

BRIDGETON ONIZED FEDERAL CREDIT UNION

Ownership & Account Agreement

This Agreement covers your and our rights and responsibilities concerning accounts the credit union offers. In this Agreement, the words you and yours mean anyone who signs an Ownership Application. The words we, us, and ours mean the credit union. The word account means any of the share or other accounts you have with the credit union. Your account type(s) and ownership features are designated on your Application. By signing an Application, each of you, jointly and severally, agree to the terms and conditions in this Agreement and the Ownership Application, the Funds Availability Disclosure, Terms and Conditions Disclosure, Conditions and Rates, any account receipt, the credit union's bylaws and policies and any amendments to these documents which collectively govern your ownership.

Ownership Eligibility

To join the credit union, you must meet the ownership requirements including purchase and maintenance of at least one (1) share as set forth in the credit union's bylaws. You authorize us to check your account, credit and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.

Single Party Accounts

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

Multiple Party Accounts

A multiple party account is an account owned by two or more persons. Multiple party accounts, including POD and trust accounts, are subject to the Multiple Party Deposit Account Act, N.J.S.A.17:161-1 et seq. (P.L. 1979, C.491). The credit union shall have no liability for payments made pursuant to the Act. Each owner has a present right to payment from the account. Each owner owns his or her net contribution to the account. Absent proof of net contribution or a specific agreement to the contrary, each party will own an equal share of the account. Unless otherwise stated on the Ownership Application, a joint account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). For a joint account without rights of survivorship, the account owner's interest passes to his or her estate. A surviving owner's interest is subject to the credit union's statutory lien for the deceased owner's obligations, and to any security interest or pledge granted by a deceased owner, even if a surviving owner did not consent to it.

Control of Multiple Party Accounts

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

Multiple Party Account Owner Liability

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

Accounts for Minors

We require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under state law and who shall, to the extent permitted by state law, be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will change the account status when the minor reaches the age of majority upon request.

Deposit of Funds Requirements

Funds may be deposited to any account, in any manner approved by the Credit Union in accordance with the requirements as set forth in the Terms and Conditions Disclosure. Deposits made by mail, at night depositories or at unstaffed facilities are not our responsibility until we receive them. We reserve the right to refuse or to return any deposit.

Crediting of Deposits

• Endorsements

We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners, if we choose. If a check, draft or item that is payable to two or more persons is ambiguous as

to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement, we may require endorsement as set forth on the item. Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

• **Collection of Items**

We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a pay or financial institution extra time beyond any midnight deadline limits.

• **Restrictive Legends**

Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include “two signatures required”, “void after 60 days” or “not valid over \$500.” We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation contained in or on the item unless we have specifically agreed in writing to the restrictions or limitations.

• **Final Payment**

All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse or return any item or funds transfer.

• **Direct Deposits**

We may offer preauthorized deposits (e.g., payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits or preauthorized transfers by filling out a separate form. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits. Upon a bankruptcy filing, unless you cancel the authorization, we will continue applying payments from direct deposits in accordance with your authorization on file with us. If we are required to reimburse the U.S. Government for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law.

• **Crediting of Deposits**

Deposits made after the deposit cut-off time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

Authorized Signature

Your signature on the Application authorizes access to your account. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any draft that appears to bear your signature even if it was made by an unauthorized person. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction.

Access Options

You may withdraw or transfer funds from your account in any manner we permit (e.g., at an ATM, in person, by mail, automatic transfer, personal computer or telephone). We may return as unpaid any draft drawn on a form we do not provide, and you are responsible for any loss we incur handling such a draft. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.

Credit Union Examination

We may disregard information on any draft or check, other than the signature of the drawer, the amount and any magnetic encoding. Because our procedures do not provide for sight examination of items, you agree that this does not constitute failure to exercise ordinary care in paying an item.

Account Rates and Fees

We pay account earnings and assess fees against your account as set forth in the Terms and Conditions Disclosure. We may change these at any time and will notify you as required by law.

Withdrawal Restrictions

We will pay checks or drafts, permit withdrawals and make transfers from available funds in your account. The availability of funds in your account may be delayed as described in our Funds Availability Policy Disclosure. We may also pay checks or drafts, permit withdrawals and make transfers from your account from insufficient available funds if you have established an overdraft protection plan or, if you do not have such a plan with us, according to our overdraft policy. We may refuse to allow a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute between account owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; or (5) you fail to repay a Credit Union loan on time. We may require you to give written notice of seven (7) days to sixty (60) days before any intended withdrawals.

Transfer limitations

We may limit the dollar amount or the number of transfers from your account. Please consult your Terms and Conditions Disclosure or your Electronic Funds Transfer Agreement and Disclosure.

Termed Share Certificate Accounts

Any termed share certificate account allowed by state law is subject to the terms of this Agreement and the Terms and Conditions Disclosure.

Overdraft Liability

If, on any day, the funds in your share account are not sufficient to cover drafts, fees or other items posted to your account, those amounts will be handled in accordance with our overdraft procedures or an overdraft protection plan you have with us. The credit union's determination of an insufficient account balance may be made at any time between presentation and the credit union's deadline with only one review of the account required. We do not have to notify you if your account does not have funds to cover drafts, fees or other posted items. Whether the item is paid or returned, your account may be subject to a charge as set forth. Except as otherwise agreed in writing, by covering one or any overdraft, we do not agree to cover overdrafts in the future and may discontinue covering overdrafts at any time without notice. If we pay a draft or impose a fee that would otherwise overdraw your account, you agree to pay the overdrawn amount immediately. We reserve the right to pursue collection of previously dishonored items at any time, including giving another institution extra time beyond any deadline limits. Checks, drafts, items and other transactions may not be processed in the order that you make them or in the order that we receive them. We may, at our discretion, pay a check, draft or item and execute other transactions on your account in any order we choose. The order in which we process checks, drafts and items and execute other transactions on your account may affect the total amount of overdraft fees that may be charged to your account. Please contact us if you have questions about how we pay checks or drafts and process transfers and withdrawals.

Postdated and Stale Dated Drafts

You agree not to issue any check or draft that is postdated. If you do issue a check or draft that is payable on a future date and we pay it before that date, you agree that we shall have no liability to you for payment. You agree not to deposit checks, drafts or other items before they are properly payable. We are not obligated to pay any check or draft drawn on your account that is presented more than six (6) months past its date.

Overdraft Protection Plan

If we have approved an overdraft protection plan for your account, we will honor drafts drawn on insufficient funds by transferring funds from another account under this Agreement or a loan account, as you have directed, or as required under the credit union's overdraft protection policy. The fee for overdraft transfers, if any, is set forth in Terms and Conditions Disclosure. This Agreement governs all transfers, except those governed by agreements for loan accounts. The Credit Union offers on select accounts Courtesy Pay on accounts that meet specific parameters. The account must be in good standing and must be over 90 days old. Courtesy pay protection is only available on ACH transactions and Draft transactions. Owners do have the option of opting out of this program at the time of opening your account

Stop Payment Order Request

Any owner may request a stop payment order on any check or draft drawn on the owner's account. To be binding, the order must be in writing, dated, signed, and must accurately describe the check or draft including the exact account numbers, check or draft number and the exact amount of the check or draft. This exact information is necessary for the Credit Union's computer to identify the check or draft. If we receive incorrect or incomplete information, we will not be responsible for failing to stop payment on the check or draft. In addition, we must receive sufficient advance notice of the stop payment order to allow us a reasonable opportunity for us to act on it. If we recredit your account after paying a check or draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to assign to us all of your rights against the payee or other holders of the check or draft and to assist us in any legal action. You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time. Written stop payment orders are effective for six (6) months and may be renewed in additional six (6) month periods by requesting in writing that the stop payment order be renewed within the period which the stop payment order is in effect. We are not required to notify you when a stop payment order expires. Fees for stop payment orders are set forth in the Terms and Conditions Disclosure. You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the credit union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any joint account owner, payee, or endorsee in failing to stop payment of an item as a result of incorrect information provided by you.

Credit Union Liability

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 your 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 damages, except liability for wrongful dishonor. We exercise ordinary care if our actions or non-actions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general financial institution practices followed in the area 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.

Credit Union Lien and Security Interest

If you owe us money as a borrower, guarantor, endorser or otherwise, we have a statutory lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds, without further notice to you, in any order to payoff your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant us a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed to us, unless prohibited by applicable law. All accounts are non-assignable and nontransferable to third parties.

Checks Presented for Payment in Person

We may refuse to accept any check or draft drawn on your account that is presented for payment in person. Such refusal shall not constitute a wrongful dishonor of the draft and we shall have no liability for refusing payment.

Pledge/Statutory Lien

Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except obligations secured by your principal residence, all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. Federal or state law, depending upon whether we have a federal or state charter, gives us a lien on all shares and dividends and all deposits and interest, if any, in accounts you have with us now and in the future. Except as limited by state or federal law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you. Your pledge and our statutory lien rights will allow us to apply the funds in your account to what you owe when you are in default, except as limited by state or federal law. If we do not apply the funds in your account(s) to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply the funds in your account(s) to the amount you owe us at a later time. The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security. By not enforcing our right to apply funds in your account to your obligations that are in default, we do not waive our right to enforce these rights at a later time.

Contractual Right to Setoff

Except to the extent prohibited by law, we have the right to apply funds in any account that you maintain with us, whether the account is in your name alone or in your name and another or others, to the payment of any obligations, individual or joint, you owe to us now or at any time hereafter. This setoff provision does not apply to funds in any IRA or HSA that you maintain with us.

Legal Process

If any legal action is brought against your account, we may payout funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

Account Information Disclosure

We will disclose information to third parties about your account or the transfers you make as necessary to verify or complete a transaction, to verify the existence of your account upon the request of a third party, to provide information to credit reporting agencies, to comply with government agency or court orders or if you give us your written permission.

Business Days

Our business days are Monday through Saturdays. Sundays and holidays are not included.

Notices

• Name or Address Changes

You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. We may require all name and address change to be provided in writing. If we attempt to locate you, we may impose a service fee as set forth in the Terms and Conditions Disclosure.

• Notice of Amendments

Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.

• Effect of Notice

Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

Taxpayer Identification Numbers and Backup Withholding

Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding.

If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest, and certain other payments. If you fail to provide your TIN, we may suspend opening your account.

Statements

- **Contents**

If we provide a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. If a periodic statement is provided, you agree that only one statement is necessary for joint accounts. For share draft or checking accounts, you understand and agree that your original check or draft, when paid, becomes property of the credit union and may not be returned to you, but copies may be retained by us or be payable through financial institutions and made available upon your request. You understand and agree that statements are made available to you on the date they are sent to you. You also understand and agree that checks, drafts or copies thereof are made available to you on the date the statement is sent to you, even if the checks or drafts do not accompany the statement.

- **Examination**

You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected on your statement within thirty-three (33) days of the date we sent the statement to you, we will not be responsible for your loss. We also will not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature machine.

- **Notice to Credit Union**

You agree that the credit union's retention of checks or drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charged to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement, you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

Dormant Accounts

If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in the Truth-in-Savings Disclosure during which we have been unable to contact you by regular mail, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee as set forth in the Terms and Conditions Disclosure for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. You authorize us to transfer funds from another account of yours to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer the account funds to an account payable and to suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

Special Account Restrictions

You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or provide us with other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Ownership Application and accepted by us.

Termination of Account

We may terminate your account at any time without notice to you or may require you to close your account and apply for a new account if there is a change in owners or authorized signers, there has been a forgery or fraud reported or committed involving your account; there is a dispute as to the ownership of the account or of the funds in the account; any share drafts are lost or stolen, there are excessive returned unpaid items not covered by an overdraft protection plan, there has been any misrepresentation or any other abuse of any of your accounts or we reasonably deem it necessary to prevent a loss to us. You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

Termination of Ownership

You may terminate your ownership by giving us written notice or by withdrawing your minimum required ownership share, if any, and closing all your accounts. You may be denied services for causing a loss to the credit union or you may be expelled for any reason as allowed by applicable law.

Death of Account Owner

We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we know of an owner's death. Once we know of an owner's death, we may pay drafts or honor other payments or transfer orders authorized by the deceased owner for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming a deceased owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any account owner.

Severability

If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of the Agreement.

Enforcement

You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

Billing Errors

In case of errors or questions about your account, telephone us at 856-692-4000 or 888-896-4007 or write to us at 2550 South Main Road, Vineland, NJ 08360 as soon as you can. We must hear from you no later than sixty (60) days after we send the first statement on which the problem or error appears.

- Tell us your name and account number.
- Describe the transaction 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.
- Provide us with current contact information.

If you tell us verbally, we may require that you send us your complaint or question in writing within ten (10) calendar days. We will determine whether an error occurred within ten (10) business days after we hear from you and we will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the funds 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 ten (10) business days, we may not credit your account.

Billing Errors Exceptions

NCUA regulation allows us to take up to ninety (90) days to investigate the complaint or question for errors involving new accounts, point of sale or foreign initiated transactions. For new accounts, we may take up to twenty (20) business days to credit your account for the amount that you think is in error. We will also tell you the results within three (3) business days after completing the investigation. If we decide there was no error, we will send a written explanation. You may ask for copies of documentation that we used in our investigation.

Governing Law

This Agreement shall be governed by and construed in accordance with all applicable federal law and all applicable substantive laws of the State of New Jersey, and the Bylaws of Bridgeton Onized Federal Credit Union as they now exist or may be hereafter amended. You understand that we must comply with these laws, regulations and rules. You agree that if there is any inconsistency between the terms of the Agreement and any applicable law, regulation, or rule, the terms of this Agreement will prevail to the extent any such law, regulation, or rule may be modified by Agreement between us.

Permission to Contact

By providing the Credit Union with a wireless phone number (cell phone), you consent to receiving calls, including auto-dialed and prerecorded messages from the Credit Union or its third party debt collector at that number.

Bridgeton Onized Federal Credit Union

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