

MEMBERSHIP & ACCOUNT AGREEMENT PART A

This Agreement is the contract of deposit which covers our and your rights and responsibilities concerning membership and account(s) offered to you. In this Agreement, the words “you” and “yours” mean those who sign the Account Card. The words “we”, “us”, and “our” mean HAPO Community Credit Union (“Credit Union”). The word “account” means any one or more share accounts you have with the Credit Union.

This classification and form of ownership of your accounts are designated on your Account Card. You understand that account statements may not show all owners, beneficiaries, or other parties. **You understand that that by signing the Account Card you waive your rights to dispose of any account by testamentary disposition and that certain account designations, such as a joint ownership with right of survivorship or POD beneficiary designation, will not be invalidated by the Credit Union's receipt of notice of marriage dissolution or a testamentary disposition.** By signing the Account Card that is a part of the Agreement, each of you, jointly and severally, agree to the terms and conditions in this Agreement including: the Funds Availability Policy, Electronic Funds Transfer Agreement and the Truth-In-Savings Disclosures including the Rate Schedule and Common Features.

If applicable, this also includes any account receipt, the Credit Union’s Bylaws and policies, and any amendments which collectively govern your Membership and Accounts. You agree that additional accounts and services you request in the future will be governed by this Agreement, as amended from time to time.

MEMBERSHIP AND ACCOUNTS

Membership Eligibility. To be eligible for membership in the Credit Union you must be an individual or entity qualifying within the Credit Union’s field of membership and must establish and maintain at least one share (the Membership Share Account) as required by the Credit Union’s Bylaws. You authorize us to check your account, credit, and employment history, and obtain a credit report from third parties, including credit reporting agencies, to verify your eligibility for the account and services you request. You also authorize us to use your credit report internally to offer you additional products and services. Prior to opening an account you must provide the Credit Union valid Government issued identification and have a valid Social Security Number (SSN) or a taxpayer identification number (TIN). The Credit Union must be able to verify your date of birth and residence.

Individual Account. An individual account is an account owned by one depositor including an individual, corporation, partnership, trust, or other

organization qualified for credit union membership. If the account is an individual account, the interest of a deceased individual owner will pass, subject to applicable law, to the decedent's estate or payable on death (POD) beneficiary.

Joint Accounts. An account owned by two or more persons is a joint account.

- Rights of Survivorship. If your account is a joint account, the account is owned as a joint account with rights of survivorship unless otherwise stated on the Account Card. If the account is a joint account without right of survivorship, the interest of a deceased owner will pass to the decedent's estate. If the account is a joint account with right of survivorship, upon the death of one of the joint account owners, that person's interest will become the property of the surviving joint account owners.
- Rights of Joint Account Owners. Any joint account owner is authorized and deemed to act for the other owner(s) and the Credit Union may accept orders and instructions regarding the account and request for future services from any other account owner. Each account owner may withdrawal all funds in the account, stop payment on items drawn on an account, withdraw, or pledge all or any part of the shares of any account, including funds representing a membership share, without the consent of the other account owner(s) and the Credit Union shall have no duty to notify any other joint account owner(s). A surviving owner's interest is subject to the Credit Union's statutory lien and security interest for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it. If the Credit Union receives written notice of a dispute between account owners or receives inconsistent instructions from them, the Credit Union may suspend or terminate the account, require a court order to act, or require that all joint account owners agree in writing to any transaction concerning the account.
- Joint Owner Account Information Access. Please be advised that if your joint account owner enrolls for mobile or Online banking access or requests bank statements for your joint account, the joint owner will have access to all information associated with that account number. This access includes loan and credit card accounts to which the joint account owner may not be a party to. If you do not want to allow a joint owner to access information about loans or credit cards to which that person is not a party, you must disable Online banking access for that account number or remove the joint owner from the account. Disabling online access will prevent anyone (including yourself) from using eOnline Banking to access information about your deposit, loan and credit card accounts.

- **Joint Account Owner Liability.** If any item deposited in a joint account is returned unpaid or an account is overdrawn, or if we do not receive final payment on any transaction, each of the multiple account owners is jointly and severally liable to the Credit Union for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefitted from the transaction. If any account owner is indebted to the Credit Union, the Credit Union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the joint account.

Power of Attorney. The Credit Union reserves the right to review and approve any form of power of attorney and may restrict account transactions based the powers given to the attorney in fact. We are under no obligation to honor any power of attorney. The attorney in fact may add this authority to existing accounts or open a new account in the name of the principal. The attorney in fact cannot use their power of attorney to add themselves to an account due to a attorney in fact cannot change the distribution of the principal's estate. The authority given to the attorney in fact shall remain in full force until written notice of revocation is delivered to and received by the Credit Union. The principal agrees to indemnify and hold the Credit Union harmless of any liability, claim, damage or loss arising as a result of unauthorized acts of any attorney in fact or former attorney in fact or acts of any attorney in fact upon which the Credit Union relies prior to notice of revocation of the power of attorney document.

Representative Payee Accounts. You may open and own an account as a "representative payee" for a "social security beneficiary." You agree that we may require you to prove your authority to act as a representative payee for the social security beneficiary before opening the account. The account is an individual account in which you hold funds for the exclusive right and benefit of the social security beneficiary. While dividends paid to the account are reported under the beneficiary's name and Social Security Number, you as the representative payee are the custodian of the account and, barring a court order, are the only person who is entitled to conduct transactions on the account, change, and/or close the account.

POD Beneficiaries. A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that an account so designated is payable to the owner or owners during their lifetime, and upon the death of the last joint account owner, payable to any named and surviving POD beneficiary or trust beneficiary designated on your Account Card. Accounts payable to more than one POD beneficiary are owned jointly by such beneficiaries without rights of survivorship. Any beneficiary designation shall not apply to Life Savings Insurance or IRA accounts which shall be governed by a separate beneficiary designation. The Credit Union shall at no time have any obligation to notify any beneficiary of the existence of any account or the

vesting of the beneficiary's interest in any account, except as otherwise provided by law.

Accounts for Minors. For any account established by or for a minor, the minor account owner must have a parent/guardian joint account owner who is at least eighteen (18) years of age who shall be jointly and severally liable to the Credit Union for any returned item, overdraft, or unpaid charges or amounts on such account. The Credit Union may make payments of funds directly to the minor without regard to his or her minor status. If any adult who is at least eighteen (18) years of age, other than the minor's parent/guardian wishes to open an account for the minor, the parent/guardian must sign acknowledging the existence of the account and give their consent; additionally, the parent/guardian will acknowledge they will not have any right to access the account. In order for a minor account to have a checking, the minor must be at least fourteen (14) years of age. Once a minor reaches fourteen (14) years of age, he/she is not required to have an adult joint owner on their account if it is a savings account only. However, if the minor wishes to have a checking account and/or any access devices (such as debit/ATM card) an adult joint owner would be required to be on the account. The minor account owner's tax identification number must show on the account. Minor accounts follow the same IRS reporting requirements as any other account and dividends earned may have tax implications. The Credit Union has no duty to inquire of the use or purpose of any transaction by the minor or joint account owner.

Uniform Gifts to Minors Account. A Uniform Gift to Minor Account (UGTM) is an individual account established by a member as a custodian by depositing funds as an irrevocable gift to a minor. The minor to whom the gift is made is the owner and beneficiary of the account. The custodian has possession and control of the account for the exclusive right and benefit of the minor, and barring a court order otherwise, is the only party entitled to make deposits and withdrawals from, or close the account. The Credit Union has no duty to inquire of the use or purpose of any transaction by the custodian. The custodian may designate a successor custodian. In the event of the custodian's death, if a successor custodian is not designated, the Credit Union may place an administrative hold on the account, until it receives instructions from any person authorized by law to withdrawal funds or a court order authorizing such a withdrawal.

Accounts for Living Trusts. An account of a living trust is an individual account held by one or more trustees of a trust for the benefit of one or more beneficiaries pursuant to a revocable trust agreement. Upon request of the Credit Union, the trustee shall sign an Account Card and provide any other evidence of the trustee's authority the Credit Union requires. The trustee warrants that a valid living trust has been created, currently exists, and that the trustor(s) or primary beneficiary(ies) is/are eligible for membership in the

Credit Union. The Credit Union does not act as a trustee and is under no obligation to inquire as to the powers or duties of the trustee(s). Trustee agrees to notify the Credit Union in writing if a change of trustee occurs. The Credit Union may withhold payment of funds to any party until proper evidence of authority is provided. The Credit Union may rely upon the directions of any one trustee until a written notice of revocation of the living trust. Funds may be released to any one trustee acting alone or with a co-trustee. The trustee(s) agree to indemnify and hold the Credit Union harmless of any liability, claim, damage or loss arising as a result of unauthorized acts of any trustee or former trustee or acts of any trustee upon which the Credit Union relies prior to notice of revocation of the trust. This Agreement shall be binding on the trust, any trustee, successor trustee and beneficiaries.