

# TERMS AND CONDITIONS OF YOUR DEPOSIT ACCOUNTS

This Agreement contains rules and regulations that govern your account(s) with Community Star Credit Union ("Credit Union"). Please read this Agreement carefully; if you use your account after you receive this Agreement it means you understand and agree to these rules and regulations. If you have any questions, please call us at the Credit Union. In this Agreement, the words "we," "our," "us," mean the Credit Union. The words "you," "your," "yours", mean anyone who signs a Membership Application or Account Change Card, or any other account opening document. Your account type(s) and ownership features are designated by the Membership Application. By signing the Membership Application, each of you, jointly or severally, agree to the terms and conditions in this Agreement and any Membership Application, Funds Availability Policy Disclosure, Truth-in-Savings Disclosures, Electronic Fund Transfers Agreement and Disclosures, Privacy Disclosure, or Member/Account Receipt accompanying this Agreement, the Credit Union bylaws and policies, and any amendments to this document from time to time that collectively governs 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 our fee schedule. 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 accounts and services you request.

## 2. INDIVIDUAL ACCOUNTS.

An individual account is an account owned by (1) member (individual, corporation, partnership, trust, or other organization) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the account's owner estate or Payable on Death (POD) beneficiary/payee or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner's agent prior to notice of an owner's death, and to any security interest or pledge by the account owner and subject to our statutory lien rights.

## 3. JOINT ACCOUNTS.

A joint account is an account owned by two (2) or more persons.

**MINIMUM MEMBERSHIP REQUIREMENT.** To be and remain an active member of this Credit Union, you must subscribe to at least one share (\$5.00). Your membership will terminate if you withdraw all of your shares or your membership becomes inactive.

**Rights of Survivorship.** Unless otherwise stated on the Membership Application, a joint account includes rights of survivorship. This means that when one (1) owner dies, all sums in the account pass to the surviving owner(s). For joint accounts without the right of survivorship, the deceased owner's interest passes to his or her estate. A surviving owner's interest is subject to the Credit Union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

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

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

## 4. PAYABLE ON DEATH ACCOUNTS (POD).

Payable on death accounts belongs to the person(s) listed as the owner or owners of the account during his, her or their lifetimes and, when the last account owner dies is payable to all surviving POD beneficiaries. Upon the death of the last account owner, if there is more than one (1) surviving beneficiary, the account is owned jointly without the rights of survivorship. Any POD designation shall not apply to Individual Retirement Accounts (IRAs). The Credit Union is not obligated to notify any beneficiary of the existence of any accounts, except as otherwise provided by law.

## 5. TRUST ACCOUNTS.

The Credit Union may accept deposits in the name of (a) Revocable Trust Accounts, which are accounts in which the person creating the trust has control over the account assets and the ability to have the property revert to him/her. The trustee(s) establishing a Revocable Trust must be a member of the Credit Union and the beneficiary's name must be stated. (b) Irrevocable Trust Accounts, which are accounts in which the beneficiary has an undisputed legal claim to the property held in trust. The trustee or the beneficiary must be a member of the Credit Union and the name of the beneficiary must be stated. For either type of trust account, the Credit Union may act only as the depository institution of trust funds for the parties establishing the trust. You may not request a "trust account" without first establishing a legal trust arrangement through an attorney or other qualified person, specifying the exact terms and conditions of the trust, and for proper execution.

## 6. BUSINESS ACCOUNTS.

If the account is not owned by a natural person (i.e., a corporation, partnership, limited liability company, sole proprietorship, organization, etc.), the account owner must provide the Credit Union with evidence to satisfy the authority of the individuals who sign the membership application to act on behalf of the account owner. One or more of the persons authorized to transact on the account must be a member of the Credit Union. On any transactions involving the account, the Credit Union may act on the instructions of the person(s) authorized in the resolution or certificate of authority to act on behalf of the account holder. You agree to notify

us in writing of any changes in the person(s) authorized or the form of ownership. If we receive conflicting instructions or a dispute arises as to authorization with regard to the handling of the account, you agree we may place a hold on the account until such conflict or dispute is resolved to our satisfaction and we will not be liable for dishonored items as a result of such hold.

#### **7. ORGANIZATION AND ASSOCIATION ACCOUNTS.**

Accounts held in the name of an organization or association member are subject to the same terms set forth in this Agreement and the following additional rules. The Credit Union reserves the right to require the member to provide a Membership Application informing the Credit Union who is authorized to act on its behalf. You agree to notify the Credit Union of any change in authority. The Credit Union may rely on written authorization until such time as the Credit Union is informed of changes in writing and has had a reasonable time to act upon such notice, The Credit Union may require that third party checks payable to an organization may not be cashed but must be deposited to a business account. The Credit Union shall have no notice of any breach of fiduciary duties arising from a transaction by an agent of the account owner, unless the Credit Union has actual notice of any wrongdoing.

#### **8. MINOR ACCOUNTS.**

The Credit Union may accept deposits in the name of a minor. We may require that a minor Account have a creditworthy joint owner at least 18 years of age who shall be jointly and severally liable for any amounts owing to us out of the Account. We may make payments or deliver other rights solely to the minor without regard to the minors' minority, and you acknowledge and agree, the Credit Union may require any account opened as a minor account to be a joint account that we are discharged from liability to the extent of any such payment or delivery. We have no duty to inquire of the use or purpose of any transaction requested by the minor or any joint Owner. If you request that we open a minor Account on which the minor's parent or guardian will not be a Joint Owner, we may require the parent or guardians' consent before opening the Account. We may also require that the Account Owners give written consent to allow the minor's parent or guardian to access information about the Account. You may not pledge a minor Account as collateral for a loan or for any other purpose. When the minor reaches the age of 18, we may require the consent of all Account owners before changing the form or ownership.

#### **9. GUARDIAN AND ESTATE ACCOUNTS.**

The Credit Union may accept deposits in Accounts established as a Fiduciary Account, (including but not limited to estate accounts, guardianship accounts, and conservatorship accounts), on behalf of the member an Account has been established. The Credit Union reserves the right to require such documents and authorizations as we may deem necessary or appropriate to satisfy that the person(s) requesting or directing the transaction on the Account has the authority conduct the transaction. This applies at the time of account opening and at all times thereafter.

#### **10. REPRESENTATIVE PAYEE ACCOUNTS.**

The Credit Union may accept deposits in Accounts established in a member's name and for the member's benefit by an individual appointed as the Social Security Administration or Veterans Administration. "Representative Payee" Funds in a Representative Payee Account are owned by the member beneficiary. Only the Representative Payee, however, shall have direct access to the funds on deposit. If an Account is opened, you (whether as beneficiary or as Representative Payee) agree that we may accept deposits, including direct deposits from Social Security Administration or Veterans Administration, that we may permit withdrawals from the Account by the Representative Payee through such means as we may prescribe from time to time, and we may restrict access to the Account by the beneficiary. You agree that the Representative Payee alone will be responsible for compliance with the Rules of the Social Security Administration or Veterans Administration governing such Accounts. You agree that if we make payment to or at the direction of a Representative Payee, any such payment shall be valid and shall discharge us from any liability for the sums paid. You agree that we may rely upon an appointment of a Representative Payee that is valid on its face, that we will have no fiduciary responsibility or obligation in connection with any such Account beyond our obligation otherwise set forth in the Agreement, and that we will have no duty to oversee the application by a Representative Payee of any funds with drawn from the Account. You agree that, if any deposit to an Account is subsequently reversed, whether by Social Security Administration, Veterans Administration, or otherwise, we may transfer funds in other Accounts held by the beneficiary or the Representative Payee in order to cure any overdraft that may occur as a result of such reversal, You agree to save, indemnify, defend, and hold us harmless from any claim, demand suit, or other charge by an person or entity arising out of or resulting from the establishment, maintenance and transaction of any business related to a Representative Payee Account or any other Account designated for the receipt of government benefits.

#### **11. AGENCY DESIGNATION ON AN ACCOUNT.**

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

#### **12. DEPOSIT OF FUNDS REQUIREMENTS.**

Funds may be deposited in 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. All accounts are nonassignable and nonnegotiable to third parties. Certificate accounts are governed by the terms of this Agreement and the terms and disclosures on your Certificate Account Receipt for each account, which is incorporated herein by this reference.

#### **13. ENDORSEMENTS.**

We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or in 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 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. Endorsement must be made on the back of the share draft or check within 1 ½ inches from the top edge, although we may accept endorsements outside the 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.

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 the loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. 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 payer bank extra time beyond midnight deadline limits.

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 the other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

Final Payment. All items or Automated Clearing Housing (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 transfer 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.

Direct Deposits. We may offer preauthorized deposits (e.g. payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfer 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 may authorize us to deduct the amount your account is overdrawn from any deposit. Upon a bankruptcy filing, unless you cancel the authorization on file with us, we will continue applying payments from the direct deposits in accordance with your authorization on file with us. 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.

Crediting of Deposits. Deposits made on either holidays or days that are not our business days will be credited to your account on the next business day. Deposits received at unmanned facilities such as night depositories will be credited on the day funds are removed and processed by the Credit Union.

Substitute Checks. You agree not to deposit any substitute check or similar item that you have created, or for which no financial institution has provided any substitute check warranties and indemnity. If you do so, you agree to indemnify us for all losses we incur in connection with the substitute check or item. You agree not to deposit any substitute check without our consent.

Negative Balance/Account Reporting. In the event there is an unsatisfied negative share balance, the Credit Union reserves the right to charge the amount against any other account from which any of the signers is entitled to withdraw sufficient to satisfy the negative condition. The Credit Union may submit a negative account reporting to a credit/account reporting agency if you fail to fulfill the terms of your membership agreement.

#### **14. ACCOUNT ACCESS.**

Authorized Signers. Your signature on the Membership Application 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 check, or 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.

Access Options. You may withdraw or transfer funds from your account(s) in any manner we permit (e.g. at an automated teller machine (ATM), Debit Card, in person, by mail, internet access, automatic transfer, or CU\*Talk, telephone, as applicable). We may return as unpaid any check or draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a check or draft. We have the right to review and approve any form of power of attorney (POA) and may restrict account withdrawals or transfers. We are under no obligations to honor any power of attorney, which we reasonably conclude is invalid, unreliable, or has been revoked.

Credit Union Examination. We may disregard information on any check or draft, other than the signature of the drawer, in 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.



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Community Star Credit Union is owned and operated by its members. Membership is a lifetime benefit and is available to the employee and their family members of select employee groups, organizations and residents and workers in select communities.

Community Star Credit Union is chartered in this State of Ohio and is supervised by the Ohio Department of Financial and Professional Regulation.

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**ACCOUNTS INSURED UP TO \$500,000**



American Share Insurance insures each account up to \$250,000. Excess Share Insurance Corporation provides up to an additional \$250,000 of insurance per account. This institution is not federally insured, and if the institution fails, the Federal Government does not guarantee that depositors will get back their money. MEMBERS' ACCOUNTS ARE NOT INSURED OR GUARANTEED BY ANY GOVERNMENT OR GOVERNMENT-SPONSORED AGENCY.



**EQUAL HOUSING  
OPPORTUNITY**

