

# IMPORTANT DISCLOSURES

Terms and Conditions of Your Account / Electronic Funds Transfers / Funds Availability Disclosure / Truth in Savings / Common Features / Privacy Policy / Your Account / Fees

## TERMS AND CONDITIONS OF YOUR ACCOUNT

This packet contains the rules, which govern your account(s) with us. Please read this packet carefully. If you sign your signature card or continue to have an account with us, you agree to these rules, our by-laws, and any by-law amendments. You agree to pay the fees we charge, and you give us the right to collect any fees, as earned, directly from the account balance. You will receive a separate schedule of rates, qualifying balances, and fees if they are not included in this packet. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of the state of New York (except to the extent that this agreement can and does vary such rules or laws). The body of state and federal law that governs our relationship with you, however, is too large and complex to be reproduced here. The purpose of this packet is to:

- (1) Summarize the existing rules applicable to the more common transactions;
- (2) Establish rules to govern transactions or events which the law does not regulate;
- (3) Establish rules for certain events or transactions which the law already regulates but permits variation by agreement; and
- (4) Give you our funds availability, electronic fund transfers and/or truth-in-savings policy disclosures.

We may permit some variations from this standard agreement, but any such variations must be agreed to in writing either on our signature card for the account or in some other written form.

As used in this packet, the words “we,” “our,” and “us” mean the credit union and the words “you” and “your” mean the owner(s) of this account and anyone signing in a representative capacity (e.g. a “convenience account signer” or grantee of a power of attorney) appointed by or on behalf of the owner(s) to sign on the account.

**LIABILITY** – Each of you agrees for yourself (and the person or entity you represent if you sign as a representative of another) to the terms of this account and the schedule of charges that we impose. You authorize us to deduct these charges as accrued directly from the account balance. You also agree to pay additional reasonable charges we may impose for services you request which are not covered by this agreement. Each of you also agrees to be jointly and individually liable for any account deficit resulting from charges or overdrafts, whether caused by you or another authorized to withdraw from this account, and our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys’ fees. You agree that at our option we may suspend your membership rights if you violate the terms of this agreement.

**DEPOSITS** – Any items, other than cash, accepted for deposit (including items drawn “on us”) will be given provisional credit only until collection is final (and actual credit for deposits of, or payable in, foreign currency will be at the exchange rate in effect on final collection in U.S. dollars). We are not responsible for transactions initiated by mail or outside depository until we actually record them. All transactions received after our “daily cut-off time” on a business day we are open, or received on a day in which we are not open for business, will be treated and recorded as if initiated on the next following business day that we are open. We are prohibited by law from guaranteeing the payment of dividends or that dividends we do pay will be at the contracted rate. We must base our dividend payments to you upon the money we actually earn and that is available for distribution at the end of a dividend period. Unless otherwise agreed, you waive any right to receive any original item after it is paid.

**WITHDRAWALS** – Unless otherwise clearly indicated to the contrary, any one of you who signs in the space designated for signatures on the signature card, including anyone signing in a representative capacity, may withdraw or transfer all or any part of the account balance at any time on forms approved by us. Each of you (until we receive written notice to the contrary) authorizes each other person signing on the signature card to endorse an item payable to you or your order for deposit to this account or any other transaction with us. The fact that we may honor withdrawal requests which overdraw the final collected account balance does not obligate us to do so, unless required by law. Withdrawals will first be made from collected funds, and we may, unless prohibited by law or our written policy, refuse any withdrawal request against uncollected funds, even if our general practice is to the contrary. We reserve the right to refuse any withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, repeated abuse of the stated limitations (if any) may eventually force us to close this account. We will use the date a transaction is completed by us (as opposed to the day you initiate it) to apply the frequency limitations. We reserve the right to require you to notify us of your intention to withdraw shares or deposits from this account as explained in our by-laws. Withdrawals from a time deposit prior to maturity or prior to the expiration of any notice period may be restricted and may be subject to penalty. See your notice of penalties for early withdrawal. Withdrawals from a trust account may be made on the written request of all of the trustees.

**OWNERSHIP OF ACCOUNT AND BENEFICIARY DESIGNATION** - These rules apply to this account depending on the form or ownership and beneficiary designation, if any, specified on the account records. We reserve the right to refuse some forms of ownership on any or all of our accounts.

**Individual Account** – is owned by one person.

**Joint Account – With Survivorship** (And Not As Tenants in Common) – is owned by two or more persons. Deposits and any additions to the account are the property of the owners as joint tenants with right of survivorship. This means that we may release the entire account to any owner during the lifetime of all owners. We may honor withdrawal requests (including checks) from any owner during the lifetime of all owners. We may be required to release money in the account to satisfy a judgment against or other valid debt incurred by any owner. We may honor withdrawal requests (including checks) from any surviving owner after the death of any owner, and may treat the account as the sole property of the surviving owner(s). Unless an owner directs us by written notice not to honor the withdrawal request (including checks) of an owner we will not be liable for doing so. After we receive such a notice, we may require written authorization of any or all joint owners for any further payments or deliveries.

**Joint Account – No Survivorship** (As Tenants in Common) – is owned by two or more persons, but none of you intend (merely by opening this account) to create any right of survivorship in any other person. We encourage you to agree and tell us in writing of the percentage of the deposit contributed by each of you. This information will not, however, affect the “number of signatures” necessary for withdrawal.

**Convenience Account** – is governed by New York Banking Law 678. See separate disclosure.

**Revocable Trust Account** – if two or more of you create such an account, you own the account jointly with survivorship. Beneficiaries acquire the right to withdrawal only if: (1) all persons creating the account die, and (2) the beneficiary is then living. If two or more beneficiaries are named and survive the death

of all persons creating the account, such beneficiaries will own this account in equal shares, without right of survivorship. The person(s) creating this type of account reserve the right to: (1) change beneficiaries, (2) change account types, and (3) withdraw all or part of the deposit at any time.

**Irrevocable Trust Account** – In the event of death of one or more joint trustees, the surviving trustee or trustees are authorized to carry out the terms of the trust. In the event of the death of all trustees prior to the beneficiary's becoming 21 years of age, such funds will be paid to the beneficiary if the total account does not exceed \$100.00. If such account beneficiary is 21 years of age, such funds will be paid directly to the beneficiary. **Corporate, Partnership, and other Organizational Accounts** – We will usually require a separate authorization form designating the person permitted and conditions required for withdrawal from any account in the name of a legal entity such as a partnership, corporation, or other organization. We will honor such authorization according to its terms until it is amended or terminated in writing by the governing body of such organization.

**RIGHTS AND RESPONSIBILITIES OF A CUSTODIAN WITH ACCOUNTS SET UP UNDER THE UNIFORM GIFTS TO MINORS ACT** – A gift made as specified by the Uniform Gifts to Minors Act is irrevocable and conveys to the minor indefeasibly vested title to the gift. Once a custodial account is opened, the donor cannot change his mind and revoke the gift.

The custodian has broad powers and duties over the account. The custodian has the duty of collecting, holding, managing, investing and reinvesting the custodial property. The custodian has the duty to expend for the minor's benefit, so much or all of the custodial property, as the custodian deems advisable for the minor's support, maintenance, education and benefit. The custodian has complete discretion as to the time and the amount of such payment, and need not take into account any duty to support the minor, or his ability to do so; nor must he take into account other income or property of the minor which may be available.

Any unexpended custodial property or money generally must be paid over to the minor when he or she attains the age of 21 years if the account so specifies.

**PLEDGES** – Unless you tell us differently in writing, each owner of this account may pledge all or any part of the funds in it for any purpose to which we agree. Any pledge of this account must first be satisfied before the rights of any joint account survivor or trust account beneficiary becomes effective. For example, if one joint tenant pledges the deposit evidenced by this agreement for a debt (i.e. uses it to secure a debt) and then dies, (1) the surviving joint tenant's rights in this account do not take effect until the debt has been satisfied and (2) the debt may be satisfied with the funds in this account.

**STOP PAYMENTS** – A stop-payment order must be given in the manner required by law, must be received in time to give us a reasonable opportunity to act on it, and must precisely identify the number, date and amount of the item, and the payee. We will honor a stop-payment request by the person who signed the particular item, and, by any other person, even though such other person did not sign the item, if such other person has an equal or greater right to withdraw from this account that the person who signed the item in question. A release of the stop payment request may be made only by the person who initiated the stop payment.

**TELEPHONE TRANSFERS** – A telephone transfer of funds from this account to another account with us, if otherwise permitted or arranged for, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. We restrict the number of transfers from a savings account to another account, or third parties, to a maximum of six per month (less the number of certain "pre-authorized transfers" during the month). Other account transfer restrictions are described elsewhere in this packet.

**AMENDMENTS AND TERMINATION** – We may change our by-laws and any term of this agreement. Rules governing changes in dividend rates have been provided separately. For other changes we will give you reasonable notice in writing or by another other method permitted by law. We reserve the right to close this account if your membership in this credit union terminates. You agree to keep us informed, in writing, about your current address at all times. Notice from us to any one of you is notice to all of you.

**STATEMENTS** – If you do not notify us of an unauthorized signature or alteration within a reasonable time (not to exceed 14 days) after we send or make available to you your statement and items: (1) you cannot assert the unauthorized signature or alteration against us, even if we are unable to show a loss due to your failure, and (2) you cannot assert any unauthorized signatures or alterations by the same wrongdoer on items paid by us after the reasonable time mentioned above elapses, but before we receive your notice. We lose these protections if we fail to exercise ordinary care in paying an item with an unauthorized signature or alteration, unless you do not notify us of the problem within 60 days of when we send or make available to you the statement and items. You must report any other problem (e.g. erroneous statement or passbook entry, missing signature, unauthorized endorsement, etc.) within this 60-day period or lose your right to assert the problem against us.

**ACCOUNT TRANSFER** – This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS** – If, in connection with a direct deposit plan, we deposit any amount in this account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from this account or from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

**Temporary account agreement** – Your account agreement may indicate that it is only a temporary account agreement. If this is indicated, then each person who signs in the space designated for signatures on the signature card (except as indicated to the contrary) may transact business on this account. However, we may at some time in the future restrict or prohibit further use of this account if you fail to comply with the requirements we have imposed within a reasonable time.

**RESTRICTIVE LEGENDS** – We are not required to honor any restrictive legend on items you write unless we have agreed to the restriction in writing signed by an officer of the credit union. Examples of restrictive legends are "must be presented within 90 days" or "not valid for more than \$1,000.00."

**FACSIMILE SIGNATURES** – You authorize us, at any time, to charge you for all checks, drafts, or other orders, for the payment of money, that are drawn on us regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen mentioned on the signature card or that are filed separately with us, and contain the required number of signatures for this purpose.

**RIGHT TO REPAYMENT OF INDEBTEDNESS** – You each agree that we may (when permitted by law) charge against and deduct from this account any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balance the due date for which we properly accelerate under the note.

Our right to repayment does not apply to this account if: (a) it is an Individual Retirement Account or other tax deferred retirement account, or (b) the debt is created by a consumer credit transaction under a credit card plan, or (c) the debtor's right of withdrawal arises only in a representative capacity, or (d) social security or supplemental security income payments are deposited directly into this account pursuant to an agreement with us which permits such direct deposit without

presentation to you at the time of deposit. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

**AGENTS** – An agent is someone who you authorize to have access to this account on your behalf. (We, however, have no duty or agreement whatsoever to monitor or insure that the acts of the agent are for your benefit.) This may be done by allowing your agent to sign on the space as a convenience account signer on the signature card, or by separate form (such as a power of attorney). An agent is not an owner of the account. We will allow agents to be appointed only on individual accounts unless each owner of a joint account has executed a separate power of attorney naming an agent. We may refuse to accept an agent, or agency account.

## ELECTRONIC FUNDS TRANSFERS

**YOUR RIGHTS AND RESPONSIBILITIES** – The Electronic Fund Transfers we are capable of handling are indicated below, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for these transactions. You should keep this notice for future reference.

**Direct Deposits** – You may make arrangements for certain direct deposits to be accepted into your Share Draft or Share Savings account(s).

**Pre-authorized Withdrawals** – You may make arrangements to pay certain recurring bills from your Share Draft or Share Savings account(s).

**ATM Transfers** – ATM Networks – types of transfers, dollar limitations and charges. Some of these services may not be available at all terminals. You may access your account(s) by ATM using your ATM card and personal identification number, to:

- Get cash withdrawals from primary savings and share draft account(s) with an ATM card. There may be a limit to the amount that may be withdrawn in a single day.
- Get information about the account balance of your primary savings and share draft accounts.

**Types of ATM/Debit Card Transactions** – You may access your Share Draft account to purchase goods (in person), pay for services (in person), get cash from a merchant, if the merchant permits, or from a participating financial institution.

**Debit Card Transactions** – dollar limitations and charges. There may be a limit to the amount and number of transactions permitted in a single day.

### CHARGES FOR YOUR ELECTRONIC FUNDS TRANSFERS

We do not charge for direct deposits to any type of account.

We do not charge for pre-authorized withdrawals from any type of account.

Except as indicated elsewhere, we do not charge for electronic fund transfers.

### RIGHT TO DOCUMENTATION

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

**Direct Deposits** – If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money. If the only possible transfers to or from your account are pre-authorized deposits, you will get a quarterly statement from us.

**Periodic Statements** - You will get a monthly account statement from us for your Share Draft and Money Market accounts. You will get a monthly account statement from us for your Share Savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.

### STOP PAYMENT PROCEDURES AND NOTICE OF VARYING AMOUNTS

**Right to Stop Payment and Procedure of Doing So** – If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how: Call us at the telephone number or write to us at the address listed in this packet in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. A fee with be applicable for each stop payment order you give us, see fee schedule.

**Notice of Varying Amounts** – If these regular payments may vary in amount, the person you are going to pay will tell you 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)

**Liability for Failure to Stop Payment of Pre-authorized Transfer** – If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

### OUR LIABILITY

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

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

**DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES** – 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 written permission

**UNAUTHORIZED TRANSFERS** – Tell us **AT ONCE** if you believe your card and/or code has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two business days, you can lose no more than \$50 if someone used your card without your permission.

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

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was sent 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 may extend the time period.

If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this packet.

**ERROR RESOLUTION** – In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this packet, as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we have sent the FIRST statement on which the problem or error appeared.

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

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

We will tell you the results of our investigation within ten (10) business days (20 business days if the transfer involved a point-of-sale transaction or a foreign initiated transfer) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a point-of-sale transaction or a foreign initiated transfer) to investigate your complaint or question. If we decide to do this we will re-credit your account within 10 business days (20 business days if the transfer involved a point-of-sale transaction or a foreign initiated transfer) 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 questions in writing and we do not receive it within 10 business days, we may not re-credit your account.

If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

## HOLDS (FUNDS AVAILABILITY DISCLOSURE) POLICY

This policy statement applies to “transaction” account and share savings accounts.

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

The Gates Chili Federal Credit Union offers same day or next day availability for most funds deposited with the credit union. The credit union may place a hold on check deposits at our discretion and in accordance with regulations.

**Share Accounts** other than checking accounts are not considered to be transactional accounts and are not governed by Regulation CC. Holds may be placed on non-transactional accounts at the discretion of the credit union.

**Checking Accounts** are considered transactional accounts and are governed by Regulation CC. Funds will be used to pay checks the member has written, pay Electronic Funds Transactions, and ATM/POS transactions.

**Determining Availability of Deposits** – For determining availability of deposits, every day is a business day except Saturdays, Sundays, and federal holidays. If a member makes a deposit before 4:30 PM on a business day that the credit union is open, that day is defined as the day of deposit. If a member makes a deposit after 4:30 PM on a business day that the credit union is open, or on a day the credit union is not open, the next business day is defined as the day of deposit.

The credit union will consider a deposit as being made on a business day if it is made in person to one of the credit union’s employees. Deposits made at the night deposit will be considered deposited on the next business day the credit union is open. Funds deposited at ATMs will be available the second business day after the day of deposit.

With the centralization of all check processing now going through the Federal Reserve Bank of Cleveland all checks are now considered local.

Funds from checks deposited in person to one of the credit union employees may be held until the second (2nd) business day after the day of deposit. Large deposits, defined as amounts over \$5,000.00, may extend a local hold to seven (7) business days.

The hold schedules for checks do not apply to an account that has been repeatedly overdrawn on six (6) or more banking days within the preceding six (6) months, the account balance is negative, or the account balance would have become negative if checks or other charges to the account had been paid.

**Longer Delays May Apply** – The first \$225.00 of the deposit will be available on the day the deposit is made. There are some cases when the credit union will not make all funds that are deposited by check available to the member on the same business day as the deposit. Depending on the type of check deposited, funds may not be available until the fifth business day after the day of the deposit.

If the credit union is not going to make all the funds from the deposit available at that time, the credit union will inform the member when the deposit is made. The credit union will also tell the member when the funds will be available. Information regarding funds availability on deposits is available to members via online banking access, CardValet app, and the automated telephone teller.

If the member needs the funds from the deposit immediately, he/she needs to ask the credit union when the funds will be available.

Funds deposited by check may be delayed for a longer period if:

- the credit union believes a check deposited will not be paid;
- the member deposits checks totaling more than \$5,000 on any one day;
- the member redeposits a check that has been returned unpaid;
- there is an emergency, such as failure of communications or computer equipment

The credit union will notify a member if his/her ability to withdraw funds is delayed by the credit union for any of the above reasons, and will tell the member when the funds will be available. The funds will generally be available no later than the ninth business day after the date of deposit.

**SPECIAL RULES FOR NEW ACCOUNTS** – When a new account is opened, the following special rules will apply during the first thirty days the account is open.

- The first \$5,000.00 from a deposit of U.S. Treasury checks will be available on the next business day after the day of deposit. The amount over \$5,000 will be available on the ninth business day after the date of deposit.
- Funds from wire transfers into the account will be available on the next business day after the day the transfer is received.
- The first \$5,000.00 of in-person deposits into the payee's account of checks drawn on the following must be available the next business day:
  - Federal Reserve Banks
  - Federal Home Loan Banks
  - State or local governments
  - Cashier's, certified and teller's checks - The excess over \$5,000.00 will be available no later than the ninth business day after the day of deposit.
- If the deposit is not made in person to one of the credit union's employees, the first \$5,000.00 will not be available until the second business day after the day of deposit. Funds from all other check deposits will be available on the fourteenth business day after the day of deposit.
- Cash and electronic deposits are available the same day as the day of deposit.

**POLICY REVIEW** – The Board of Directors shall review this Holds (Funds Availability) Policy at least annually. The Board will approve any additions or deletions.

## TRUTH-IN-SAVINGS DISCLOSURES

### PRIMARY SHARE SAVINGS ACCOUNT

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board directors.

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

**Dividend Period** – For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the divided period, and for the example above is March 31.

**Minimum Balance Requirements** – The minimum balance required to open this account is \$25.00. You must maintain a minimum daily balance of \$25.00 in your account to obtain the disclosed annual percentage yield.

You must maintain a minimum daily balance of \$25.00 in your account to maintain your membership in the credit union and to avoid a service charge fee. If, during any month, your account balance falls below \$25.00, your account will be subject to a service charge fee for that month and your account will be subject to closure by the credit union, terminating your membership. Please see fee schedule.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction limitations:** - During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

### SECONDARY SHARE ACCOUNT

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board directors.

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

**Dividend Period** – For this account type, the dividend period is quarterly, for example, the beginning date of the first dividend period of the calendar year is January 1, and the ending date of such dividend period is March 31. All other dividend periods follow this same pattern of dates. The dividend declaration date is the last day of the divided period, and for the example above is March 31.

**Minimum Balance Requirements** – No minimum balance requirements apply to this account.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction Limitations:** - During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

#### **CHECKING ACCOUNT (SHARE DRAFT ACCOUNT)**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board directors.

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

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

**Minimum Balance Requirements** – No minimum amount is needed to open this account and no monthly fee is charged.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction Limitations:** - See attached checking account policy for additional information.

#### **CLUB ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board directors.

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

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

**Minimum Balance Requirements** – No minimum balance requirements apply to this account.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction Limitations:** - You may not make any withdrawals or transfers to another credit union account of your or to a third party by means of a pre-authorized or automatic transfer, telephonic order or instruction, or similar order to a third party. If any withdrawals are made from this account before the end of the club term, then this account may be closed.

**Fees and Charges** – A service charge fee may be charged for early withdrawal. This fee will not apply if the withdrawal is made within the first seven days after the account is opened. See current fee schedule.

#### **CERTIFICATE ACCOUNT**

**Rate Information** – For rate information, please see the “Your account” disclosure included in this packet

**Compounding Frequency** – Unless otherwise paid, dividends will be compounded every quarter.

**Crediting Frequency** – Dividends will be compounded every quarter. Alternatively, you may choose to have dividends paid to you or to another account every quarter.

**Dividend Period** – For this account type, the dividend period is quarterly.

**Minimum Balance Requirements** – The minimum balance required to open this account is \$500.00. You must maintain a minimum average daily balance of \$500.00 in your account to obtain the disclosed annual percentage yield.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the month.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction Limitations:** - After the account is opened, you may not make additions into the account until the maturity date stated on the account. You may make withdrawals of principal from your account before maturity only if we agree at the time you request the withdrawal. Principal withdrawn before maturity is included in the amount subjected to early withdrawal penalty. You can only withdraw dividends credited in the term before maturity of that term without penalty. You can withdraw dividends anytime during the term of crediting after they are credited to your account.

**Time Requirements** – Your account will mature either six (6) months or twelve (12) months from the date on which you opened the account.

**Early Withdrawal Penalties (a penalty may be imposed for withdrawals before maturity)**

- *If your account has an original maturity of one year or less:*  
The penalty we may impose will equal one month's dividends on the amount withdrawn subject to penalty.
- *If your account has an original maturity of more than one year:*  
The penalty we may impose will equal three months dividends on the amount withdrawn subject to penalty.

There are certain circumstances, such as the death or incompetence of an owner, where we may waive or reduce this penalty. See your plan disclosure if this account is part of an IRA or other tax qualified plan.

**Withdrawal of dividends prior to maturity** – The annual percentage yield is based on an assumption that dividends will remain in the account until maturity. A withdrawal prior to maturity will reduce earnings.

**Automatically Renewable Account** – This account will automatically renew at maturity. You may prevent renewal if you withdraw the funds in the account at maturity (or within the grace period mentioned below, if any) or we receive written notice from you within the grace period mentioned below, if any. If you prevent renewal, our deposit will be placed in a dividend-bearing account.

Each renewal term will be the same as the original term, beginning on the maturity date. The dividend rate will be the same as we offer on new term share accounts on the maturity date which have the same term, minimum balance (if any) and other features as the original term share account. You will have a grace period of ten (10) calendar days after maturity to withdraw the funds without being charged an early withdrawal penalty.

**MONEY MARKET ACCOUNT**

**Rate Information** – The dividend rate and annual percentage yield may change at any time, as determined by the credit union board directors.

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

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

**Minimum Balance Requirements** – The minimum balance required to open this account is \$2,500.00. You must maintain a minimum daily balance of \$2,500.00 in your account to obtain the disclosed annual percentage yield.

You must maintain a minimum daily balance of \$2,500.00 in your account to avoid a service charge fee. If, during any month, your account balance falls below the required minimum daily balance, your account will be subject to a service charge fee for that month and your account will be subject to closure by the credit union and the balance will be transferred to your primary share account. Please see current fee schedule.

**Average Daily Balance Computation Method** – Dividends are calculated by the average daily balance method which applies a periodic rate to the average daily balance in the account for the period. The average daily balance is calculated by adding the balance in the account for each day of the period and dividing that figure by the number of days in the period. The period we use is the monthly statement cycle.

**Accrual of Dividends on Non-Cash Deposits** – Dividends will begin to accrue on the business day you place non-cash items (for example, checks) to your account.

**Transaction Limitations:** During any month, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

## COMMON FEATURES

**Bylaw Requirements** – You must complete payment of \$25.00 in your Primary Share Savings account as a condition of admission to membership. If the balance in your Primary share Savings account falls below \$25.00, and you do not increase the balance to at least \$25.00 within 30 days of the reduction, you may be terminated from membership immediately.

**Transaction limitations:** - We reserve the right to, at any time, require no less than ten (10) days notice in writing before each withdrawal from an interest-bearing account other than a time deposit, or from any other savings account defined by Regulation D.

**Nature of Dividends** – Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. (This disclosure further explains the dividend feature of your non-term share account(s).)

**Discrepancies** – POS and Foreign transactions will be given provisional credit on your account within ten (10) business days. Any discrepancies will be resolved within ninety (90) calendar days. New Accounts – Funds deposited into new accounts will be given provisional credit within twenty (20) business days. Any discrepancies will be resolved within ninety (90) calendar days.

**Deposit Availability** – For determining availability of deposits, every day is a business day except Saturdays, Sundays, and federal holidays. If a member makes a deposit before 4:30 PM on a business day that the credit union is open, that day is defined as the day of deposit. If a member makes a deposit after 4:30 PM on a business day that the credit union is open, or on a day the credit union is not open, the next business day is defined as the day of deposit.

## CHECKING ACCOUNT POLICY

**Fees** – Fees, as approved from time to time by the Board of Directors, will be assessed for Insufficient Funds, Stop Payment, Check Copies, Transfer for Insufficient Funds, ATM/Debit Card Transactions, and ATM/Debit Card Replacements.

The initial box of checks are provided free of charge. Check reorders and checking account products are available to members with the cost being debited from the member's checking account.

### Transfer Procedures and Limits

#### Transfers from Line of Credit

Our members may pre-authorize transfers from Line of Credit to cover checks drawn on insufficient funds. The number and frequency of these transfers are not limited; the dollar amount is limited by the funds available in the Line of Credit, and must be in increments of \$100.

#### Transfers from Saving

Federal regulations limit us to a maximum of 3 pre-authorized transfers from saving per account per month

We honor up to 6 telephone member requests per month.

The dollar amount of these transfers, and of written or in-person requests, is limited only by the funds available in the account.

**Minimum Balance** – No Minimum Balance is required.

**Dividends** – Dividends are not paid on checking account balances.

**Closing Checking Accounts** – Closing a checking account by the primary member is normally accomplished with the member in our office, or by written request from the member verified by a staff member.

Management is authorized to close checking accounts. These accounts are considered closed for cause due to non-sufficient funds activity, fraud, ATM/Debit card abuse, check-kiting and other account mismanagement. Checking accounts closed for the above reasons will be reported to ChexSystems.

Management is also authorized to close checking accounts which are dormant for six months or more.

**Civil and Criminal Proceedings** – If a member, whose account is closed for cause due to non-sufficient funds activity, fraud, ATM/Debit card abuse, check kiting and other account mismanagement, is unresponsive to our communications, then management is authorized to initiate civil and criminal proceedings against the member.

**Holds Placed on Check Deposits** – Please refer to page 4 for Funds Availability Disclosure.



**GATES CHILI FEDERAL CREDIT UNION  
PRIVACY POLICY**

**FACTS**

**WHAT DOES GATES CHILI FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?**

**Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand Gates Chili Federal Credit Union's Privacy Policy.

At Gates Chili Federal Credit Union, we respect the privacy of our members. We recognize the importance of maintaining the confidentiality of your personal financial information. This notice describes the privacy policy and practices followed by Gates Chili Federal Credit Union. This notice explains what types of member information we collect and under what circumstances we may share it.

**What?**

The types of personal information we collect and share depend on the accounts or services you have with us. This information can include:

- Name, address, Social Security number, and income
- Account balances and transaction history
- Credit history and credit scores

When you are *no longer* our member, we will not share your information except as permitted or required by law as described in this notice.

**How?**

All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons Gates Chili Federal Credit Union chooses to share; and whether you can limit this sharing.

| Reasons we can share your personal information   | Does Gates Chili Federal Credit Union share? | Can you limit this sharing? |
|--|--|-----------------------------|
| <b>For our everyday business purposes—</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | Yes  | No                          |
| <b>For our marketing purposes—</b> to offer our products and services to you   | Yes  | No                          |
| <b>For joint marketing with other financial companies</b>  | Yes  | No                          |
| <b>For our affiliates' everyday business purposes—</b> information about your transactions and experiences   | N/A  | N/A                         |
| <b>For our affiliates' everyday business purposes—</b> information about your creditworthiness   | N/A  | N/A                         |
| <b>For nonaffiliates to market to you</b>  | No   | No                          |

**Questions?**

Call (585) 247-1090, send us an email at [gfcu@gateschilifcu.org](mailto:gfcu@gateschilifcu.org) or write to us at: Gates Chili Federal Credit Union, 2870 Buffalo Road, Rochester, NY 14624

| What we do   |   |
|--|---|
| How does Gates Chili Federal Credit Union protect my personal information? | To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We also restrict access to nonpublic personal information about you to those employees and volunteers who need to know the information to provide products or services to you.  |
| How does Gates Chili Federal Credit Union collect my personal information? | <p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>■ open an account or apply for a loan</li> <li>■ apply for any credit union service</li> <li>■ you visit our website, provide us information on any online application or transaction, or information you send to us by email.</li> <li>■ use your credit or debit card or pay your bills</li> <li>■ make deposits to or withdrawals from your accounts</li> </ul> <p>We also collect your personal information from others, including credit bureaus or other companies.</p> |
| Why can't I limit all sharing?   | <p>Federal law only gives you the right to limit information sharing as follows:</p> <ul style="list-style-type: none"> <li>■ sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>■ affiliates from using your information to market to you</li> <li>■ sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>  |

| Definitions            |  |
|------------------------|--|
| <b>Affiliates</b>      | <p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ <i>Gates Chili Federal Credit Union is not related by common ownership or control with any other companies.</i></li> </ul>   |
| <b>Nonaffiliates</b>   | <p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>■ <i>Gates Chili Federal Credit Union does not share with nonaffiliates so they can market to you, except for marketing that they conduct jointly or on our behalf.</i></li> </ul> |
| <b>Joint marketing</b> | <p>A formal agreement between Gates Chili Federal Credit Union and a nonaffiliated financial company where we jointly market financial products or services to you.</p> <ul style="list-style-type: none"> <li>■ <i>Our joint marketing partners include financial service providers.</i></li> </ul>                                     |

## FEE SCHEDULE

Subject to change. Visit [www.gateschlifcu.org](http://www.gateschlifcu.org) for the most current information.

| Membership/Account/Loan  |   |                                      |
|--|---|--------------------------------------|
| First check order for a new checking account   |   | Free                                 |
| Official Checks  | 3 free/month then                           | \$2.00                               |
| Stop payment (Check or ACH) \$   |   | 25.00                                |
| Primary account closure within 90 days \$  |   | 5.00                                 |
| Inactivity fee - no activity within the Member relationship for a 12 month period on accounts with a daily balance below \$100 |   | \$5.00/month                         |
| Returned mail fee \$   |   | 10.00                                |
| Insufficient funds fee \$  |   | 25.00                                |
| Returned check fee \$  |   | 25.00                                |
| Loan Late fee \$   |   | 25.00                                |
| Summer Living and Holiday Club Account Early withdrawal fee \$   |   | 25.00                                |
| Early withdrawal penalty - 12 month term or less   |   | 90 days interest                     |
| Early withdrawal penalty - terms longer than 12 months   |   | 180 days of interest                 |
| ATM/Debit/Credit Card  |   |                                      |
| Gates Chili FCU ATM  |   | Free                                 |
| Credit Union Network ATM transactions  | 12 free/month, then varies depending on ATM |                                      |
| ATM Balance Inquiry \$   |   | 1.00                                 |
| Replace lost/damaged debit or credit card  |   | 1 free/year, then \$10               |
| Visa Credit Card Rush order \$   |   | 50.00                                |
| Visa Credit Card Late fee \$   |   | 25.00                                |
| VISA International Transaction Fee   |   | Up to 1%                             |
| Gift Cards   |   |                                      |
| Gift Card Purchase Fee   |   | \$4.95/card                          |
| Gift Cards - Monthly fee after a continuous 12-month period of inactivity  |   | \$4.95/month                         |
| Gift Cards - Lost/Stolen Card Replacement  |   | \$8.00/card                          |
| Miscellaneous  |   |                                      |
| Domestic Wire Fee \$   |   | 25.00                                |
| International Wire Fee \$  |   | 50.00                                |
| Protest fee \$   |   | 25.00                                |
| Lien Release Replacement \$  |   | 10.00                                |
| Statement copy   |   | up to \$5.00 each with a max of \$25 |
| Copy of cleared check \$   |   | 5.00                                 |
| Hourly Research Fee \$   |   | 25.00                                |
| Non-member check cashing fee \$  |   | 10.00                                |

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