



Commercial 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

This Agreement covers the rights and responsibilities concerning your Commercial 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.

2. ACCOUNT OWNERSHIP - Business Accounts will only be opened by the Credit Union if any and all documentation we may request and that is subsequently presented by you to the Credit Union is in a manner acceptable to our policies. The ownership status and titling of your account is determined by the legal structure of the legal entity. Any owner may withdraw or transfer all or any part of the account balance at any time. Each of you authorizes each other to endorse any transaction on the account. Account owners are distinct from authorized signers. Owners are accountholders who may be individuals or, is an entity, may be those who have signed the most recent Business Account Card. Business accounts are held solely for business and commercial purposes. Business accounts are available for both profit and non-profit businesses and associations. It is your responsibility to determine and understand any legal effects related to this type of account.

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

4. ACCOUNT REQUIREMENTS FOR CERTAIN ENTITY TYPES

a. Sole Proprietor Accounts. a. If your account is established as a sole proprietor account, you warrant that you are the sole owner of your business and understand that such accounts will only be opened by the Credit Union if the documentation presented by you to the Credit Union is in a manner acceptable to our policies. You shall take all action necessary so that in the event of your death, your estate shall release and indemnify the credit union for any payment made at the direction of an authorized signer of your account provided the Credit Union has not received actual notice of your death prior to such payment being made. If you are doing business under an assumed name (DBA), you represent that you have properly filed all required paperwork as set out in the laws for the state in which you are organized to do business. It is your responsibility to determine and understand any legal effects related to this type of account.

b. Organizational, Partnership, or Corporation Accounts. b. If your account is established as an organizational, partnership, or corporation account, you will supply us with a separate authorization informing us of the authorized signers and beneficial owners for the account and provide any other related documents if we request you to do so and you understand that such accounts will only be opened by the Credit Union if the documentation presented by you to the Credit Union is in a manner acceptable to our policies. It is your responsibility to determine and understand any legal effects related to this type of account. We require that the legal entity or business is located within our field of membership.

5. AUTHORIZED SIGNERS - An Authorized Signer is a person who has authority to transact business on your account. We may communicate information about your account to an authorized signer and may treat communications regarding your account(s) received from an authorized signer as communication from you. An authorized signer, acting alone, may sign checks, withdraw or transfer funds, give us instructions regarding the account, and close the account without notice to the owner(s) or other authorized signer(s). You are responsible for informing authorized signers of the terms of this agreement.

Owner(s) must provide the Credit Union with an authorization that designates who is authorized to act on your behalf. We will honor the authorization until we receive written notice from an owner of a change to the authorized signer(s). We have no obligation to inquire as to the use of any funds to the purpose of any transaction made on your account by an authorized signer and are not responsible for any unauthorized transaction made by an authorized signer.

You agree to notify us immediately when an authorized signer's authority ends. You are responsible for ensuring the authorized signer's electronic access to the account is removed. You are responsible for removing the authorized signer's access to all of the Credit Union's products and services associated with the account. You must notify the credit union immediately when an authorized signers' authority ends so the name can be removed from all Credit Union records.

We may, without incurring liability to you, continue to honor checks issued, and instructions given to us, by any individual who was authorized to sign on your account at the time checks and instructions were issued, even if the checks are presented to us for payment, or instructions are to be acted on after you notify us that the individual is no longer an authorized signer.

6. BENEFICIAL OWNERS - Beneficial Owners must be identified by any individual opening a new account on behalf of a legal entity. For the purpose of this disclosure, a legal entity includes a corporation, general partnership, or other entity that is created by filing a public document with the Secretary of State or similar office, a general partnership, and any similar business entity formed in the United States. A legal entity does not include sole proprietorships, unincorporated associations, or natural persons opening accounts on their own behalf. A beneficial owner is defined as (1) each individual, if any, who owns, directly or indirectly, 25 percent or more of the equity interest of the legal entity; and (2) an individual with significant responsibility for managing the legal entity. The number of individuals that satisfy this definition may vary depending on factual circumstances and may include up to four individuals (but as few as zero). Regardless of the number of individuals, you must provide the identifying information of one beneficial owner with significant responsibility for managing the legal entity.

7 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, Employer Identification Number, or Taxpayer Identification Number (TIN) provided to the Credit Union is the correct number and the member is not subject to backup withholding. 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.

8. 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.mycreditunion.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.

9. INDIVIDUAL ACCOUNTS - An individual account is an account owned by a sole proprietorship qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law.

10. SPECIAL OWNERSHIP ACCOUNTS

a. Trust Account Designations. A trust account designation is an instruction to the Credit Union that an individual 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 trust beneficiary. If there is more than one surviving beneficiary, the account is owned jointly by such beneficiaries without rights of survivorship upon the death of the last account owner. Any trust beneficiary designation shall not apply to Fiduciary Accounts. We are not obligated to notify any beneficiary of the existence of any account or the vesting

of the beneficiary's interest in any account, except as otherwise provided by law. This paragraph does not apply to an account held on behalf of or held in the name of a trust.

11. 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 midnight 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.

12. 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.

e. Authorized Signatories. We may allow you to add additional authorized signatories to your account using a form that we provide to you. You must complete the authorization form and return it to us. The entity authorization will remain in effect until a period at least five (5) business days after you notify us in writing of its revocation. We may require a new entity authorization to add, change, or remove signatories on your accounts.

13. ACH & WIRE TRANSFERS – In the event the Credit Union has not entered into a separate wire transfer agreement with you, the terms of this Section 13 shall govern your use of ACH and wire transfers. If you have entered into a separate wire transfer agreement with the Credit Union, that agreement shall govern your use of 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.

14. 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.

15. 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.

16. 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 for each account, the terms of which are incorporated herein by reference.

17. POSTDATED AND STALEDATED CHECK - You agree not to draw or issue any check that is postdated. 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.

18. 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 payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

19. 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 you 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.

20. 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.

21. PLEDGE/STATUTORY LIEN - 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 freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. Federal law 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. Except as limited by state or federal law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you.

Your pledge and our statutory lien rights will allow us to apply the funds in your account 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 an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply the funds in your account(s) to the amount you owe us at a later time. The statutory lien 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.

22. 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.

23. 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.

24. 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.

25. 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.

26. 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 if there have been no transactions in 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. 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.

27. PROHIBITED ACTIVITIES - You are prohibited from engaging in the following activities in connection with your AllSouth membership. AllSouth periodically scans all business members and associated accounts. If the scans reflect an excessive volume of transactions or prohibited high-risk transactions, the credit union will review the account for immediate account restriction and/or closure. The following types of account activity are prohibited:

a. Internet Gambling. The Unlawful Internet Gambling Enforcement Act prohibits gambling businesses from disbursing or accepting payments in connection with unlawful internet gambling. Under the Act, any person engaged in the business of betting or wagering is prohibited from completing "restricted transactions" or knowingly accepting payments in connection with the participation of another person in unlawful internet gambling.

AllSouth Federal Credit Union does not offer services to any business involved in this type of activity. As required by law, we monitor all account activity, and will restrict any transactions connected with unlawful internet gambling. If unlawful activity is detected, the account may be restricted or closed.

b. Money Service Business Activity or High Risk Deposit Business Entities. AllSouth Federal Credit Union reserves the right to deny or restrict certain high-risk deposit business entities. This specifically includes business entities who conduct transactions involving Money Services Businesses.

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 or authorized signer's death. Once we are notified of a member's or authorized signer's death, we may pay checks or honor other payments or transfer orders authorized by the deceased member or authorized signer 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 or authorized signer's death may be honored. We may require anyone claiming a deceased member's or authorized signer'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. 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.

34. 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.

35. 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.

36. 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.

37. 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.

38. 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.

39. CREDIT REPORTS - Any authorized signer may authorize the Credit Union to pull a commercial or consumer credit report in connection with your application for membership, to update or renew your membership, or in connection with any account or loan you obtain. You understand that this may occur any time an authorized signer opens an account or establishes membership. You understand that the information contained in these reports may be used to deny account applications, close accounts, deny or restrict services. Additionally, you understand that these reports may be used by the Credit Union to offer services or products to you.

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.

40. REQUEST FOR INFORMATION – The owner authorizes 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.

41. CONSENT TO COMMUNICATIONS VIA TELEPHONE - 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 loan, 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.

42. 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.

43. 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.

II. FUNDS AVAILABILITY POLICY DISCLOSURE

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

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, 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, you 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. 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 Debit 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. The 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 authorized signer 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.

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

a. Your Responsibility. Excepting the provisions applicable to Commercial Accounts, you bear the risk of conducting transactions including transfers and bill payment through AllSouth. We will not be liable to you for failure to make a requested transfer or otherwise in the instances set forth, above. If the transaction is made using your card, code, user name and password, pin, or other authorized means of accessing your account (each an "Access Device"), the transfer will be treated as your authorized transaction. You agree to keep your Access Devices secure and strictly confidential, instruct each authorized user with whom you give your Access Devices that he or she is not to disclose it to any unauthorized person, and immediately notify AllSouth and select or request a new Access Device if you believe any of your Access Devices may have become known by an unauthorized person. **AllSouth will not be liable to you for any unauthorized payment or transfer made using any of your Access Devices that occurs before you have notified us of unauthorized use and AllSouth have had a reasonable opportunity to act.** AllSouth has the right to suspend or cancel any of your Access Devices even without receiving such notice from you, if AllSouth suspects that your information is being used in an unauthorized, fraudulent, or illegal way.

You agree that AllSouth may send notices and other communications, including passcode confirmations, to the current address or email address shown in AllSouth's records, whether or not that address includes a designation for delivery to the attention of a particular individual. You further agree that AllSouth will not be responsible or liable to you in any way if information is intercepted by an unauthorized person, either in transit or at your place of business.

b. Security Procedures. You agree that the use of the User ID and Password for online transfers or bill payments, (the "Security Procedures") are commercially reasonable security procedures under applicable law for the initiation of transactions against your Account(s). Any instructions, directions, or other information provided by You, your representatives and agents, any of Your Authorized Representatives, or any other party utilizing the Security Procedures will be deemed to have been authorized by You, and AllSouth may rely upon, and will be indemnified and held harmless by You for acting upon, any such direction, instruction, or information. You agree that, if AllSouth complies with the Security Procedures, AllSouth will not be liable for the amount of any unauthorized transactions which AllSouth honored in compliance with the Security Procedures. You acknowledge and agree that the Security Procedures are not designed to detect errors in the requests initiated by You and that You bear the sole responsibility for detecting and preventing such errors.

c. Limitation on Liability.

IN NO EVENT WILL ALLSOUTH OR ANY OF ITS OFFICERS, DIRECTORS, SHAREHOLDERS, PARENTS, SUBSIDIARIES, AFFILIATES, AGENTS, LICENSORS, OR THIRD PARTY SERVICE PROVIDERS BE LIABLE FOR ANY CONSEQUENTIAL (INCLUDING WITHOUT LIMITATION, LOSS OF DATA, FILES, PROFIT OR GOODWILL OR THE COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICE), INDIRECT, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES, WHETHER IN AN ACTION UNDER CONTRACT, NEGLIGENCE OR ANY OTHER THEORY, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, TRANSFERS OR BILLPAY, THE INABILITY TO USE TRANSFERS OR BILLPAY, ANY MERCHANDISE OR SERVICES PURCHASED OR OBTAINED USING TRANSFERS OR BILLPAY, OR ANY MESSAGES RECEIVED VIA ONLINE BANKING OR ANY TRANSACTIONS THEREUNDER, EVEN IF ALLSOUTH HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE AGGREGATE LIABILITY OF ALLSOUTH AND OUR THIRD PARTY SERVICE PROVIDERS UNDER THIS AGREEMENT SHALL NOT EXCEED ONE THOUSAND DOLLARS.

d. How to Contact AllSouth in Case of Errors or Questions About Your Transactions. Telephone or write us as soon as you can if you think your statement is wrong or if you need more information about an electronic transfer listed on the statement.

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.

In addition to obligations in Other Agreements governing failure to report unauthorized or fraudulent transactions, the failure by you to promptly report any such errors or issues within a reasonable time, which in no event shall exceed 60 days after we sent the FIRST statement upon which the problem or error appeared, shall preclude you from asserting against us any claims arising from the error or any loss caused by the error or issue.

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@allsouth.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

1. BUSINESS 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 Business Savings accounts, the Dividend Rate and Annual Percentage Yield may change quarterly 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 is as follows: Business Savings Accounts - quarterly. 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. There is no minimum balance required to open a Business Savings Account. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are stated in the Rate Schedule. For Business Checking accounts, there is a minimum Daily Balance of \$250 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 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.

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 received 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; and
- 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