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## TABLE OF CONTENTS

	<b>Page</b>
<b>Account Agreement for Business Accounts</b>	<b>2-9</b>
Suspension of Electronic Services	2
Deposits to Your Account	2-3
Withdrawals from Your Account	3-4
Check Presentment	4
Facsimile Signatures	4
Transaction Limitations	4
Stop Payment	4-5
Use of Check Images and Substitute Checks	5
Limitation on High Speed Cash Letters	5
Dividends	5-6
Statements and Reports of Transactions	6-7
Abandoned Property	7
Adverse Claims to Funds in your Account	7
Money Owed	7
Change in Account Information	7
Transfer of Ownership	7
Death of Sole Proprietor	7
Charges to your Account	7-8
Closing Your Account	8
Information	8
Disclosure Statements	8
Our Standard of Care	8
Other Services	8
Amendment, Waiver	8
Severability	8
Waiver of Jury Trial	8
Governing Law	9
Costs, Expenses and Attorneys' Fees	9
Indemnity	9
Liability	9
<b>Mandatory Arbitration of Disputes and Claims</b>	<b>10</b>
<b>Account Agreement for Certificates</b>	<b>11</b>
<b>Terms and Conditions of Your Debit Card</b>	<b>12-15</b>
<b>Uniform Commercial Code Funds Transfers Agreement and Disclosure</b>	<b>16-17</b>
<b>Electronic Fund Transfer Agreement</b>	<b>18-22</b>
<b>Funds Availability Policy</b>	<b>23-24</b>



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## BUSINESS ACCOUNT AGREEMENT

**Notice to Members:** The laws and regulations governing the financial services we provide are complex. To insure your understanding of our relationship with you, we provide this detailed agreement which explains both your responsibilities and ours. Please read this document carefully, and feel free to ask any questions regarding these terms and conditions.

**BINDING ARBITRATION: EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THIS ARBITRATION PROVISION SUBSTANTIALLY LIMITS YOUR RIGHT TO BRING A LEGAL ACTION IN A JUDICIAL FORUM.**

PLEASE READ THIS SECTION CAREFULLY. EXCEPT AS SPECIFICALLY PROVIDED ON PAGE 10 OF THE ACCOUNT AGREEMENT, THE PARTIES WILL NOT HAVE A RIGHT TO HAVE A JUDGE OR JURY DECIDE ANY CLAIM OR DISPUTE; AND THE ABILITY TO APPEAL IS LIMITED IN AN ARBITRATED MATTER HEREUNDER. ANY DISPUTES WILL BE DECIDED BY A NEUTRAL ARBITRATOR. FURTHER, NEITHER PARTY NOR ANYONE ON THEIR BEHALF CAN PURSUE ANY CLAIM OR DISPUTE IN ANY CLASS OR REPRESENTATIVE CAPACITY. IT IS THE INTENT OF THE PARTIES HERETO TO PROVIDE A FUNDAMENTALLY FAIR AND LESS COSTLY FORUM TO ADDRESS ANY DISPUTES BETWEEN THE PARTIES; AND THE PARTIES SPECIFICALLY AGREE TO THIS ALTERNATIVE METHOD OF DISPUTE RESOLUTION AS AN INTEGRAL PART OF THE RELATIONSHIP BETWEEN THE PARTIES. SEE PAGE 10 OF THE ACCOUNT AGREEMENT SECTION FOR COMPLETE DETAILS.

## ACCOUNT AGREEMENT FOR BUSINESS ACCOUNTS

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The terms and conditions of this Account Agreement for Business Accounts ("Agreement") apply to all Hiway Federal Credit Union® (Hiway) business accounts. You have agreed by signing the Business Account Application and/or by using your account on or after the opening date, to be legally bound by the terms of this Agreement. You should keep a copy of this Agreement and anything else we send to you about your account for your records. When used in this Agreement, the terms "you" and "your" refer to your business or your authorized representative; the terms "we", "our," and "us" refer to Hiway Federal Credit Union. The term "Account(s)" refers to your Hiway Federal Credit Union business deposit account(s).

The purpose of this Section is to state the terms and conditions that apply to all of your accounts, account services or other relationships with us, including without limitation loan, safe deposit and other services. You understand that the agreements, terms, conditions, rules and regulations applicable to your loans, and any other applicable account(s) or service(s) remain in full force and effect and continue to be applicable, except as specifically modified by this Agreement. Further, to the extent that the terms of a specific Subsection of this Agreement vary from the terms set forth in this Section, the specific terms and conditions of the Subsection will govern our relationship with you.

**Suspension of electronic services and access to share or deposit accounts.** Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

### DEPOSITS TO YOUR ACCOUNT

You may make deposits in any amount to your Account during normal business hours at any of our branches or by mail. If the service is available, you may also make deposits by automatic transfers from other accounts, by telephone transfer, or at an automated teller machine ("ATM") that accepts deposits.

The law allows and you specifically agree that we may supply any missing endorsement to a deposited check, draft, or any other instrument. However, we reserve the right to refuse to accept for deposit any item which does not bear a proper endorsement, which is payable to someone other than you or, in our sole discretion, under any other circumstances. Federal law specifies locations on checks for your and our respective endorsements. If our endorsement is illegible because you have endorsed a check in the wrong location, you will be liable for any resulting losses.

**Multiple Payees.** Any check, share draft or other instrument that expressly indicates it is payable to two or more people (e.g., by using the word, "and"), all parties must endorse the instrument. If the instrument is payable to two or more people by using the word, "or", or if the item is unclear as to the intent, one person may endorse the item and we may deposit the item accordingly.

We may refuse to cash a check made payable to you, but instead require you to deposit the check to your Account. All deposits accepted by us are subject to verification. You should retain your copy of any receipt or other document which evidences your deposit. If you claim that a deposit was not properly credited to your Account, we may ask you to show us your receipt or other document which evidences your deposit. You should not mail cash deposits. We will not be liable for any deposit that we do not receive. We reserve the right to make adjustments to your Account upon verification of your deposit or for computation or other errors related to your Account.

All non-cash deposits are posted to your Account subject to our receipt of "final payment" from the party on which the item is drawn. If we receive notice that an item is being returned to us unpaid, or if we do not receive final payment on a deposited item, because, for example, the drawer has placed a stop payment or the item is returned "insufficient funds" or "account closed"; or if an item is returned after final payment, we will charge your Account for the amount of the item, and for our applicable fees, even if the amount of the item has already been made available to you and even if we do not actually receive the returned item. If the charge-back of a returned item or a fee or other charge creates an overdraft, you agree to pay us the amount of the overdraft immediately, and we may charge your Account a service fee for the overdraft.

We receive final payment for deposited items at different times depending on the location of the parties who will pay the items. In addition, our receipt of final payment may be delayed further due to circumstances beyond our reasonable control. For more information, please see our Funds Availability Policy, which is incorporated herein by reference and which may be amended from time to time. If we must pay any fees to collect an item you have deposited, we will charge the fees to your Account and we may impose a service fee for the collection. If you receive a credit to your Account through the Automated Clearing House (ACH) network, the rules of the National Automated Clearing House Association permit us to notify you of the credit on your next regular Account statement.

If we credit your Account for an automated clearinghouse credit entry or for any other fund transfer or payment order ("fund transfer"), the credit we give you is provisional until we receive final settlement for the fund transfer through a Federal

Reserve Bank. If we do not receive final settlement or payment, you agree that you must refund to us the amount we credited to you for the fund transfer and that we may charge your Account for such amount. In such case, the person making the payment to you will be considered not to have paid you the amount of the fund transfer.

When we process incoming fund transfers, we rely on the account numbers given to us by the financial institutions or other persons who send the fund transfers to us. We will have no duty to determine if the account numbers provided to us is consistent with the name or other information given to us and we will not be liable to you if we credit a fund transfer intended for you to another member's account because the sender instructed us to credit an incorrect account number.

We reserve the right to refuse or to return all or part of a deposit at any time.

#### **We automatically redeposit returned items.**

You acknowledge and agree that your deposit or issuance of a check that uses check form or stock with decorative graphics, or that has ink colors other than black or blue, or your use of check stock that is not provided or approved by us, may result in errors in processing a check image created from such a check. You agree that, to the extent permitted by law, we shall have no liability to you in the event that you incur a loss from such errors.

You agree that you shall not deposit, without our express written consent, a document that you or someone on your behalf created or printed from an image or other electronic record of an original paper check (a "substitute check document"). Our acceptance for deposit of a substitute check document from you shall not be deemed as a waiver of the foregoing prohibition on the deposit of substitute check documents. You also shall not identify us as a "reconverting bank" or "truncating bank" on a substitute check document you deposit at any other financial institution or transfer to any other person. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit or transfer of a substitute check document in violation of the limitations set forth in this paragraph.

For checking accounts, you understand that when paid, your original check (or any substitute check) becomes our property and may not be returned to you. We have no obligation to retain the originals of any checks or other documentation. You are responsible for keeping a copy of your original check in order to verify its validity. If you request us to provide you with an original check or sufficient copy, you agree that we may provide an electronic image of the original check or sufficient copy if you have agreed to receive account information or statements electronically. Further, we may charge you a fee as set forth in the Business Service Fee Schedule for each requested item and /or for research as applicable.

#### **WITHDRAWALS FROM YOUR ACCOUNT**

Money may be withdrawn from your Account in different ways, as permitted for each type of Account. We are required to permit a withdrawal only if you have sufficient available funds in your Account to cover the entire amount of the withdrawal, and you are not in default under any obligations you owe to us. Checks or other debit items presented against insufficient or available funds are subject to a service fee. If there are sufficient funds to cover some but not all of your withdrawal orders, we will honor those withdrawals which can be paid, in any order convenient to us. If, in our sole discretion, we permit withdrawals for which there are not sufficient available funds, or you otherwise overdraw the available funds in your Account, you agree to repay us immediately the funds advanced to you. We will assess your Account a service fee, and we may also assess your Account a charge, which will be separately disclosed to you, each day on the amount of the overdraft. At no time shall we be required to allow you to overdraw your Account, even if we allowed such activity on one or more previous occasions.

We strongly suggest that you date checks with a current date. **WE WILL NOT BE LIABLE TO YOU FOR PAYING CHECKS WHICH ARE POST-DATED, STALE DATED (OLDER THAN SIX MONTHS) OR DO NOT BEAR A DATE.** If you do not wish us to pay a check you have issued, you must place a stop payment order with us, which will be permanent. (Please refer to the Stop Payment section of this Agreement).

You may stop payment on a preauthorized electronic funds transfer in accordance with the procedures described in our Electronic Funds Transfer Disclosure, which is incorporated herein by reference and which may be amended from time to time.

You agree to use only check forms supplied or approved by us, and we will have no duty or liability whatsoever where you choose to use other items. Our duty is to use ordinary care in examining checks when they are presented to us for payment. **UNLESS WE HAVE SPECIFICALLY AGREED WITH YOU IN WRITING, OUR DUTY WILL NOT INCLUDE MONITORING NONSTANDARD INSTRUCTIONS OR OTHER LEGENDS APPEARING ON CHECKS.** We shall be deemed to have exercised ordinary care if we process your checks only by automated means or if any unauthorized signature, counterfeit check, or alteration could not be detected by a reasonably careful examination of the item. You agree that we do not have to notify you if we refuse to pay a check you have written, if we pay a check that overdraws your Account, or if we impose a fee in connection with either of these events.

If you make withdrawals by check, the check must be properly completed and signed by the person(s) whose authority is on file with us. We may refuse to honor a withdrawal if we receive conflicting instructions from two or more authorized signers or if there is reasonable doubt as to who is authorized to make a withdrawal.

We reserve the right to refuse to cash or to impose a fee on anyone who asks us to cash a check that you have written. Even if your check is otherwise properly payable, we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal.

#### **CHECK PRESENTMENT**

Your Account may be debited on the day an item is presented by electronic or other means, or at an earlier time based on notification received by us that an item drawn on your account has been deposited for collection in another financial institution. A determination of your account balance for purposes of making a decision to pay or return an item or debit due to insufficiency of available funds may be made at any time between the receipt of such presentment or notice and the time of payment or return of the item or debit, and no more than one such determination need be made.

#### **FACSIMILE SIGNATURES**

If you choose to use facsimile signatures, you agree that

- (1) It is impossible for us to determine whether or not a facsimile signature is genuine;
- (2) We may honor any and all checks, drafts or other orders for the payment or withdrawal of money bearing or appearing to bear an authorized facsimile signature, even if the facsimile signature was made by an unauthorized person or the item on which a facsimile signature appears is itself a counterfeit item, or the facsimile signature is counterfeit.
- (3) You assume full responsibility and will indemnify us for all items paid over a forged or unauthorized facsimile signature.

#### **TRANSACTION LIMITATIONS**

In accordance with applicable law, we reserve the right to require you to provide written notice of any intended withdrawals from any account(s) of not more than sixty (60) days before the intended date of withdrawal. Withdrawals will only be permitted if you have sufficient funds available in your account to pay the full amount of your withdrawal orders or you have an overdraft protection plan. If there are sufficient funds to cover some but not all of your withdrawal orders, we may permit those for which there are sufficient funds in any order we choose. We may refuse to allow a withdrawal, and will advise when required by applicable law if, for example: (1) there is a dispute between account owners; (2) a legal garnishment, attachment or levy is served on us; (3) the account(s) secures any obligation owed to us; (4) any required documentation has not been provided to us; or (5) you are delinquent or fail to pay a loan or any other obligation owed to us when due.

In addition to the foregoing, if any person should instruct us to make a large cash withdrawal (the definition of which shall be within our sole discretion) in lieu of other methods of transferring funds offered by us, the Member hereby releases us from any and all liability, claims and demands whatsoever which arise from or in any way relate to the Member's possession of any large sums of cash from the moment possession of same is made available to the Member; and Member will execute and deliver any further releases that we may require in connection with any such withdrawal.

You may make unlimited withdrawals or transfers by mail, ATM (if available, up to \$500 per day) or in person from your Savings Accounts. You may not, however, make more than a total of six transfers to other accounts or to third parties during each monthly statement period when these are made by pre-authorized or automatic agreement or telephone transfer.

We reserve the right to prevent transfers which exceed the above limits or to monitor these transactions after they occur. When we observe that the number of transactions exceeds the above limits, we will contact you for corrective action. If excessive transactions continue to occur, we reserve the right to close your Account or convert it to an Account without transfer limitations.

**Transaction Limitations and Business Days.** Except as may be otherwise specifically provided in our Agreements, all Transactions after our "daily cut-off time" and made on days that are not our business days as set forth in the ACH Agreement will be treated, transmitted, recorded, etc., as applicable and appropriate as if received on the next business day that we are open. Deposits, orders, instructions, requests, etc., received by mail, electronically, at an unstaffed facility, or outside depository will be processed and credited only when actually received by us, and we shall have no responsibility until we actually receive the item.

#### **STOP PAYMENT**

You may stop payment on a withdrawal order or on any check, except for cashiers' checks, official checks or other cash equivalent items. We must receive your stop payment order at a time and in a manner which give us a reasonable opportunity to act on it prior to payment of the item. A STOP PAYMENT ORDER IS PERMANENT FROM THE DATE THE ORDER IS RECEIVED. We will accept stop payment orders issued by any person with signing authority on your Account, regardless of who initiated the check or other withdrawal order, and even if more than one signature is required on a check or withdrawal order.

Stop payment orders are subject to our current fee for that service. You may place a stop payment order at any branch office, by calling us at the telephone number on your statement, by writing to us at the address shown on your statement, or by any other notice method we agree to honor. We will request information about the check or other withdrawal order to be stopped, which may include:

- Account number
- Name of party to be paid
- Amount
- Date
- Check number
- Your name and address

STOP PAYMENT ORDERS ARE PROCESSED BY COMPUTER. UNLESS THE AMOUNT OF THE ITEM AND OTHER INFORMATION ARE REPORTED ABSOLUTELY ACCURATELY, WE CANNOT ASSURE YOU THAT THE ITEM YOU WANT STOPPED WILL NOT BE PAID. In the event that we inadvertently pay an item over your valid stop payment order, we may refuse to re-credit your Account if you owed the money to the payee(s). You will be required to provide evidence satisfactory to us of the amount of your loss. If we re-credit your Account, you shall be deemed to have assigned to us all of your rights against the payee(s), both on the item and on the underlying claim, and we may require you to sign an affidavit that you did not receive full value from the transaction for which the check was issued and otherwise cooperate in our recovery efforts.

#### **USE OF CHECK IMAGES AND SUBSTITUTE CHECKS**

For each original check that you deposit, you hereby authorize us (and any collecting institution, returning institution, Reserve Bank or processor which subsequently receives the original check) to create an electronic image ("check image") of the original check, and to process that check image for collection, payment and return. You further authorize the destruction of the original check that has been imaged. We may in our sole discretion determine the manner in which to collect or return a check image. We may: (i) present or transfer the check image to the paying bank, a Federal Reserve Bank, a check clearing house, image exchange network, or other collecting bank or returning bank; or (ii) create a substitute check and collect such substitute check (governed by the Check Collection for the 21st Century Act referred to here as the "Check 21 Act") instead of the check image.

A check image or a substitute check may be collected through one or more check clearinghouses, one or more Federal Reserve Banks, or pursuant to an exchange agreement with another depository institution. In such cases, you agree that the check image or substitute check is subject to the rules of that clearinghouse, Federal Reserve Bank, or exchange agreement.

You agree that we may debit your Account for any of the following items: (i) a check image of an original check drawn on your Account and presented for payment or collection, or (ii) a returned check image of an original check that was deposited by you. In these situations, we may debit your Account without receipt of, or review of, the original check associated with the check image. In our sole discretion, we may return to a presenting bank, returning bank or paying bank or post to your Account, a paper copy or paper representation of an original check (including without limitation an image replacement document or IRD, or a photocopy) drawn on or returned to your Account that does not otherwise meet the technical or legal requirements for a substitute check.

You agree that a check image that is received or created by us in the check deposit, collection or return process shall be considered a "check" and/or an "item" for all purposes under this Agreement and applicable law.

In addition, a check that you deposit with us, or that you draw on your Account, may be truncated in the check collection process and replaced with a substitute check. You authorize us to pay, process or return a substitute check in the same manner as "check" or "item" under this Agreement. Substitute checks are governed under the Check 21 Act and the terms of this Agreement, to the extent not modified by the Check 21 Act.

You agree to indemnify and hold harmless us, our employees and agents from any loss, claim, damage or expense that you or any other person may incur directly or indirectly as a result of any action taken by us to process a check image or substitute check instead of the original check, including the destruction of the original check, as described above, to the extent permitted by applicable law.

#### **LIMITATION ON HIGH SPEED CASH LETTERS**

When depositing a paper check cash letter for high speed processing, you may only include in such cash letter those checks or items that are eligible for conversion to a check image under the terms of this Agreement and any other documentation, terms and conditions and instructions provided by us to you from time to time. Without limiting the generality of the preceding sentence, a high speed cash letter may not include any of the following items: forward or return items in carrier documents, photocopies in lieu, notices in lieu of return, foreign items or mutilated items. You hereby agree to indemnify us for any loss that we incur directly or indirectly from your deposit of a cash letter in violation of the limitations set forth in this paragraph.

#### **DIVIDENDS**

Dividends are subject to the approval of the Board of Directors and are paid from current income and available earnings,

after required transfers to reserves at the end of a dividend period. The following provisions apply to dividend-bearing business accounts:

Not all business accounts pay dividends. You should refer to your Business Rates Schedule, which is incorporated herein by reference, to assess current dividends (if any), costs, fees and other charges.

Dividends will be calculated on your dividend bearing Account and credited directly to your Account as set forth below.

**Payment and Balance Computation.** Your dividend rate and annual percentage yield may change. At our discretion, we may change the dividend rate and Annual Percentage Yield on your Account any time without notice to you. We may also change the manner in which dividends are calculated and/or credited to you, by posting the change in our branch offices or website, by making such information available upon request in our branch offices, or in any other manner required or permitted by law. If you desire current dividend rate and annual percentage yield information, please ask in any branch office or telephone your Credit Union representative.

We reserve the right to calculate dividends for those dividend bearing Accounts which are used for business or other non-personal purposes, in a manner different from those dividend-bearing Accounts which are used for personal, household or family purposes. We must report dividends on certain non-corporate Accounts to the appropriate governmental agencies. It is your responsibility to give us your correct tax identification number and to make certain written certifications to us as required by law. If you fail to give us your number or the required certifications, we may withhold and pay to the government a percentage of the dividends earned on your Account, as required by law. You may also be subject to government penalties.

**Dividend Payment and Balance Computation.** At our discretion, we may change the dividend rate(s) and Annual Percentage Yield(s) on your account at any time without notice to you. See the Business Rates Schedule for dividends on all dividend-bearing commercial / member business deposit accounts.

We use the daily balance method to calculate the dividends on your account. This method applies a daily periodic rate to the principal in the account each day. Tiered-rate accounts earn dividends on the entire account balance each day at the dividend rate and annual percentage yield in effect for that day's balance.

**Accrual of Dividends.** Dividends will begin to accrue on the business day your deposits are posted to your account.

#### **STATEMENTS AND REPORTS OF TRANSACTIONS**

We will make available or send a statement to the last address that you have specified for your Account and may otherwise provide written or electronic reports of transactions. These will list all activity that relates to your Account during the statement period or at the time of the transaction and any other information required by law. Upon receipt, you should review your statement or notice carefully. You are required to promptly and carefully examine your statements and notices and to report any errors or disputes, as follows:

- *Funds Transfers (e.g., wire transfers) governed by your Uniform Commercial Code Funds Transfers Agreement And Disclosure set forth later in this document:* You will exercise ordinary care to determine whether a funds transfer to or from your account was either not authorized or erroneous, and you will notify us of the facts within a reasonable time not exceeding 60 days after you have received your statement. If you do not notify us within 60 days, you will not be entitled to any interest lost.

- *Funds Transfers (e.g., EFTs and debit card transactions) governed by your Electronic Funds Transfer Agreement (EFT Agreement) set forth later in this document:* See EFT Agreement.

- *Other Items, Deposits and Transfers to or from your accounts:* If you think a transfer is not authorized, wrong, or if you need more information about a transfer, you must contact us upon discovery of the error or within 60 days after you receive the first notice or statement that reflects the discrepancy you allege, whichever is earlier. Failure to do so will relieve us of any obligation to pay interest or otherwise compensate you for the amount of any unauthorized or erroneous transfer.

Notwithstanding the foregoing, the time period for notifying us or making a claim under the Check 21 Act, with respect to a substitute check or an image of a substitute check that is sent with a statement or that appears on a statement, will be as set forth in the Check 21 Act.

Please notify us of any change in your address. Once we receive two returned statements, we will suspend further mailings until a current address is received. You will be deemed to have received any information we mail to you once it is deposited in the United States mail with proper postage and addressed to your mailing address we have on file, even if it is returned to us as undeliverable. You will be deemed to have received information we make available to you electronically on the date we make the information available for access by you.

Unless stated otherwise, the term "month" when used in this Agreement or any Schedule or other Addendum means monthly statement cycle.

#### **ABANDONED PROPERTY**

If your Account is inactive (i.e., you do not make any deposits or withdrawals) and you have not kept us informed of your current address within the period provided by law, we will be required to transfer the balance of your Account as "abandoned property" to the appropriate state authority.

### **ADVERSE CLAIMS TO FUNDS IN YOUR ACCOUNT**

Without any obligation or liability, we may place a hold on your Account in the amount of any funds for which there may be an adverse claim when we investigate the claim or until ownership of the funds is established to our satisfaction.

### **MONEY OWED**

Except to the extent otherwise agreed with you in writing, any loans, fees, service or analysis fees, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you may be charged in whole or in part to the Account, to any other account(s) in your name, or to accounts of co-owners and of certain individuals, to the extent permitted by law. You grant us a security interest in the balance in the Account and in any other account(s) in your name, to pay all loans, fees, service or analysis fees, overdrafts or other obligations or other indebtedness now or hereafter owed to us by you. In addition, we may exercise our right of set off without advance notice to you and without regard to any other right that we may have against you or any other party. Such set off shall be effective immediately upon the occurrence of the event giving rise to the set off rights even though we may enter the set off on our books at a later date.

Our security interest and right of set off shall prevail and take priority over any adverse claim, change of ownership, pledge, attachment, garnishment, levy, court order or other legal process of any kind whatsoever. Should one of these events occur, we may take any action permitted or required by law.

### **CHANGE IN ACCOUNT INFORMATION**

You must notify us immediately of any change in the officers of your business or signing authority for your Account. We may ask you to execute and deliver to us new account resolutions and signature cards before the change is made effective. You must keep us informed of your current address at all times to avoid a fee. We will not be liable for any action(s) taken by us at the direction, either directly or indirectly, of any person whose signing authority or other authority to conduct business with us has expired without our knowledge.

### **TRANSFER OF OWNERSHIP**

YOUR ACCOUNT IS NOT ASSIGNABLE OR TRANSFERABLE EXCEPT ON OUR RECORDS. We must approve any pledge of your Account as security for a debt, and any pledge remains subject to our security interest and right of set off, unless we otherwise agree in writing. If you wish to transfer ownership of your Account, we may require that your Account be closed and a new one be opened by and in the name of the new owner(s).

### **DEATH OF SOLE PROPRIETOR**

Following the death of a sole proprietor of an unincorporated business, the balance in the Account shall be payable in accordance with applicable law upon presentation of appropriate qualification documents and any required tax release.

### **CHARGES TO YOUR ACCOUNT**

Your Account may be subject to various fees, including but not limited to item fees, a monthly service fee, charges for the use of certain Account services, and late payment fees as set out in the Business Rates Schedule, statement or other fee disclosure we provide to you, and which are made part of this Agreement. Unless otherwise agreed, these fees will be deducted from your Account balance automatically and may cause you to become overdrawn or your outstanding checks to be returned unpaid.

If funds in your Account are attached, garnished, or levied against, or if we are prohibited by law from paying on your Account, we may assess a legal process fee. We will debit your Account for any expenses we may incur as a result of any such legal action. Any such legal action may reduce your Account balance and cause your outstanding checks to be returned unpaid. We reserve the right to charge a fee for cashing checks you write. This fee will be collected from the payee at the time the check is cashed. If the payee refuses to pay our check cashing fee, we may refuse to cash your check, even if your check is otherwise properly payable, and we will not be liable to you for dishonor of your check, or otherwise, as a result of such refusal. See Business Service Fee Schedule to learn the amount of the fee.

We reserve the right to make changes to our fees and other charges from time to time. Where practicable, notice of such changes will be given by mail addressed to the last address that you have specified for your Account by posting in our branch offices, by making the information available to you in electronic form or otherwise as required or permitted by law.

### **CLOSING YOUR ACCOUNT**

Either you or we may close your Account at any time for any reason and without prior notice. If we close the Account, we will mail you a check for the final balance. You will still be liable to us for any service fees, returned checks or overdrafts, which may occur after the Account is closed.

### **INFORMATION**

You agree to cooperate with us in any record keeping and reporting which we believe to be necessary to fulfill government requirements. We may record conversations we have with you about your account.



## **DISCLOSURE STATEMENTS**

In connection with your Account, we may give you certain disclosure statements or policies, and may revise them from time to time. All such statements, policies and revisions shall be considered to be a part of this Agreement.

## **OUR STANDARD OF CARE**

Our responsibility to you is limited to our exercise of ordinary care in performing the services covered by this Agreement. Substantial compliance with our standard procedures shall be deemed to be the exercise of ordinary care. We will have no liability to you for taking or not taking any action permitted but not required. We will not be liable for the action or inaction of any third party in handling items deposited to or withdrawn from your Account. **NO THIRD PARTY SHALL HAVE ANY RIGHTS OR CLAIMS AGAINST US UNDER THIS AGREEMENT.**

## **OTHER SERVICES**

If you use other services of ours in connection with your Account, and there is any inconsistency between the terms and conditions of the agreement for those services and this Agreement, then the terms and conditions stated in the agreement for the additional services shall control, but only to the extent necessary to avoid inconsistency with this Agreement.

## **AMENDMENT, WAIVER**

We reserve the right to amend this Agreement from time to time, including the right to convert your Account from one product to another. Where practicable, we will post notice of any amendment in our branch offices, or we will mail notice of an amendment to the last address which you have specified for your Account, or notify you otherwise as required or permitted by law. Any waiver by us of any term or condition stated in this Agreement must be in writing and signed by us and shall not be considered a waiver of any other or future obligation or right.

## **SEVERABILITY**

In the event that any paragraph of this Agreement or any portion thereof is held by a court to be invalid or unenforceable for any reason, the other paragraphs and portions of this Agreement not held by the court to be invalid or unenforceable will continue in full force and effect.

## **WAIVER OF JURY TRIAL**

**YOU IRREVOCABLY WAIVE ANY AND ALL RIGHTS YOU MAY HAVE TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR CLAIM OF ANY NATURE RELATING TO THIS AGREEMENT OR YOUR ACCOUNT, ANY DOCUMENTS EXECUTED IN CONNECTION WITH THIS AGREEMENT OR YOUR ACCOUNT, ANY TRANSACTION CONTEMPLATED IN ANY OF SUCH DOCUMENTS, OR ANY OTHER AGREEMENTS, TRANSACTIONS OR RELATIONSHIPS YOU MAY HAVE WITH US NOW OR IN THE FUTURE. YOU ACKNOWLEDGE THAT THE FOREGOING WAIVER IS KNOWING AND VOLUNTARY.**

## **GOVERNING LAW**

This Agreement is governed by the laws and regulations of the state of the office where you opened your account. If your account is opened by mail, or electronically through our Internet Website, and we have a branch office in your state of residence, this Agreement is governed by the laws and regulations of the State of Minnesota. If we do not have an office located in your state of residence, and your account is opened by mail, or electronically through our Internet Website, this Agreement is governed by the laws and regulations of the State of Minnesota. This Agreement is also at all times governed by the laws and regulations of the United States of America.

## **COSTS, EXPENSES AND ATTORNEYS' FEES**

All owners of account(s) or service(s) with us agree, jointly and severally, to pay us for all costs and expenses, including attorneys' fees we may incur: (1) If it is necessary for us to bring any legal or other action to collect any sum you owe us; (2) If we incur any costs or expense as a result of any order or instruction received from any owner or any owner's agent under this Agreement, any adverse claim, or legal process; your failure to comply with any obligation in this Membership Agreement or otherwise; (3) If we incur any expense as a result of any dispute, adverse or inconsistent claims; (4) If we bring any action contemplated in this Agreement; (5) If we successfully defend any claim against us brought by any owner, agent, personal representative, executor, heir or other party in interest brought via any formal or informal process (including but not limited to arbitration or mediation) involving your accounts or services with us; or (6) If we deem it necessary to seek the advice or opinion of legal counsel or other professionals regarding the bona fides or legality of any transaction(s) to/from your accounts or involving any services with us, or any request for information or documentation regarding any of your accounts and/or services with us. If you are responsible to pay us any costs of collection or legal expenses incurred in collecting any amount you owe; in enforcing or protecting our rights under this Agreement or

otherwise; or as provided in this subsection, including but not limited to costs of repossession, repair, appraisal, and all other costs or expenses, you agree to pay us the actual amount of such costs and expenses together with reasonable attorneys' fees as determined by applicable state law or a court of competent jurisdiction. Further, you agree to pay us an additional sum for any costs, legal expenses or attorneys' fees incurred in any appellate, bankruptcy or post-judgment proceedings, except as limited or prohibited by applicable law. Any costs, expenses or fees hereunder will be paid from any of your account(s) with us before payment to any owner or other party. If the amounts in your account(s) are not sufficient, then the owner(s) of the affected account(s) or parties to any applicable services will immediately pay any difference.

#### **INDEMNITY**

If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require a bond or other protections. An example of the kind of protection asked for would be your promise to protect us against any claims (an indemnity).

#### **LIABILITY**

Except as otherwise provided in this agreement, 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 or special damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, federal regulations and operating letters, clearinghouse rules, and customary banking practices followed in the areas 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 Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement. Other provisions in this agreement specific to certain account types or processes also limit our liability per those provisions.

## MANDATORY ARBITRATION OF DISPUTES AND CLAIMS

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Arbitration is a method of deciding disputes outside the court system. The parties agree and understand that they choose arbitration instead of litigation to resolve all claims and disputes not specifically excluded. This provision governs when and how any disputes you and we may have will be decided. Unless specifically prohibited by applicable law all disputes, claims, damages, choses in action, claims for injunctive relief or controversies arising from or relating in any way to the agreements, relationships, accounts, loans, or security agreements between you and us; the relationships which result or arise as a result of this Agreement; any rights, privileges or services you receive from us now or in the future; any claims or disputes arising in or ancillary to any bankruptcy or other insolvency proceeding; or the validity of this clause (together referred to collectively as Agreement), shall be resolved by binding arbitration by a single arbitrator chosen with the mutual consent of the parties. The arbitrator must be an attorney with more than ten (10) years experience or a retired judge. If for any reason the parties do not consent to an arbitrator within thirty (30) days from the date that notice of a claim or intent to arbitrate is provided to the other party, then an arbitrator will be selected pursuant to the Rules of the American Arbitration Association ("AAA"). This arbitration Agreement is made pursuant to a transaction in Interstate Commerce, and shall be governed by the Federal Arbitration Act ("FAA") at 9 USC § 1, et seq., as amended from time to time. It is understood and agreed that your Credit Plan Agreement(s), your Accounts, all transactions on your Accounts, and any dispute defined herein shall involve Interstate Commerce. If any dispute between us does not involve Interstate Commerce, such dispute shall be governed by the Arbitration Act for the State set forth in this Membership Agreement, as amended from time to time, in which case all references to the FAA herein shall be to said State Act. **If the State has no Arbitration Act, then the parties will be governed by the Rules of the American Arbitration Act in any matter not involving interstate commerce.** The parties agree and understand that the arbitrator shall have all power provided by the law and this Agreement to make and enter findings of fact and determination of judgment based on the parties' Agreements and applicable law, including but not limited to the rights of possession, off-set, property rights, money damages, declaratory relief, and injunctive relief. No arbitrator shall have the jurisdiction or authority to add to, take from, nullify or modify any of the terms of the Agreement. The arbitrator shall be bound by the facts and evidence submitted to him. Arbitration will be subject to the rules of procedure and evidence consistent with the Rules of the American Arbitration Association, and the Arbitrator will not apply federal or state rules. The decision of the arbitrator shall be final and binding and may be enforced in accordance with the terms of either the Federal or applicable State Law, except for any specific appeal right regarding a judgment under the FAA or a judgment for more than \$100,000. For these judgments, any party may appeal to a three-arbitrator panel appointed by and under the rules of the AAA. The decision of the panel will be by majority vote and will be final and binding except for any specific appeal right under the FAA. All provisions of this Arbitration Agreement will apply to the panel. Judgment upon the award rendered may be entered in any court having jurisdiction.

**WITH THE EXCEPTION EXPLAINED HEREIN, THE PARTIES AGREE AND UNDERSTAND THAT ALL DISPUTES (INCLUDING ALL LEGAL AND EQUITABLE RIGHTS AND REMEDIES) ARISING UNDER CASE LAW, STATUTORY LAW, AND ALL OTHER LAWS INCLUDING, BUT NOT LIMITED TO, ALL CONTRACT, TORT, REGULATORY, AND PROPERTY DISPUTES WILL BE SUBJECT TO BINDING ARBITRATION IN ACCORD WITH THIS AGREEMENT.** Notwithstanding anything hereunto the contrary, we retain an option to use judicial or non-judicial relief to enforce a security agreement relating to any collateral pledged to secure the Agreements between the parties, to enforce all monetary obligations by you to us so long as there is no dispute that is subject to mandatory arbitration, or to foreclose on any collateral securing your obligations to us by way of replevin, claim and delivery, or otherwise. The initiation and maintenance of an action for judicial relief in a court on the foregoing terms shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including the filing of a counterclaim in any action brought by us pursuant to this provision.

Any arbitration proceeding will take place in the federal judicial circuit where we maintain a branch that is the closest branch to your primary place of business. Each party must bear all of their own expenses, including the party's own attorneys, experts, and witnesses, regardless of who wins the arbitration, except to the extent that applicable law specifically requires otherwise. The rules of the AAA will be applied to any arbitration between the parties, except in the event of any inconsistency between this Agreement and the rules of the AAA, in which case this Agreement will govern.

## ACCOUNT AGREEMENT FOR CERTIFICATES

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**Rate Information.** Please refer to your Business Rates and Service Fee Schedule for current rate(s) and annual percentage yields. Dividends are paid the current rate at the time your account was opened. Unless specifically otherwise provided in writing, this rate is in effect until your Certificates matures.

### **COMPOUNDING AND CREDITING OF INTEREST**

Dividends begin to accrue on the day you open or renew a Certificate. If an additional deposit of cash, check or any other non-cash item is being made to the certificate at maturity, this deposit will begin to accrue dividends as of the maturity date. Dividends will be compounded according to your Business Rates and Service Fee Schedule.

### **MINIMUM BALANCE REQUIREMENTS**

Minimum balance requirements may apply to certain accounts. You must maintain these minimum balances in your account each day to obtain the annual percentage yield applicable to your account. Please see your Business Rates and Service Fee Schedule for more details.

### **BALANCE COMPUTATION METHOD**

We use the daily balance method to calculate the dividends on your account. This method applies a daily periodic rate to the principal in the account each day.

### **TRANSACTION LIMITATIONS**

There may be transaction limitations on certain accounts. Please see your Business Rates and Service Fee Schedule for more details.

### **EARLY WITHDRAWAL PENALTIES**

The terms of your Certificates may obligate you to leave your funds on deposit with us until the maturity date of your Certificates and/or renewed Certificates. Any withdrawal which we permit during the first 14 days of the initial term of a Certificate, or after the maturity date of any other Certificates, will not be subject to financial penalty (including in the case of death or legal incapacity of any owner of the Certificates).

Any funds necessary to complete the penalty shall be deducted from the principal remaining in the account. Please see your Business Rates and Service Fee Schedule for more details.

### **RENEWAL POLICY**

Please see your Business Rates and Service Fee Schedule for the renewal policies regarding your certificates.

## TERMS AND CONDITIONS OF YOUR DEBIT CARD

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This Agreement explains the rules which govern your business debit card and account services with us. Please read this Agreement carefully and keep them in a safe and convenient place. All services are further governed by the terms and conditions set forth in any other application or agreement we require; together with our Bylaws, policies and procedures, which are herein collectively referred to as "Agreement". This Agreement governs any transfer or withdrawal of money from your account initiated by or through the use of your business debit card its business debit card number, or any other associated access device by any means or in any manner.

**YOU ACKNOWLEDGE AND UNDERSTAND THAT THE CARDS ISSUED UNDER THIS AGREEMENT WILL NOT BE TREATED AS CONSUMER CARDS UNDER THE PROVISIONS OF STATE AND FEDERAL LAW. YOU WILL NOT HAVE THE BENEFIT OF ANY LIMITATIONS OF LIABILITY WITH RESPECT TO THE UNAUTHORIZED USE OF THE CARDS. YOU ACCEPT AND AGREE TO UNDERTAKE THE ADDITIONAL RISK ASSOCIATED WITH USE OF BUSINESS PURPOSE CARDS AND AGREE TO ASSUME THE GREATER MEASURE OF LIABILITY DESCRIBED IN THIS AGREEMENT.**

**Definitions:** In this Agreement the words "you" or "your(s)" means the Company or commercial entity with whom this Agreement is made together with all authorized users as explained herein. "We," "us," or "our" means Hiway Federal Credit Union. "Authorized User" means any person who has actual, implied or apparent authority, or to whom any owner has at any time given any information, access device or documentation that enables such a person to access, withdraw, make transactions to or from your accounts, or to use any of your account services. If any Authorized User authorizes anyone to use your access device(s), that authority shall continue until you specifically revoke such authority by notifying us in writing or as required by applicable laws. This authorized user definition is intended to be construed broadly and includes without limitation all users acting under a written document such as a power of attorney as well as any person or entity that is authorized to make deposits or debits to or from your accounts with us.

**Issuance of Cards and/or Access Device(s):** Card(s) and/or access device(s) (together "Access Device(s)") will be used by your employees, agents, or other persons to whom the Access Device(s) are provided (all of whom shall be deemed "Authorized User(s)" under the terms of this Agreement) to initiate withdrawals or transfers from your account(s) via ATMs, through participating merchants, and other transactions using such Access Device(s). You represent to us that the Access Device(s) are intended to be used for business, commercial, or agricultural purposes, and not for personal, family or household purposes. The use of Access Device(s) for any consumer purpose is a breach of this Agreement and may result in the immediate termination of the Agreement.

We are authorized to debit your Account for each purchase, cash withdrawal, or other transaction made with the Access Device(s), unless we have received a Notice of Cancellation in the manner set forth below and we have had a reasonable time to act on such notice. Customer acknowledges that it is responsible for payment of all transactions arising from the use of the Access Device(s).

**Liability and Promise to Pay.** You agree to be unconditionally and without limitation liable for all transfers effectuated by use of the Access Device, whether authorized or unauthorized, whether utilized by Authorized User(s) or some other person, and whether arising from Access Devices lost, stolen, or counterfeited. All employees who are granted use of any Access Device(s) shall be deemed third party beneficiaries of the accommodation extended hereunder and of the terms and conditions of this Agreement.

We will be liable only for our own negligence or willful misconduct and will not be responsible for any loss or damage arising from or in connection with: (1) any inaccuracy, act or failure to act on the part of any person not within our reasonable control, or (2) any error, failure, or delay in execution of any transfer resulting from circumstances beyond our reasonable control, including, but not limited to, any inoperability of communications facilities or other technological failure. Provided we have complied with our obligations under this Agreement, you agree to indemnify, defend, and hold us harmless against any claim of a third party arising from, or in connection with, this Agreement or the service we provide hereunder. We shall have no liability for consequential, punitive, indirect or special damages under any circumstances. We shall not be liable for circumstances beyond our control, such as fire, flood, and other acts of God, that prevent a transaction from being completed.

**Your Notice Obligations:** You shall immediately provide us with a notice that an Access Device has been lost, stolen, misplaced, or used without authorization, or that you wish to cancel or terminate an Access Device (any such notice is called "Notice of Cancellation"). Any Notice of Cancellation may be made by calling us during normal business hours or the numbers on our website, but you shall follow any oral notice with a written notice confirming the oral notice within two (2) business days. Any Notice of Cancellation must refer to the Access Device number, and a written Notice of Cancellation must be addressed as follows: 111 Empire Drive, St. Paul, MN 55103-1899. You will use your best efforts to recover and terminate the Access Device, and to promptly return it to us. We will not be obligated to act on any oral or written Notice of Cancellation unless the notice has been delivered to the telephone number or mailing address set forth above, the notice has actually been received by us and we have had a period of not less than two (2) business days after actual receipt of a Notice of Cancellation to act thereon. Even after an Access Device has been cancelled, transactions for which we are responsible under applicable network rules may be posted to the Account.

**Requesting New/Additional Access Device(s):** You may request that new Access Device(s) be issued to additional Authorized User(s) by providing us with written notice of (1) the number of Access Device(s) to be issued; (2) the name(s) of the Authorized User(s); and (3) any other pertinent information required by us.

You agree (1) to instruct your Authorized User(s) to use the Access Device(s) only in accordance with this Agreement and any internal policies that you may establish regarding the use of the Access Device(s); (2) that any policies that you have established regarding the use of Access Device(s) have not been reviewed by and are not binding on Credit Union or any network that accepts the Access Device(s); (3) You will maintain sufficient funds in the Account to cover transactions made with Access Device(s) and will indemnify and hold us harmless for any transaction made using the Access Device(s); (4) You are solely responsible for the security of the Access Device(s) and for the actions of any person that you permit to use the Access Device(s), and for all use of the Access Device(s) whether by an Authorized User or by another person, unless you have provided a Notice of Cancellation as set forth above and we have had a reasonable period of time to act on the notice; and (5) there are no limits to your liability if the Access Device or PIN is lost or stolen, except as set forth herein.

**Consent to the Scope of Rules Governing these Service(s):** You consent to be bound by the terms of this Agreement and any other agreements you have with us, together with all applicable state and federal laws and regulations, other industry rules and regulations, and normal banking customs and practices. This Agreement includes any Rules issued by third parties including but not limited to the National Automated Clearing House Association or VISA/MASTERCARD, which rules are incorporated herein by reference. In addition, this Agreement shall be governed by applicable operating circulars of any Federal Reserve Bank, any applicable federal laws and regulations. To the extent that the terms of any such third party agreements provide for specific processing, reporting or other time periods, or require you to make any claims or provide any notifications or responses, then the third parties' requirements and rules shall govern despite any other general or specific terms or conditions set forth in the entirety of this Agreement.

**HOW TO NOTIFY US CONCERNING ERRORS, QUESTIONS OR TELEPHONE TRANSFERS:** Call us at 651.291.1515 or 800.899.5626. Or write to us at 111 Empire Drive, St. Paul, MN 55103-1899.

**Overdrafts:** If the payment of an item does overdraw the Account, we may charge all or a portion of the item against any deposit account you maintain with us. You agree that we have the right to place an immediate hold on funds in any of your deposit accounts to pay for Access Device transactions which are subsequently presented to us for payment. If we pay an Access Device item which results in an overdraft of the Account, you agree to immediately deposit sufficient funds to cure the overdraft.

**Statements:** Each month you will receive an account statement showing, among other things, all debits made by use of the Access Device(s). You agree to promptly review the account statement and notify us in writing at the address indicated above of any disputes regarding any Access Device transactions.

**Disclosures to Others:** We will disclose information to third parties about your account: (1) where it is necessary for completing a transaction; (2) in order to verify the existence and condition of your account for a third party, such as a merchant; (3) in order to comply with a government agency or court order; (4) if you give us written permission; or (5) as otherwise required by applicable law.

**Lien to Secure Obligations:** You grant us a consensual security interest in all of your deposit accounts to secure payment of all amounts you owe us at any time. You authorize us to hold and apply funds in any of your deposit accounts maintained with us against any present or future indebtedness you may have to us.

**Termination:** We shall have the right, at our sole discretion, to terminate your privileges hereunder. All Access Devices shall be canceled effective upon termination of this agreement and you shall return all Access Devices to us. You shall remain liable for all debits or other charges incurred or arising by virtue of the use of the Access Device(s) prior to the termination date.

**Temporary Holds.** To facilitate certain electronic transactions we may place temporary holds on funds in your accounts. These holds may be for periods of 36-hours or more. We can neither control the parties with whom you do business nor regulate the processing of transactions through the commercial networks used to facilitate your transactions; Therefore, transactions may be processed after the expiration of any such temporary holds, and it is your obligation to insure that sufficient funds are on deposit at all times to cover the your transactions. In addition, most transaction networks and the rules they operate under allow merchants to obtain approvals for sums greater than the actual amount of the charge that will eventually be debited from your account. Therefore, there may be a temporary freeze against all or a portion of your funds that cannot be used for other transactions, which can result in an overdraft. Both of us are subject to these network transaction rules, which are the standard for the Access Device industry. **In some instances (e.g., hotels and car rentals) the merchant will obtain authorization for up to three times the expected billing, which can remain against your account for the time periods indicated. Therefore, we recommend you do not use your Access Device when checking in at hotels or renting cars.** Note: Using your Access Device to settle your bill at departure does not generally subject you to the delayed hold release. You are fully responsible for managing your account in light of these considerations, which are not within our control; and you are responsible for any overdrafts that occur due to such holds imposed via the parties with whom you transact business using the services governed by this Agreement.

**More Information on Debit Authorization Holds:** Actual Balance Vs Available Balance

Actual Balance: This balance includes cleared posted transactions.

Available Balance: The Actual balance minus any authorization or deposit holds. As transactions clear, your Available balance changes to reflect those transactions to determine a more accurate availability of funds. The Available balance does not include written checks or other items that have not yet cleared the account.

When you make an Access Device transaction and you run it as Credit, it places an authorization hold on the account and affects the Available Balance. When your Access Device transaction is run with a PIN, the transaction posts to the account and affects both the Actual and the Available balance.

If your Available balance is not sufficient to cover a transaction, we may pay the item and charge you an overdraft fee. An overdraft fee may be charged even though your Actual balance indicates a positive amount.

#### **ACCESS DEVICE AUTHORIZATION HOLDS**

When you use your Access Device, the merchant sends us the amount for authorization. This amount is placed on hold and removed from your Available balance. The hold is released once the transaction clears. The hold helps determine the Available balance on your account.

**Transaction Limitations and Fees:** You may not exceed the limitations set forth at account opening, or such other time that we may agree to from time to time.

**General Terms:** We may from time to time amend the terms of this Agreement to the extent allowed by applicable federal and state law, which amendments shall apply to all transactions on your account(s). This Agreement and all services provided under this Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota. You agree that venue for any action brought under this Agreement shall be in the State and county where we maintain our principal business offices. If any law or judicial ruling renders any term or condition of this Agreement unenforceable, the remaining terms and conditions shall remain in full force and effect. We reserve the right to waive enforcement of any of the terms set forth in this Agreement regarding any Transaction or series of Transactions. Any such waiver will not affect our right to enforce any of our rights with respect to any owner, user or other applicable person/party; or to enforce any of our rights with respect to other Transactions. Any such waiver shall not modify the terms and conditions of this Agreement. Any controversy or claim arising out of or relating to this Agreement, including any breach of the Agreement, shall be settled by binding arbitration before a single arbitrator in accordance with Minnesota law and the Commercial Arbitration Rules of the American Arbitration Association. We and you expressly consent to venue and arbitration in St. Paul, Minnesota. The decision of the arbitrator is final, and there shall be no right

of appeal. Any award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The fees and costs of the arbitrator shall be shared equally by you and us. The prevailing party shall be entitled to recover its reasonable attorney fees and costs.

**ATM Operator/Network Fees** - When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer).

**Additional Fees for Transactions in a Foreign Currency and "Cross-Border" Transactions.** **Currency Conversion Fee:** If you effect or authorize a transaction with your access device in a currency other than US Dollars, VISA / MasterCard will convert the fee into a US Dollar amount. The VISA / MasterCard currency conversion procedure includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by VISA / MasterCard, as applicable. The exchange rate VISA / MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your account. A Currency Conversion Fee of up to 1% will be applied to transactions that are converted from foreign currencies to U.S. dollars. **Cross-Border Transaction Fee:** In addition, VISA / MasterCard charges us a Cross-Border Assessment up to 1% on each transaction on all cross border transactions regardless of whether there is a currency conversion. For purposes of this Section, "cross-border transaction" shall include both (a) transactions initiated in a foreign country which are subsequently settled in the United States, and (b) transactions initiated in the United States but which are ultimately settled in a country outside of the United States. We will assess these fees to you to reimburse it for the fee it is required to pay for each of your transactions subject to these terms. The Cross-Border transaction fee will be shown separately on your periodic billing statement. The Currency Conversion Fee, if it applies to the transaction, will be included in the transaction amount posted on your statement.

**Inappropriate Transactions.** You warrant and agree that you will not use any of our Accounts or Services, including but not limited to loans, to make or facilitate any illegal transaction(s) as determined by applicable law; and that any such use, including any such authorized use, will constitute a breach of this Agreement. Certain federal and/or state laws or Third Party Service Providers' Rules may limit or prohibit certain transactions such as (but not limited to) those coded as possible gambling transactions. We may decline to accept, process or pay any transaction that we believe to be illegal or unenforceable (regarding your obligation to pay us or otherwise) under applicable law; or which is otherwise limited or prohibited, including but not limited to any transaction involving or relating to any gambling activity. Such prohibition or limitations may affect some otherwise proper or allowable transactions such as debits, charges or other transactions at or relating to a hotel-casino. You understand and agree such limitations/prohibitions are not within our control and that we will not have any liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s); or for declining to accept, process, or pay any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from any such use of your account and/or access devices.



## UNIFORM COMMERCIAL CODE FUNDS TRANSFERS AGREEMENT AND DISCLOSURE

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- 1. Summary and Definitions.** This Agreement governs the movement of funds by means of funds transfers defined in Article 4A of the Uniform Commercial Code, Subpart B of Regulation J of the Board of Governors of the Federal Reserve System (generally referred to as "Fedwire" or "wholesale" wire transfers), and as may be applicable the operating rules for the National Automated Clearing House Association ("NACHA"). This Agreement does not apply to any transaction or any part of any transaction governed by the Electronic Funds Transfer Act and Regulation E. To the extent that the terms of this Agreement vary from the other agreements or disclosures in this Booklet, this Agreement shall govern. Further, to the extent that this Agreement varies any provision of Article 4A, Regulation J or the operating rules of NACHA, this Agreement shall govern, except where specifically prohibited by applicable law.
- 2. Services Available.** You authorize us to transfer funds in accordance with your request(s) to and from your account(s) with us, or to and from another institution. Transfers shall be made according to any security procedures we deem appropriate or as specifically agreed upon as provided herein. We may debit any of the accounts you designate as a source of payment for funds transfers and any related fees and service fees. We will have no obligation to accept or execute any payment order if (1) the account(s) from which it is to be made does not contain sufficient available collected funds; (2) the payment order is not authorized or does not comply with applicable security procedures; or (3) acting in good faith we have reasonable cause for rejecting the payment order.
- 3. Person(s) Authorized to Make Transfers.** You agree that you, any joint owner of an account, or any person authorized by a written instrument by you or any joint owner, that is acceptable to us, may initiate, request, cancel, amend or verify transfers on your account(s). We may rely on the authority of any person(s) designated by you or any joint owner until we receive written notice revoking or modifying that authority.
- 4. Security Procedure(s).** We may establish security procedures to verify the authenticity of a payment order. You agree that the authenticity of payment orders may be verified using that security procedure unless you notify us in writing that you do not agree to that security procedure. In that event, we shall have no obligation to accept any payment order from you or other authorized parties on the account until you and we agree in writing to an alternate security procedure. You authorize us to record any telephone communications regarding any transfer order, which we may maintain for any period of time we deem appropriate.
- 5. Time Limitations for Acceptance of Orders.** We may establish and change cut-off times for the receipt and processing of funds transfer orders, amendments or cancellations. Our transfer business days and cut-off times are set forth in the ACH Agreement, as amended from time to time. Transfer orders, cancellations or amendments received after the cut-off time may be treated as received on the next following funds transfer business day, and processed accordingly. Your request for transfer(s), amendment(s) and cancellation(s) is considered accepted when executed by us.
- 6. Cancellation or Amendment of Transfer Request(s).** You may not be able to cancel or amend a request after it is received by us. However, we may, in our sole discretion, use reasonable efforts to act on your request for cancellation or amendment. Any request for cancellation or amendment is subject to applicable security procedure(s). We shall have no liability if such cancellation or amendment is not effected. Furthermore, you agree to indemnify and hold us harmless from any and all liabilities, costs and expenses we may incur in attempting to cancel or amend any transfer.
- 7. Member Instructions Identifying Beneficiary or Financial Institution.** You acknowledge and agree that when you provide us with the name and account number when requesting a transfer, that payment may be made solely on the basis of the account number even if the account number identifies a beneficiary different from the beneficiary named by you. Further, payment instructions identifying a beneficiary's financial institution name, routing and transit number may result in payment solely on the basis of the routing and transit number even if the name of the institution does not correspond to said numbers. You further agree that your obligation to pay the amount of the wire transfer to us is not excused in such circumstances. Likewise, wire transfers received by us for your benefit may be paid by us solely on the basis of account number.

8. **Account Statements and Notices.** Please see “Statements and Reports of Transactions” in the Membership and Account Agreement earlier in this document for your rights and responsibilities regarding review of statements and transactions and reporting of errors or disputes.
9. **Method Used to Make the Wire Transfer.** We may select any means for the transmission of funds we consider suitable, including but not limited to our own internal systems or Fedwire. Any subsequent financial institution may also use Fedwire. Any use of Fedwire shall be governed by applicable Fedwire regulations. We are not responsible for performance failure as a result of an interruption in transfer facilities, labor disputes, power failures, equipment malfunctions, suspension of payment by another party, refusal or delay by another financial institution to accept the transfer, war, emergency conditions, fire, earthquake or other circumstances not within our control.
10. **Limitation of our Liability.** In addition to any defense or exception from liability provided in this Agreement or applicable law, we shall not be liable in any case for any special, indirect, exemplary, consequential or punitive damages (including lost profits). Further, we shall in no case be responsible for the payment of any attorneys' fees or other legal expenses whatsoever. If we become obligated to pay dividends to you under applicable law, you agree that the dividend rate shall be equal to the dividend rate applicable to the account on which the transfer was made.
11. **Provisional Payment.** We may in our sole discretion give you a credit for automated clearing house (ACH) payments or wire transfers before we receive final settlement of the funds transfer. We reserve the right to reject any such payment or transfer without liability to you. Any such credit is provisional until we receive final settlement. If we do not receive such settlement, we are entitled to a refund from you in the amount provisionally credited.
12. **Governing Law.** This Agreement is governed by the laws and regulations of the state in which the office where you opened your account is located. If your account is opened by mail, or electronically through our Internet Website, and we have a branch office in your state of residence, this Agreement is governed by the laws and regulations of the State of Minnesota. If we do not have an office located in your state of residence, and your account is opened by mail, or electronically through our Internet Website, this Agreement is governed by the laws and regulations of the State of Minnesota. This Agreement is also at all times governed by the laws and regulations of the United States of America.

## ELECTRONIC FUNDS TRANSFER AGREEMENT - Commercial Accounts

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This Electronic Funds Transfer Agreement ("Agreement") is the contract which governs the rights and responsibilities of both parties regarding electronic funds transfer services offered by us. ("Account" means any one or more of your savings, money market, and checking account(s) you have with us. Electronic funds transfers are electronically-initiated transfers of money from or to your account through the various services described below. By signing an application for EFT services, or by accessing any service, you agree to the terms and conditions in this Agreement, and amendments thereto, and any other agreements that may govern your accounts. We may refuse any transaction which would draw upon insufficient funds, lower an account below any required minimum balance, exceed a credit limit, or otherwise require us to increase our required reserve on an account.

**TYPES OF ELECTRONIC FUND TRANSFER SERVICES.** The following describes the services, if approved, that are available, and some limitations that apply:

1. **ATM Card.** You may use your ATM card and PIN (Personal Identification Number) to:

- Withdraw funds from your savings and checking accounts.
- Make deposits to your savings and checking accounts.
- Transfer funds between your savings and checking accounts whenever you request.
- Obtain balance information on your savings and checking accounts.

Limitations. The following limitations will apply to your ATM Card:

- The maximum dollar amount of cash withdrawals per day is \$500. Sufficient funds must be available to make any withdrawal. There is no limit to the number of cash withdrawals you may make in one day.
- For security reasons, there are other limitations to frequency and number of transfers you may make at ATMs.
- Your available account balance may be reduced for preauthorizations for 3 business days or until the transaction clears.
- Additional limitations are set forth in the TRANSFER LIMITATIONS provision contained herein.

2. **Business Debit Card.** You may use your Business Debit Card and PIN to perform all of the functions listed above in the ATM Card Access section. Additionally, you may also:

- Pay for purchases at places that have agreed to accept the Card.
- Make POS (Point of Sale) transactions to purchase goods or services at POS terminals that accept the card.
- Order goods or services by mail, telephone, or via the Internet from places that accept the Card.
- Make cash withdrawals in foreign countries and in foreign currencies.

Some services on ATM or Debit Cards may not be available at all terminals. The amount of purchases and/or cash obtained (if permitted) will be deducted from your checking account.

Limitations. The following limitations will apply to your Card:

- The maximum dollar amount of cash withdrawals per day is \$500.00. Sufficient funds must be available to make any withdrawal. There is no limit to the number of cash withdrawals you may make in one day.
- The maximum purchase price for any one transaction at a POS Terminal is \$10,000.00. There is no limit to the number of purchases you may make in one day.
- For security reasons, there are other limitations to frequency and number of transfers you may make at ATMs.
- Your available account balance may be reduced for preauthorizations for 3 business days or until the transaction clears.
- Additional limitations are set forth in the TRANSFER LIMITATIONS provision contained herein.

3. **Electronic Check Conversion & Electronic Returned Check Fees.** If you pay for something with a check, you may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to: (1) pay for purchases or (2) pay your bills. When your check is used to initiate an electronic funds transfer in this way, you authorize the funds to be debited from your account as soon as the same day, and your check may not be returned to you. You also authorize a one-time electronic funds transfer to pay a Returned Check/EFT fee or Non-sufficient Funds fee if you have insufficient funds.

4. **Preauthorized Electronic Funds Transfers.** You may authorize periodic or recurring automatic payments from, and deposits into, your designated account(s). Examples of such transfers include direct deposit of your paycheck or Social Security check into your designated account; automatic payment(s) from your designated account to third parties; and automatic payment from your designated account for loan payments or other amounts you owe us.

The frequency and amounts of these preauthorized transfers will be subject to and in accordance with the authorization that you sign, and any separate agreement you have with the originator of the transfer. See the Transfer Limitations provision for transfer limitations that apply to preauthorized transfers.

**5. Phone Banking.** You may access your accounts via our touch-tone telephone system. We will assign you a PIN to use this service. You may use telephone access to:

- Withdraw funds from your accounts;
- Transfer funds between your accounts;
- Obtain balance, account activity, and other information on your accounts;
- Verify whether a check or other item has cleared your account;
- Make loan payments from your accounts;
- Change your PIN number on the telephone access service;

The telephone access service is available twenty-four (24) hours a day, but may be inaccessible for a short period each day for data processing.

Limitations. The following limitations will apply to the Telephone/Audio Response Service:

- The maximum dollar amount per transfer is \$24,499.
- The maximum dollar amount of transfers per day is \$49,999.

See the Transfer Limitations provision for transfer limitations that apply to preauthorized transfers.

**6. Online Banking.** We offer a Online/Mobile Banking service that you may access from a personal computer that has Internet access. You will need your password and member number or user name to access your accounts, as instructed when you log on. You may use this service for the following:

- Withdraw funds from your accounts;
- Make deposits to your accounts;
- Make transfers between your accounts;
- Obtain balance information on your accounts;
- Make payments on your loans from your accounts;
- Access internet bill pay services to make payments to various creditors;
- Verify whether a check or other item has cleared your account;
- Take an advance from a line of credit account;
- Obtain tax information on amounts earned on applicable accounts;
- Obtain information on dividends paid on loan accounts;
- Change your password;
- View eDocuments;
- Access or utilize other services that we may make available to you from time to time

Our Online/Mobile Banking service will be available to you 24 hours a day, but may be interrupted for a short period of time each day for data processing. Security protocols will be in place, such as electronic lock-out if there are numerous unsuccessful attempts to enter a transaction, and limits on the duration of access.

See the Transfer Limitations provision for transfer limitations that apply to Online/Mobile Banking transactions. You will also be required to comply with instructions and agreements provided on-line when you log onto the Online/Mobile Banking service.

**7. Online Bill Payment Services.** Through our Online/Mobile Banking service, we offer Bill Pay services so that you may pay your bills to third-party creditors and payees electronically. You must agree to the online bill payment services agreement included on the bill pay services website, which agreement is incorporated by reference herein. You may also be required to comply with other instructions and agreements provided on-line when you log onto the Bill Pay service.

**TRANSFER LIMITATIONS.** In addition to any other limitations set forth for each service herein, federal regulation limits the number of preauthorized, automatic, or telephone transfers that may be made from your share/savings accounts to six (6) per month from each account. If you exceed this limitation, you may be subject to a fee, the transaction may be rejected, or your account may be closed.

**FEES.** There are certain fees and charges for using electronic funds transfer services. For a current list of the types and amounts of these fees, please see your Business Service Fees Schedule that was provided to you. ATM Fees: Additionally, when you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. The amount of this fee will be disclosed to you by the owner of the ATM.

## **USE OF EFT CARDS AND SERVICES.**

Ownership: any card or other access device that we provide you remains our property and must be returned to us, our agent, or to any person who is authorized to honor the card according to our instructions. We may repossess the card at any time in our sole discretion without demand or notice to you. You cannot transfer the card, access code, or account to another person, and you will be liable for any transfers made by anyone to whom you give your card or access codes.

Honoring the Card(s); Refunds: Neither we nor the merchants authorized to honor the card will be liable for failure or refusal to honor your card, access device, or code. If a merchant agrees to provide a refund or adjustment to you, you agree to accept a credit to your account instead of a cash refund.

Illegal Transactions: You shall not use your card to make any illegal transaction as determined by applicable law. We may decline any transaction that we believe to be illegal, including but not limited to any transaction involving or relating to any gambling activity. We will have no liability or responsibility for any such use or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

Foreign Transactions; Currency Conversion: Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The conversion rate in dollars will be (1) a rate selected by Visa or MasterCard from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa or MasterCard itself receives; or (2) the government-mandated rate in effect for the applicable central processing date in each instance. All transactions processed outside of the United States (which may include internet transactions) will be charged a foreign transaction fee in the amount disclosed on your Service Fee Schedule.

Security of Card and Access Codes. The access codes issued to you are for security purposes and any codes issued to you are confidential and should not be disclosed to anyone else or recorded on or with the card. You agree to safeguard the codes and agree not to disclose or otherwise make available your cards or codes to anyone not authorized to sign on your accounts. If you authorize someone to use your access codes, that authority shall remain in place until you specifically revoke that authority by notifying us.

Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners including any authorized users, shall be bound by the terms and conditions of this Agreement. You understand and agree that any joint owner you authorize to use an access code may withdraw or transfer funds from any one of your accounts without your prior notice or permission, and we will not be liable to you in any way. Each of you jointly and severally shall be responsible for any and all transactions under this Agreement regardless of which owner accessed the accounts or used the services. Each joint account holder is authorized to act for the others, and we may accept orders and instructions regarding any transaction on any account from any owner. We can refuse to follow conflicting instructions.

No Right to Stop-Payment for Terminal Transactions. Transfers made by terminal may be executed immediately. This means that a cash withdrawal or other debit transaction is immediately deducted from your account; there is no "float" time and therefore there is no effective way of stopping the transaction.

**LIABILITY FOR UNAUTHORIZED USE.** Tell us AT ONCE if you believe your ATM or Debit Card or any of your access codes have been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down.

*For cards with the MasterCard logo:* You will have no liability for unauthorized use of your MasterCard, provided that you have exercised reasonable care in safeguarding the Card from risk of loss or theft, and upon becoming aware of such loss or theft, you promptly report the loss or theft to us.

Under no circumstances, however, will you be liable for more than \$50 if you tell us within 2 business days after you learn of the loss or theft of your card or access code and someone used your card or access 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 access code, and we can prove we could have stopped someone from using your card or access code without your permission if you had told us, you could lose as much as \$500.

You should always save your terminal receipts, keep a record of your transactions, and reconcile your receipts with your periodic statements. 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.

You are liable for all transfers or purchases made via your card(s), access code(s) or passwords that you authorize or allow. If you give your card, access code, or password to someone else, you are responsible for all transfers or purchases that that person makes with your card or via the service that he or she accesses, even if that person uses the card or code in a way that you did not anticipate or intend. You may revoke your permission for the other person to use your card by notifying us in writing, and allowing us reasonable time to act on your notification.

If you believe your card or access code has been lost or stolen, call: 866.820.8772 (24/7) or write: 111 Empire Drive, St. Paul, MN 55103-1899. You should also call this number or write to this address if you believe a transfer has been made using the information from your check without your permission.

**BUSINESS DAYS.** For purposes of this Agreement, our business days are Monday through Friday excluding federal holidays.

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

1. Where it is necessary for completing transfers;
2. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
3. In order to comply with government agency or court orders; or
4. If you give us your written permission.

#### **RIGHT TO RECEIVE DOCUMENTATION**

Periodic statements. Transfer and withdrawal transactions made through any card, Online/Mobile Banking or Bill Pay service, telephone access system, or preauthorized transfer will be reflected on your periodic statement. You will receive a monthly statement unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.

Terminal Receipts. You can get a receipt at the time you make any transaction (except inquiries) to or from your account using an ATM, Point-of-Sale terminal, or Debit Card transaction with a participating merchant. However, we are not required to provide you with terminal receipts for transactions of \$15.00 or less. You should keep your statements and receipts, as they may be admissible evidence in legal proceedings if a dispute should arise and shall constitute prima facie proof that such transfer was made.

Preauthorized EFTs. If you have arranged to have a direct deposit or preauthorized debit or credit made to your account at least once every 60 days from the same person or company, you can call us at 651.291.1515 or 800.899.5626 or use telephone access or Online/Mobile Banking to find out whether or not the deposit has been made.

#### **RIGHTS REGARDING PREAUTHORIZED PAYMENTS**

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's how:

Call us at 651.291.1515 or 800.899.5626, or write us at 111 Empire Drive, St. Paul, MN 55103-1899, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. (If you want to stop a payment being made through Bill Pay, you should follow the instructions within Bill Pay). If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. Please see the Business Service Fee Schedule for any fees charged for stopping payments.

Notice of Varying Amounts. If preauthorized recurring 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 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.

**OUR 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 may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough available funds in your account to make the transfer.
- If the funds in your account are pledged as collateral for a loan or frozen because of a delinquent loan or other reason.
- If the transfer would go over the credit limit on your overdraft line.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the error was caused by a system of any participating ATM network.
- If the ATM, POS terminal, telephone access system, Online/Mobile Banking or Bill Pay system or other electronic service was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- Any other exceptions stated in any of our agreements with you or which may be amended in the future.

#### **BILLING ERROR RESOLUTION** *(does not apply to international remittance transfers):*

In case of errors or questions about your electronic transfers, contact us at the number or address listed below as soon as you can and include the information listed below. We must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

By Telephone: 651.291.1515 or 800.899.5626

By U.S. Mail: 111 Empire Drive, St. Paul, MN 55103-1899

- Tell us your name and account number (if any).
- 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.
- Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within 10 business days. We may require you to provide your complaint in the form of an affidavit. 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 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. See the Business Service Fee Schedule for any fees associated with such copies.

\*For errors involving new accounts, point of sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. \*\* For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

**Termination.** You may terminate this agreement by (1) notifying us in writing; and (2) destroying or returning your Card(s). We may terminate this agreement by notifying you in writing. Termination does not affect any party's rights under this agreement regarding any transactions made before termination.

**Time to Complete Transactions.** The customary amount of time needed to make a Debit Card purchase at a merchant facility and have the transaction posted to your account is the same business day the transaction is completed. The customary amount of time needed to make a POS purchase at a POS terminal and have the transaction posted to your account is the same business day the transaction is completed. The customary amount of time needed to make a deposit, withdrawal or loan payment and have the transaction posted to your account is the same business day the transaction is completed.

**Reversal of Transactions.** *You may not reverse any transaction when using your Card to pay for goods or services by transferring funds through a terminal.* Payment for goods or services by a transfer of funds through a terminal shall not affect any of the rights, protections, or liabilities in existing law concerning a cash or credit sale made by means other than through the use of a terminal.

**Civil Action.** You may bring a civil action against any person violating the consumer privacy and unauthorized withdrawal provisions of the Minnesota Statutes applicable to the use of your Card, and may recover actual damages or \$500, whichever is greater, and punitive damages, together with court costs and reasonable attorney's fees incurred.

**IMPORTANT SAFETY TIPS REGARDING THE USE OF ATM MACHINES.** The following is a list of safety precautions that you should follow when using an ATM machine or night depository:

- Be aware of your surroundings, particularly at night;
- Consider having someone accompany you when using an ATM or Night Depository after dark;
- If the ATM facility is equipped with a door, close it tightly before beginning your transaction, and do not allow anyone you don't know into the facility with you;
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction;
- Refrain from displaying your cash - place it in your pocket or purse as soon as the transaction is completed. Count your cash in the safety of a locked enclosure such as a car or home;
- Use a different ATM or return at a later time if you notice anything suspicious while using or approaching the ATM. If you are in the middle of your transaction, cancel the transaction, take your card or deposit envelope, and leave;
- If you are followed after completing your transaction, go to the nearest public area where people are present;
- Do not write your personal identification number or code on your ATM card; and
- Report all crimes immediately to the operator of the automated teller machine or to local law enforcement officials. If emergency assistance is needed, call the police from the nearest available public telephone. If you have complaints or concerns about the security of the ATM, contact the operator of the ATM, or the state banking department.

## FUNDS AVAILABILITY POLICY

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This policy only applies to the availability of funds in transaction accounts. We reserve 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 questions about which accounts are affected by this policy.

### **Your Ability to Withdraw Funds**

Our policy is to make funds from your cash and check deposits available to you on the same business day that we receive your deposit. Electronic direct deposits will be available on the day we receive the deposit, unless they involve an International ACH Transaction. See below for more information on International ACH Transactions. Once they are available, you can withdraw the funds in cash and we will use the funds to pay checks that you have written.

### **Longer Delays May Apply**

However, in some cases, the availability of funds may be delayed under the following circumstances.

**Case-by-Case Holds:** Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. The first \$200 of your deposits, however, will be available on the first business day after the date of deposit.

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 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.

**Exception Holds:** In addition, funds you deposit by check may be delayed for up to the 7th business day after the day of your deposit 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.

### **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 in this disclosure for the type of check that you deposited.

### **Deposits at Automated Teller Machines**

Deposits made at automated teller machines (ATMs) will not be available until the second business day after the day of your deposit.

### **Business Days and Cut-off Times at ATMs**

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 2:00 p.m. Central Time 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 that time or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

### **Cash Withdrawal Limitation**

We place certain limitations on withdrawals in cash. In general, \$200 of a deposit is available for withdrawal in cash on the day of deposit. In addition, a total of \$400 of other funds becoming available on a given day is available for withdrawal in cash at or after (time no later than 5:00 p.m.) on that day. Any remaining funds will be available for withdrawal in cash on the following business day.



### **International ACH Transactions**

International ACH Transactions (IAT) that are transmitted to or from any of your accounts may be identified and designated by us for review and examination under the Office of Foreign Assets Control Rules and Regulations (OFAC Rules). In such a case, settlement of the IAT may be delayed or suspended, and may be terminated under applicable OFAC Rules. You also acknowledge that we may be required to place an indefinite hold on funds covered by the IAT if the IAT is required to be terminated under OFAC Rules. You agree that any such delay is permissible under the laws applicable to the availability of funds held in deposit accounts. In the event an IAT is delayed or terminated, we will provide you such notice as may be required by applicable law.

### **Foreign Checks or Drafts**

Checks drawn on financial institutions located outside the U.S. (foreign checks) cannot be processed the same as checks drawn on U.S. financial institutions. Foreign checks are exempt from the policies outlined in this disclosure. Generally, the availability of funds for deposits of foreign checks will be delayed for the time it takes us to collect the funds from the financial institutions upon which it is drawn.

### **Substitute Checks and Your Rights-Important Information About Your Checking Account**

#### **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, bounced 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 also are 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 the amount 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 111 Empire Drive, St. Paul, Minnesota 55103-1899, 651.291.1515 or 800.899.5626. You must contact us within 60 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 time 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 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).*