will be assessed an Insufficient Funds Charge (Returned) fee as set forth on our Fee Schedule. You will be charged an Insufficient Funds Charge (Paid) fee, Premium OD Usage fee, or Insufficient Funds Charge (Returned) fee for checks and ACH payments each time they are presented for payment, even if they were previously rejected and you were previously charged an Insufficient Funds Charge (Returned) fee. You will not be charged any fees if a debit card payment is declined at the time you present your card to a merchant to make a payment and the merchant asks us to authorize, but we do not, authorize the payment.

If you qualify, Overdraft Privilege for check, ACH, and recurring debit card transactions is available without any action on your part; it is a no-cost benefit that comes with your account. However, you must affirmatively opt into Extended Overdraft Privilege for ATM and one-time/everyday debit card transactions. Should you opt in, you may opt out of Extended Overdraft Privilege for debit card payments and ATM withdrawals at any time.

Your checking account has two types of balances: the “Actual Balance” and the “Available Balance”. It is important to understand how the balances are calculated and how they are used to know when you may be charged Insufficient Funds Charge (Paid) fees, Premium OD Usage fees, or Insufficient Funds Charge (Returned) fees. Your Actual Balance is the full amount of all deposits in your account less transactions that have “posted” to (or have been paid from) your account. Your Available Balance is the amount of money in your account that is available for you to use without triggering an Overdraft Privilege or Overdraft Protection transfer, or incurring an Insufficient Funds Charge (Paid) fee, Premium OD Usage fee or Insufficient Funds Charge (Returned) fee. The Available Balance is the Actual Balance less holds placed on deposits and pending transactions that have been authorized but have not yet been presented to us for payment (such as pending debit card purchases that have been authorized at the point of sale, but have not been sent to us for payment by the merchant). We use your Available Balance to determine whether to authorize payments and whether to assess Insufficient Funds Charge (Paid) fees, Premium OD Usage fees or Insufficient Funds Charge (Returned) fees when transactions are posted to (paid from) your account. The following is an example of how this works:

Assume you have \$100 in your Actual Balance and your Available Balance and you have **opted in** to Extended Overdraft Privilege for debit card transactions. Further assume you use your debit card to buy a shirt for \$70, in which case the merchant will typically ask us to authorize the payment. If we do, then we will reduce your Available Balance to \$30 because we are now required to pay the \$70

for the shirt when the transaction is presented to us (usually a few days later) through the merchant's card network. Before the merchant presents the shirt payment to us for payment, a check you have written for \$50 is presented for payment. Because you only have \$30 in your Available Balance, we may reject the check (in which case you will not be charged a fee) or we may pay it with Standard Overdraft Privilege (in which case you will also not be charged a fee). The \$50 check payment is an overdraft because when the check was presented, your Available Balance was insufficient at \$30 even though your Actual Balance was still \$100. If the check you wrote is paid through Overdraft Privilege, your Available Balance is -\$20 (negative \$20) and your Actual Balance is \$50, when the shirt payment is presented to us through the merchant's card network. We are required to pay the shirt payment and you will be charged a Premium OD Usage fee, even though you had enough Available Balance at the time the payment was authorized.

To help you manage your account and avoid Insufficient Funds Charge (Paid) fees, Premium OD Usage fees and Insufficient Funds Charge (Returned) fees, you can determine your Available Balance at ATMs, online, on our mobile banking application, or by calling us anytime. We also provide you with a summary of Insufficient Funds Charge (Paid) fees, Premium OD Usage fees (collectively shown as Overdraft Fees) and Insufficient Funds Charge (Returned) fees (shown as Returned Item Fees) on your monthly account statements for the current period and year-to-date.

It is your responsibility to avoid overdrawing your account. Contact us to learn more about Overdraft Protection and other services we provide to our members. These services are designed to help you avoid overdraft charges or the possible return of a payment item.

You authorize us to use the money from any future deposits to your account or any other account you are an account holder of to pay any overdraft and resulting fees. Deposits include any direct deposit payments you receive from a government agency (including Social Security or other governmental benefits), your employer, or any other third party that posts its payment directly to your account. You understand you must contact the third party (not us) to change your direct deposit instructions.

You agree to pay all costs and expenses we incur in collecting any overdraft, including attorneys' fees. We may still pursue collection of the amount you owe (including suing you) after it is charged off. Further, if you do not promptly pay the amount of any overdraft along with any fees that we charge your account, WE MAY REPORT YOU TO A CREDIT REPORTING AGENCY. THIS COULD AFFECT YOUR ABILITY TO OPEN ACCOUNTS WITH US OR OTHER FINANCIAL INSTITUTIONS IN THE FUTURE.

**Overdraft Privilege** - We are under no obligation to pay items that would exceed your Available Balance. We offer Overdraft Privilege on most accounts. We do not offer such privilege on youth accounts, student accounts, or accounts with tax implications including HSA, IRA, and ESA. Overdraft Privilege is a courtesy we may provide you to pay items despite the fact the Available Balance is, or would be, negative. An Insufficient Funds Charge (Paid) fee or Premium OD Usage fee is charged for each item presented; however, it prevents the payee from knowing your account has an insufficient balance. Even if we've paid overdraft items before, we are not required to do it in the future. Further, we will analyze various factors (e.g. length of membership, number of accounts, account balances in other accounts, etc.) in making our determination as to the continued availability of Overdraft Privilege or the amount of the assigned Overdraft Privilege limit. It is your responsibility to inquire with us as to our determination and to promptly correct any insufficient balance. Prompt actions will likely reduce any financial harm to you. By authorizing card transactions, you are allowed to proceed with ATM and debit card transactions to overdraw your account up to the Overdraft Privilege amount. YOU WILL BE ASSESSED AN INSUFFICIENT FUNDS CHARGE (PAID) FEE OR PREMIUM OD USAGE FEE FOR EACH TRANSACTION PAID WITH OVERDRAFT PRIVILEGE.

**Overdraft Protection** – If you request Overdraft Protection, you can specify one or more of the following options. You can activate either or both methods of Overdraft Protection. Usage of Overdraft Protection may be less expensive than using Overdraft Privilege. If you link one deposit account and a line of credit, we will first transfer funds from the linked deposit account, and then from the line of credit. If two or more deposit accounts and a line of credit are linked, we will transfer funds from the linked deposit accounts in the order you specified when you linked the accounts before transferring from the line of credit.

Option	What it Means to You	Cost
<b>Link to another deposit account(s)</b>	Money transfers from another deposit account to match the exact amount of your overdraft	No charge
<b>Line of Credit transfers</b>	Money transfers from your Line of Credit to match the exact amount of your overdraft	\$5 per advance and interest is charged on outstanding balance

**The following sections are added to the end of the Account Agreement, Trust Account Agreement and Special Account Agreement:**

**Limitation on Time to Sue** - An action or proceeding by you to enforce an obligation, duty or right arising under this agreement or by law with respect to your account or any account service must be commenced within one year after the cause of action accrues.

**Arbitration and Waiver of Class Action** – You and the credit union agree that we shall attempt to informally settle any and all disputes arising out of, affecting, or relating to your accounts, or to the products or services we have provided, will provide or have offered to provide to you, and/or any aspect of your relationship with us (hereafter referred to as the “Claims”). If we cannot informally settle a dispute, then you agree that any and all Claims that are threatened, made, filed or initiated, shall, at the election of either of you or us, be resolved by binding arbitration administered by the American Arbitration Association (“AAA”) in accordance with its applicable rules and procedures for consumer disputes (“Rules”), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at [www.adr.org](http://www.adr.org); or, a copy of the Rules can be obtained at any credit union branch upon request. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS ACCOUNT AGREEMENT (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, OR AN EQUIVALENT COURT OF LIMITED JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT OR SUCH EQUIVALENT COURT OF LIMITED JURISDICTION). This Arbitration and Waiver of Class Action provision (“Arbitration Agreement”) shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf. This Arbitration Agreement shall not apply to Claims that are initiated in or transferred to small claims court or an equivalent court of limited jurisdiction.

**1. Selection of Arbitrator.** The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the forum for the resolution of the Claims.

**2. Arbitration Proceedings.** The arbitration shall be conducted within 50 miles of your residence at the time the arbitration is commenced. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The Arbitrator shall be entitled to award the same remedies that a court can award, including any kind of relief that could be awarded by a court, including injunctive relief. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator’s award can be entered as a judgment in the court and it cannot be appealed. We shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA. However, you will be responsible for your own attorneys’ fees, unless you prevail on your Claim in the arbitration, in which case, we will pay your attorneys’ fees and costs. Nothing contained in this Arbitration

Agreement shall prevent either you or us from applying to any court of competent jurisdiction for emergency provisional relief, such as a temporary restraining order, a temporary protective order, an attachment or any other pre-judgment remedies.

Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety will be made solely by the Arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by the Court.

**3. Class Action Waiver.** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.

**4. Severability.** In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions shall remain fully enforceable.

### **The following fee information on the Fee Schedule is changed as indicated:**

The Overdraft Privilege fee \$32/item is being redefined as the Premium OD Usage fee \$32/presentation\*. It is assessed each time Extended Overdraft Privilege is used.

An Insufficient Funds Charge (Paid) fee \$32/presentation\* is being added. It is assessed each time Standard Overdraft Privilege is used.

The Returned Item fee \$32 each is being redefined as the Insufficient Funds Charge (Returned) fee \$32/presentation\*.

The Returned Pre-Authorized Transfer fee is being deleted.

A footnote applying to each of these fees is added as follows: \*A Premium OD Usage fee, Insufficient Funds Charge (Paid) fee or Insufficient Funds Charge (Returned) fee will **not** be charged on items of \$5.00 or less. You will be charged a Premium OD Usage fee, Insufficient Funds Charge (Paid) fee or Insufficient Funds Charge (Returned) fee each time a transaction is submitted for payment, even if it was previously submitted and rejected.