

UNDERSTANDING YOUR LCCU DEPOSITORY ACCOUNT

Latino Community Credit Union (LCCU) offers you a wide variety of deposit account services. This Rules and Regulations brochure is the account agreement between you and LCCU governing all deposit accounts you have at LCCU. "You" means each person signing the account signature form or card or anyone who has access to the account. When you open, maintain or access a deposit account of any type with the Credit Union, you are consenting to the terms of this agreement. This agreement is a legally binding contract that can be modified only as provided herein. Read and retain this agreement so you can refer to it whenever you have a question about your account. If you ever have any questions after reading this agreement, the Credit Union will be happy to answer them.

This agreement includes the following sections:

- **Funds Availability** – Deposits made to an LCCU account may not be available immediately. The availability of some deposits may be delayed because of a non-LCCU check, non-sufficient funds or other circumstances. The "Funds Availability" section discloses LCCU's policy and rules for handling deposits.
- **Substitute Check Policy Disclosure** – This is a brief description of the Credit Union's implementation of the "Check 21" substitute check policy and how it impacts you.
- **Regulation D** – This section outlines transfer/withdrawal limitations for share, tax-advantaged (excluding health savings accounts) and money market share accounts.
- **Truth-in-Savings Disclosure** – The Credit Union is committed to providing you a complete list of the terms and features for LCCU depository accounts. This list is included in the "Truth-In-Savings Disclosure" section.
- **Service Fees and Terms** – The "Service Fees and Terms" section gives a complete list of service charges and prices for Credit Union services, including special services and complimentary services.
- **Account Agreement and Rules** – This section describes the terms and conditions which govern the use of your account.

FUNDS AVAILABILITY

LCCU's policy is to make funds from your deposits available on the same business day a deposit is received. At that time funds can be withdrawn and LCCU will use the funds to pay checks that have been written and presented for payment. For LCCU, business days are Monday through Friday, except for designated holidays. Deposits received by branch offices before closing on a day that LCCU is open are credited on that calendar date. Deposits made at a Cash Points ATM on a business day are credited on that calendar date if made before the machine is balanced (no earlier than noon). A deposit made at an ATM after it is balanced is credited on the next business day LCCU is open.

LONGER DELAYS MAY APPLY

In some cases, LCCU may delay your ability to withdraw funds beyond the same business day of a deposit. In those cases we will advise you of the date your funds will be available for withdrawal. However, the first \$200 of a deposit into a checking account (share draft or regular) or Cash Points Global account will be available on the same business day of deposit. In most instances you will be advised of a delay in funds availability at the time of deposit. However, if a deposit is not made directly to an LCCU employee or if LCCU decides to delay availability after you have left the premises, LCCU will mail a notice by the end of the next business day after the deposit is received. LCCU will delay funds up to the maximum schedule of funds availability as allowed by the Federal Reserve Bank's Regulation CC for most checks. In addition to these schedules, funds deposited by check may be delayed for a longer period for special circumstances, such as (but not limited to):

- account is less than 30 days old
- LCCU is unable to verify that a check will be paid
- there are erasures or discrepancies on a check
- a check in the deposit was previously returned unpaid
- the account has been overdrawn repeatedly in the last six months
- checks deposited total more than \$5,000 in one day
- LCCU is notified that a check previously deposited is being returned unpaid
- there is an emergency such as failure of communications or computer equipment

SPECIAL RULES

Holds on Other Funds – Check Cashing: If LCCU cashes a check drawn on another financial institution; the availability of an equal amount of funds already in any of your LCCU accounts may be withheld. Those funds will be available at the time funds from the cashed check would have been available, if the check had been deposited. For example: If LCCU cashes a \$500 check for you, \$500 of funds already in your account may not be available until up to the seventh business day after the day LCCU cashed the check. A notice will be sent advising you of this hold by the next business day after the check is cashed.

Holds on Other Funds – Other Accounts: If LCCU accepts for deposit a check drawn on another financial institution, LCCU may make funds from the deposit available for withdrawal immediately but delay the availability of an equal amount of funds you have on deposit in another account with LCCU. The funds in the other account would then be available for withdrawal at the time funds from the deposited check would have been available. A notice will be sent advising you of this hold by the next business day after LCCU receives the deposit.

Deposits and Transfers at Automated Teller Machines: Funds from any deposit (cash or checks) or transfer made at an LCCU Automated Teller Machine (ATM) will be available on the business day of deposit or transfer unless we mail you a notice advising you of a delay in funds availability. ATMs owned by LCCU are designated by the Cash Points logo. If a member transfers funds between LCCU accounts at an ATM not owned or operated by LCCU, the funds may not be available until the next business day after the day of the transfer.

SUBSTITUTE CHECK POLICY DISCLOSURE

Substitute Checks and Your Rights: In October of 2003, the Check Clearing for the 21st Century Act (Check 21) was passed into law and became effective October 28, 2004. The goal of this act is "to improve the overall efficiency of the nation's payment system." Since today's check processing environment involves extensive transportation costs and is time consuming, this law allows for the creation of a new negotiable instrument called a "substitute check" which will expedite the check collection process.

What is a substitute check? To make check processing faster, federal law permits financial institutions to replace original checks with "substitute checks." These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: "This is a legal copy of your check. You can use it the same way you would use the original check." You may use a substitute check as proof of payment just like the original check. Some or all of the checks that you receive back from us may be substitute checks or copies of substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other laws with respect to those transactions.

What are my rights regarding substitute checks? In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, insufficient funds fees). The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest, if your account earns interest) within 10 business days after we received your claim and the remainder of your refund (plus interest, if your account earns interest) not later than 45 calendar days after we received your claim. We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

How do I make a claim for a refund? If you believe that you have suffered a loss relating to a substitute check that you received and/or that was posted to your account, please call your local branch or log onto the Member Access section of the LCCU website at www.latinoccu.org to complete the appropriate form. You must file your claim with us within 60 calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We may extend this time period if you were not able to make a timely claim because of extraordinary circumstances. Your claim must include:

- a description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- an estimate of the amount of your loss;
- an explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- a copy of the substitute check [and/or] the following information to help us identify the substitute check: the check number, the name of the person to whom you wrote the check, the amount of the check

REGULATION D

The Federal Reserve Bank's Regulation D limits certain withdrawals and transfers from your share, tax-advantaged (excluding health savings accounts) and money market share accounts. The following withdrawals and/or transfers are limited to a total of six (6) per account per calendar month:

- Internet transfers from a share, tax-advantaged (excluding health savings accounts) or money market share account to another deposit account
- Phone transfers from a share or money market share account to another deposit account via LCCU voice Response
- Phone transfers from a share or money market share account to another deposit account via your local branch
- Overdraft transfers from a share or money market share account to a checking account
- Automated funds transfers from a share or money market share account to another deposit account
- Funds transfers or withdrawals not initiated in person at a branch and payable to a third party (such as a wire transfer request)
- Safe deposit box auto-debit fees that occur yearly from a share or money market share account

The following withdrawals and/or transfers are not limited on your share, tax-advantaged or money market share account and can be performed as often as needed:

- Transactions completed in person at a branch
- Transactions performed at an ATM
- Transfers to loans or credit cards
- Transactions sent in by mail

NOTE: Deposit accounts that are exempt from Regulation D and therefore have no withdrawal and transfer limitations are as follows: checking accounts, Cash Point Global accounts (CPG) and health savings accounts (HSAs).

TRUTH-IN-SAVINGS DISCLOSURE

The following sections explain the terms and features for all LCCU deposit accounts and ownership types. Deposit accounts include share accounts, individual retirement accounts (IRA), Coverdell education savings accounts (CESA), simplified employee pension accounts (SEP), health savings accounts (HSA), regular (non-interest earning) checking (no longer offered to new account holders), share draft checking, share term certificates (STC), Cash Points Global and money market share accounts. Types of ownership include individual, joint with right of survivorship, payable on death (POD—formerly known as a trustee account), revocable living trusts (RLT), irrevocable trusts (IRT) and Uniform Transfer to Minors Act accounts (UTMA). The type of ownership of the account is designated by you at the time the account is opened.

COMPOUNDING, CREDITING AND DIVIDEND ACCRUAL

For share draft checking accounts, money market share accounts, share accounts, IRAs, CESAs, SEP IRAs and HSAs, dividends are compounded daily and credited monthly on the same day the monthly statement is created. If you receive a printed statement, the date the statement is created is determined by the zip code to which the statement is mailed. Statements are mailed approximately every 30 days, but not always on the same day of the month. If you opt-out of printed statements and retrieve your statement via our website, you may select the approximate time each month you wish your statement to be created, which will still be approximately every 30 days but not always on the same day of the month.

Dividends are paid by the third business day of the next quarter based upon the daily balance in the account each day of the previous quarter.

Except as noted below, interest is not compounded on share term certificates; it accrues as simple daily interest. Interest is automatically paid monthly by transfer from the STC into another deposit account; however, if the term is six or 12 months, you may request instead that interest be paid when the certificate matures. Interest that is transferred to another deposit account will earn dividends at the current rate being paid for that type of account. If an STC is automatically renewed, the interest rate will be based on the rate for that term on the date of renewal. An automatically renewed STC may be cancelled without penalty during the seven-day grace period following renewal. If you choose to cancel the STC during that period, the STC will earn interest for the days from the renewal until the cancellation at the existing regular share account rate.

NOTE: Interest on mortgage share term certificates is compounded and paid monthly.

Dividends are not earned on Cash Points Global accounts or on regular (non-dividend earning) checking accounts. Checking accounts that do not earn dividends are no longer offered by LCCU; however, those already in existence are referred to as "regular checking" accounts to differentiate them from "share draft checking" accounts which earn dividends as previously explained. Dividends begin to accrue on the business day of receipt for cash and non-cash funds received by any method.

CALCULATION METHOD

Dividends are calculated based on the daily balance method by applying a periodic rate to the balance eligible for dividend accrual in the account each day.

EFFECT OF CLOSING

Accrued but unpaid dividends will be paid if the account is closed prior to dividend crediting except for share term certificates which are subject to early withdrawal penalties. (See Fixed Rate Accounts.)

MINIMUM BALANCE REQUIREMENTS

There is no minimum balance requirement to earn dividends on regular share accounts, individual retirement accounts, simplified employee pension share accounts, health savings accounts or share draft checking accounts. The minimum balance to earn dividends/interest on share term certificates and money market share accounts is \$500. There is no minimum balance required to avoid a fee on Children share, Holiday Cash, Youth Share draft, or Health savings accounts. A minimum balance is not required to avoid a fee on Cash Points Global, Microbusiness or Nonprofit Share draft account; however, these accounts are charged a monthly maintenance fee regardless of balance. A minimum balance is required to avoid a fee on regular share draft checking accounts. The minimum balance to avoid a monthly service fee on regular share accounts, and IRA/SEP accounts is \$10. The minimum balance required to avoid a monthly service fee on a regular money market share account is \$500 and for the micro-business and nonprofit money market share account is \$1,000. The minimum balance to avoid a monthly service fee on a regular share draft checking account is \$250.

FIXED RATE ACCOUNTS

A share term certificate is a fixed rate account, which means the rate will not change during the term of the STC. Rates for new STCs are subject to change daily at the discretion of the board of Directors. The term of an STC will be selected by the owner at the time the account is opened. Terms available for selection are 6, 12, 18, 24, 30, 36, 48 and 60 months. After any STC is opened no additional deposits may be made to the account. No partial withdrawals may be made from an STC. If the principal is withdrawn before the maturity date, an early withdrawal penalty will be charged. The early withdrawal penalty will be the lesser of total interest earned or 90 days' interest on accounts with maturities of less than two years. The early withdrawal penalty for accounts with maturities greater than two years will be the lesser of total interest earned or 180 days of interest.

Certificates will automatically renew into a new certificate for the same term at the then offered interest rate for that term unless you specifically request that the principal be transferred into another deposit account at maturity. Fourteen days prior to maturity or renewal, LCCU will send a notice to you indicating the upcoming action. Future dividends/interest earned on matured funds will be determined based on the existing rate for the deposit account to which funds were transferred. Future earnings on renewed funds will be at the rate offered on the renewal date for an STC of that term.

VARIABLE RATE ACCOUNTS

Share accounts, IRA/SEP/HSA accounts, share draft checking and money market share accounts are variable rate accounts, and these rates are subject to change daily.

NATURE OF DIVIDENDS

Dividends and interest are paid from LCCU's available earnings after any required transfers to reserves.

TRANSACTION LIMITATION

Share, tax-advantaged (excluding HSAs) and money market share accounts are limited to no more than six (6) withdrawal and/or transfer transactions per account per calendar month (See Regulation D section). No checks can be written and no automated clearing house (ACH) debits are allowed on Cash Points Global accounts, share accounts or money market share accounts.

SERVICE FEES, TERMS AND RATES

Current service fees, terms, dividend and interest rates along with corresponding annual percentage yields for all deposit accounts are disclosed in the "Interest/Dividend Rate Summary" and the "Fee Schedule" which may be obtained at any branch office. In addition, you may verify current fees, rates and yields on our website, www.latinoccu.org, or via Latino Direct, our voice response touch tone phone system available 24 hours a day. Latino Direct can be reached by dialing 1-866-USE-LCCU (873-5228).

ACCOUNT AGREEMENT AND RULES

In consideration for opening a depository account of any type at Latino Community Credit Union (the Credit Union), you, as an account holder, agree to the terms and conditions in this entire brochure including Funds Availability, Substitute Check Policy, Truth-in-Savings and Account Agreement Rules, all of which shall govern the use of your account. The following applies to accounts at the Credit Union. The depositor agrees as follows and the Credit Union accepts business on such conditions only.

GENERAL RULES

- (1) In this instrument except as otherwise indicated, the singular includes the plural.
- (2) All items deposited are received by the Credit Union for deposit or collection and the Credit Union acts only as depositor's collecting agent and assumes no responsibility beyond the exercise of due care. Unless through prior written agreement, the Credit Union accepts no responsibility for warranties and indemnities on substitute checks that are created by other financial or non-financial institutions, entities or persons. We will assume responsibility only for indemnities and warranties associated with substitute checks created by the Credit Union.
- (3) Items drawn on this Credit Union are received conditionally and if not good at the close of business day on which deposited or if payment is stopped the item may be charged back to the depositor.
- (4) The Credit Union accepts no responsibility for payment of checks or drafts which are presented the same day deposits are made unless there is already a sufficient balance to the depositor's credit in addition to such deposits.

- (5) Items received for collection or credit and not drawn on this Credit Union are taken subject to final payment and at the depositor's (member's) risk; should such items be lost, be returned unpaid (NSF, Stop Payment, etc.) or should returns not be received within a reasonable time, the amount of the items can be deducted from the member's account.
- (6) Items may be sent directly to the financial institution upon which drawn, or through collecting agents selected by the Credit Union with due care who may collect and remit, and collecting agents shall have the right to send items directly to the financial institution on which drawn or at which payable.
- (7) This Credit Union and/or collecting agents may accept either cash, draft or credit in settlement of such items, and shall not be liable for failure to collect or realize on drafts or credits so received.
- (8) Each collecting agent is the agent of depositor, but no agent shall be liable for any loss growing out of neglect, default or failure of any other agent.
- (9) This contract shall be held and construed to be a North Carolina contract, and the rights, obligations and liabilities of this Credit Union shall be determined by the laws of North Carolina.
- (10) "Depositor" includes those who forward items for collection or other handling, as well as one who makes a deposit in the ordinary sense of the word.
- (11) Depositor covenants that depositor has authority to agree as aforesaid on depositor's own behalf, and on behalf of holder or owner of said items; authority is given this Credit Union to enter into contract with correspondent banks and others in connection with the collection or other handling of any item hereunder.
- (12) Delivery to the Credit Union of items for deposit, collection, credit or payment will constitute acceptance of these conditions by the depositor. The rights or authority of the Credit Union under this agreement shall not be changed or terminated by the depositor except by written notice to said Credit Union which shall not affect transactions occurring prior to the Credit Union's receipt of the notice.
- (13) Service and maintenance charges, made in accordance with the rules of the Credit Union in effect at the time, may be charged to this account without notice. These may include charges for handling checks drawn against insufficient funds. The Credit Union shall not be liable for dishonoring checks or drafts because of insufficient funds resulting from such charges. A reasonable service charge may be made against this account if there are no deposits or withdrawals made by depositor within a six month period.
- (14) The Credit Union may refuse any deposits and it may require depositor to withdraw the account balance upon notice to depositor at the last address shown on the records of the Credit Union.
- (15) If the account is a share account, the depositor may withdraw any part or all of the balance on deposit provided, however, that the Credit Union, at its discretion, may require 60 days notice in writing before making any such payment.
- (16) No assignment or transfer of the funds in an account will be recognized by the Credit Union unless the consent of the Credit Union is first obtained and such consent is entered on the Credit Union's records.
- (17) The Credit Union is specifically given the right to apply any deposit in said Credit Union account against past due indebtedness due by the depositor to said Credit Union, as allowed by law.
- (18) If a check drawn is payable on a future date and the account holder does not notify the Credit Union immediately that this check is not to be honored before the payment date and the Credit Union prematurely pays the check in the regular course of business, the account holder agrees the Credit Union shall have no liability to the account holder for such payment.
- (19) The Credit Union is under no obligation to pay a check or draft drawn on an account presented more than six months after the date it is written. However, if the check is paid against an account, the Credit Union takes no responsibility for such payment unless a stop payment order issued by the account holder was in effect.

STOPPING PAYMENT ON CHECKS OR PRE-AUTHORIZED TRANSACTIONS

The Credit Union may refuse to observe any stop payment order that cannot be authenticated by you in writing or electronically. Previously authorized debits to an account from an institution, agency or company other than the Credit Union must be revoked in writing to the originating institution or agency or company. Upon notification of this revocation by the account holder, the Credit Union will stop and return unpaid all future debits from the institution, agency or company regardless of the amount. Pre-authorized periodic transfers or payments from or to Credit Union accounts may be stopped if written order is received at least three business days in advance of a scheduled transfer. Stop orders remain in effect for 12 months. In order for the stop payment to continue for another 12 months, a new stop payment order must be completed by the account holder.

STATEMENTS

Statements showing all deposits, withdrawals, dividends earned, balance on deposit, etc. will be made available at periodic intervals. Statements will be mailed to you by regular first-class mail at the last address shown on the records of the Credit Union unless you previously opted out of paper statements. Cash Points Global account holders will only receive electronic statements. Electronic statements are available to all members by logging onto LCCU's secure Member Access through www.latinoccu.org. Statements made available electronically are presented as maintained in the normal course of recordkeeping. Statements reflect accounts you own and accounts for which you have signature authority. If your statement has more than one account, any authorized signer having electronic access to any of your accounts may see the entire statement, including other accounts. Should a statement be presented in compliance with a court order, subpoena or other legal process, we will present the entire statement as maintained in the normal course of recordkeeping. If you do not tell us within 60 days of LCCU's transmittal of any statement of account and/or cancelled vouchers that the signature upon any paid voucher (check, drafts, etc.) was forged, or any transaction was posted in error or was not authorized, the statement of account shall be considered correct for all purposes and the Credit Union shall not be liable for payment made and charged to your account.

INDIVIDUAL RETIREMENT ACCOUNTS (IRA) AND SIMPLIFIED EMPLOYEE PENSION (SEP)

Latino Community Credit Union was officially affirmed to offer IRAs on 2009 by a custodian agreement known as form 5305-A (Individual Retirement Custodial Account). LCCU was affirmed for SEP-IRAs on 2009.

JOINT ACCOUNTS

All joint accounts are governed by North Carolina General Statute 54-109.58. All joint accounts with LCCU, regardless of which owner deposits the funds, shall be held by the depositors as co-owners with the right of survivorship. The Credit Union may pay the money in the account to, or on the order of, either or any of the depositors named on the account. Upon the death of one joint owner, the money remaining in the account will belong to the surviving joint owner(s) and will not pass by inheritance to the heirs of the deceased joint owner or be controlled by the deceased joint owner's will.

PAYABLE ON DEATH ACCOUNTS

Payable on Death (POD) accounts are governed by North Carolina General Statute 54-109.57. The POD account may be set up with multiple owners and multiple beneficiaries. If there are two or more owners, the owners shall own the account as joint tenants with right of survivorship. During the lifetime of the owner(s), they are the sole owner(s) of the funds in the account and any owner may withdraw the money in the account. By written notice to the Credit Union, the owner(s), individually or jointly, may change the beneficiary(ies) at any time. Upon the death of the last surviving owner, the money remaining in the account will belong to the beneficiary(ies) and will not be inherited by the heirs of the owners or controlled by will.

TRUST DEPOSIT ACCOUNTS

The Credit Union will accept accounts titled in the name of a Revocable living Trust or an Irrevocable Trust. However, the Credit Union will accept no responsibility for determining whether a grantor or trustee is qualified to act or has been duly appointed to act in that capacity, nor whether any transaction involving the account is in accordance with or authorized by applicable law or the trust agreement. The Credit Union only acts as the depository for the funds.

PERSONAL AGENCY ACCOUNTS

Personal agency accounts are governed by North Carolina General Statute 54-109.63. The agent named on the account may sign checks/withdrawals on the account and make deposits to the account. If an owner of the account becomes incapacitated or mentally incompetent, the agent will have the authority to continue acting on behalf of the owner(s). The personal agent's authority ends upon the death of the last owner and the money remaining in the account will be controlled by the will or inherited by the heirs of the last account owner to die, OR released to any POD beneficiary(ies), if the account is a POD account.

SHARE TERM CERTIFICATE

Should an early withdrawal be made of the funds in a STC account, a penalty will be assessed on interest earned. No partial withdrawals may be made.

UNIFORM TRANSFERS TO MINORS ACT ACCOUNTS

The terms of these accounts hereby are deemed to include the provisions of North Carolina General Statutes, Chapter 33A. This transfer of money to the minor named, which transfer shall be deemed to include all earnings thereon and any future additions thereto, is irrevocable.

CLOSING AN ACCOUNT

The Credit Union may close an account, without prior notification, if you breach any terms of this agreement or the Credit Union at its sole discretion determines continual maintenance of the account exposes the Credit Union to risk of financial loss. The Credit Union at its sole discretion, with notice, may close an account for any reason not prohibited by applicable law.

FEDERAL WIRE TRANSFERS AND ACH TRANSACTIONS

The following is provided as a requirement of Article 4A of the Uniform Commercial Code. If you send or receive a wire transfer, the Federal Reserve Bank's FEDWIRE transfer system may be used. Regulation J is the law governing those transfers. If you give the Credit Union a payment order which identifies the beneficiary (recipient of the funds) by both name and identifying or account number, payment may be made by the beneficiary's financial institution on the basis of the identifying or institution account number, even if the number identifies a person different than the named beneficiary. If you give the Credit Union a payment order which identifies an intermediary or beneficiary's institution by both name and an identifying number, a receiving institution may rely on the number as the proper identification even if it identifies a different institution than the named institution. Wire transfers not initiated in person at a branch from share, tax-advantaged (excluding HSAs) or money market share accounts are subject to Federal Regulation D. See Regulation D section.

Automated Clearing House (ACH) items are paperless transfers between financial institutions such as direct deposit of a payroll check or benefit payment. The Credit Union may give you credit for ACH payments it receives for you before it receives final settlement of the funds transfer from the originating financial institution. You are hereby notified and agree that if the Credit Union does not receive such final settlement, it is entitled to a refund from you of the amount credited to you in connection with that ACH entry. ACH transactions are governed by the operating rules of the National Automated Clearing House Association. In accordance with these rules, the Credit Union will not provide any member with next day notice of receipt of ACH credit transfers to an account. Notices of receipt of ACH items are included in the periodic account statements the Credit Union provides.

The Credit Union may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of North Carolina, unless it has been otherwise specified in a separate agreement that the law of some other state shall govern.

ELECTRONIC FUNDS TRANSFERS

You may use an LCCU debit card and Personal Identification Number (PIN) to authorize transactions on deposit and credit accounts. The transactions may be made at qualified Automated Teller Machines (ATMs) or point-of-sale (POS) terminals. A Latino Direct PIN also allows you to make inquiries and transfers between accounts (deposit and credit) via touch-tone phone. With a Member Access PIN, you may access account information and perform transfers via the Internet. Transfers from share, tax-advantaged (excluding HSAs) or money market share accounts via Latino Direct and Member Access are limited to a total of six (6) transactions per account per calendar month. You agree to all terms in the disclosures concerning the use of an LCCU debit card that are mailed with the card or provided electronically.

You may also use pre-authorized electronic funds transfers through the ACH system to make deposits to your accounts or to pay bills or make payments from a share draft checking account. You may use LCCU's Bill Pay service to authorize electronic bill payments on a Cash Points Global account. If an unauthorized ACH debit transaction has posted to an account, you must report the transaction within 60 days of LCCU's transmittal of the periodic statement to avoid liability for subsequent transfers. In order to be eligible for reimbursement of an unauthorized ACH debit, you must notify LCCU and complete a Written Statement Under Penalty of Perjury within 60 days of the settlement date of the transaction.

MEMBER PRIVACY POLICY

At Latino Community Credit Union, we keep financial information about our members secure and confidential. Your financial information is just that—yours! Latino Community Credit Union will not share your personal financial information except as needed to provide services you request. LCCU will never sell your financial information to anyone for any reason. That's not the way we do business; that's not the way you want us to do business. Information about your accounts or any transactions between you and the Credit Union will not be disclosed to third parties except in strict accordance with the law. Additional information about our privacy policy can be found on pages (X & Y).

COLLECTING INFORMATION

LCCU collects and maintains only information we must have to provide you with requested services. When you become a member, open new accounts or apply for additional services, we collect information orally or in writing, such as your name, address and social security number. If you apply for a loan or credit card, we collect the following nonpublic information:

- information about your transactions with us or others, such as payment history and credit card usage
- information we receive from a consumer reporting agency, such as your credit history
- information obtained from current and past employers or other institutions where you conduct financial transactions when we verify data you provide

DISCLOSING FINANCIAL INFORMATION

To provide you with competitive financial products and superior service, we share information within LCCU and give information on a limited basis to our external service providers who help us deliver products such as printed checks, debit/credit cards and life insurance. Credit Union employees have access to your financial information in order to:

- complete your transactions
- maintain your accounts
- provide services you request

Employees of our service providers have access only to the limited information they need. For instance, when you request that checks be printed, we give the printer the information on your check reorder form. We do not give this provider information about your account balance or transactions. We hold service providers to the same standards of confidentiality and privacy we follow. Each company must agree in writing to keep your financial information private. Occasionally LCCU may be required by law to disclose nonpublic personal information for governmental or judicial purposes. If you terminate your membership with LCCU, we will continue to protect your financial privacy and not share your information, except as required by law or as needed to finalize our service to you.

LEGAL PROCESS AGAINST YOUR ACCOUNT

We comply with any legal process we believe to be valid without any liability to you and we may, at our discretion, accept legal process by mail, electronic mail, facsimile or other means. If your account is attached, garnished or otherwise subjected to levy by lawful legal action, the Credit Union will not be liable to you for any sums it may be required to hold or pay, even if holding or paying the money from your account leaves insufficient funds to pay a check you have written. All funds held in a joint account can be used to satisfy any legal process against you or your account. Any garnishment or other levy against your account is subject to the Credit Union's security interest and right of offset in accordance with applicable law.

HOW WE PROTECT YOUR INFORMATION

We know how important the safeguarding of personal information is to our members, and we share your concerns. You have entrusted us with meeting your financial needs, and we recognize that a critical part of that role is respecting and preserving your financial privacy. We require all employees to actively safeguard member privacy and confidentiality. We also have adopted physical, electronic and procedural safeguards that comply with federal regulations and industry standards to protect your nonpublic personal information. If you have any questions concerning our privacy commitment or any other policy of the Credit Union, please contact your local branch.

ELIGIBILITY CERTIFICATION

I certify that I meet the eligibility requirements for membership in Latino Community Credit Union.

TAX IDENTIFICATION CERTIFICATION

Under penalties of perjury, each depositor certifies that the depositor is a U.S. person (including a U.S. alien). Each depositor further certifies that the taxpayer identification number listed on the depositor's account is correct for the depositor and that the depositor is not subject to back-up withholding either because the depositor has not been notified that the depositor is subject to back-up withholding as a result of a failure to report all interest or dividends, or the Internal Revenue Service has notified the depositor that the depositor is no longer subject to back-up withholding. The Internal Revenue Service does not require your consent to any provisions of this document other than the certifications required to avoid back-up withholding.

NOTICE OF NEGATIVE INFORMATION

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected on your credit report.

DISCLOSURES, AGREEMENTS, RULES AND REGULATIONS

These disclosures, agreements, rules and regulations may be added to, rescinded, altered or amended by the Credit Union at any time without notice to you. Upon signing of an account services form or card, you hereby assent and agree to these rules and regulations and their subsequent changes or amendments for this account or subsequent accounts opened.

MEMBER IDENTIFICATION NOTICE:

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

FACTS What does LCCU do with your personal information?

Why?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.
What?	The types of personal information we collect and share depend on the product or services you have with us. This information can include: <ul style="list-style-type: none"> • Social Security number ITIN and income • Account balances and payment history • Account transactions and mortgage rates and payments When you are no longer our member, we continue to share your information as described in this notice.
How?	All financial companies need to share members' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their members' personal information; the reasons LCCU chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does LCCU Share?	Can you limit this sharing?
For our everyday business purposes –such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes –to offer our products and services to you	Yes	No
For our marketing purposes –to offer our products and services to you	Yes	No
For joint marketing purposes	Yes	No
For our affiliates' everyday business purposes – information about your transactions and experiences	Yes	No
For our affiliates' everyday business purposes – information about your creditworthiness	No	We don't share
For non-affiliates to market to you	No	We don't share

Who we are	
Who is providing this notice?	Latino Community Credit Union

What we do	
How does LCCU protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does LCCU collect my personal information?	We collect your personal information, for example, when you: <ul style="list-style-type: none"> • Open an account or deposit money • Pay your bills or apply for a loan • Use your credit or debit card We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.
Why can't I limit all sharing?	Federal law gives you the right to limit only: <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes – information about your creditworthiness • Affiliates from using your information to market to you • Sharing for non-affiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

Definitions	
Affiliates	<i>Companies related by common ownership or control. They can be financial and nonfinancial companies.</i> <ul style="list-style-type: none"> • Our affiliates include: Latino Community Development Center
Non-affiliates	<i>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</i> <ul style="list-style-type: none"> • LCCU does not share with non-affiliates so they can market to you.
Joint marketing	<i>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</i> <ul style="list-style-type: none"> • Our joint marketing partners include insurance and financial services companies.

Questions?	Call 919-595-1800 or go to latinoccu.org
-------------------	------------------------------------------