
Truth in Savings

Disclosure & Account Agreement

Hudson Valley Credit Union

**Important Document
Please keep for your records**

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ACCOUNT AGREEMENT

Terms of this Truth in Savings Disclosure and Account Agreement are subject to change.

The term "Agreement" means this Truth in Savings Disclosure and Account Agreement, which applies to all share accounts and to any individual having access to any share or loan account. The term "you" and "your" mean each individual signing a membership or account application and includes anyone who has access to the account(s). The term "Application" means the membership application required to establish membership with Hudson Valley Credit Union (HVCU) and is a continuing authorization to open any other account(s) for you under your member number upon your verbal request and deposit of funds. Some account types, for example Trust Accounts, may require an additional membership application to be completed.

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

THIS DISCLOSURE CONTAINS ARBITRATION AND CLASS WAIVER PROVISIONS THAT SUBSTANTIALLY IMPACT YOUR RIGHTS, INCLUDING YOUR RIGHT TO BRING OR PARTICIPATE IN A CLASS ACTION, IN THE EVENT OF ANY DISPUTE WITH HVCU.

Contacting HVCU

Visit any branch: see locations at hvcu.org

Phone: 845.463.3011

General email: info@hvcu.org

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

Live Chat: hvcu.org

Mail: P. O. Box 1071, Poughkeepsie, N.Y. 12602

Eligibility for Membership. To join HVCU, you 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 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. Joint owners are not eligible to vote.

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.

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.

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.

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 owner, 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, Dissolution, or Incapacitation. 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 owner dies, becomes incapacitated, or if your organization is dissolved. Even with knowledge, HVCU may for ten days after the date of death, dissolution or incapacity, pay or guarantee items 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 HVCU Fee Schedule.

Taxpayer Identification Number. HVCU will not open an account without a Taxpayer Identification Number (TIN) or Employer Identification Number (EIN).

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 individual whose name first appears on the account.

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.

Individual Accounts. An individual account is in the name of one owner only. Only that owner may transact on the account. The interest of a deceased owner will pass, subject to applicable law, to the decedent's estate.

Joint Accounts. An account with two or more account owners is a joint account, with Right of Survivorship. Joint ownership of an account does not constitute HVCU membership. Joint owners may be non-members.

Right of Survivorship. Upon the death of one of the joint account holders, that individual's ownership interest in the account will pass to the other joint owner(s). After the death of any account owner HVCU may honor withdrawals, transfers, or items or orders drawn by the surviving account owner(s) and we may treat the account as the sole property of the survivor. If the remaining owner(s) are nonmembers, the account must be closed and the funds disbursed.

Joint Owner Rights. All deposits to a joint account, including dividends, automatically become the property of each joint account owner. The entire account balance may be released to any owner. Each account owner, without the consent of any other account owner, is authorized by every other joint account owner, to make any permissible transaction. We may be required by service of legal process to remit funds held in the joint account to satisfy a judgment against any account owner or other valid debt incurred by any account owner, regardless of which account owner(s) deposited funds into the account.

Joint Owner Liability. HVCU may recognize the signature of anyone who signed the Application as authorized to transact any business on a joint account. Each account owner is fully 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, and endorsements of items payable to any signer of this account. Each account owner hereby pledges his, her, or its interest in the account and all balances in the account to HVCU as security for the joint or several debts of each other account owner to HVCU. The joint account is also subject to collection attempts and our right to enforce a statutory, possessory, or other lien (except accounts prohibited by law).

Change in Ownership. If any joint account owner requests to remove their name from a joint account, HVCU is authorized to 1) perform the necessary maintenance to the account without the signature of the other owner(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 owners for any change or termination of an account if necessary.

Money Market Accounts. 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.

Certificate Accounts. A certificate account may not be used to establish membership. All certificate accounts are subject to the applicable disclosures set forth in this Agreement as well as the terms and conditions set forth in the Certificate Account receipt.

Individual Retirement Accounts (IRAs). An IRA may not be used to establish membership. All IRAs are subject to the applicable disclosures set forth in this Agreement as well as the penalties, terms, and conditions set forth in the applicable IRA Custodial Agreement. Contributions via payroll deduction apply to the current year.

Totten Trust Accounts. A Totten Trust Account is an informal account owned by one or more owners/trustees for the benefit of one or more beneficiaries. If the Totten Trust Account is held by more than one owner/trustee, the owners/trustees are subject to the rules pertaining to joint account ownership. The owner/trustee may withdraw money from the account and may change the beneficiary under the account. Beneficiaries have no right to any funds in the account during the owner's/trustee's

lifetime. Unless stated otherwise, each beneficiary is deemed to have the same percentage interest. When all owners/trustees die, the account balance is transferred to the beneficiary or beneficiaries. In accordance with state law owners cannot name a successor beneficiary unless all beneficiaries have predeceased the owners/trustees. Therefore, if there is no surviving beneficiary upon the death of the last owner/trustee, state law will determine ownership of the funds in the account.

Formal Trust Accounts. A Formal Trust Account is an account owned by one or more trustees, for the benefit of one or more beneficiaries, according to a formal written trust agreement. To open a living trust, you must retain membership in your own right by retaining at least one share in your personal name for share insurance purposes.

The separate Living Trust Account Agreement and Certification of Trust provides for the applicable terms and conditions that are in addition to this Agreement.

Fiduciary Accounts. A fiduciary account can be established as an estate, guardianship, conservator, infant compromise, representative payee, or benefit account. We reserve the right to require such documents and authorizations to satisfy us that the individual(s) who establishes and transacts on the account have the proper authority to do so. This applies at the time of account opening and at all times thereafter.

Uniform Transfers to Minors. As custodian for a minor beneficiary you are subject to the New York Uniform Transfers to Minors Act (NYUTMA). Deposits in the account are held for the exclusive right and benefit of the minor. The minor has no authority to transact on the account. The custodian is liable for all transactions conducted and must transfer the funds to the minor upon reaching the age designated on our records. If the account is not closed and funds are not transferred to the minor, it will be blocked for deposits and withdrawals to comply with the NYUTMA. A successor custodian

must be designated to act as custodian if you resign, die, or become legally incapacitated.

Premier Savings. The Premier Savings is limited to one joint owner and only one account per primary member is permitted. To qualify for this account, you must receive an aggregate minimum of \$500 in monthly direct deposit(s) to your primary checking account and maintain an average daily share balance of \$500 in your primary checking account. If you do not meet this criteria, the Premier Savings account will convert to a traditional savings account. Premier Savings charges an annual fee in accordance with the Fee Schedule.

College Savings Account. A College Savings account assists minors under the age of 18 and their parent/guardian with establishing savings habits for future educational expenses. Open the College Savings account with a minimum deposit of \$5.00 and earn bonus credits based on the following:

Eligibility requirements

- Open account prior to age 17
- Make deposits for a minimum of 10 months following account opening and each year prior to the account opening anniversary date
- Save a minimum of \$100, not including dividends during the first 12-months from account opening to earn initial bonus credit
- Earn additional bonus credits every 12-months from account opening by increasing the savings balance by \$100 year over year, not including dividends or bonus credits
- Member (minor) must have a Primary Savings account with a \$0.01 minimum balance

Receiving the Bonus. The bonus credit will post to the College Savings account annually, at month end on the anniversary date of account opening, if all eligibility requirements are satisfied. Bonus credit is based on the age of the minor on the anniversary date:

<u>Age</u>	<u>Bonus</u>
1-5 years	\$25

6-10	\$50
11-15	\$75
16-18	\$100

Other Terms and Conditions. The College Savings account will automatically close and the balance will transfer to the minor's Primary Savings account. The closure will occur at the quarterly dividend posting following the minor's attainment of age 18 and the anniversary date of the original account opening.

PaySmart Accounts. A PaySmart account may not be used to establish membership. A PaySmart Account is a savings account in which balances maintained above \$25 receive a discount to purchase money orders. This account cannot be used for overdraft protection.

Club Accounts. Club accounts can be opened for "not-for-profit" clubs or organizations. All individuals of the organization or club must be either members of HVCU or eligible for membership.

Holiday Club Accounts. A Holiday Club account may not be used to establish membership. A minimum opening balance of zero dollars is permitted only if signed documentation for automatic transfers from a savings or checking account or through payroll deduction has been submitted. Regular deposits must be made to the account for a minimum of \$8 per month via automatic account transfer, ACH, or payroll deduction. Over-the-counter deposits are permissible, but are not credited toward the \$8 monthly minimum deposit.

This account may be closed and the balance credited to an existing HVCU account if a deposit has not been made during a month. Another Holiday Club account cannot be opened until the next cycle begins under these circumstances. The Holiday Club cycle is October 1st through September 30th. At the end of the account cycle, the balance is credited to an existing HVCU checking or savings account.

Mortgage Savings Account. A Mortgage Savings account assists account holder(s) with saving toward the purchase of a home. Account holder(s) is eligible to receive a lender credit of \$1 for every \$5 deposited up to a maximum of \$1000 toward closing costs when obtaining a mortgage loan through HVCU. Eligibility requires a separate Primary Savings membership account with a \$0.01 minimum balance, a minimum opening deposit of \$100, monthly deposits of \$100 for a minimum of 10 months, and obtaining approval to close on an HVCU mortgage within 36 months of account opening. The lender credit is limited to one credit per mortgage and borrower may only receive the credit once. Withdrawal requests require the closing of the Mortgage Savings account. The Mortgage Savings account will automatically close and the balance will transfer to the member's existing Primary Savings account. The closure will occur at the quarterly dividend posting following 36 months and the anniversary date of the original account opening. Lender credit amount is determined when a completed mortgage application is submitted and may be subject to change based on available mortgage programs. Fees may reduce earnings. May be subject to IRS reporting.

Mortgage Accelerator Program (MAP). A MAP account may not be used to establish membership. MAP is an account for fixed rate mortgages that offers a payment structure similar to a bi-weekly payment option, but allows you to start or discontinue the program as you desire, without the need or expense of refinancing your mortgage. MAP accounts are subject to this Agreement as well as the terms and conditions set forth in the MAP Automatic Payment form.

Checking Accounts. A 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 are permitted to make an unlimited number of deposits to the account without incurring a

fee. Withdrawals are deemed to be made when recorded on HVCU's books, and not necessarily when you initiated the withdrawal.

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 is 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 items payable to any signer of this account for which all 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, 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.

Premier Checking Account. The Premier Checking account is limited to one joint owner and only one account per primary member is permitted. The Premier Checking account is subject to a monthly fee in accordance with the Fee Schedule. To avoid the imposition of the fee you must maintain a combined average daily share balance of \$15,000 or more and receive an aggregate minimum of \$1,000 monthly direct deposit(s) to your primary account.

Teen Checking Account. A Teen Checking account can be opened for minors ages 13 to 17. Only one Teen Checking per minor is permitted. An adult must be joint on the account. Except for overdraft protection from the minor's Primary Share account, HVCU's Overdraft Programs do not apply to Teen Checking accounts. All other terms and conditions of this Truth in Savings Disclosure and Account Agreement will apply. The account will convert to a Classic Checking account when the minor reaches age 18 and the adult will automatically be removed as the joint owner.

Health Savings Account (HSA). An HSA is subject to this Agreement, including the checking account conditions, and the terms and conditions set

forth in the applicable HSA Custodial Agreement. The HSA Custodial Agreement supersedes this Agreement if there are any conflicting terms. There is only one account owner on an HSA account and only the account owner is entitled to draw items against the account. HVCU may recognize your signature on the Application as authorization to transact any business on this account. If your HSA account balance becomes negative, HVCU has the right to enforce a statutory lien against the negative balance by transferring funds from another account in which you have an ownership interest (except accounts prohibited by law) or request that you deposit sufficient funds. Any transfer or deposits made to pay a negative balance is considered a contribution and in some instances the contribution may be considered an excess contribution and subject to IRS penalties.

For important information on the difference between Available Balance and Actual Balance, please see the Overdraft Notice Disclosures.

Overdraft Programs. At HVCU's discretion, if you do not have sufficient funds available in your checking account to cover items, they may be paid pursuant to HVCU's Privilege Pay or Overdraft Protection program (in accordance with the applicable line of credit overdraft agreement). Coverage and notification of overdraft transactions is made at HVCU's discretion and may be terminated without notice. You cannot rely on HVCU to pay overdrafts on your account regardless of how frequently or under what circumstances HVCU has paid overdrafts on your account in the past. You may opt out of any overdraft protection service at any time by contacting us using any of the options listed under Contacting HVCU.

Overdraft Protection. Generally, you must opt-in to receive overdraft protection service. Overdraft protection can be designated from one line of credit (Readi-Cash personal or home equity) and/or one savings account. The overdraft protection sequence is set up first from your line of credit then

from your savings account, unless you instruct HVCU otherwise. Overdraft protection from the designated line of credit is suspended if any of your loans or loans of which you are a co-borrower or co-signer is ten or more days delinquent.

Privilege Pay. If you have been a member in good standing for 30 or more days, HVCU may pay checks and other items when you unintentionally do not have enough funds available in your checking account or other overdraft protection sources. HVCU offers more affordable alternatives to Privilege Pay as described in the Overdraft Protection section. 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 Privilege Pay services, you cannot be in default on any loan obligation or subject to any legal or administrative order.

Privilege Pay may apply to checks and ACH debits with no registration required and is subject to a fee. Privilege pay may apply to Visa Debit card and ATM card transactions only when you register (opt-in) and may be subject to a fee in accordance with the Fee Schedule. Privilege Pay is limited to a maximum of \$500, including fees. Any item that results in a negative balance greater than the maximum allowed will be returned unpaid. You must bring your account to a positive balance within 30 calendar days following the date of the overdrawn balance, including fees. If funds are available in other accounts, including joint ownership accounts (except 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 Privilege Pay services and take collection steps if your 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. The order in which transactions are received and processed by HVCU can affect the total amount of the overdraft fees incurred.

HVCU is not liable for any action we may take regarding payment or nonpayment of these items. In addition, HVCU may discontinue Privilege Pay at any time without prior notice, reason, or cause. Credit agencies may be notified if overdrafts are not paid as agreed.

Posting Order and Balances. The available checking account balance is the balance used to determine when Overdraft Protection or Privilege Pay applies. Please refer to the separate Overdraft Notice for details on transaction posting order and balances.

For important information on the difference between Available Balance and Actual Balance, please see the Overdraft Notice Disclosures.

Stop Payment Requests. 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 close of business 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 close of business 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 U.S. Postal Money Orders, if these items 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;

- 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 after the day of deposit. 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 Members. 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, U.S. Treasury, federal, state, and local government checks, and U.S. 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.

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. If you have not opted in for HVCU's Privilege Pay or Overdraft Protection program, HVCU may return debits (e.g., checks, debit transfer, ACH payments, ATM withdrawals, debit card transactions, point of sale transactions) submitted for payment against the checking account if the amount of the debit exceeds the funds available in the checking account. Each time we return a request for payment or debit for insufficient funds, we reserve the right to assess an NSF fee in the amount shown on HVCU's current Fee Schedule and charge for each returned debit

item unless the request includes information such as a retry designation which would alert us that the request is a repeat request in which case there will be no fee charged. The entity that submitted the debit may submit another debit to HVCU even if we have already returned the prior debit for insufficient funds in the checking account. If the resubmitted debit again exceeds the funds available in the checking account, HVCU again will return the debit. You will not be charged an additional fee if the resubmission is appropriately designated as such. A merchant may re-present the same item for payment more than once. We also 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. 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. We are authorized to report the facts concerning the failed or returned transaction to any consumer credit reporting agency.

For important information on the difference between Available Balance and Actual Balance, please see the Overdraft Notice Disclosures.

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 that are held individually, jointly, or as a Totten Trust can be used as collateral on a loan.

Power of Attorney. You may wish to appoint an agent to conduct account transactions on your behalf. HVCU is obligated to accept power of

attorney forms only if we deem they are properly completed and signed. Once accepted, your agent is authorized to act on your behalf.

Retail Sweep Program. Savings, checking, 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 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.

Consent to Contact. You are required to provide an active telephone number by which we can reach you. You may, but are not required to, provide us with a cellular, voice-over-Internet-protocol (VoIP), or other telephone number which may require you to pay for receiving calls (a "mobile" number). If you choose to provide us with a mobile number, you thereby expressly consent to receiving communications from us and our affiliates and agents at that number for any purpose and by any method, including efforts to contact you regarding a debt, prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system. Such calls and messages may incur access fees from your cellular provider. Your consent to receive prerecorded or artificial voice message calls, text messages, and calls made by an automatic telephone dialing system may be revoked at any time, although we may still contact you in connection with any debt you may have.

TRUTH IN SAVINGS 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 HVCU's 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 non-cash, 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 periodic rate to the balance in the account at the end of each day. (See chart on Pg. 28.)

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 10 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. If you withdraw funds and the certificate balance falls below the minimum balance requirement, your certificate may not be renewed and a refund will be issued to your primary share.

Certificate Account Penalties. HVCU imposes a penalty and closes the 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: (See chart below)

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 are not applied: 1) if the withdrawal is made subsequent to the death of any owner of the account, or is made at the close of the dividend period in which the administration of the decedent's estate is completed, but not to exceed a period of four years; or 2) as a result of the voluntary or involuntary liquidation of HVCU; or 3) because the owner of an IRA certificate account is age 59 1/2 or older; 4 or 5) if the member has been declared

legally incompetent. If an IRA certificate account is closed within seven days of opening (however all dividends are forfeited).

Transaction Limitations. Tiered Money Market Accounts: 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 tiered money market account(s) are unlimited when made: in person, at the ATM, via postal mail or through Shared Service Centers.

Dividend Payments and Minimum Balance Requirements¹

Account Type	Dividends Compounded	Dividends Credited	Dividend Period	Minimum Balance Required to Open Account	Minimum Balance Required to Earn Dividends
Savings	Daily	Quarterly	Quarterly ⁴	\$0.01 ⁷	\$0
Premier Savings	Daily	Quarterly	Quarterly ⁴	\$0	\$0
Holiday Club	Daily	Quarterly	Quarterly ⁴	\$0	\$0
College Savings	Daily	Quarterly	Quarterly ⁴	\$5	\$0
Mortgage Savings	Daily	Quarterly	Quarterly ⁴	\$100	\$0
IRA Savings	Daily	Quarterly	Quarterly ⁴	\$0	\$0
All Checking Products	Daily	Monthly	Monthly ⁵	\$0	\$0
Tiered Money Market ⁸	Daily	Monthly	Monthly ⁵	\$500	\$500
PaySmart	N/A	N/A	N/A	\$25	N/A
Mortgage Accelerator Program	Daily	Monthly	Monthly ⁵	\$0	\$0
3 to 60 Month Fixed Rate Certificate Account Regular & IRA ²	Daily	Monthly	Monthly ⁶	\$500	\$500
12 Month Flex Certificate Account Regular & IRA ^{2,3}	Daily	Monthly	Monthly ⁶	\$750	\$750
3 to 60 Month Jumbo Fixed Rate or 12-Month Flex Rate Certificate Account Regular & IRA ^{2,3}	Daily	Monthly	Monthly ⁶	\$50,000 & \$100,000	\$50,000 & \$100,000
8 Month Save Smart Certificate Account ²	Daily	Monthly	Monthly ⁶	\$250	\$250

1. 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.
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. The minimum balance required to open a Primary Savings Account is \$0.01. Each unique member number requires one Primary Savings Account.
8. 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.

Arbitration Clause:

This clause contains important information regarding your rights in the event of any dispute with HVCU. You are agreeing to resolve any disputes by binding arbitration, which replaces your right to go to court, including the rights to a jury trial and to participate in a class action.

Definitions

As used in this Arbitration Agreement, “you” and “your” shall mean each individual having applied for an account, product or service with HVCU, or having an account or agreement with HVCU, and includes anyone who has access to the account(s). “We,” “us,” and “HVCU” means Hudson Valley Credit Union and its “Related Parties,” as that term is defined below. “Party” and “Parties” mean you and us, including any person or entity who may be bound by this arbitration provision.

Agreement to Arbitrate Disputes

In the event of any Dispute (defined below) between you and HVCU, either you or HVCU may elect, without the other’s consent, to require that the Dispute be submitted to and resolved by binding arbitration, except for the disputes specifically excluded below. If a Party initiates a proceeding in court regarding a claim or dispute which is included under this arbitration clause, the other Party may elect to proceed in arbitration pursuant to this clause.

Arbitration is a private hearing administered and decided by a neutral third party. It is less formal and is usually faster than a court case. Pre-hearing fact-finding (called “discovery”) and appeals of the final award are limited. Courts will only overturn arbitration awards in rare circumstances.

Rights You Are Giving Up

For disputes subject to this clause, you and we give up our rights to each of the following:

- 1. Have juries decide Disputes.**

- 2. Have courts, other than small-claims courts, decide Disputes.**
- 3. Serve as a private attorney general or in a representative capacity.**
- 4. Join or consolidate a Dispute with disputes by other parties.**
- 5. Bring or be a class member in a class action claim or lawsuit, including as a representative or member, or class arbitration.**

Application to Parties and Disputes

This arbitration clause governs you and us. It also applies to and covers certain “Related Parties,” including our parent companies, subsidiaries, and affiliates, our employees, directors, officers, shareholders, members, representatives, and service providers, and any person or company that is involved in a Dispute that you pursue relating to this Arbitration Agreement or your relationship with HVCU. Related Parties also include anyone connected with you or raising a Dispute through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor, successor, heir, assignee, or trustee in bankruptcy.

This arbitration clause covers “Disputes” between you and us (or any Related Party). In this clause, “Disputes” has the broadest reasonable meaning, and includes all past, present, and future claims, directly or indirectly arising from or related to your relationship with HVCU, this Arbitration Agreement, any account, loan, or other product you have HVCU, and any related communications. It includes claims based on any legal theory, including contract, tort, intentional tort, fraud, negligence, agency, equity, statute or regulation, or any other sources of law, claims seeking damages or injunctive or declaratory relief and initial claims, counterclaims, cross-claims, and third-party claims. It includes claims related to privacy and customer information. It includes claims related to the validity in general of this Arbitration Agreement.

Disputes Excluded from This Arbitration Clause

Disputes filed by you or us individually within the jurisdiction of a small claims court are not subject to arbitration, provided that those claims remain in small claims court. We may demand arbitration of any small claims action that is transferred, removed, or appealed to a different court or if any small claims action is brought on a class basis.

Class Action Waiver

For Disputes subject to this clause, you and we give up our rights to bring or be a class member in a class action claim, arbitration, or lawsuit, including as a representative or member.

Commencing an Arbitration

As a condition precedent to the initiation of any lawsuit or arbitration, the Party raising a Dispute must give the other Party written notice of the Dispute, which must explain in reasonable detail the nature of the Dispute and any supporting facts. If you are the party raising the Dispute, you must send the notice in writing to the following address: Hudson Valley Credit Union, PO Box 1071, Poughkeepsie, NY 12602-1710. You or your attorney must sign the notice and must provide the applicable account or agreement number and a phone number where you or your attorney can be reached. Once a notice of Dispute is sent, the Party raising the Dispute must give the other Party a reasonable opportunity over the next 30 days to resolve the Dispute on an individual basis.

If the Parties do not reach an agreement, arbitrations conducted under this clause will be governed by this Arbitration Agreement and the rules of the arbitration company in effect at the time the arbitration is commenced. An arbitration must be filed with either of the following companies, in accordance with its rules:

- The American Arbitration Association (“AAA”); 1633 Broadway, 10th Floor, New York, New York 10019; 1-800-778-7879 (toll-free); www.adr.org; or

- JAMS; 620 Eighth Avenue, 34th Floor, New York, New York 10018; 1-800-352-5267 (toll-free); www.jamsadr.org.

If you initiate the arbitration, you must notify us in writing at: Hudson Valley Credit Union, PO Box 1071, Poughkeepsie, NY 12602-1701.

You may obtain a copy of the arbitration rules for these forums, as well as additional information about initiating an arbitration by contacting AAA and JAMS.

To the extent that the arbitrator decides that any in-person hearings are necessary, they must be held at a place reasonably convenient to you.

If one Party begins or threatens a lawsuit, or files a counterclaim to an existing lawsuit, that is covered by this arbitration provision, the other Party may demand arbitration, including through court papers such as a motion to compel arbitration. Once an arbitration demand is made, no lawsuit can be brought and any existing lawsuit must stop.

Administration of Arbitration

The arbitration shall be decided by a single, neutral arbitrator. The arbitrator will be selected, and the arbitration will be administered, in accordance with the applicable rules of the arbitration forum. You understand and agree that the applicable rules in arbitration may limit the discovery available to you or us. The arbitrator shall decide the dispute in accordance with the applicable substantive law consistent with the Federal Arbitration Act (“FAA”). You or we may choose to be represented by counsel in the arbitration. If the arbitrator does not issue a written award, either Party may request an explanation from the arbitrator within 14 days of the date of the ruling. Upon such request, the arbitrator will explain the ruling in writing.

The arbitrator is not allowed to handle any Dispute on a class or representative basis. All Disputes subject to this arbitration clause must be

decided in an individual arbitration or an individual small-claims action.

If AAA or JAMS is unable or unwilling to handle the claim for any reason, then the matter shall be arbitrated by a neutral arbitrator selected by agreement of the Parties (or, if the Parties cannot agree, selected by a court in accordance with the FAA). The neutral arbitrator selected by the Parties or the court shall apply the Federal Rules of Evidence and the Federal Rules of Procedure concerning discovery, except that the above class action waiver is specifically enforceable notwithstanding any Federal Rule of Procedure to the contrary.

Appeal Rights

Appeal rights under the FAA are very limited. If the Dispute involves less than \$50,000, the arbitrator's award will be final and binding. For Disputes involving more than \$50,000, any Party may appeal the award to a panel of three arbitrators appointed by the arbitration company, which will reconsider anything in the initial award that is appealed. The panel's decision will be final and binding, except for any FAA appeal right. Any court with jurisdiction may enter judgment upon the arbitrator's award.

Right to Resort to Provisional Remedies Preserved

Nothing in this arbitration clause shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off, to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court of competent jurisdiction. You or we may elect to arbitrate any dispute related to the above provisional remedies.

Governing Law

You and we agree that our relationship and this Arbitration Agreement involve interstate commerce

and that this arbitration provision is governed by, and enforceable under, the FAA. The arbitrator must apply applicable substantive law consistent with the FAA, including honoring statutes of limitations and privilege rights. To the extent state law is applicable, the laws of the State of New York shall apply.

Costs

The Party initiating the arbitration shall pay the initial filing fee. We will pay our share of the filing, administrative, hearing, and arbitrator fees. At your request, and if you act in good faith and cannot get a waiver, we will advance your share of these fees. We will always pay these fees if required under applicable law or the arbitration company's rules, or if payment is required to enforce this arbitration clause.

If you file the arbitration and an award is rendered in your favor, will we reimburse your filing fee. Each Party shall bear the expense of their respective attorneys, experts, witnesses, or other expenses, regardless of who prevails, but the arbitrator may award certain costs or expenses pursuant to applicable law. The arbitrator can require you to pay our fees if permitted under applicable law or if the arbitrator finds that you have acted in bad faith, as measured by the standards set forth in Federal Rule of Civil Procedure 11.

Survival and Severability

This arbitration provision shall survive: (a) termination or changes to your account(s) or any related services with HVCU; (b) the bankruptcy of any Party; and (c) the transfer or assignment of your accounts or any related services. If any portion of this arbitration provision is deemed invalid or unenforceable, the remainder of this arbitration provision shall remain in force and effect. No portion of this arbitration provision may be amended, severed, waived, or terminated without written agreement between you and us.



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