



# Consumer Membership Booklet

Membership and Account Agreement

Funds Availability Policy Disclosure

Electronic Funds Transfer  
Agreement Disclosure

Truth-in-Savings Disclosure



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## I. MEMBERSHIP AND ACCOUNT AGREEMENT

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This Agreement covers the rights and responsibilities concerning your Accounts and the rights and responsibilities of AllSouth Federal Credit Union ("Credit Union"). In this Agreement, the words "you" and "yours" mean anyone who signs an account card (Account Card or any other account opening document). The words "we," "us," and "our" mean the Credit Union. The word "account" means any one or more accounts you have with the Credit Union.

Your account type(s) and ownership features are designated on your Account Card. By signing an Account Card, each of you, jointly and severally, agree to the terms and conditions in this Agreement and Account Card, the Funds Availability Policy Disclosure, Truth-in-Savings Disclosure, Electronic Funds Transfer Agreement and Disclosure, Privacy Notice Disclosure and any Account Receipt accompanying this Agreement, and the Credit Union's Bylaws and policies, and any amendments to these documents from time to time which collectively govern your Membership and Accounts.

**1. MEMBERSHIP ELIGIBILITY** - To join the Credit Union you must meet the membership requirements including purchase and maintenance of the minimum required share(s) ("membership share") as set forth in the Credit Union's Bylaws. You authorize us to check your account, credit, and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.

Upon verification of your eligibility for the accounts and services you request, and upon a purchase of at least one share, an Account will be established for you. Membership with the Credit Union has certain ongoing responsibilities which you agree to when you sign your original membership application. You agree to keep us informed of any changes of address and further agree that the terms and conditions of the accounts and services may change without notice to you, unless such notice is required by applicable law.

To continue to maintain a share account with the Credit Union, you must maintain a balance of at least \$10.00 in your share account.

**2. RESTRICTION OF SERVICES** – If a member engages in conduct that is abusive to either the Credit Union or its members, the Credit Union may restrict or suspend access to any or all products and services.

**3. REQUIRED IRS AND BANK SECRECY ACT (BSA) INFORMATION** – Under federal law, the Credit Union must require each member to certify that the Social Security Number or Taxpayer Identification Number (TIN) provided to the Credit Union is the correct number and the member is not subject to backup withholding. For individual members, your TIN is your Social Security Number. The Internal Revenue Service (IRS) requires only that you certify that you are not subject to backup withholding.

Under the federal Currency and Foreign Transactions Act (the Bank Secrecy Act or BSA), the Credit Union must confirm certain information about your employment and other sources of income.

**4. INSURANCE COVERAGE** – Your AllSouth Federal Credit Union shares are federally insured by the National Credit Union Association (NCUA) up to the limits set by the NCUA. More information is available through the NCUA at [www.mycrreditunion.gov](http://www.mycrreditunion.gov). Your shares are backed by AllSouth's solid financial standing. In the event that the Credit Union fails, the NCUA insurance protects members against a loss up to the insurance limits.

**5. INDIVIDUAL ACCOUNTS** - An individual account is an account owned by one member (individual, corporation, partnership, trust or other organization) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the account owner's estate or Payable on Death (POD) beneficiary/payee or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death and to any security interest or pledge granted by the account owner and subject to our statutory lien rights.

**6. JOINT ACCOUNTS** - An account owned by two or more persons is a joint account.

**a. Rights of Survivorship.** Unless otherwise stated on the Account Card, a joint account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). For a joint account without rights of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased

owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

**b. Control of Joint Accounts.** Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). Any owner may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the deposits without the consent of the other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change to or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act.

**c. Joint Account Owner Liability.** If a deposited item in a joint account is returned unpaid, an account is overdrawn, or if we do not receive final payment on a transaction, the owners, jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of an owner or all funds in the joint account regardless of who contributed them.

**7. ACCOUNTS FOR MINORS** - We may require any account established by a minor to be a joint account with the minor's parent or legal guardian who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. When a minor reaches the age of majority we will change their account from a teen checking account to freedom checking.

## **8. SPECIAL OWNERSHIP ACCOUNTS**

**a. POD/Trust Account Designations.** A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that an individual or joint account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to all and surviving POD or trust beneficiary/payee. If there is more than one surviving beneficiary/ payee, the account is owned jointly by such beneficiaries/payees without rights of survivorship upon the death of the last account owner. Any POD or trust beneficiary/payee designation shall not apply to Individual Retirement Accounts (IRAs), Uniform Transfers/Gifts to Minors Accounts (SCUGMA), Estate Account, or Fiduciary Accounts. We are not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law. This paragraph does not apply to an account held on behalf of or held in the name of a trust.

**b. Uniform Transfers/Gifts to Minors Account.** A Uniform Transfers/Gifts to Minors Account (UTMA/UGMA) is an individual account created by a custodian who deposits funds as an irrevocable gift to a minor. The minor to whom the gift is made is the owner of the custodial property in the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor and barring a court order otherwise, is the only party entitled to make deposits, withdrawals, or close the account. We have no duty to inquire about the use or purpose of any transaction. If the custodian dies, we may suspend the account until we receive appropriate instructions as outlined in the South Carolina Uniform Transfers/Gifts to Minors Act (SCUGMA) as to who now has authority to perform transactions against the account. This account is governed by the SCUGMA and the policies of the Credit Union.

**c. Estate Accounts.** An Estate account facilitates the probate resolution of the property of a deceased member of the Credit Union. It is intended to be temporary and closed at the conclusion of the estate's probate process. The Personal Representative (PR) is the only party entitled to make deposits, withdrawals, or close the account. The PR must present a certified copy of the deceased member's death certificate at the account opening. The account is governed by the rules of the Probate Court. We have no duty to inquire about the use or purpose of any transaction. If the PR dies, we may suspend the account until we receive notification by the Probate Court of the appointment of a successor PR.

**d. Fiduciary Accounts.** A Fiduciary account facilitates the proper financial management of funds owned by an individual that is unable to manage the funds on their own behalf. These include court appointed fiduciaries, Veterans Administration, social security or SSI representative payee accounts. The authorized fiduciary is the only party entitled to make deposits, withdrawals, or close the account. The

represented person is the owner of the account and determines the eligibility for membership. We have no duty to inquire about the use or purpose of any transaction made by the fiduciary. If the fiduciary dies, we may suspend the account until sufficient notification of a successor fiduciary being duly appointed.

**e. Agency Designation on an Account.** An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent.

**9. DEPOSIT OF FUNDS REQUIREMENTS** - Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements as set forth in the Truth-in-Savings Disclosure. Deposits made by mail, at night depositories or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit.

**a. Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose. If a check, draft or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the draft or check within 1 1/2 inches from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

**b. Collection of Items.** We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor bank extra time beyond any deadline limits.

**c. Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include "two signatures required", "void after 60 days" or "not valid over \$500." We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

**d. Final Payment.** All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.

**e. Direct Deposits.** We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfers by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. Upon a bankruptcy filing, unless you cancel the authorization, we will continue applying payments from direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

**f. Crediting of Deposits.** Deposits made after the deposit cut-off time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

## 10. ACCOUNT ACCESS

**a. Authorized Signature.** Your signature on the Account Card authorizes your account access. We

will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any draft that appears to bear your facsimile signature even if it was made by an unauthorized person. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction.

You may designate authorized signers who have the authority to conduct transactions related to your account. Any authorized signer is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any authorized signer. Any authorized signer may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the deposits. We have no duty to notify any owner(s) or other authorized signers about any transaction. We reserve the right to require written consent of all authorized signers for any change to or termination of an account. If we receive written notice of a dispute between authorized signers or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all authorized signers to act.

**b. Access Options.** You may withdraw or transfer funds from your account(s) in any manner we permit (e.g., at an automated teller machine, in person, by mail, Internet access, automatic transfer, or telephone, as applicable). We may return as unpaid any draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers.

**c. Power of Attorney.** We have the right to review and approve any form of Power of Attorney at any time and may restrict or deny requested transactions. We are under no obligation to honor any Power of Attorney, if the document does not contain the following provision or substantially the following provision: *“No person who may act in reliance upon the representation of my agent for the scope of authority granted to the agent shall incur any liability to me or to my estate as a result of permitting the agent to exercise this authority, nor is any person who deals with my agent responsible to determine or ensure the proper application of funds or property.”*

We will rely on and assume the submitted Power of Attorney is in effect unless we receive notification that the Principal is deceased, the instrument has expired based on a date included within the document, or a written revocation by the Principal has been provided to us.

Unless we have received written notice of the revocation or termination of the Power of Attorney, we:

- do not incur liability to the Principal or the Principal's estate by reason of acting upon the authority of it or permitting the agent to exercise authority;
- are not required to inquire whether the agent has the power to act or is properly exercising the power; or
- are not responsible to determine or ensure the proper application of assets, funds, or property belonging to the Principal.

Pursuant to our bylaws, the power of attorney may not be used to cast a vote on behalf of a member.

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

**11. ACH & WIRE TRANSFERS** - Except as amended by this Agreement, electronic funds transfers we permit that are subject to Article 4A of the Uniform Commercial Code will be subject to such provisions of the Uniform Commercial Code as enacted by the State of South Carolina. We may execute certain requests for electronic funds transfers by Fedwire. Fedwire transactions are subject to Federal Reserve Board Regulation J.

You may order electronic funds transfers to or from your account. We will debit your account for the amount of an electronic funds transfer and will charge your account for any fees related to the transfer. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account. We are not obligated to execute any order to transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your

account. We are not liable for errors, delays, interruptions or transmission failures caused by third parties or circumstances beyond our control including mechanical, electronic or equipment failure. We will not provide you with next day notice of ACH, wire transfers and other electronic payments credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received.

If we are required by law to pay interest to you, you agree that the rate of interest shall be the lowest available nominal dividend or interest rate paid on accounts during the time interest payments are required. Payment orders we accept will be executed within a reasonable time of receipt. A payment order may not necessarily be executed on the date it is received. Cut-off times may apply to the receipt, execution and processing of funds transfers, payment orders, cancellations, and amendments and if received after a cut-off time, may be treated as having been received on the next funds transfer business day. Information about any cut-off times is available upon request. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and by account or identifying number.

The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or identifying number even if the number identifies a different person or financial institution. Any account owner may amend or cancel a payment order even if that person did not initiate the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order. We may require you to follow a security procedure to execute payment order or certain electronic funds transfer transactions. We will notify you of any such security procedures and you agree that our security procedures are commercially reasonable.

**12. ACCOUNT RATES AND FEES** - We pay account earnings and assess fees against your account as set forth in the Truth-in-Savings Disclosure and Fee Schedule. We may change the Truth-in-Savings Disclosure and Fee Schedule at any time and will notify you as required by law.

### **13. TRANSACTION LIMITATIONS**

**a. Withdrawal Restrictions.** We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Check or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge as set forth in the Truth-in-Savings Disclosure. If there are sufficient funds to cover some, but not all, of your withdrawal, we may allow those withdrawals for which there are sufficient funds in any order at our discretion.

We may refuse to allow a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; or (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

**b. Transfer Limitations.** We may limit the dollar amount or the number of transfers from your account. Please consult your Truth-in-Savings Disclosure or your Electronic Funds Transfer Agreement and Disclosure.

**14. CERTIFICATE ACCOUNTS** - Any time deposit, term share, share certificate, or certificate of deposit account allowed by state law (Certificate Account), whichever we offer, is subject to the terms of this Agreement, the Truth-in-Savings Disclosure and Share Certificate Receipt and Disclosure for each account, the terms of which are incorporated herein by reference.

**15. POSTDATED AND STALEDATED CHECK** - You agree not to draw or issue any check that is post-dated. If you do draw or issue a check that is payable on a future date, we shall have no liability if we pay it before its payment date. You agree not to deposit checks or other items before they are properly payable. We are under no obligation to pay a check drawn on your account that is presented more than six (6) months after the date it was written. If, however, the check is paid, the Credit Union shall have no liability for such payment.



## 16. STOP PAYMENT ORDERS

**a. Stop Payment Order Request.** You may request a stop payment order on any draft drawn on your account. To be binding an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the check, and its exact amount. You understand that the exact information is necessary for the Credit Union to identify the check. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the check. If the stop payment order is not received within a reasonable time for us to act upon the order, we will not be liable to you or to any other party for payment of the check. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.

**b. Duration of Order.** You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time. A written stop payment order is effective for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.

**c. Liability.** Fees for stop payment orders are set forth in the Fee Schedule. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

**17. CREDIT UNION LIABILITY** - If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We will not be liable for consequential damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, federal reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Account Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.

**18. CHECKS PRESENTED FOR PAYMENT IN PERSON** - We may refuse to accept any check drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the check and we shall have no liability for refusing payment. If we agree to pay a check that is presented for payment in person, we may require the presenter to pay a fee. Any applicable check cashing fees are stated in the fee schedules.

## 19. TERMS APPLYING TO ALL OVERDRAFT SERVICES

**a. Generally.** You should always avoid transactions that will overdraw the available funds in your accounts. However, the Credit Union offers certain automatic and optional overdraft protections that may help you avoid declined transactions, returned items, and returned item or "bounced check" fees. All-South's automatic and optional overdraft options allow the credit union to approve transactions that overdraw the available funds in your account. Overdraft privileges only apply when there are insufficient available funds in your account to cover a debit. Rather than automatically returning unpaid all insufficient funds items that you may have, we will consider, without obligation on our part, payment of your reasonable overdrafts. There may be limits on the amount you may overdraw from your accounts, which may vary by type of account and from time to time at our discretion. There may be some fees associated with your use of overdraft services.

**b. Payment of Overdrafts.** If, on any day, the available funds in your savings or deposit account are not sufficient to pay the full amount of a check, draft, item, transaction or other item posted to your account plus any applicable fee ("Overdraft"), we may pay or return the Overdraft. The Credit Union's determination of an insufficient available account balance may be made at any time between presentation and the Credit Union's deadline with only one review of the account required. We do not have to notify

you if your account does not have sufficient available funds to pay an Overdraft. Your account may be subject to a charge for each Overdraft regardless of whether we pay or return the Overdraft. Except as otherwise agreed in writing, if we exercise our right to use our discretion to pay an Overdraft, we do not agree to pay Overdrafts in the future and may discontinue covering Overdrafts at any time without notice. If we pay an Overdraft or impose a fee that overdraws your account, you agree to pay the overdrawn amount in accordance with your overdraft protection plan or, if you do not have such a plan, in accordance with our overdraft policy.

**c. Repayment.** The overdraft will be immediately charged against your account, plus a fee. Your account balance will be negative. You must repay the particular Overdraft within 45 days or obtain a loan from us to cover the amount. To continue your use of the Overdraft program, you must bring your account positive within 30 days.

**d. No Obligation to Approve Overdrafts. The Credit Union has no obligation to approve Overdrafts or to Notify You When We Approve Overdrafts.** We retain full discretion to decline to pay any item under the Overdraft Privilege Program. This means we can refuse to pay any overdraft for any reason. If we do not authorize and pay an overdraft, your transaction will be declined and we may assess NSF fees on your account in accordance with your account agreement and the fee schedule in effect at the time of the overdraft. We have no obligation to notify you before we pay or return any item. The amounts of any overdrafts (including our fees) will be assessed against your account immediately. This will create a negative balance in your account.

**e. Order of Payments.** To help you avoid overdraft fees, AllSouth FCU posts member transactions as follows:

- Direct Deposit and ACH transactions are posted according to the settlement date of the entry and posted in the order received by the credit union.
- ATM transactions are generally posted in real-time when you initiate the transaction. That means that when you make a cash withdrawal from an ATM, those funds are immediately deducted from your account balance at the time of the transaction.
- Debit card transactions are posted in real-time as they are received. Note: A hold is placed on the account immediately for the authorized amount which will reduce the available balance to pay other items presented. The hold is released when the transaction is presented or within 5 days of the authorization.
- Checks that you write are posted in the order that they are received as we are able to process them.

## 20. OVERDRAFT PRIVILEGE

Overdraft privilege is a discretionary service and the amount of a negative balance permitted is limited. **The amount varies and each transaction is approved at the credit union's discretion. You should not count on Overdraft Privilege being available. You should only make debit transactions when you have funds available in your account.** We may, in our sole discretion, limit the number of accounts eligible for Overdraft options to one account per household or per taxpayer identification number. Further, Overdraft options are usually extended only to accounts in good standing. An account in good standing exhibits, but is not limited to, the following characteristics:

- The account has been open for at least thirty (30) days;
- The account has deposits totaling at least \$500 or more within each thirty (30) day period;
- The account demonstrates consistent deposit activity;
- The account owner is current on all loan obligations with us; and
- The account is not subject to any legal or administrative order or levy, such as bankruptcy or tax lien.

If at any time, you fail to meet the above listed characteristics, you will no longer be eligible for the overdraft privilege.

**a. Accounts Eligible for Overdraft Privilege.** Personal checking accounts, excluding Basic Checking and minor accounts.

**b. Overdraft Privilege Items.** Subject to the Credit Union's approval of each charge, you will be provided overdraft privileges for all debits (not ATM or everyday debit cards) unless you opt out. These debits include checks, ACH transactions, recurring debit card transactions, bill pay transactions, and wire transfers. The funds will be covered by the Credit Union and you will have to repay the transaction amount, plus a fee. The fee for this service will be set forth in the Fee Schedule.

**21. OPTIONAL OVERDRAFT SERVICES** – The Credit Union offers several options regarding Overdraft Services on your Account. You must expressly opt-in to these services if you wish to participate. You are under no obligation to participate.

**a. Overdraft Account Transfers.** If your checking account does not have sufficient funds to cover an item, if you have authorized Overdraft Account Transfer, AllSouth may transfer funds from your savings account, provided it has sufficient funds to cover such overdraft transaction. There may be a fee that applies to such transaction. Please review the Fee Schedule for more details. If you wish to designate another account at the Credit Union as the account from which overdrafted amounts are transferred, please contact us or visit a branch.

**b. Overdraft Line of Credit Transfers.** This privilege option can be used for any type of overdraft and permits transfers from a line of credit you hold with the Credit Union to your checking account.

**c. Overdraft for ATM and Everyday Debit Card Transactions.** This privilege program can be used for ATM transactions and everyday debit card transactions. The funds will be covered by the Credit Union and you will have to repay the transaction amount, plus the fee. If your checking account does not have sufficient funds to cover an item, the Credit Union will first attempt to pay the overdraft through your linked savings account or line of credit.

**22. PLEDGE/CONTRACTUAL OFFSET RIGHTS** - Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except 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. If you pledge a specific dollar amount in your account for a loan, we will hold 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. If you owe us money as a borrower, guarantor, endorser or otherwise, we have a statutory lien on the funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. Federal and state law, including Section 107(11) of the Federal Credit Union Act, gives us a lien on all shares and dividends and all deposits and interest, if any, in accounts you have with us now and in the future to the extent you owe us money because of the loan you obtained from us. Except as limited by state or federal law, this statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. In addition, under this Agreement, you are granting us contractual lien rights that permit us to apply any amount you have on deposit with the credit union (including as a joint depositor) against any amount you owe to us because of a default. After you are in default, we may exercise our contractual or statutory lien rights without further notice to you.

**These statutes, your pledge and our contractual lien rights will allow us to apply the funds in your account to what you owe when you are in default, except as limited by state or federal law.** If we do not apply the funds in your account(s) to satisfy your obligation, we may place a temporary hold/administrative freeze on your account(s) in order to protect our offset and lien rights and may apply the funds in your account(s) to the amount you owe us at a later time. The lien rights and your pledge does not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security. 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.

You acknowledge and agree that we also have as the common law right to set-off and administrative freeze. You specifically agree that we have the right to place an administrative freeze on any of your accounts subject to applicable law, and such action shall not violate 11 U.S.C. § 362 or other applicable law. We may take of setoff fund in any or all of your accounts with us for direct, indirect, or acquired obligations that you owe us, regardless of the source of the funds in the account. This provision does not apply to IRA or tax-qualified retirement accounts or where otherwise prohibited by law. Your accounts include both account you own individually and accounts you own jointly with others. If the law imposes conditions or limits on our ability to take or set-off funds in your account, to the extent that you may do

so by contract, you waive those conditions and limits and you authorize us to apply funds in any or all of your accounts with us to obligations you owe us.

We may use funds held in your joint accounts to repay obligations on which any account owner is liable, whether jointly with another or individually. We may use funds held in your individual accounts to repay your obligations to us, whether owed by you individually or jointly with another including: obligations owed by you arising out of another joint account of which you are a joint owner, even if the obligations are not directly incurred by you; obligations on which you are secondary liable; and any amounts for which we become liable to any governmental agency or department or any company as a result of recurring payments credited to any of your accounts after death, legal incapacity, or other termination of entitlement of the intended recipient of funds.

If we take or set-off funds from a time deposit account, we may charge an early withdrawal penalty on the funds withdrawn.

We may take or setoff funds from your account before we pay checks or other items drawn on the account. We are not liable to you for dishonoring items where our action results in insufficient funds in your account to pay the check or other items.

If a check or item will cause your account to be overdrawn, we may exercise our rights under this section to transfer funds from another account to cover the check or item that would otherwise cause an overdraft. You agree that we do not have to first post the overdrafting check or item before exercising our set-off rights.

You understand that these rights are multiple and we can exercise one or all of them pursuant to applicable law. Exercising one right does not waive the right to exercise others. Any payment to any joint owner, beneficiary, or other party for any reason shall be subject to our security interest, statutory lien, consensual/contractual lien, and right to set-off.

**23. LEGAL EXPENSES** - If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

**24. ACCOUNT INFORMATION** - Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure complies with the law or a government agency or court order; or (4) you give us written permission.

## **25. NOTICES**

**a. Name or Address Changes.** You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address changes to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Fee Schedule.

**b. Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

**c. Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is mailed or delivered, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

**26. TAXPAYER IDENTIFICATION NUMBERS AND BACKUP WITHHOLDING** - Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

## 27. STATEMENTS

**a. Periodic Statements.** You will receive a monthly or quarterly statement. AllSouth may choose to provide you with a statement on an annual basis, when there have been no transactions within the past 365 days.

**b. Contents.** A periodic statement of transactions and activity on your account during the statement period will be mailed or delivered as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for joint accounts. For savings or checking accounts, you understand and agree that your original check, when paid, becomes property of the Credit Union and may not be returned to you, but copies may be retained by us and be made available upon your request. You understand and agree that statements are made available to you on the date they are sent to you, or made available through online banking if so elected.

You understand that statements provided by the Credit Union will be a consolidated statement including information on all your accounts with the Credit Union in which you are the primary owner on record. If you desire a statement segregated by a specific account or ownership structure, you are required to make such request in writing to the Credit Union.

**c. Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement within a reasonable time of receiving your statement, we will not be responsible for your loss. In addition, we will not be responsible for any such items, payments, transactions or other discrepancies reflected on your statement if you fail to notify us within thirty-three (33) days of the mailing date of the statement. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

**d. Notice to Credit Union.** You agree that the Credit Union's retention of checks does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

**28. INACTIVE ACCOUNTS** - If you have not made any transactions over a period specified in the following table, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee as set forth in the Fee Schedule for processing your inactive account. If we impose a fee, it will be duly identified on your periodic statement. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency. Our policy and procedure is to classify inactive and dormant accounts as follows:

	Inactive	Dormant
Checking	90 days - no transactions	6 months - no transactions
Savings	6 months - no transactions	1 year- no transactions

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

**30. TERMINATION OF ACCOUNT** - We may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; (7) account requirements are not maintained; or (8) we reasonably deem it necessary to prevent a loss to us. You may terminate an individual account by giving written notice. We reserve the right to require the consent of all owners to terminate a joint account. We are not responsible for payment of any checking draft, withdrawal, or other item after your account is terminated; however, if we pay an item after termination, you agree to reimburse us.

**31. TERMINATION OF MEMBERSHIP** - You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share, if any, and closing all of your accounts. You may be denied services for causing a loss to the Credit Union or you may be expelled for any reason as allowed by applicable law.

**32. DEATH OF ACCOUNT OWNER** - We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death. Once we are notified of a member's death, we may pay checks or honor other payments or transfer orders authorized by the deceased member for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the checks or other items. Any items authorized or dated prior to the member's death may be honored. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

**33. CONSENT TO TELEPHONE COMMUNICATIONS** - Receipt of cellular phone calls or SMS text messages may be subject to service provider charges. If you have listed a cellular phone number in your application, or later provide a cellular phone number to AllSouth Federal Credit Union ("AllSouth"), then you authorize AllSouth, its affiliates, or its agents, to call your cellular phone or send SMS text messages to you using an automatic telephone dialing system or prerecorded message in order to provide account information and services regarding account or any of the products or services you request from AllSouth.

AllSouth may contact you in order to assist you with the completion of any application you begin, to address any technical problems associated with your account or any product or service you request, or to send you notices regarding your account, approval for any products or services for which you apply, payment reminders, or collection efforts. If you do not want to receive cellular phone calls and SMS text messages about your account, you can unsubscribe by contacting us at (803) 736-3110, or writing us at 730 Elmwood Avenue, Columbia, South Carolina 29201. AllSouth may contact you using any telephone number provided to AllSouth by you.

**34. SEVERABILITY** - If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

**35. ENFORCEMENT** - You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

**36. GOVERNING LAW** - This Agreement is governed by the Credit Union's Bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of South Carolina, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in Richland County, South Carolina.

**37. UNLAWFUL USE OF SERVICES** - You agree that Credit Union services may only be used for transactions that are permitted by law. You agree that illegal use of any service will be deemed as action of default and/or breach of contract and such service and/or related services may be terminated at the Credit Union's discretion. You further agree, should illegal use occur, to waive the right to sue the

Credit Union for such illegal activity directly or indirectly related to it. You also agree to hold the Credit Union harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal activity.

**38. NEGATIVE INFORMATION NOTICE** - We may report information about your loan, savings or deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

**39. CHANGE IN TERMS AND RIGHT OF ASSIGNMENT** – AllSouth reserves the right to change or terminate this agreement. The terms of this agreement may change upon 30 days' notice to you. No right of AllSouth shall be changed or terminated by you except by written notice, which shall not affect previous transactions. AllSouth has the right to assign this agreement.

**40. CREDIT REPORTS** – To verify your eligibility or continued eligibility for membership, any account(s), service(s), or loan products; increases or decreases in services and/or credit limits, now and in the future; or as needed to comply with any applicable law, regulation or governmental agency requirements including but not limited to escheatment/abandoned property, privacy, or other issues that may affect your rights, or pursuant to any reasonable actions we take to ensure our compliance with such laws, regulations or governmental agency requirements (all of which are deemed permissible purposes by you and us) you authorize us to make inquiry to determine your employment history and to obtain information concerning any accounts with other institutions and your credit history, including consumer credit reports. You agree that this authority applies to any account, account-related service, loans or other financial products you request or which we may offer or make available to you. We may also report information concerning your account(s) and credit to others where consistent with our Privacy Policy. You agree that we may use information from consumer credit reports to identify other products and services that we offer that may be of interest to you.

**41. OVERDRAWN ACCOUNTS** – Both owner and joint owner agree that they are jointly and severally liable for negative balances on accounts in which the owner or joint owner have an ownership interest.

**42. REQUEST FOR INFORMATION** – The owner and joint owner authorize any person to provide the Credit Union with any information concerning either or both of their financial affairs, when necessary for the Credit Union's business purposes.

**43. HOLDS ON ACCOUNT** – If we suspect any suspicious, unauthorized, or unlawful activities, we can restrict access to your account and other accounts with us that you maintain or control until we determine that there is no suspicious, unauthorized, or unlawful activity.

**44. LEGAL PROCESS** – Legal process includes any levy, garnishment or attachment, tax levy or withholding order, injunction, restraining order, subpoena, search warrant, government agency request for information, forfeiture or seizure, and other legal process relating to your account. We will accept and act on any legal process we believe to be valid, whether the process is served in person, by mail, by electronic notification, or at any banking location. If we incur any fees or expenses (including attorney's fees and expenses) due to responding to legal process related to your account, we may charge these costs to any account you maintain with us.

**45. SOCIAL MEDIA AND OTHER COMMUNICATIONS** – You agree that you may elect from time to time to use the Credit Union's or other parties social media tools and sources; that there is no claim of privacy or privilege regarding information shared or discernible from such use or sharing; and the use of such information by us does not violate your privacy or other rights. If you have consented to communicating with us via social media we may use any social media addresses you may establish from time to time. If a cell number or text contact is provided, or if you later provide such to the credit union via other communications including Online Banking or social media, you consent and agree that the credit union may use this contact information to provide information to you about your accounts and services, to reply to any inquiry, or to provide other information via calling, texting or otherwise. This consent may be made by dialing the cell phone, by autodialer, text or robo text method. You also agree that you shall be solely responsible for any fees charged by your internet or cellular provider that you incurred through such contact. You understand that this consent is not required in order to obtain any loan or services from the credit union.

## II. FUNDS AVAILABILITY DISCLOSURE

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This disclosure describes your ability to withdraw funds at AllSouth Federal Credit Union. It only applies to the availability of funds in transaction accounts. The credit union reserves the right to delay the availability of funds deposited to accounts that are not transaction accounts for periods longer than those disclosed in this policy. Please ask us if you have a question about which accounts are affected by this policy.

**1. GENERAL POLICY** - Our policy is to make funds from your cash and check deposits available to you on the next business day after we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 5:00 p.m. on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 p.m., or later if you deposit at a branch that offers extended hours, or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

**2. RESERVATION OF RIGHT TO HOLD** - In some cases, we will not make all of the funds that you deposit by check available to you on the next business day after we receive your deposit. Depending on the type of check that you deposit, funds may not be available until the second (2nd) business day after the day of your deposit. However, the minimum amount of your deposit required by federal regulation will generally be available on the first (1st) business day after the day of your deposit. If we are not going to make all of the funds from your deposit available on the next 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 next business day after we receive your deposit. If you will need the funds from a deposit right away, you should ask us when the funds will be available.

**3. AVAILABILITY AND NOTICE FOR ELECTRONIC ENTRIES** – In the case of credit entries subject to Article 4A of the Uniform Commercial Code, the Credit Union hereby provides notice that such entries may be transmitted through the ACH Network pursuant to the ACH Rules governed by the National Automated Clearing House Association (NACHA). Your rights and obligations concerning these entries shall be governed by and construed in accordance with the laws of the State of South Carolina. Credit provided by the Receiving Depository Institution (RDFI) to the Receiver for these entries is provisional until the RDFI has received final settlement through a Federal Reserve Bank. If the RDFI does not receive such payment for the entry, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's account, and the Originator of the entry will not be considered to have paid the amount of the credit to the Receiver. The Credit Union has not agreed to provide you with notice if we have received a credit entry subject to Article 4A of the Uniform Commercial Code.

**4. LONGER DELAYS MAY APPLY** - We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one (1) day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six (6) months.
- There is an emergency, such as failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. They will generally be available no later than the seventh (7th) business day after the day of your deposit.

**5. SPECIAL RULES FOR NEW ACCOUNTS** - If you are a new member, the following special rules will apply during the first thirty (30) 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 the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state, and local government checks will be available on the next business day after the day of



your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the seventh (7th) business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second (2nd) business day after the day of your deposit. Funds from all other check deposits will be available on the thirtieth (30th) business day after the day of your deposit.

**6. DEPOSITS AT NONPROPRIETARY ATMS** - Deposits are not accepted at non-proprietary ATMs. All ATMs that we own or operate are identified as our machines.

**7. FOREIGN CHECKS** - Checks drawn on financial institutions located outside the U.S. (foreign checks) are not accepted by us. Under federal law, foreign checks are exempt from the policies outlined in this disclosure.

**8. HOLDS ON OTHER FUNDS** - If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available at the time funds from the check we cashed would have been available if you had deposited it.

If we accept for deposit a check that is drawn on another financial institution, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere for the type of check that you deposited.

**9. RIGHTS RESERVED** - The Credit Union reserves the right to:

- Accept or reject any check, ACH, or credit or debit card presented for payment;
- Revoke any settlement with respect to a check accepted by us, and to charge back to your account the amount of the check based on the return of the check or a receipt of notice of non-payment of the check, or claim a refund for such credit;
- Require that the space reserved for endorsement by the Credit Union on the back of any check accepted for deposit be free and clear of any prior markings or endorsement.

### **III. ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE**

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This Electronic Funds Transfer Agreement is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer (“EFT”) services offered to you by AllSouth Federal Credit Union (“Credit Union”). In this Agreement, the words “you” and “yours” mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words “we,” “us,” and “our” mean the Credit Union. The word “account” means any one or more savings (which includes your primary share membership account) or checking accounts you have with the Credit Union. Electronic funds transfers are electronically initiated transfers of money from your account through the electronic funds transfer services described below. By signing an application or account card for EFT services, signing your Card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

**1. EFT SERVICES** – Using the Credit Union’s services, you may make transfers between your accounts including on accounts on which you are a joint owner. You may also make transfers from your account at the Credit Union to accounts at other financial institutions.

If approved, you may conduct any one or more of the EFT services offered by the Credit Union. If any limitations are violated, your transaction request may not be honored.

**a. VISA Check Card®.** You may use your Card to purchase goods and services from participating merchants. However, you may not use your card to initiate any type of gambling transaction. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not

use your Card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the credit union will pay the amount and treat the transaction as a request to transfer funds from other deposit accounts or loan accounts that you have established with the Credit Union if funds are available. If you initiate a transaction that overdraws your Account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union, and such other machines or facilities as the Credit Union may designate. At the present time, you may also use your Card to:

- Make POS (Point-of-Sale) transactions with your Card and PIN (Personal Identification Number) to purchase goods or services at merchants that accept VISA Check Cards®.
- Order goods or services by mail or telephone from places that accept VISA Check Cards®.

The following limitations on the frequency and amount of VISA Check Card® transactions may apply:

- Purchase amounts are limited to the amount in your account(s).
- For security purposes, there may be limits on the frequency and amount of transfers available at ATMs.
- You may transfer up to the available balance in your accounts at the time of the transfer.
- For security purposes, the number and dollar amount of VISA Check Card purchases may be limited.
- See Section 2 for transfer limitations that may apply to these transactions.

#### **b. Notice Regarding Non-Visa Pinless Debt Card Transactions**

We allow non-Visa debit transaction processing. This means you may use your Visa® Debit Card on a PIN-Debit Network\* (a non-Visa Network) without using a PIN to authenticate your transactions.

Examples of the types of actions that you may be required to make to initiate a Visa transaction on your Visa Debit Card include signing a receipt, providing a debit card number over the phone or via the Internet, or swiping the debit card through a point-of-sale terminal.

Examples of the types of actions you may be required to make to initiate a transaction on a PIN-Debit Network include but are not limited to initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of a PIN.

Please be advised that the terms and conditions of your agreement with us relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's zero-liability program) and the streamlined error resolution procedures offered on Visa Debit Card transactions are not applicable to transactions processed on a PIN-Debit Network.

\*Visa rules generally define PIN-Debit Network as a non-Visa debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card program.

**c. Respond 24.** If we approve Respond 24 for your accounts, a separate PIN (Personal Identification Number) will be assigned to you. You must use your PIN (Personal Identification Number) along with your member number to access your accounts. At the present time you may use Respond 24 to:

- Transfer funds from your savings, checking, Home Equity Line of Credit (HELOC), and Personal Line of Credit accounts.
- Obtain balance information for your savings, checking and loan accounts.
- Make loan payments from your savings and checking accounts.
- Access your HELOC and Personal Line of Credit accounts.
- Determine if a particular item has cleared.

- Obtain tax information on amounts earned on savings and checking accounts or interest paid on loan accounts.
- Verify the last date and amount of your payroll deposit.
- See Section 2 for transfer limitations that may apply to these transactions.

Your accounts can be accessed under Respond 24 via a touch-tone telephone only. Respond 24 service will be available for your convenience twenty-four (24) hours per day. This service may be interrupted for a short time each day for data processing. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

#### d. Preauthorized EFTs.

- **Direct Deposit.** Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recurring payments, such as Social Security, to your savings and/or checking account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your savings, and checking account. See Section 2 for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make regular electronic funds transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

**e. Electronic Check Conversion/Electronic Returned Check Fees.** If you pay for purchases or bills with a check you may authorize your check to be converted to an electronic funds transfer. You may also authorize merchants or other payees to electronically debit your account for returned check fees. You are considered to have authorized these electronic funds transfers if you complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

**f. Online Banking.** If we approve Online Banking for your accounts, you agree to be bound by the terms and conditions of the Online Banking agreement. At the present time, you may use Online Banking to:

- Transfer funds from your savings and checking accounts.
- Obtain balance information on all your accounts.
- Make loan payments from your savings and checking accounts.
- Access your HELOC and Personal Line of Credit accounts.

Your accounts can be accessed under Online Banking via personal computer or other web enabled device. Online Banking will be available for your convenience twenty-four (24) hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account

below a required balance, or otherwise require us to increase our required reserve on the account. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds.

- There is no limit to the number of inquiries or transfer requests you may make in any one day.
- See Section 2 for transfer limitations that may apply to these transactions.

**g. Bill Payment.** We will process bill payment transfer requests only to those creditors the Credit Union has designated in the User Instructions and such creditors as you authorize and for whom the Credit Union has the proper billing information. We will not process any bill payment transfer if the required transaction information is incomplete.

We will withdraw the designated funds from your checking account for bill payment transfer by the designated cut-off time on the date you schedule for payment. We will process your bill payment transfer within a designated number of days before the date you are scheduled for payment. You must allow sufficient time for vendors to process your payment after they receive a transfer from us. Please leave as much time as though you were sending your payment by mail. We cannot guarantee the time that any payment will be credited to your account by the vendor.

- Payment amounts are limited to the amount in your account(s).
- There is no limit on the number of bill payments per day.

**h. Mobile Banking.** If we approve Mobile Banking for your accounts, you agree to be bound by the terms and conditions of the Mobile Banking agreement. At the present time, you may use Mobile Banking to:

- Transfer funds from your savings and checking accounts.
- Obtain balance information on all your accounts.
- Make loan payments from your savings and checking accounts.
- Access your HELOC and Personal Line of Credit accounts.

Your accounts can be accessed under Mobile Banking via a web enabled smart phone through the use of our mobile application. Mobile Banking will be available for your convenience twenty-four (24) hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds.

- There is no limit to the number of inquiries or transfer requests you may make in any one day.
- See Section 2 for transfer limitations that may apply to these transactions.

**2. TRANSFER LIMITATIONS** - For any Savings or Money Market accounts, no more than six (6) preauthorized, automatic, telephone, or Internet transfers and withdrawals may be made from each account to another account of yours or to a third party in any month. If you exceed these limitations, your account may be subject to a fee or be closed. For security reasons, there may be limits on the numbers of transfers you can make using our terminals. Please refer to the Funds Availability Policy Disclosure for additional transfer limitations that may apply to these transactions.

### 3. CONDITIONS OF EFT SERVICES

**a. Ownership of Cards.** Any Card or other device which we supply to you is our property, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your Card or account to another person.

**b. Honoring the Card.** Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

**c. Foreign Transactions.** Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives or the government-mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee of 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash withdrawals and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the U.S., Puerto Rico or the U.S. Virgin Islands.

**d. Security of Access Code.** You may use one or more access codes with your electronic funds transfers. The access codes issued to you are for your security purposes. Any codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the Card. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

**e. Joint Accounts.** If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any savings and checking or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

**4. FEES AND CHARGES** - There are certain fees and charges for electronic funds transfer services. For a current listing of all applicable fees, see our current Fee Schedule that was provided to you at the time you applied for or requested these electronic services. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law.

If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

**5. MEMBER LIABILITY** - Tell us AT ONCE if you believe that your account information has been lost or stolen, if you believe your account has been improperly accessed, or if you believe that an electronic fund transfer has been made without your permission, notify us immediately. Telephone us at: (803) 736-3110 or 1-800-272-0695 (Toll-free outside the Greater Columbia area.)

If the electronic fund transfer is from a Consumer Account, your liability for an unauthorized transaction will be determined as follows:

- If you notify us within two (2) Business Days after learning of the loss or theft of your Password or User ID, or any other means to access your account such as your debit card, ATM card, code, you can lose no more than \$50 if someone used your Password or User ID without your permission.
- If you do NOT notify us within two (2) Business Days after learning of the loss or theft of your Password or User ID, and we can prove we could have stopped someone from using your Password or User ID without your permission had you told us, you could lose as much as \$500.

If your monthly statement shows transfers that you did not make, including those made by card, code

or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed or emailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we may extend the time periods.

In case of errors or questions about electronic funds transfers from your savings and checking accounts or if you need more information about a transfer on the statement or receipt, telephone us at the following number or send us a written notice to the following address as soon as you can. To contact us-

Telephone: (803) 736-3110 or 1-800-272-0695 (Toll-free outside the Greater Columbia area.)

Mail: AllSouth Federal Credit Union  
730 Elmwood Avenue  
Columbia, SC 29201

Online: Email us through the secure email function contained on our website.

When you call or write to us, please provide the following information:

- Tell us your name and account number.
- Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union has made an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45)\*\* days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10)\* business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

We will tell you the results within three (3) business days of completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

\* If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

\*\* If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have ninety (90) days instead of forty-five (45) days to investigate.

**NOTE:** If the error you assert is an unauthorized VISA transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.

If you have a Consumer Account and we do not complete a transfer to or from your Consumer Account on time or in the correct amount according to our agreement with you, we will be liable for your losses and damages. However, there are some exceptions. We will not be liable (whether or not you have a Consumer Account), if, for instance:

- Through no fault of ours, you do not have enough money in your Account to make the transfer.
- The transaction will exceed the available credit limit on any applicable linked line of credit.

- Your Online Bill Pay is not working properly.
- The person or entity to which you direct payment mishandles, delays, or fails or refuses to accept a payment sent by us.
- You have provided us with incorrect, incomplete, or inaccurate data or other Account information, including but not limited to date related errors, or you have otherwise failed to comply with the payment or transfer instruction requirements set forth in this Agreement.
- There are technical problems in our receipt of information or instructions from you (for example, problems arise with computers, software, modems, or telephone communications, including but not limited to date related problems).
- Circumstances beyond our control (such as, but not limited to, fire, flood, interference from an outside force, strikes, lockouts, acts of governmental authorities, delays of couriers or supplies, communications equipment failures, or equipment malfunction occurring despite ordinary maintenance), including but not limited to date related problems, prevent the proper execution of the transaction, despite reasonable precautions we have taken.
- This Agreement or your transfer authorization has been terminated.
- Your Account has been closed, there is a hold on funds in your Account, or access to your Account is blocked in accordance with our policies.
- Your funds are subject to legal process or encumbrances restricting transfer.
- Applicable law prevents completion of the transaction.
- Unusual or extraordinary circumstances exist which indicate improper or unlawful use of your Account.
- You believe someone has accessed your Account without your permission and you fail to notify us immediately. (Refer to the section above “Unauthorized Transactions”)
- If the terminal or system is not working properly and you knew about it when you started the transfer.

## 6. RIGHT TO RECEIVE DOCUMENTATION

**a. Periodic Statements.** Transfers and withdrawals made through any ATM or POS terminal, Debit Card transactions, audio response transactions, preauthorized EFTs, electronic/PC transactions or bill payments you make will be recorded on your periodic statement. A periodic statement will be mailed or delivered monthly. In any case, a statement will be mailed or delivered at least quarterly.

**b. Terminal Receipt.** You can get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM, POS terminal, or debit card transaction.

**c. Direct Deposit.** If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by emailing us at [memberservice@all-south.org](mailto:memberservice@all-south.org). This does not apply to transactions occurring outside the United States.

**7. ACCOUNT INFORMATION DISCLOSURE** - We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s);
- If we are unable to complete an electronic funds transfer because of insufficient funds;
- To comply with government agency or court orders;
- In accordance with our privacy policy; or
- If you give us your written permission.

**8. CONTACT INFORMATION** – Whenever possible, please contact us by telephone or at AllSouth Federal Credit Union Online Banking’s secure email function to report unauthorized transfers or to request stop payments. This is the quickest way for us to comply with your requests.

Telephone: (803) 736-3110 or 1-800-272-0695 (Toll-free outside the Greater Columbia area.)

Mail: AllSouth Federal Credit Union  
730 Elmwood Avenue  
Columbia, SC 29201

Online: Email us through the secure email function contained on our website.

**9. BUSINESS DAYS** - Our business days are Monday through Friday, excluding holidays.

**10. NOTICES** - All notices from us will be effective when we have mailed or delivered them to your last known address in the Credit Union's records. Notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail or deliver notice to you at least twenty-one (21) days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

**11. PERIODIC STATEMENTS** – You will receive a monthly or quarterly statement. AllSouth may choose to provide you with a statement on an annual basis, when there have been no transactions within the past 365 days.

**12. TERMINATION OF EFT SERVICES** - You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card and any access code. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your Card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.

**13. GOVERNING LAW** - This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of South Carolina and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

**14. ENFORCEMENT** - You are liable to us for any loss, cost or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

**15. APPLICABILITY** – AllSouth Federal Credit Union's Funds Availability Policy applies to transaction accounts, as that term is defined by Regulation D.

## **IV. TRUTH-IN-SAVINGS DISCLOSURES**

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### **1. SAVINGS ACCOUNTS**

**a. Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the total amount of the dividends to be paid on an account based on the dividend rate and the frequency of compounding for an annual period. For Savings, Kids Klub, SCUGMA, Estate and Fiduciary accounts, the Dividend Rate and the Annual Percentage Yield may change quarterly as determined by the Credit Union's Board of Directors. For Cookie Jar, Christmas Club, IRA and Money Market accounts, the Dividend Rate and Annual Percentage Yields are the rates and yield as of the last dividend declaration date, which is set forth in the Rate Schedule. The Money Market account is a Tiered Rate account. Once a particular range is met, the Dividend Rate and the Annual Percentage Yield for that balance range will apply to the full balance of your account.



**b. Nature of Dividends.** Dividends are paid from current income and available earnings after required transfers to reserves and cannot be guaranteed.

**c. Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends and dividend period applicable to each account is stated in the Rate Schedule and corresponds to the frequency of change in the Dividend Rate previously disclosed. The Dividend Period is the period of time at the end of which an account earns dividend credit. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period.

**d. Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, you will not receive the accrued dividends.

**e. Balance Information.** To open any account you must deposit or already have on deposit at least the par value of one full share in your Membership Savings account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are stated in the Rate Schedule. For Money Market accounts, there is a minimum Average Daily Balance of \$1,000.00 required to avoid a service fee for the dividend period. If the minimum average daily balance is not maintained during the dividend period, there will be a service fee as stated in the Fee Schedule. For Savings, Kids Klub, SCUGMA, IRA, Money Market, Estate and Fiduciary accounts, there is a minimum daily balance required to earn the Annual Percentage Yield disclosed for the dividend period. If the minimum daily balance is not met, you will not earn the Annual Percentage Yield stated in the Rate Schedule. For accounts using the Average Daily Balance method as stated on the Rate Schedule, dividends are calculated by applying a periodic rate to the Average Daily Balance in the account for the dividend period. The Average Daily Balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

**f. Account Limitations.** For any Savings or Money Market accounts, no more than six (6) preauthorized, automatic, or telephone transfers may be made from each account to another account or to a third party in any month. If you exceed these limitations, your account may be subject to a fee or be closed. The Cookie Jar account will be closed if the balance is \$0.00 for more than 90 consecutive calendar days. You may withdraw from your Cookie Jar account up to four (4) time per calendar year without being charged a fee. For Christmas Club accounts, you may not make any withdrawals or transfers during the club period. The entire balance will be transferred to the Membership Savings account during the first week of November, and the account will remain open. The Christmas Club account will be closed if the balance is \$0.00 for more than 90 consecutive calendar days.

## 2. CHECKING ACCOUNTS

**a. Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For Interest Checking accounts, the Dividend Rate and Annual Percentage Yield may change monthly as determined by the Credit Union's Board of Directors. The Dividend Rates and Annual Percentage Yields are the rates and yield as of the last dividend declaration date, which is set forth in the Rate Schedule.

**b. Nature of Dividends.** Dividends are paid from current income and available earnings after required transfers to reserves and thus cannot be guaranteed.

**c. Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends and dividend period applicable to each account as stated in the Rate Schedule are as follows: Interest Checking - monthly. The Dividend Period is the period of time at the end of which an account earns dividend credit. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period.

**d. Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account. If you close your account before accrued dividends are credited, you will not receive the accrued dividends.

**e. Balance Information.** To open any account you must deposit or already have on deposit at least the par value of one full share in your Membership Savings account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are stated in the Rate Schedule. For Interest Checking accounts, there is a Minimum Daily Balance of \$1,000.00 required to avoid a service fee for the month. If the minimum daily balance is not maintained during the month, there will be a service fee as stated in the Fee Schedule. For Interest Checking accounts, there is a minimum Average Daily Balance required to earn the Annual Percentage Yield disclosed for the dividend period. If the minimum average daily balance is not met, you will not earn the Annual Percentage Yield stated in the Rate Schedule. For accounts using the Average Daily Balance method as stated on the Rate Schedule, dividends are calculated by applying a periodic rate to the Average Daily Balance in the account for the dividend period. The Average Daily Balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period.

**f. Account Limitations.** For all accounts, no account limitations apply.

**g. Fees for Overdrawing Accounts.** Fees may be imposed on each check, draft, item, ATM card withdrawal, debit card point of purchase, preauthorized automatic debit, telephone initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer or paying a check, draft or item. You may consult the Funds Availability Policy for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft, regardless of whether we pay or return the draft, item or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approved limit. Please refer to the Fee Schedule for current fee information.

## **V. IMPORTANT INFORMATION ABOUT YOUR CHECKING ACCOUNT**

### **1. SUBSTITUTE CHECKS AND YOUR RIGHTS**

#### **What is a substitute check?**

To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check.

Some or all of the checks that you receive back from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

#### **What are my rights regarding substitute checks?**

In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, returned check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You are also entitled to dividends on the amount of your refund if your account is a dividend-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus dividends if your account earns dividends) within 10 business days after we received your claim and the remainder of your refund (plus dividends if your account earns dividends) not later than 45 calendar days after we re-

ceived your claim.

We may reverse the refund (including any dividends on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

### **How do I make a claim for a refund?**

If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us at:

Telephone: (803) 736-3110 or 1-800-272-0695 (Toll-free outside the Greater Columbia area.)

Mail: AllSouth Federal Credit Union  
730 Elmwood Avenue  
Columbia, SC 29201

Online: Email us through the secure email function contained on our website.

You must contact us within 40 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect).
- An estimate of the amount of your loss.
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss.
- A copy of the substitute check and/or the following information to help us identify the substitute check; (identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check).

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

**NCUA**

National Credit Union Administration, a U.S. Government Agency