

Share Draft Checking Account Agreement

This agreement hereby authorizes D.C. Teachers Federal Credit Union ("Credit Union") to establish in my/our name(s) a Share Draft Account. It is agreed that:

1. The Credit Union is authorized to pay share drafts bearing the signature of the undersigned(s) and to charge payment for any share drafts paid against my/our Share Draft Account.
2. The Credit Union is under no obligation to honor a share draft in an amount exceeding the balance of my/our Share Draft Account.
3. The Credit Union is under no obligation to honor payment instructions which are not written on forms prescribed by the Credit Union or which are not otherwise in compliance with normal financial practices.
4. The Credit Union shall not be liable to the undersigned(s) for any loss, damage, or injury resulting from action taken regarding the payment or non-payment of a share draft, except for loss, damage or injury caused by its own negligence.
5. The Credit Union shall provisionally credit all checks and non-cash items received for deposit and collection, subject to the Credit Union's receipt of final payment.
6. The Credit Union shall have the right to modify the terms and conditions of this agreement upon written notice, and such modifications shall be effective unless written objection is received by the Credit Union within 30 days of such notice.

7. The Share Draft Account shall be subject to the following fees

- | | |
|---|---------|
| (a) Returned Draft | \$20.00 |
| (b) Stop Payment Orders | 15.00 |
| (c) Photocopy | 1.00 |
| (d) Overdraft and/or insufficient funds | 20.00 |

(e) Cost of Printed Checks (established by printer)

8. Unless the Credit Union receives written notice of any errors in or exceptions to statements of the Share Draft Account on or before the twentieth (20)th day following the day the statement is mailed, such statement shall conclusively be presumed correct.

9. The following additional terms and conditions shall apply if the Share Draft Account is held jointly (by two or more persons);

- (a) Any and all sums deposited in the Share Draft Account and all accumulations thereon shall be held in joint tenancy with the right of survivorship;
- (b) All persons owning the Share Draft Account in joint tenancy shall be jointly and severally liable for all indebtedness and liabilities resulting from any transactions or use of the Share Draft Account;
- (c) The Credit Union shall not be held liable for payment made pursuant to payment instructions by any joint tenant, and the Credit Union shall not be liable for any payment made to any joint tenant or survivor;
- (d) Notice to any joint tenant shall be deemed notice to all joint tenants.

10. The Share Draft Account shall not be pledged as collateral or security for any purpose,

except with the written consent of the Credit Union

11. The Credit Union shall have the right to seek collection of any account owned under this agreement, including fees, charges and overdrafts paid, and the undersigned(s) agree(s) to pay the

How To Start Your Share Draft Checking Account

1. Read and sign the Agreement. If there is a Joint Owner on the Regular Share/Savings Account that is also going to be a Joint Owner on the Checking Account, the Joint Owner must also sign the Agreement.
2. Fill out the instructions for having your personalized checks printed.
3. At your option, you may start or increase your payroll allotment or begin direct deposit. You should also wish to make an initial deposit so you can start writing checks.
4. Also at your option, you may apply for an Overdraft Protection Loan.

You may start using your new share draft account as soon as you receive your checks.

Please Personalize My Share Drafts as Follows:

Please Print or Type

Name _____

Name _____

Street Address _____

City, State, Zip Code _____

Social Security No. _____ Telephone No. _____

(Complete only the areas that you wish printed on your checks.)

Deposits made by:

Payroll Deduction

Net Pay

Social Security

Other

costs of such collection, including reasonable attorneys' fees not to exceed twenty-five percent (25%) of the indebtedness.

12. The Credit Union shall have the right to terminate this agreement without notice and without consent if more than five drafts are returned because of insufficient funds within any 90-day period, or if the Share Draft Account be maintained by the undersigned(s) in a manner not in accordance with normal financial practices.

13. The terms of the agreement shall not be modified except by written notice as provided herein.

14. In the event that any of the clauses in this agreement shall be deemed unlawful or unenforceable by any competent court of general jurisdiction, only that clause is void, and all remaining clauses shall have full force and effect and is binding upon all parties.

15. I/We understand that I/We will not receive My/Our cancelled checks back.

16. In the event that any of the undersigned writes a share draft which would result in this share draft account being overdrawn, and if at that time any of the undersigned is eligible to receive advances from this Credit Union the loan account referred to below, such share draft shall be deemed to be a request to the Credit Union to prepare an application for an advance under such loan account (in multiples of \$100) sufficient to permit the Credit Union to honor such a share draft; if the application is approved the Credit Union will credit the advance to this share draft account.

Checking Account Application

The following is a description of share draft accounts in this Credit Union.

Dividends are computed on the amount of fully paid fifty dollar shares and are computed on the outstanding balance.

Dividends are compounded quarterly and can be withdrawn quarterly on the first day of January, April, July and October.

There is no penalty for withdrawal of funds except loss of dividends.

FEDERAL REGULATIONS PROHIBIT THE PAYMENT OF DIVIDENDS IN EXCESS OF UNDIVIDED EARNINGS.

I have read and agree to the terms for the DCTFCU Share Draft Account set forth above.

Member's Name _____ SSN _____

Member's Signature _____

Address _____

Joint Member's Name _____ SSN _____

Joint Member's Signature _____

Address _____

Account Number _____ Date _____

Overdrafts covered by transfer from:

Share Account No. _____ Loan Account No. _____