

---

# Business Account Agreement

## Hudson Valley Credit Union

### Table of Contents

Contacting HVCU.....	2	Interest on Lawyer Account (IOLA) Checking Acct.....	5
Eligibility for Membership.....	2	Business Overdraft Programs.....	5
Voting Rights.....	2	Business Overdraft Protection .....	5
Continued Authorization.....	2	Business Privilege Pay .....	5
Enforcement .....	2	Stop Payment Request .....	6
Serverability .....	2	Funds Availability Policy.....	6
Governing Laws .....	2	Endorsements .....	7
Legal Process.....	2	ACH Transfers .....	7
Statutory Lien .....	3	Wire Transfers.....	7
Account Closure.....	3	Periodic Transfers.....	7
Denial of Services .....	3	Returned Deposits.....	7
Notification of Death, Incapacitation, or Dissolution.....	3	Nonsufficient Funds.....	7
Dormant Accounts and Unclaimed (Abandoned) Property .....	3	Lost Items .....	7
Employer Identification Number.....	3	Accounts as Collateral .....	7
Mailing Address .....	3	Retail Sweep Program.....	7
Error Notification .....	3	Mandatory Arbitration .....	8
Multiple Signers.....	3	Class Action Waiver.....	8
Business Tiered Money Market Account .....	4	Waiver of Jury Trial.....	8
Business Certificate Accounts .....	4	Account Disclosures.....	8
Simplified Employee Pension Plan (SEP) IRA .....	4	Business Fee Schedule .....	10
Business Checking Accounts .....	4		

## ACCOUNT AGREEMENT

Terms of this Business Account Agreement are subject to change.

The term "Agreement" means this Business Account Agreement and applies to all share accounts and to any business and individual having access to any share or loan account. The term "you" and "your" mean each individual signing the business membership application and the business/organization resolution of authority (collectively, "Application") including anyone who is signing on behalf of the business and/or is authorized to access to the account(s).

Hudson Valley Credit Union (HVCU) reserves the right to require a business member to provide an account authorization card or other documentary evidence informing us who is authorized to act on your behalf.

The business services fee schedule that accompanies this Agreement states the costs associated with certain services that may be charged to you. HVCU may deduct such charges from any account except accounts where our right to deduct is prohibited by law.

### **Contacting HVCU.**

Visit any branch; see locations at [hvcu.org](http://hvcu.org)

Phone: 845.463.3011

General email: [info@hvcu.org](mailto:info@hvcu.org)

Secure email: <https://www.securedmail.hvcu.org>

Live chat: [hvcu.org](http://hvcu.org)

Mail: PO Box 1071, Poughkeepsie, NY 12602-1071

**Eligibility for Membership.** To join HVCU, you and your business must meet the membership requirements, including, without limitation, the purchase and maintenance of the minimum required share(s), as set forth in HVCU's bylaws. The minimum requirement of par value for a membership share is \$0.01 deposited in a Business Primary Savings Account. If you fail to complete payment of one share upon admission to membership or within six months from the increase in the par value of shares, or if you reduce your qualifying membership account balance below the par value of one share and do not increase the balance to at least the par value of one share within six months of the reduction, you may be assessed a fee and be terminated from membership at the end of a dividend period. If you voluntarily withdraw all your shares, you may be terminated from membership immediately.

A minimum balance of \$0.01 must be maintained in this account until the end of each dividend period in which a withdrawal is made. Failure to maintain such minimum balance will result in forfeiture of dividends on withdrawals up to the date that the balance falls below the minimum balance.

**Voting Rights.** HVCU is owned by our members. Each primary member or each entity may cast one vote to elect our Board of Directors.

**Continued Authorization.** You authorize us to check your account, credit, and employment history, and obtain reports from third parties, including credit reporting agencies. This will help us determine if you continue to meet your eligibility for account(s) at HVCU and/or in connection with making future credit opportunities available to you. Further, you authorize HVCU to give information concerning our experience with you to others.

**Enforcement.** You agree to be liable to HVCU for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or the services. You authorize HVCU to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce the Agreement, the prevailing party shall be entitled, subject to applicable law, to payment by the other party of its reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collections actions, if applicable.

**Severability.** If any term of this Agreement is to any extent invalid, illegal, or incapable of being enforced, such term shall be excluded to the extent of such invalidity, illegality, or unenforceability; all other terms hereof shall remain in full force and effect.

**Governing Laws.** This agreement is governed by HVCU's bylaws, federal laws and regulations, the laws including applicable principles of contract law, New York State laws, the National Automated Clearing House Association Operating Rules, local clearinghouse rules; Uniform Commercial Code; as amended from time to time. As permitted by applicable law, any legal action regarding this Agreement shall be brought in Dutchess County, New York.

**Legal Process.** If any legal action is brought against your account, we may pay out 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, except accounts where our right to deduct is prohibited by law. Any legal process against your account is subject to our statutory lien and security interest authorities.

**Statutory Lien.** If you owe HVCU money or cause us a loss as a borrower, account signer, endorser or otherwise or you are in default on any financial obligation to HVCU, federal law permits us to enforce a statutory lien on all accounts in which you have an ownership interest (except accounts where our right to deduct is prohibited by law) by transferring funds from these accounts to satisfy your obligations. HVCU may restrict your access to these accounts.

**Account Closure.** You must remain a member in good standing. HVCU may close your account(s) at any time, with or without cause, including, without limitation, causing a loss to HVCU, for security reasons, or for any reason as allowed by applicable law. Once your account(s) is closed, we have no obligation to accept deposits or pay outstanding items. You agree to hold us harmless and we will not be liable for any loss or damage resulting from the termination of your account(s). The closing of your account(s) will not release you from any fees or other obligations incurred prior to the date the account(s) is closed.

**Denial of Services.** HVCU may deny all services to any member or any member of a credit union with which we have merged who has caused a financial loss, has engaged in fraud or forgery, or whose conduct is deemed abusive. Denial of services also means that you cannot conduct business on your behalf or on behalf of another. HVCU may also restrict the method in which business may be conducted, such as prohibiting access to HVCU premises or to services involving HVCU personnel. A member who has been denied services because of fraud or abusive behavior is not eligible for restoration of services.

**Notification of Death, Incapacitation, or Dissolution.** HVCU may continue to honor all transfer orders, withdrawals, deposits, or other transactions on an account until we receive notification by any means we deem appropriate informing us if any account signer dies, becomes incapacitated, or if your business is dissolved. Even with knowledge, HVCU may for ten days after the date of death, incapacity, or dissolution pay or guarantee checks drawn on or prior to that date, unless ordered in writing to stop payment by an individual claiming an interest in the account under rules established by us.

Upon the death of any account owner, HVCU reserves the right to enforce a statutory lien (except accounts prohibited by law) to pay any amounts owed to HVCU prior to releasing funds to other owners, beneficiaries, etc.

**Dormant Accounts and Unclaimed (Abandoned) Property.** If you have not made any transactions over a period of 24 months and we have been unable to contact you, your account may be classified by us as dormant.

In accordance with each state law, unclaimed property and funds in abandoned accounts are remitted to the custody of the applicable state agency and we will have no further liability to you for such funds. Unclaimed property may also include negotiable instruments that remain outstanding or stock certificates that remain on deposit. You must apply to the appropriate state agency to reclaim such funds. An escheatment fee is charged in accordance with the Fee Schedule for Business Accounts.

**Employer Identification Number.** HVCU requires an Employer Identification Number (EIN) or Social Security Number for Sole Proprietors and single member LLCs, to establish a business account.

**Mailing Address.** You must inform us of your current postal mailing address at all times. Failure to do so which causes undeliverable periodic statements will result in fees for each statement period until you provide us with your current address. Statements and notices are mailed to the name and address of the business on record.

**Error Notification.** If you fail to notify HVCU of any errors within 60 days of receipt of your statement you waive the right to assert any errors against us.

**Multiple Signers.** All deposits, including dividends, to an account with more than one signer, may be accessed by any and each authorized signer. The entire account balance may be released to any signer and each signer, without the consent of any other signer, is authorized by every other signer, to make any permissible transaction.

With the exception of Interest on Lawyer Accounts (IOLAs), we may be required by service of legal process to remit funds held in an account with multiple signers to satisfy a judgment against any other account signer or other valid debt incurred by any other account signer.

*Death of Signer.* No payable on death beneficiary designation or other designation shall apply to your account, except for sole proprietorships. Upon the death of any account signer, HVCU reserves the right to enforce our statutory lien to pay any amounts owed to HVCU prior to releasing funds to other signers.

*Multiple Signer Liability.* Each account signer is fully and personally obligated under the terms of the Agreement to any debt including, but not limited to, loss incurred as a result of account mishandling, overdrafts, and debit balances, regardless of which account signer conducted the transaction.

**Change of Signers.** You must notify us of any change in the representative authority of your agent(s). HVCU may rely on your written authorization until such time as we are informed of changes in writing and had reasonable time to act upon such notice. HVCU may require that third party checks payable to a business may not be cashed, but must be deposited to your business account. HVCU shall have no notice of any breach of fiduciary duties arising from any transactions by your agent(s), unless we have actual notice of such breach.

If any signer requests to remove their name from an account HVCU is authorized to 1) perform the necessary maintenance to the account without the signature of the other signer(s); 2) retain all other account services, including ATM access, overdraft protection, etc. in accordance with Applications originally signed; 3) reserve the right to require written consent of all signers for any change or termination of an account if necessary.

**Business Tiered Money Market Account.** A money market account may not be used to establish membership. All money market accounts are subject to the applicable disclosures set forth in this Agreement, including the conditions set forth in *Transaction Limitations*. If funds are not sufficient in this account to cover items you have written, they are returned and a fee is assessed. If the withdrawals or transfers within a calendar month exceed an aggregate of six transactions, a fee is assessed for each withdrawal or transfer in excess of the permitted six. Checks are not returned with statements and a fee is assessed for each check copy you request.

**Business Certificate Accounts.** A business certificate account may not be used to establish membership. A certificate account is subject to the applicable disclosures set forth in this Agreement as well as the terms and conditions set forth in the certificate account receipt.

**Simplified Employee Pension Plan (SEP) IRA.** A SEP IRA may not be used to establish membership. A SEP IRA is subject to the applicable disclosures set forth in this Agreement as well as the penalties, terms and conditions set forth in the IRA Trust Agreement.

**Business Checking Accounts.** A business checking account may not be used to establish membership. Funds must be available in your account before an item is presented for payment, and HVCU may without liability, accept, pay, guarantee, or charge items to the account in any order convenient to HVCU.

You must notify HVCU immediately if your checks are lost or stolen.

Checks are not returned with statements and a fee is assessed for any check copies you request.

HVCU may refuse to pay funds from this account,

- 1) when such payment would draw the account below the balance allowed;
- 2) if not authorized in advance;
- 3) if items are presented over six months after written.

If HVCU fails to make payment of an item in error, our liability will be limited to actual damages you prove. HVCU may determine whether or not to pay an item based on a sufficient account balance at any time between the time that we receive the item and the time that we return the item. If we choose to make a second determination of whether or not to pay an item before returning it, HVCU may base the determination on the sufficiency of the account balance at the time before returning the item.

HVCU may recognize the signature of anyone who signed the Application as authorized to transact any business on this account including, but not limited to, the causing or making of overdrafts and endorsements of checks payable to any signer of this account for which all of us shall be liable.

HVCU may charge against your account a postdated check even though payment is made before the date of the check. However, we cannot pay the check before the date if you notify us with the description of the check within a reasonable time for us to act on it. Notice may be written or oral. If oral, the notice shall be valid for 14 days. If written, the notice shall be valid for up to six months, and can be renewed within six months for another successive six month period. A fee may be assessed for this request.

HVCU may pay and charge to your account items drawn by and payable to any individual, organization, association, or corporation, or any other agency whom you have authorized by providing your MICR number identifying your account, provided there are sufficient funds in your account to pay such items. HVCU's rights with respect to such items shall be the same as if it were a check and signed by you personally. This authority shall remain in effect until revoked by you in writing (to HVCU and to the agency to which the MICR number was provided) and HVCU has had a reasonable opportunity to act on it. HVCU shall be fully protected in paying such items. If any such item is not paid, whether with or without cause, and whether intentional or inadvertent, HVCU shall be under no liability whatsoever, even though such non-payment results in the forfeiture of insurance, loss, or damage to you of any kind.

**Value Business Checking.** This checking account option offers a checking account with a low average daily balance requirement of \$2,500.00 for the month, and is a non-dividend bearing account. In accordance with the Fee Schedule for Business Accounts, a fee will be charged each month the average balance falls below the required \$2,500.

The first 250 combined ACH and check items are free per month and a fee will be charged for each transaction over 250, in accordance with the Fee Schedule for Business Accounts.

Subject to credit approval, overdraft protection is available from a Business Purpose Read-Cash Line of Credit and/or Business Savings Account. This account cannot be used as collateral for a Business Pledge Loan.

*Enhanced Business Checking.* This checking account option offers a dividend-bearing checking account option with a minimum average daily balance requirement for the month of \$7,500. In accordance with the Fee Schedule for Business Accounts, a fee will be charged each month the average daily balance falls below the required \$7,500.

There are unlimited free monthly transactions.

Subject to credit approval, overdraft protection is available from a Business Purpose Read-Cash Line of Credit and/or Business Savings Account. This account cannot be used as collateral for a Business Pledge Loan.

**Interest on Lawyer Account (IOLA) Checking Account.** An IOLA checking account may not be used to establish membership. An IOLA checking account is subject to the applicable disclosures set forth in this Agreement; however, this account is not subject to voting rights or overdraft protection. In accordance with New York State Judiciary Law, all dividends earned on an IOLA account will be forwarded to the New York Iola Fund. Additionally, special or non-routine charges and fees associated with an IOLA checking account is your responsibility and will be charged to your primary business membership account.

**Business Overdraft Programs.** At HVCU's discretion, if you do not have sufficient funds available in your business checking account to cover items, they may be paid pursuant to HVCU's Business Privilege Pay or Overdraft Protection program (in accordance with your business line of credit agreement, if applicable).

**Business Overdraft Protection.** Overdraft protection can only be designated from one business purpose Read-Cash Line of Credit and/or Business Savings Account. Coverage and notification of overdraft transactions are made at HVCU's sole discretion and may be terminated without notice at any time. Overdraft protection may be suspended if any of your business loans or loans of which you are a joint signer is ten or more days delinquent. You cannot rely on HVCU to pay overdrafts on your business account regardless of how frequently or under what circumstances HVCU has paid overdrafts on your business account in the past. Overdraft protection from a business savings account is subject to a fee in accordance with the Fee Schedule for Business Accounts. You may opt out of any overdraft protection service at any time by contacting us using any of the options listed under Contacting HVCU.

**Business Privilege Pay.** If you have been an eligible, qualifying business member in good standing for 60 or more days, HVCU may pay checks and other items when you unintentionally do not have enough funds available in your business checking account or other overdraft protection sources. Business Privilege Pay is not available for IOLA accounts, estate, organizational, custodial, infant compromise, memorial, or guardian/conservator accounts at HVCU. Business Privilege Pay covers the overdrafts for up to one (1) Business checking account. HVCU offers more affordable alternatives to Business Privilege Pay as described in the Overdraft Protection section. Business Privilege Pay is a courtesy service and HVCU does not guarantee payment of any overdrawn item. We retain the right to refuse payment of an overdraft at any time, even though overdraft requests have been previously paid. To be eligible to receive Business Privilege Pay services, you cannot be in default on any business loan obligation or subject to any legal or administrative order. Business Privilege Pay applies to checks, ACH debits, and debit card transactions. Items paid by Business Privilege Pay are subject to a fee in accordance with the Fee Schedule for Business Accounts. Business Privilege Pay is limited to a maximum of \$1,500, including fees. Any item is returned unpaid that results in a negative balance greater than the maximum allowed. You must bring your business account to a positive balance within 30 calendar days following the date of the overdrawn balance, including fees. If funds are available in other business accounts (except business accounts where our right to deduct is prohibited by law) HVCU may transfer and apply them to your negative balance at any time. HVCU may discontinue Business Privilege Pay services and take collection steps if your business account has a negative balance for more than 30 calendar days. HVCU has no obligation to notify you before we pay or return any item.

*Transaction Processing:* The order in which transactions are received and processed by HVCU can affect the total amount of the overdraft fees incurred. Transactions will be processed against the available balance in the account at the time of processing. Importantly, the actual balance and available balance may differ as the available balance may be reflective of any pending debit card transactions that have not posted to the account or due to check holds. We use the available balance when determining whether a transaction will cause your account to overdraw. Transactions may not be processed in the order in which they occurred and the order in which transactions are received and processed may impact the total amount of overdrafts. Checks and ACH transactions are processed and paid each day in a low to high value order. Checks and ACH transactions may also clear throughout the day.

HVCU is not liable for any action we may take regarding payment or nonpayment of these items. In addition, HVCU may discontinue Business Privilege Pay at any time without prior notice, reason, or cause. Credit agencies may be notified if overdrafts are not paid as agreed. You may opt out of Business Privilege Pay at any time by contacting us using any of the options listed under Contacting HVCU.

**Stop Payment Request.** You may ask HVCU to stop payment on any check drawn upon your account for a fee. You may request a stop payment by telephone, mail, audio response, Internet Banking, or in person. The stop payment is effective if HVCU receives the order in time for us to act upon the order and you state the number of the account, the date of the check, the number of the check, and the check's exact amount. If you give HVCU incorrect or incomplete information, we are not responsible for failing to stop payment on the item. If the stop payment order is not received in time for HVCU to act upon the order, we are not liable to you or to any other party for payment of the item.

*Duration of Order.* You may make an oral stop payment order, which lapses within 14 calendar days unless continued in writing within that time. A written stop payment order is effective for six months. A written stop payment order may be renewed in writing from time to time. HVCU is not obligated to notify you when a stop payment order expires.

*Exceptions.* You may not stop payment on any certified check, official check, or any other check, draft, or payment guaranteed by HVCU.

**Funds Availability Policy.** HVCU may delay the availability of funds deposited into any account, including certificate accounts. During this delay, you may not withdraw the funds, and we will not pay items presented for payment.

HVCU reserves the right to refuse to negotiate any check. We may accept the check for deposit on a collection basis. That means your account is credited only when we receive direct funds from the bank upon which the check is drawn.

*Determining the Availability of A Deposit.* The length of the delay is counted in business days from the day of your deposit. Every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 7:00 PM on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 7:00 PM or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

The length of the delay varies depending on the type of deposit and is explained below.

*Same-Day Availability.* Funds from electronic direct deposits to your account are available on the day we receive the deposit. Also, funds from the following deposits are available on the same business day of your deposit;

- Cash;
- U.S. Treasury checks that are payable to you;
- Wire transfers;
- Checks drawn on HVCU;
- State and local government checks that are payable to you;
- Cashier's, certified, teller's and Traveler's Checks that are payable to you;
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and US Postal Money Orders, that are payable to you;
- Lesser of \$225 or aggregate amount from any HVCU or non-HVCU ATM cash and/or check deposit;
- Lesser of \$225 or aggregate amount deposited by personal or business items; and
- Payroll checks that have a clear indication on the face that the check is for payroll purposes. (See Special Rules for New Members).

If you do not make your deposit in person to one of our employees (for example, if you mail the deposit or use an HVCU ATM), funds from these deposits are available on the day we receive your deposit.

When the items above are presented, the first \$225 is available immediately and the remainder will not be available until the second business day. For example if you deposit a check of \$700 on a Monday, \$225 of the deposit is available on Monday. The remaining \$475 is available on Wednesday.

*Longer Delays May Apply.* Funds you deposit by check may be delayed for a longer period under the following circumstances;

- We believe a check you deposit will not be paid;
- You deposit checks totaling more than \$5,525 on any one day;
- You redeposit a check that has been returned unpaid;
- You have overdrawn your account repeatedly in the last six months;
- There is an emergency, such as a failure of computer or communications equipment.



You are notified if we delay your ability to withdraw funds for any of these reasons, and we tell you when the funds are available, which may be up to 30 days after the normal availability unless otherwise stated. If you need the funds from a deposit right away, you should ask when the funds are available.

*Special Rules for New Accounts.* If you are a new member, the following special rules apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account are available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, US Treasury, federal, state, local government checks, and US Postal money orders are available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,525 is available on the sixth business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,525 is not available until the second business day after the day of your deposit.

Funds from all other check deposits, including payroll checks are available on the sixth business day after the day of your deposit.

**Endorsements.** You must endorse all items you deposit. Endorsements must be placed in the space on the back of the check between the top edge and 1-1/2 inches from the top edge. HVCU may accept drafts or checks with endorsements outside this space. However, if any such endorsement or other markings you or any prior endorser make on the check cause any delay or error in processing the item for payment, you are responsible for any loss incurred by HVCU due to the delay or error. Mobile remote deposit capture endorsements must be made in accordance with the Mobile Remote Deposit Capture Agreement. Mobile remote deposit capture endorsements must be made in accordance with the Mobile Remote Deposit Capture Agreement.

**ACH Transfers.** You may initiate or receive credits or debits to your account through Automated Clearing House (ACH) transfer. If you receive funds by ACH transfer, HVCU is not required to notify you at the time the funds are received. Instead, the transfer is shown on your periodic statement. ACH transfers to your account are provisional until HVCU receives final payment. If final payment is not received, HVCU may reverse the provisional credit or you must refund the amount to us. Fees may apply and be charged to your account. HVCU reserves the right to refuse or return any item or funds transfer.

**Wire Transfers.** When you initiate a wire transfer, you must identify the recipient and any financial institution by name and by account or identifying number. HVCU and other institutions may rely on the account or other identifying numbers as the proper identification number, even if it identifies a different party or institution. HVCU sets certain security procedures and cutoff times in connection with processing a wire transfer which are subject to change. We reserve the right to refuse or return a wire transfer. Once a wire transfer has been sent the transfer is final and cannot be stopped. Wire transfers are governed by Regulation J if the transfer is cleared through the Federal Reserve.

**Foreign Transaction Fee.** Please refer to the Foreign Transaction Fee provision in the Electronic Fund Transfers Disclosure and Agreement for information relating to how such a fee may be imposed on your account.

**Periodic Transfers.** You may authorize periodic transfers to or from your savings, checking, or money market account or unsecured line of credit verbally or in writing, provided sufficient funds or credit is available to conduct the transfer.

**Returned Deposits.** HVCU is not responsible for any damages you incur if an item that you deposited to your account is returned by the paying financial institution, regardless of the reason for the return. Your account is deducted for the returned item, and if you do not have sufficient funds to cover the returned item, an overdraft may occur. This gives HVCU the right to charge associated fees for each presentment or enforce a statutory lien against any account in which you have an ownership interest (except accounts prohibited by law).

**Nonsufficient Funds.** We reserve the right to charge you a fee each time a check, ACH or debit transfer and any other type of item is presented or payment is otherwise requested and regardless of the type of loan or account to which your payment was applied. However, you will not be charged a fee for a re-presented item if subsequent requests include information, such as a retry designation, which would alert us that the request is a repeat request. At our discretion, this fee may be added to the principal balance of your loan, may be charged to an account you or any other person obligated on your account maintain with us, or may be billed directly to you or such other person obligated on your account.

**Lost Items.** When receiving items from you for withdrawal or deposit, HVCU acts only as your agent and reserves the right to reverse the credit for any deposited items or to charge your account for the items, should they become lost in the collection process.

**Accounts as Collateral.** Only savings and certificate accounts can be used as collateral on a loan.

**Retail Sweep Program.** Savings, checking, IOLA, and money market accounts are structured into sub-accounts for regulatory accounting purposes only. HVCU may periodically transfer funds between sub accounts, but the function of these accounts is still based on the combined balances. This is done to reduce the aggregate of checking, savings, and tiered money market account balances reported to the Federal Reserve Bank, and lowers the amount of HVCU's reserve balance at the Federal Reserve Bank. This process does not affect your available balance, the dividends you may earn, NCUA insurance protection, your monthly statement, or any other features of this account.

**Mandatory Arbitration.** Any claim, dispute, or controversy (Claim) arising out of or relating to this Agreement or the relationships among the parties hereto shall be resolved by one arbitrator through binding arbitration administered by the American Arbitration Association (AAA) in Dutchess County in the State of New York, under the AAA Consumer Rules in effect at the time the Claim is filed (AAA Rules). Copies of the AAA Rules and forms can be located at [www.adr.org](http://www.adr.org), or by calling 1.800.778.7879. The arbitrator's decision shall be final, binding, and non-appealable. Judgment upon the award may be entered and enforced in any court having jurisdiction. The costs of the arbitration, including arbitrator's fees, shall be borne equally by the parties to the arbitration, unless the arbitrator orders otherwise. This clause is made pursuant to a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act. Neither party shall sue the other party other than as provided herein or for enforcement of this clause or of the arbitrator's award; any such suit may be brought only in Federal District Court or, if any such court lacks jurisdiction, in any state court that has jurisdiction. The arbitrator, and not any federal, state, or local court, shall have exclusive authority to resolve any dispute relating to the interpretation, applicability, unconscionability, arbitrarily, enforceability, or formation of this Agreement including any claim that all or any part of the Agreement is void or voidable. However, the preceding sentence shall not apply to the clause entitled *Class Action Waiver*.

**Class Action Waiver.** Any Claim must be brought in the respective party's individual capacity, and not as a plaintiff or class member in any purported class, collective, representative, multi-plaintiff, or similar proceeding (Class Action). The parties expressly waive any ability to maintain any Class Action in any forum. The arbitrator shall not have authority to combine or aggregate similar claims or conduct any Class Action nor make an award to any person or entity not a party to the arbitration. Any claim that all or part of this Class Action Waiver is unenforceable, unconscionable, void, or voidable may be determined only by a court of competent jurisdiction and not by an arbitrator. THE PARTIES UNDERSTAND THAT THEY WOULD HAVE HAD A RIGHT TO LITIGATE THROUGH A COURT, TO HAVE A JUDGE OR JURY DECIDE THEIR CASE, AND TO BE A PARTY TO A CLASS OR REPRESENTATIVE ACTION. HOWEVER, THEY UNDERSTAND AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY, THROUGH ARBITRATION.

**Waiver of Jury Trial.** Subject to and without modifying or waiving in any way the clauses above entitled *Mandatory Arbitration* and *Class Action Waiver*, each of the parties hereby unconditionally waives any right to a jury trial with respect to and in any action, proceeding, claim, counterclaim, demand, dispute, or other matter whatsoever arising out of or related to this Agreement.

## ACCOUNT DISCLOSURES

**Rate Information.** All dividend-bearing accounts are variable rate accounts, except fixed-rate certificate accounts. The Dividend Rate and Annual Percentage Yield (APY) may change at any time as determined by the Board of Directors.

**Nature of Dividends.** Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

**Accrual of Dividends.** All items deposited will begin accruing dividends as of the business day of the deposit. For deposits such as noncash, electronic and ACH, dividends will begin to accrue as of the business day that HVCU receives the credit for the deposit of the non-cash item. Please refer to "Determining the Availability of A Deposit" in the Funds Availability Policy for how a business day is defined. For specific dividend information, please refer to the chart that follows. Accounts closed before dividends are credited will receive accrued dividends. For certificate accounts closed prior to maturity, accrued dividends, if applicable, are credited prior to penalties being applied.

**Notice of Withdrawal.** We reserve the right to require that you give us at least seven to 60 days' notice in writing prior to any intended withdrawal from any share account.

**Balance Computation Method.** Dividends are calculated using the daily balance method (based on a 365-day year) which applies a daily

**Dividend Payments and Minimum Balance Requirements<sup>1</sup>**

Business Accounts	Dividends Compounded	Dividends Credited	Dividend Period	Minimum Balance Required to Open Account	Minimum Balance Required to Earn Dividends
Business Primary Savings	Daily	Quarterly	Quarterly <sup>5</sup>	\$.01 <sup>8</sup>	\$0
SEP Savings	Daily	Quarterly	Quarterly <sup>5</sup>	\$0	\$0
Value Business Checking <sup>2</sup>	N/A	N/A	N/A	\$0 <sup>9</sup>	N/A
Enhanced Business Checking	Daily	Monthly	Monthly <sup>6</sup>	\$0 <sup>10</sup>	\$0
IOLA Checking Account	Daily	Monthly	Monthly <sup>6</sup>	\$0	\$0
Business Tiered Money Market <sup>11</sup>	Daily	Monthly	Monthly <sup>6</sup>	\$500	\$500
<b>Business Certificate Accounts</b>					
3 to 60 Months Fixed-Rate Certificate Account; Regular and SEP IRA <sup>3</sup>	Daily	Monthly	Monthly <sup>7</sup>	\$500	\$500
12 Month Flex Certificate Account; Regular and SEP IRA <sup>3,4</sup>	Daily	Monthly	Monthly <sup>7</sup>	\$750	\$750
3 to 60 Months Jumbo Fixed-Rate Certificate Account; Jumbo 12 Month Flex Certificate Account; Jumbo Regular and SEP IRA <sup>3,4</sup>	Daily	Monthly	Monthly <sup>7</sup>	\$50,000 & \$100,000	\$50,000 & \$100,000
8 Month Save Smart Certificate Account <sup>2</sup>	Daily	Monthly	Monthly <sup>7</sup>	\$250	\$250



<sup>1</sup> The Account & Loan Rate Information schedule that accompanies this Agreement discloses the dividend rate and APY for each account, for each money market tier offered based on the daily balance, and for each certificate account term.

<sup>2</sup> If transactions on your account exceed the maximum transactions allowed per month, a fee for each deposited and paid item over the maximum allowed will be assessed.

<sup>3</sup> The APY is based on an assumption that dividends will remain in the account until maturity. Early withdrawal of dividends will reduce earnings. Additional deposits are not permitted until the maturity date. Certificate account maturity date, Dividend Rate, and APY are set forth in the certificate account receipt.

<sup>4</sup> Flex certificate accounts have a variable dividend rate and APY that changes quarterly, or four times per year. The APY is determined by adding .25% to the 3-month Treasury Bill auction investment rate on the last Thursday of each quarter. The dividend rate is subsequently calculated based on the indexed APY.

<sup>5</sup> The dividend period is quarterly. For example, the beginning date of the first dividend period 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 follows the ending date of a dividend period, and for this example is April 1.

<sup>6</sup> The dividend period is monthly. For example, the beginning date of the first dividend period 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 follows the ending date of a dividend period, and for this example is February 1.

<sup>7</sup> The dividend period on this account is monthly, beginning on the date the account is opened and ending on the stated maturity date unless renewed.

<sup>8</sup> The minimum balance required to open a Primary Savings Account is \$0.01. Each unique member number requires one Primary Savings Account.

<sup>9</sup> A monthly fee is assessed in the month that your average daily balance is reduced below \$2,500.

<sup>10</sup> A monthly fee is assessed in the month that your average daily balance is reduced below \$7,500.

<sup>11</sup> If withdrawals, including transfers within a calendar month exceed an aggregate of six transactions, a fee of \$10 is assessed for each withdrawal or transfer in excess of the permitted six.

**Certificate Account Renewals.** Certificate accounts renew automatically at maturity for a term equal or closest to that of the initial term and at the Dividend Rate and APY in effect at that time for such a term. You have a grace period of ten calendar days after maturity to withdraw funds without a penalty. If you withdraw funds during the grace period, you do not earn dividends on the entire account balance. If you choose not to renew the certificate account by withdrawing all or a portion of the balance during the grace period, you forfeit all dividends earned during that time.

**Certificate Account Penalties.** HVCU imposes a penalty and closes the certificate account if a withdrawal of principal is made prior to the maturity date set forth on the certificate account receipt. The early withdrawal penalty is equal to the lesser amount, as follows:

periodic rate to the balance in the account at the end of each day.

Original Certificate Account Term	Amount of Penalty	Or
3 Months	30 days of accrued dividends	All accrued dividends since the date of issuance or renewal not to be less than 7 days' dividends on a new account
6 & 8 Months	60 days of accrued dividends	
12 Months	90 days of accrued dividends	
24 Months	120 days of accrued dividends	
36 Months	180 days of accrued dividends	
48 Months	270 days of accrued dividends	
60 Months	360 days of accrued dividends	

**Exceptions to Certificate Account Penalties.** Penalties will not be applied if the withdrawal is made as a result of the voluntary or involuntary liquidation of HVCU or if the owner of a SEP IRA attains the age of 59½.

**Transaction Limitations.** You are permitted to perform up to an aggregate of six withdrawals, including transfers within a calendar month. If the withdrawals or transfers within a calendar month exceed an aggregate of six transactions, a fee is assessed for each withdrawal or transfer in excess of the permitted six.

Withdrawals and transfers from your money market account(s) are unlimited when made: in person, at the ATM, via postal mail or through Shared Service Centers.

# Fees for Business Services

## ACCOUNT SERVICES

Blank checks .....	1.00
Cash Intensive Business Fees:	
■ Money Service Business (per month) .....	500.00
■ ATM Operator (per month) .....	100.00
Check printing .....	Prices Vary
Computer printout of account activity .....	3.00
Copy of statement (per item over 25 per year) .....	4.00
Copy of a deposited or paid check (per item over 25 per year) .....	4.00
CU official check, payable to 3rd party .....	7.00
Escheatment Fee .....	25.00
Guaranteed check .....	5.00
Item sent for collection .....	CU cost + 15.00
Legal processing - including, but not limited to child support, court restraints, tax levies (per item) .....	150.00
Legal/photocopying (per item) .....	1.00
Legal research (per hour) .....	30.00
Money order .....	4.00
Overdrawn account (debit card) .....	40.00
Overdraft from savings (per item) .....	5.00
Phone Payment Fee .....	5.00
Privilege Pay Item .....	40.00
Protest HVCU check .....	10.00
Protest non-HVCU check .....	CU cost
Remote Deposit Capture	
■ Up to 150 items (per month) .....	15.00
■ 151-300 items (per month) .....	30.00
■ Unlimited items (per month) .....	45.00
Research or checking account balancing (per hour) .....	20.00
Returned mail item .....	5.00
Returned item	
■ ACH/check (drawn off HVCU) .....	40.00
■ ACH origination .....	40.00
■ Deposited/cashed check .....	12.00
Stop payment on check or ACH .....	35.00

## BILL PAY SERVICE

Monthly service - Value Business Checking, unlimited transactions .....	5.95
Non-sufficient funds (NSF) ACH debit .....	40.00
Non-sufficient funds (NSF) check drawn on HVCU .....	40.00
Overnight payment .....	20.00
Stop payment .....	35.00

## VALUE BUSINESS CHECKING

Cash Processing Fee after \$5,000 allowance per \$100 .....	0.15
--	------

## Combined ACH/Check transactions

■ Over 250 per month (per transaction) .....	0.15
■ With 2 additional cash management services * .....	0.12
■ With 3 additional cash management services * .....	0.09
Low balance/below \$2,500 (per month) .....	10.00

## ENHANCED BUSINESS CHECKING

Low balance/below \$7,500 (per month) .....	20.00
---	-------

## BUSINESS MONEY MARKET

Tiered money market account withdrawals and transfers exceeding 6 per month (per occurrence) .....	10.00
---	-------

## BUSINESS VISA CREDIT CARD SERVICES

Card replacement .....	5.00
Cash advance .....	2% of advance amount
Copy of statement (per item over 25 per year) .....	4.00
International transactions .....	exchange rate + 1% of transaction

## Late payment

■ Visa Platinum .....	35.00
Photocopy of purchase receipt .....	2.00

## BUSINESS VISA DEBIT CARD SERVICES

Foreign Transaction Fee .....	exchange rate + 1% of transaction
Card replacement .....	5.00
Network ATM transaction using Visa Debit Card (each occurrence over 15 per month) .....	2.00

## FUNDS TRANSFERS

### Western Union Quick Cash

■ Domestic .....	CU cost
■ International up to \$500 .....	CU cost + 10.00
■ International \$500.01+ .....	CU cost + 2% of principal ire transfer to another financial institution
■ Domestic .....	25.00
■ International .....	50.00
Wire transfer from another financial institution .....	12.50

## OTHER

### Expedited Delivery:

■ FedEx or UPS - delivery by 10:30 a.m. or 3 p.m. next day .....	CU cost
■ US Postal Service Express Mail - delivery schedule based on zip code .....	CU cost
IRA transfer to another financial institution .....	30.00
Night deposit bags (per 100 ct.) .....	32.00

\*Cash Management Services include: Remote Deposit Capture (RDC), Business Internet Banking, Merchant Services, and Payroll Services. Fees incurred by an IOLA checking account will be charged to the primary Business Membership Account.

