

# Account Agreement & Disclosure

## Important Information about your TopLine Federal Credit Union Accounts

**The purpose of this document is to establish and disclose the terms and conditions governing accounts offered by TopLine Federal Credit Union (“TopLine”). Please read carefully and keep for future reference.**

In this document, the words “we,” “our,” and “us” mean TopLine Federal Credit Union (“**TopLine**”) and the words “you” and “your” refer to the owner, and where applicable, each co-owner of an account.

**Important Information About Procedures for Opening a New Account.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

**What this means for you.** When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver’s license or other identifying document.

TopLine reserves the right to amend this Agreement, disclosures, fees and charges, or account terms and conditions at any time. Notice of the changes will be provided as required by law. TopLine will close your account if you terminate your membership with us. TopLine may also close your account at any other time. If TopLine does so, TopLine will give you notice or deliver the balance of the account to you personally or by mail, or will transfer the balance of the account to your share savings account.

**Agreement.** This Account Agreement and Disclosure (hereinafter “Agreement”) sets forth the terms and conditions applicable to your accounts. You agree to abide by the terms of this Agreement as well as any additional disclosures we may provide at the time you open the accounts. You agree to abide by the Credit Union’s Bylaws and policies and to all terms, whether posted on our premises, printed on deposit slips, contained in this Agreement, enclosed with statements, or separate agreements and disclosures provided to you. This includes the right to require you to give us notice of your intention to withdraw funds.

**Limitation of Liability.** TopLine will not be liable to you in the following circumstances, but not limited to: (1) failure to identify a forgery of your signature or an alteration of an item if the forgery or alteration cannot reasonably be detected; (2) if you have indicated that more than one signature is required in connection with a check or other order for payment, transfer or withdrawal, and the item is paid against your account with fewer than the number of signatures if at least one required signature appears on the item. We will not be liable if: (3) your account contains insufficient funds for the transaction; (4) circumstances beyond our control prevent the transaction; (5) your loss is caused by you or another financial institution’s negligence; or (6) your account funds are subject to legal process or other claim.

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 Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.

When we receive an item for processing by automated means, we will follow standard commercial practices followed by similar financial institutions and will not necessarily examine each item. **In no event will TopLine be liable for consequential, special, punitive, or indirect loss or damages. We will be considered to have acted with ordinary care if it follows applicable state laws federal laws, clearinghouse rules, and normal banking practices.**

**Membership Eligibility.** To join TopLine, you must meet the membership requirements including purchase and maintenance of at least one par value share as provided in the Credit Union's Bylaws The par value share (hereinafter referred to in this Agreement as "share") is \$5.00. You will 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.

### **Terms Applicable to All Deposit Accounts**

**Deposits.** If you deposit any non-cash item (including items drawn "on-us") we will give your account temporary or provisional credit only until collection is final subject to our funds availability policy. (Any deposit made or payable in foreign currency will be given credit in the amount of U.S. Dollars received in final collection of the item.) If a deposit item is not paid, we will reduce your account balance by this amount. In this case, we may charge the fee for a "returned deposited item," if any. We are not responsible for transactions initiated by mail until we actually receive them. We may treat any transaction received after our "daily cutoff time" on a business day, or received on a day we are not open, as if it occurred on the next business day we are open. All items or transfers deposited 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 item or transfer and impose a return item charge on your account..

**Endorsements.** We are authorized to supply your endorsement to any item taken for collection, payment or deposit to your account.

We may accept transfers, checks, 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 accept checks missing endorsements of any owners if we choose. If a check 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 or item as though it is payable to either person. Checks payable to a deceased member will not be accepted. If an insurance, government, or other check requires an endorsement as set forth on the back of the check, we may require endorsement as set forth on the item. 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.

**Withdrawals - Generally.** You may make withdrawals by written order (check or withdrawal slip) on forms approved by us which have been signed by you, permitting you have sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft protection plan. Checks or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge as set forth in the Schedule of Fee and Charges.

We will subtract your withdrawals from collected funds first. We may at any time refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. 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.

**Withdrawals - Personal Accounts.** Any one of you, who is an authorized account owner, may withdraw or transfer all or any portion of the account balance. When we receive notice of the death or incompetence of any one of you, we may restrict or prohibit further withdrawals until we are satisfied that our obligations under the law and this agreement have been met.

### **Types of Account Ownership**

**Individual Account.** An individual account is an account owned by one member (you) and unless you authorize another signor, you are the only person who may use the account. With respect to an authorized signor, such person is merely designated to conduct transactions on the owner's behalf. We are not responsible to monitor transactions to determine their legitimacy.

**Joint Account with Rights of Survivorship.** An account you open with one or more joint owners will be a joint account with rights of survivorship. This account, and all monies credited to it, either shares or deposits, shall be the property of the joint tenants. Joint tenants legally have access to funds in your share savings account(s) and/or line of credit loan when the share savings and/or line of credit provide automatic overdraft protection to your checking account. You agree to be individually and together liable to us, regardless of which of you caused this to happen. Any sums in a joint account may be paid, on request, to any owner without regard to whether any other owner is then incapacitated or deceased. When we receive notice of the death or incompetency of a joint tenant, or the account is changed or closed, these powers shall no longer exist with respect to the deceased joint tenant. We may act on the instructions of any one of the joint owners; however, instructions to remove one of the names from the account or to restrict its use by any one of the joint owners may only be made by the person whose name is to be removed or whose use of the account is to be restricted. We may close the account on the instructions of any one of the joint owners or any one of the joint owner's legal representative(s). Instructions to add a joint owner may be made only by all existing joint owners. In the event of setoff, the enforcement of a security interest or a legal action including levy, garnishment or seizure affecting any owner, we may treat all funds in the account as belonging to the affected owner. If a deposited item in a joint account is returned, an account is overdrawn, or if we do not receive final payment, each owner is jointly and separately liable for the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefitted from the transaction.

Each joint tenant intends and agrees that the account balance upon death shall be the property of the survivor(s). If more than one of you survives, you shall remain as joint tenants with right of survivorship between you.

**Pay on Death Accounts.** If your account is payable on your death (or the death of the last surviving owner) to one or more named payees it is a pay on death (“POD”) account. An account that is owned by you as trustee(s) for one or more beneficiaries is also a POD account if it is to be paid to the beneficiaries only on your death or the death of the last surviving owner, the relationship is established by this Agreement and there is no subject of the trust other than the account. A payee or beneficiary must survive all owners in order to have an interest in the account. You may change or remove the name of a payee or beneficiary at any time by giving us proper written notice. If two or more beneficiaries are named and survive the death of all persons creating the account, beneficiaries will own this account in equal shares without right of survivorship. If at the time you die (or the last surviving owner dies) and a beneficiary is a minor, we may transfer that beneficiary’s interest to a person appointed custodian for that beneficiary in accordance with the Uniform Transfers/Gifts to Minors Act.

**Uniform Transfers/Gifts to Minors Act Accounts.** This account may be opened in accordance with the Uniform Transfers/Gifts to Minors Act. Only the custodian is authorized to instruct us regarding the account. We may, however, disclose information about the account to the minor or the minor’s representative(s).

**Transferring Account Ownership.** All accounts are non-assignable and non-transferrable to third-parties. If you attempt to pledge, assign or in any other manner transfer all or a part of or any interest in your account, we will not be bound by the transfer until we specifically acknowledges its acceptance in writing. We do not have to recognize the transfer, have no duty to make further inquiry and may make its acceptance conditional. Unless we expressly agree in writing to the contrary, any rights of a transferee will be subject to our right of setoff and security interest. We will have no obligation to notify you or any other person prior to disbursing any funds in accordance with what we, in good faith, believe to be the terms of the transfer.

**Business Accounts.** Earnings in the form of interest, dividends, or credits will be paid only on collected funds, unless otherwise provided by law or our policy. We may require the governing body of the legal entity opening the account to give us a separate authorization telling us who is authorized to act on its behalf. We will honor the authorization until we actually receive written notice of a change from the governing body of the legal entity.

**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 bears your facsimile signature even if it was made by an unauthorized person.

**Right of Setoff.** We have the right of setoff as well as a statutory lien. This means that we may charge any of your accounts for any debts or liabilities you owe us, whether due or not. This includes secured and unsecured debts and debts you owe individually or together with someone else. If there is more than one owner on your account, this includes the debts and liabilities of any of you. We may exercise our right of setoff at any time and for any reason as allowed by law. Our right of setoff shall not apply to any account you hold in a representative capacity, or to any of your tax-deferred retirement account(s) (such as an IRA account) that you may now or in the future maintain with us.

**Stop-Payments.** You may stop payment on any of your checks provided you call or write us in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. You understand that your stop payment order will be too late if it is not received within a reasonable time before any of the following actions are taken:

accepting the check; paying the check in cash; settling for the check as part of the collection process; completing the process of posting the check to your account; or otherwise indicating our decision to pay it; or TopLine becoming responsible for the check as part of the collection process.

If you tell us in person or by telephone to stop payment, we will keep that order in effect for fourteen days, by which time a signed written order must be received, otherwise the stop payment will no longer be effective.

If you give us a written order, we will stop payment for six months. Your order to stop payment must contain your name and account number, the name to which the check is made out (payee), and the number and exact amount of the check. You may renew your order in writing every six months. We may pay your check after your stop payment order has expired, even though the check may be more than six months old. You understand that, as a rule, we will not stop payment on official checks, cashier's checks, certified checks or money orders. If we agree to stop payment, we may require that you provide security to protect us.

**Notice.** Notice from us to any of you, whether by mail to the account address listed in our records, or otherwise, is notice to all of you.

**Fees and Expenses.** You agree to pay us fees or charges related to your account in accordance with this Agreement and the Schedule of Fees and Services. These fees and expenses may be deducted from your account and may, at our option, be charged against your account during a statement period other than the one to which they relate. If your account is closed, you will continue to be responsible for any fees that may have accrued, any items deposited to or drawn against your account before or after it is closed, and any fees and charges related to those items. If we incur any costs or expenses enforcing this Agreement, you will pay those costs and expenses, including reasonable attorney's fees and court costs. Please refer to the Statement of Fees and Charges for a listing of the fees.

**Tax Identification Number and Backup Withholding.**

Regulations require us to obtain completed and signed certifications identifying your social security number on personal accounts and either the social security number, personal identification or taxpayer identification number for business and organization accounts. If there is one or more joint owners, the primary member must provide a Form W-9. If you fail to furnish a certification or the correct identification number, we must withhold a percentage of taxable interest, dividend, and certain other payments as part of its backup withholding requirements.

**Disclosure of Information.** We will disclose information to third parties about your account or the transfers you make:

- When necessary for us to complete transfers; or
- To verify the existence and condition of your account for a third party, such as a merchant, credit bureau, renters' credit reference or mortgage verification of deposit; or
- To comply with a subpoena, search warrant or other government agency or court order; or
- If you give us written permission.

**Notices and Other Mail.** Any notice you send to us will not be effective until it is actually received and we have a reasonable opportunity to act on it. Any notices, statements, or other correspondence we send to you may be sent by ordinary mail to the last address we have for you in our records, or if you have affirmatively consented to receiving electronic correspondence, we will send to you at the last email address we have for you in our records. If the post office provides a different address for you, we may use that address. If we are unable to obtain a working email address, we will attempt to send notice, statements and correspondence by ordinary mail. If there is more than one owner or person authorized to transact business on your account, notices, statements and correspondence may be sent to any one of you. You assume the risk of loss in the mail. Any notice we send you will be effective when mailed or electronically sent. You are responsible for notifying us of any changes in your mailing address, email address or name change.

**Inactive/Dormant, Abandoned or Non-relationship Accounts.** We may consider your account dormant if it meets the following criteria: (1) no activity other than posting of dividends for a period of 12 months or more; (2) all accounts under your member or social security number total less than \$100.00; (3) if you have not used investment or insurance services in the last year; (4) you do not have an open line of credit and/or have not paid off a loan in the last 3 years; (5) you have not redeemed a certificate of deposit in the past three years; and (6) if mail is returned with an invalid address and you have not contacted us within the past 12 months to change an address or other contact information or conducted any activity on your account in the last 12 months. Accounts that meet this criteria will be subject to a monthly dormant account fee listed in the Schedule of Fees and Charges. When the account balance reaches par value share of \$5.00, we will notify you, as required by law. We will wait 180 days after sending notice before charging the final fee of \$5.00 and closing your account. If you fail to maintain a combined dollar total in your accounts of at least \$150.00, we may charge you a fee as listed in the Schedule of Fees and Charges. If we have had no other

contact with you within the period specified by state law, the account will be presumed to be abandoned. Any remaining funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we will 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.

**Direct Deposits.** If in connection with a direct deposit plan, funds are deposited to your account and later returned to the originator, we may deduct the amount from the account or from any other account you may have with us, without prior notice and, at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount.

### **Terms Applicable to Savings and Time Accounts**

**TopLine's Right to Require Notice.** We have the right to require seven days written notice before you withdraw money from your share savings account.

**Savings Account Transfer Limitation.** You are limited to six transfers in any calendar month from your Savings Plus, Early Savers, Investors Money Market, Premium Money Market, TopLine Money Market and Just For account(s) to your other account(s) or to other people. Specific limitations apply to Savings Direct accounts. Refer to section on Savings Direct. The limitation on transfers includes preauthorized or automatic transfers, telephone transfers, internet/mobile banking transfers, Point-of-Sale or any combination of them. There is no limit on transfers if the transfer is completed by mail, ATM, or in person. This limitation does not apply to transfers:

- To your share savings account from a checking account; or
- From your share savings account to a loan for payment.

**Certificate Accounts.** Any time deposit, term share, share certificate, or certificate of deposit accounts, to the extent allowed by state law, whichever we offer, is subject to the terms of this Agreement as well as the terms of any separate disclosure provided at the time of application for the certificate relating to the right, renewal and early withdrawal penalties.

### **Additional Terms Applicable to all Checking Accounts**

In the event you have authorized us to open a checking account on your behalf and to pay checks pursuant to a duly authorized signature and to charge such checks against your account, then it is further agreed:

- Only approved checking forms and other methods approved by us may be used to withdraw funds from this account.
- We are under no obligation to pay a check which: (a) was issued more than ninety days ago; (b) exceeds the balance in the checking account unless this is the type of account which authorizes the payment of the overdrafts by (1) increasing the outstanding loan balance from an approved loan account under your same account number according to the terms of the loan agreement and to deposit to your checking account the proceeds of such loan in any

sum necessary (up to maximum stated in loan agreement) to cover the overdraft(s); all advances by this method will be in increments of \$200.00, and/or (2) transfer from your share savings account and deposit to this account such transfer in any sum necessary to cover such overdraft(s) up to the available balance in such share savings account. All transfers will be in increments of \$200.00; if there is not \$200.00 available to be transferred, we will transfer the available balance.

**Insufficient Funds and Overdrafts.** If we refuse to pay an item drawn on this account because of insufficient funds, we may charge the non-sufficient funds fee as outlined in the Schedule of Fees and Charges. The fee is imposed when we decline to pay a transaction initiated by checks, ACH, recurring debit or by other electronic means, as applicable and permitted by law.

If we pay a transaction initiated by checks, ACH, recurring debit, or other electronic means, as applicable and as permitted by law, which overdraws the account, we may charge an "overdraft fee." We do not authorize and pay overdrafts initiated by ATM and everyday debit card transactions unless you have chosen to opt-in to such service. Any overdraft amount and associated fees, however created, is due and payable at once. Even if we occasionally or regularly pay a transaction which initiates an overdraft on your account, we are not required to do so; we pay overdrafts at our discretion and we do not guarantee that we will always pay an overdraft.

You understand that we may, at our discretion, send checks deposited to your account and returned NSF back for collection one or more time(s). We will have no liability for resubmitting these checks without notice to you.

**Special Instructions on Checks.** You understand that the large volume of checks we process prevents us from looking for special instructions, restrictive legends, or dates on every check. Because of this, we may pay one of your checks even though special instructions written on the check might, if we knew about them, cause us to refuse payment. We will not be liable if we pay checks contrary to written special instructions or dates, even if payment results in our refusal to honor other checks of yours.

**Right to Terminate Account.** We reserve the right to terminate your account if an unreasonable number of share drafts are returned because of insufficient funds, or if your account is maintained by you in a manner that we, in our sole discretion, deem not to be in accordance with normal financial practices, or for any other reason allowed by law.

**Federal Reserve Bank Reporting.** Checking Accounts will be structured into checking and savings sub-accounts for regulatory accounting purposes. We may periodically transfer funds between these two sub-accounts. Your dividend calculation on dividend bearing accounts will stay the same on both sub-accounts. If your account does not earn dividends, the savings sub-account will not earn dividends.

## Truth-In-Savings Disclosure Share Savings Account

**Rate Information.** The dividend rate and annual percentage yield may change every dividend period as determined by our board of directors. See separate rate sheet for specific rate information.

**Compounding and Crediting.** Dividends will be compounded and credited to your account every month.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above, would be January 31.

**Minimum Balance Requirements.** The minimum balance to open this account is the purchase of a share in the credit union. You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield and avoid the imposition of any applicable fee.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the beginning balance in the account each day.

**Accrual of Dividends.** Dividends will begin to accrue on the business day you deposit noncash items (e.g., checks) to your account.

**Transaction Limitations.** During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, internet/mobile banking transfer, telephone order or instruction. No more than six of the transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to a fee and closure by the credit union.

**Fees and Charges.** Please refer to our Schedule of Fees and Charges for appropriate fees and charges.

**Nature of dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

## Savings Direct Account

**Rate Information.** The dividend rate and annual percentage yield may change each week as determined by our board of directors. See separate rate sheet for specific rate information.

**Compounding and Crediting.** Dividends will be compounded and credited to your account every month.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of

the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above, would be January 31.

**Minimum Balance Requirements.** You must maintain a minimum daily balance of \$100.00 in your account each day to obtain the disclosed annual percentage yield and avoid the imposition of any applicable fee.

You will receive a reduced rate on balances below \$100.00. Please consult the Savings account description for more information.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the beginning balance in the account each day.

**Accrual of Dividends.** Dividends will begin to accrue on the first business day you deposit noncash items (for example checks) into your account.**Transaction Limitations.** During any month, you may not make more than one withdrawal or transfer to another credit union account of yours or to a third party by means of a telephone order or in person. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to a fee and closure by the credit union. After the initial deposit made upon opening the account, all further deposits must be made directly to the account by credit from the Automated Clearing House (ACH).

**Fees and Charges.** Please refer to our Schedule of Fees and Charges for appropriate fees and charges.

**Nature of dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### **Individual Retirement Account**

**Rate Information.** The dividend rate and annual percentage yield may change every week as determined by the credit union board of directors. See separate rate sheet for specific rate information.

**Compounding and Crediting.** Dividends will be compounded and credited to your account every month.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above, would be January 31.

**Minimum Balance Requirement.** The minimum balance required to open this account is \$30.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the beginning balance in the account each day.

**Accrual of Dividends.** Dividends will begin to accrue on the first business day you deposit noncash items (for example, checks) into your account.

**Transaction Limitations.** Transaction limitations may apply to this account as stated in the Common Features section.

**Fees and Charges.** Please refer to our Summary of Fees and Charges for appropriate fees and charges.

**Nature of dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### Checking Account

**Rate Information.** The dividend rate and annual percentage yield may change every week as determined by our board of directors. Please refer to our Savings and Checking Account descriptions for checking accounts that pay dividends.

**Compounding and Crediting.** Dividends will be compounded and credited to your account every month.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above, would be January 31.

**Minimum Balance Requirements.** The required minimum balance and opening deposit amounts may vary based on the type of checking account you open. Please refer to our Savings and Checking Account descriptions for the minimum daily balance required to obtain the disclosed annual percentage yield and the Schedule of Fees and Charges for relationship limitations.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the beginning balance in the account each day.

**Accrual of Dividends.** Dividends will begin to accrue on the first business day you deposit noncash items (for example, checks) into your account.

**Transaction Limitations.** Transaction limitations may apply to this account as stated in the Common Features section.

**Fees and Charges.** Please refer to our Schedule of Fees and Charges for appropriate fees and charges.

**Nature of dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### Investor/Premium/TopLine Money Market Account

**Rate Information.** The dividend rate and annual percentage yield may change every week as determined by our board of directors.

**Compounding and Crediting.** Dividends will be compounded and credited to your account every month. If you close your regular share account before dividends are credited, you will not receive the accrued dividends.

For this account type, the dividend period is monthly. For example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the dividend period, and for the example above, would be January 31.

**Minimum Balance Requirements.** You must maintain a minimum daily balance of \$1,000.00 in your Investor Money Market Account, \$10,000.00 in your Premium Money Market Account, or \$10,000.00 in your TopLine Money Market Account each day to obtain the disclosed annual percentage yield and avoid the imposition of any applicable fee..

You will receive a reduced rate on balances below the required account minimum. Please consult the Savings Plan Schedule for more information.

**Balance Computation Method.** Dividends are calculated by the daily balance method which applies a daily periodic rate to the beginning balance in the account each day.

**Accrual of Dividends.** Dividends will begin to accrue on the first business day after the banking day you deposit noncash items (for example, checks) into your account.

**Transaction Limitations.** During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer, internet/mobile banking transfer, telephone order or instruction. No more than six of the transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to a fee and closure by the credit union.

**Fees and Charges.** Please refer to our Summary of Fees and Charges for appropriate fees and charges.

**Nature of dividends:** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of the dividend period.

### **Funds Availability Policy**

**Funds Availability Policy.** This policy applies to all transaction accounts, which includes but is not limited the following.

Our policy is to generally make funds from your cash and check deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit. Once the funds are available, you can withdraw them in cash and we will use the funds to pay checks that you have written.

Deposits received by mobile banking application may be limited to processing based on our business hours of operation, or those of third party financial service organizations involved in a transaction. Checks submitted will typically be posted the next business day.

Please remember that even after we have made funds available to you and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your account.

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 closing 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 closing or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

If we cash a check for you that is drawn on another bank, 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 bank, 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 in this disclosure for the type of check that you deposited.

### **Longer Delays May Apply.**

In some cases, we will not make all of the funds that you deposit by check available to you on the first business day after the day of your deposit. Depending on the type of check that you deposit, funds may not be available until the fifth business day after the day of your deposit. The first \$200 of your deposit, however, may be available on the first business day.

If we are not going to make all of the funds from your deposit available on the first business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If your deposit is not made directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the business day after the day 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.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.

- There is an emergency, such as failure of computer or communications 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 business day after the day of your deposit.

**Special Rules for New Accounts.** If you are a new member, the following special rules will apply during the first 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 first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you (and you may have to use a special deposit slip). The excess over \$5,000 will be available on the ninth 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 business day after the day of your deposit.

Funds from all other check deposits will be available no later than the seventh business day after the day of your deposit.

**Deposits at Automated Teller Machines.** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) we do not own or operate will not be available until the fifth business day after the day of your deposit. This rule does not apply at ATMs that we own or operate.

### **Electronic Funds Transfer Your Rights and Responsibilities**

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**Phone Banking and Internet/Mobile Banking - Types of Transfers.** You may access your account by touch tone telephone 24 hours a day at 763-391-9494 or by using your personal computer at [www.TopLinecu.com](http://www.TopLinecu.com), using your personal identification number and your account numbers, to:

- Transfer funds between any of your accounts and make payments to your loan accounts or to another member's account.
- Get information about the account balance of your checking, share savings, and loan accounts.

**ATM Transfers - Types of Transfers.** You may access your account(s) by ATM using your Cash card and personal identification number or your Cash & Check card and personal identification number, to:

- Deposit funds to a checking or share savings account(s).
- Get cash withdrawals from checking account(s).
- Get cash withdrawals from share savings account(s).
- Transfer funds between share savings and checking account(s).

Some of these services may not be available at all terminals. A service fee may be imposed at ATM terminals operated by another entity.

### **Types of Cash & Check Debit Card Point-Of-Sale**

**Transactions.** You may access your checking account(s) to purchase goods (in person, by phone or online), pay for services (in person, by telephone or online), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that you can do with a credit card (that a participating merchant will accept with a credit card).

### **Termination**

- You may terminate the electronic fund transfer agreement by notifying us.
- We may terminate the electronic fund transfer agreement by notifying you.

### **Fees**

- We do not charge for preauthorized payments from any type of account.
- We do not charge for direct deposits to any type of account.
- Please refer to our Schedule of Fees and Charges for Electronic Funds transfer charges and daily withdrawal limitations.

### **Documentation**

**Terminal Transfers.** You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals.

**Preauthorized Credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money or you can call us at 763-391-9494 or 800-626-1448 to find out whether or not the deposit has been made.

**Periodic Statements.** You will get monthly account statements from us for your checking accounts.

You will get a monthly account statement from us for your share savings accounts, unless there are no Electronic Funds activities in a particular month. In any case, you will get a statement at least quarterly.

### **Preauthorized Payments**

**Preauthorized Credits.** You may make arrangements for certain direct deposits to be accepted into your checking or share savings account(s).

**Preauthorized Payments.** You may make arrangements to pay certain recurring bills from your checking or share savings account(s).

**Right to Stop Payment and Procedure for Doing So.** If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call us at 763-391-9494 or write us at 9353 Jefferson Highway Maple Grove, MN 55369 in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after your call.

Please refer to our Schedule of Fees and Charges for the amount we will charge you for each stop-payment order you give.

**Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 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 Transfer.** If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages related to this preauthorized transfer.

### **Financial Institution's Liability**

**Liability for Failure to Make Transfers.** If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages related to this preauthorized transfer. However, there are some exceptions. We will not be liable, for instance:

- (1) If, through no fault of ours, you do not have enough money in your account to make the transfer.
- (2) If you have an overdraft line and the transfer would go over the credit limit.
- (3) If the automated teller machine where you are making the transfer does not have enough cash.
- (4) If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
- (5) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- (6) There may be other exceptions stated in our agreement with you.

### **Unauthorized Transfers Consumer Liability.**

(1) Tell us AT ONCE if you believe your ATM, Cash and Check Card or TopLine Credit card and/or code has been lost or stolen, or if you believe that an electronic transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account (plus your maximum overdraft line of credit).

If you tell us within 2 business days after you learn of the loss or theft of your card or code], you can lose no more than \$50 if someone used your card or code without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card or code, and we can prove we could have stopped someone from using your card or code without your permission if you had told us, you could lose as much as \$500.

(2) Also, if your 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 60 days after the statement was mailed to you, you may not get back any money you lost after the 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 will extend the time periods.

**Contact in the Event of Unauthorized Transfer.** If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us at 763-391-9494 or 1-800-626-1448 or write us at 9353 Jefferson Highway Maple Grove, MN 55369.

### **Right to Bring Civil Action**

You may bring a civil action against any person violating any provision of Minnesota Statute §47.69 (governing consumer privacy and unauthorized withdrawals).

If you prevail in such an action, you may recover the greater of your actual damages or \$500. You may also be entitled to recover punitive damages, your court costs and reasonable attorney's fees.

### **Error Resolution Notice**

In Case of Errors or Questions About Your Electronic Transfers, call us at 763-391-9494 or 1-800-626-1448 or write us at 9353 Jefferson Highway Maple Grove MN 55369 as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any).
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can, why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

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

We will determine whether an error occurred within 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 45 days (90 days if the transfer involved a point-of-sale transaction or a foreign-initiated transfer) to investigate your

complaint or question. If we decide to do this, we will credit your account within 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 10 business days, we may not credit your account.

We will tell you the results within three business days after 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.

### **Electronic Loan and Bill Payment**

If you authorize a company to make periodic charges to your account for loan or bill payments, we will charge your account for the amount of the electronic charges we receive from the company. You understand that this service is available to you from your share savings and checking accounts. The following terms will apply:

**Your Authorization.** No one can charge your account unless you authorize them in writing to do so. If you authorize a company to make periodic charges to your account, the company must give you a copy of your written authorization to keep.

**Limitations.** Each charge must be for an amount you owe a company for money borrowed or goods or services purchased. There are no limitations on the amount or number of charges.

If you have authorized a company to charge your account periodically, and the charge for a particular period is greater than the previous charge, the company will send you a notice of the difference at least ten days before the charge is scheduled to be made. The company will also send you notice if a particular period is shorter or longer than usual.

**Stop Payment.** If you ask us to stop payment on any electronic loan or bill payment at least three days before the transaction is scheduled, we must honor your stop payment. If you cannot get your stop payment request to us that soon, we will still do our best to honor your request. To request a stop payment, you should contact us at the phone number or address provided in this Agreement.

If you have authorized a series of charges to your account by a particular company and wish to cancel that authorization, you must notify us in writing that you are canceling the authorization.

**Reversal.** You have the right to reverse any loan or bill payment which was sent (as most such payments are) through the Automated Clearing House (ACH). If you give us written notice in the form of an affidavit, swearing under oath that the entry was not authorized by a signor on the account, we will recredit your account for the amount of that payment. You must give TopLine the written notice within 15 days after you get the monthly account statement that reflects that payment. This right of reversal is in addition to your right to stop payment.

**Funds Transfers Governed by Article 4A/General.** This section provides the terms and conditions which specifically relate to any transfer or receipt of funds that is governed by Article 4A of the Uniform Commercial Code. Generally, these are wire transfer or transfers through an automated clearing house ("ACH") that are not otherwise governed by the Electronic Fund Transfers Act, but other types of transfer(s) may be covered. You agree that if we receive funds by a wire or ACH transfer, we are not required to notify you at the time the funds are received. Instead, the transfer will appear on your periodic statement. These terms and conditions are in addition to, and not in place of, any other agreement or agreements which you may have entered into with us regarding any such transfer or receipt of funds.

**Reliance on Identification Numbers.** In acting upon funds transfer instructions, some financial institutions rely solely on the identifying number or account number accompanying the payment order to identify the person who is to receive payment. This means if you instruct us to make a payment to a person and you identify that person by both a name and account number, payment may be made by the person's financial institution on the basis of the identifying number or financial institution account number, even if the number identifies a person different than the person named as the beneficiary in your instructions to us. Additionally, if your payment instructions to us identify a financial institution that is to participate in the funds transfer both by name and identifying number, any financial institution may rely on the identifying number as the proper identification of the financial institution that is to participate in the funds transfer even if it identifies a person different from that which the financial institution identified by name.

### **Telephone Transfers**

You understand that if you have more than one account with us, you can transfer funds between those accounts by calling us at 763-391-9494 or 1-800-626-1448 and giving the following information:

- Your name; and
- The amount you wish to transfer; and
- The account number from which you wish to transfer the funds; and
- The account number to which the funds are to be deposited provided the account is an account on which you are an authorized signor.

We may and have the right to ask you for additional information to verify your identity.

This service may be canceled by us at any time without further notice and /or a fee may be assessed as listed on our Schedule of Fees and Charges.

**Your Authorization.** You do not need to sign any written authorization to use our telephone transfer service. Your telephone call is the only authorization we need.

**Limitations.** There are no limits on the amount of collected funds that you can transfer at any one time or on any given day. The limitations on the number of transfers you can make are described in the section titled "Savings Account Transfer Limitations".

**When Transactions are Posted.** Telephone transfers received during business hours on a business day are posted on that day, if possible. Telephone transfers which cannot be posted the same day or which are received on a holiday, or over the weekend, are posted on the next business day.

### **Electronic Check Conversion**

Some merchants or payees will convert payment on a check to an electronic payment instead of processing the hard copy of the check. Through the process of electronic check conversion, your check is used as a source of information for the check number, your account number, and our routing number. The information is then used to make a one-time electronic payment from your account as an electronic funds transfer. The check itself is not the method of payment. When merchants use information from your check to make an electronic funds transfer, funds may be withdrawn from your account as soon as the same day you make your payment, and you will not be able to receive a copy of your check back from us.

### **Preauthorized Payroll and Similar Credits**

Some companies and government agencies will, if specifically authorized, deposit funds electronically instead of issuing checks. Examples of payments for which this is commonly done include payroll, annuity payments and government payments such as social security payments.

**Your Authorization.** You must authorize a company or government agency to pay you in this way. You have no right to a copy of your authorization, but most companies and government agencies will provide one on request.

**Limitations.** There are no limitations on the amounts that may be credited to your account.

**Deposit Inquiry.** You have a right to find out if an electronic payment that you have authorized has been received on schedule and credited to your account. You can contact us at the telephone number or address provided in this Agreement.

**When Transactions are Posted.** We are required by law to post any preauthorized credit to your account as of the day that we receive it. In some cases, amounts that we receive may not be available for withdrawal until the business day after they are actually received.

**Direct Deposits Returned by Us.** If direct deposit funds are deposited to your account and later returned to the originator, we may deduct the amount from that or any other account you have, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the funds.

## Audio Response

If we approve our Phone Banking (Audio Response Access Service) for your accounts, a separate PIN (Personal Identification Number) will be assigned to you. You may use your PIN (Personal Identification Number) along with your account number to access your accounts. At the present time, you may use Phone Banking to:

- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.
- Make loan payments from your share and checking accounts.
- Determine if a particular item has cleared.
- Verify the last date and amount of your deposit.

Your accounts can be accessed under our Phone Banking service via a touch tone telephone only. The Phone Banking service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing.

There is no limit to the number of inquiries you may make in any one day. Limitations on transfers and withdrawals may apply. See Savings Account Transfer Limitation section for specific limitations..

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. All checks are payable to you as a primary member and will be mailed to your address of record. 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. 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.

**Internet/Mobile Banking.** If we approve internet/mobile banking computer access services for your accounts, you must use your PIN (Personal Identification Number) along with your account number to access your accounts. At the present time, you may use the access service to:

- Withdraw funds from your share and checking accounts.
- Transfer funds from your share and checking accounts.
- Obtain balance information for your share and checking accounts.
- Make loan payments from your share and checking accounts.
- Access your TopLine (overdraft) account.
- View and print your account statement.
- Submit checks for deposit (Mobile Banking application only)

Your accounts can be accessed under the electronic/PC/Mobile access service via personal computer or on a mobile device via mobile banking application.. Electronic/PC/Mobile service will be available for your convenience 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. All checks are payable to you as a primary member and will be mailed to your address of record. 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. 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 access.

There is no limit to the number of inquires you may make in any one day. Limitations on transfers and withdrawals may apply. See Savings Account Transfer Limitation section for specific limitations..

### **National Credit Union Share Insurance Fund**

Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund.

### **Equal Credit Opportunity**

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of sex or marital status. The Federal Agency which enforces compliance with this law concerning TopLine is the National Credit Union Administration, Region IV, 4807 Spicewood Springs Road, Suite 5200, Austin, Texas 78759.

### **Additional Documents Available**

Please refer to our Schedule of Fees and Charges for additional information about charges, or call 763-391-9494 or 800-626-1448.

Please refer to our Deposit rates sheet for information, or call 763-391-9494 or 800-626-1448.

Please refer to our separate certificate disclosure for terms and conditions relating to Regular, IRA, Education and Roth Conversion certificates, or call 763-391-9494 or 800-626-1448.

More detailed information is available upon request. Contact us at 763-391-9494 or 800-626-1448.

Keep This Disclosure for Future Reference.

**TopLine Federal Credit Union**  
**9353 Jefferson Highway**  
**Maple Grove, MN 55369**  
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**www.TopLinecu.com**  
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