Account Terms, Disclosures and Agreements

D.C. Teachers' FEDERAL CREDIT UNION

www.dctfcu.org

The USA Patriot Act requires credit unions to take extra security precautions 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. When an account is opened or changed, you will be asked for your name, address, date of birth, and other information that will allow us to identify you.

We will only request information required by law, and we will use the information only for the purposes of complying with the law.

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NOTICE: Information in this publication is effective April 1, 2020. D.C. Teachers' Federal Credit Union reserves the right to change the terms and conditions on any account and will notify the membership 30 days before such change, where applicable. You may call 202-547-4800 to inquire about current terms.

MEMBERSHIP

To be eligible for membership in D.C. Teachers' Federal Credit Union, you must be (1) an employee, pensioner or annuitant of the D.C. Public Schools; the D.C.P.S. Board of Education; the University of the District of Columbia; the Council of School Officers, Local 4, AFL-CIO; the Washington Teachers Union, Local 6; the American Federation of Teachers, AFL-CIO (Washington, D.C., area); the D.C. Public Charter Schools; the American Federation of School Administrators; the Urban Family Institute; or The Way of the Cross Church Daycare; (2) a student or alumnus of the University of the District of Columbia; (3) Prince Hall Masons and Eastern Stars within the District of Columbia jurisdiction; or (4) a member of the immediate family of any of the above. "Immediate family" includes spouses, parents, children, siblings, grandparents, grandchildren, stepparents, stepchildren, stepsiblings, adoptive parents or children, and legal guardians and their wards.

When you establish your account, you are establishing a lifetime relationship with the Credit Union. **Once you're a member, you're always a member,** as long as you continue to meet any of the criteria listed above. Credit Union membership means Credit Union ownership — all members of the Credit Union have a voice in the election of officials and are encouraged to attend membership meetings and to volunteer to serve on special committees.

Security

Funds on deposit in your accounts at D.C. Teachers' Federal Credit Union are insured up to $250,000 by the National Credit Union Administration, an agency of the United States government. Every IRA is separately insured up to an additional $250,000.

INTRODUCTION

Welcome to D.C. Teachers' Federal Credit Union and thank you for opening an account with us. In this

brochure, D.C. Teachers' Federal Credit Union may be referred to as "D.C. Teachers' FCU", "the Credit Union", "we" or "us". Any member or joint member of D.C. Teachers' FCU may be referred to as "member" or "you".

Throughout this brochure, we give you important terms and conditions relating to D.C. Teachers' FCU deposit account programs. We also discuss related and optional services, as well as special situations that may apply to your accounts.

Please read this publication carefully and keep it for your records. We encourage you to compare our rates on savings and loans, and our services with those of other financial institutions anytime you open an account with us or we change our charges or practices.

When you open an account with us, you agree to the terms and conditions described in this brochure. We may change these terms and conditions any time. We will give you advanced written notice. If you maintain your account or renew your Share Certificate Account after the effective date of the change, you indicate your agreement to the change. The agreement you make with us, and the rights and obligations we both have, are governed by and interpreted according to federal and state law as applicable.

Your signature on any D.C. Teachers' FCU account application acknowledges receipt of the Agreement and accompanying Disclosure pertaining to the account you've opened.

ACCOUNT TERMS, DISCLOSURES AND AGREEMENTS

Dividends/Interest

Dividends is the term used for the earnings paid on your share accounts. (It is the equivalent to what other financial institutions refer to as "interest.") Under the Federal Credit Union Act, dividends are paid out of available earnings. Dividends accrue daily from the day

of deposit and are calculated on the daily balance of the account.

Joint Ownership

Your Credit Union account(s) may be jointly owned by you as the primary member and with one or more persons. All joint owners have equal ownership rights and the right of survivorship. All joint owners must sign the joint Savings account agreement. These individuals may or may not be in the field of membership.

If your joint owners are within the field of membership, they may have accounts of their own. If not within the field of membership, they are not entitled to accounts of their own and may not borrow from the Credit Union.

A joint owner is not a Credit Union member (even if eligible) unless he or she is the primary owner of a Share Savings account.

On jointly owned accounts, all owners are joint on all sub-accounts of the primary account, such as Checking and Share Certificate Accounts.

On a jointly-owned account, any one of the joint owners may make deposits to and withdrawals from the account.

A joint account is terminated in one of three ways:

a. Only one joint owner survives (if the joint owner is a non-member eligible for membership, he or she may join the Credit Union immediately; if the remaining joint owner is an ineligible non-member, we must close the account and disburse funds);
b. One joint owner withdraws all account funds (the matter of the distribution of these funds is a private matter among all joint owners);
c. One joint owner requests to be deleted from the account by notarized letter and all other joint owners must sign a new joint savings account agreement.

TYPES OF ACCOUNTS

Share Savings

D.C. Teachers' FCU's basic savings account is called "share savings." Share savings can be withdrawn at any time and are totally liquid. Six withdrawals per month are permitted; a nominal fee is assessed for each additional withdrawal. However, if a member has an outstanding loan with the Credit Union, he/she cannot withdraw membership until the loan balance is paid in full. To be a member of D.C. Teachers' FCU, you must maintain a **$50** minimum balance in your share savings account.

Dividends are variable and are determined at the discretion of the Board of Directors. Dividends accrue from day of deposit, are calculated on the actual daily balance and are posted on the last day of the quarter in which they are earned (March 31, June 30, September 30 and December 31) or upon closing the account. Dividends are paid from current income and available earnings after required transfers to reserves.

Holiday Accounts

Dividends are variable and are determined at the discretion of the Board of Directors. Dividends accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded quarterly and paid on the last day of the dividend period (March 31, June 30, September 30 and December 31) or upon closing the account. Dividends are paid from current income and available earnings after required transfers to reserves.

No minimum balance is required in this account. For Holiday Accounts, we make an annual transfer to the Savings or Checking account no later than November 1st. Any withdrawal prior to the transfer date will be assessed a $5 penalty. Early withdrawal may affect the Annual Percentage Yield Earned. A $5 fee will be assessed to the account if the balance is below $50 upon disbursement of check in October.

Checking (Share Draft) Accounts and Agreement

D.C. Teachers' FCU's basic checking account is also known as the "Share Draft" account. It will be referred to as Checking throughout this brochure. The Checking account requires no minimum balance and has no monthly service charges. Of course, you must maintain a sufficient balance to cover the checks you write. Every effort will be made to clear an item presented for payment in accordance with the procedures outlined below.

You authorize the D.C. Teachers' Federal Credit Union (the Credit Union) to establish an account for you to be known as a "Checking Account." The Credit Union is authorized to pay checks signed by you and to charge the payments against the Checking account.

You agree that:

a. Only checks and other methods approved by the Credit Union may be used to withdraw funds from your Checking account;

b. The Credit Union is under no obligation to pay a check which exceeds the balance in your Checking account; the Credit Union may, however, pay such a check and charge the amount of the resulting overdraft against any other savings account from which the person who signed the check is entitled to withdraw funds; or the Credit Union may pay such a check and add the amount of the overdraft to your line-of-credit account in multiples of $100 up to your approval limit, and subject to the terms of your line-of-credit agreement;

   If the Credit Union finds it necessary to use the overdraft transfer clause as described above, the overdraft transfer will be made according to the accountholder's specifications;

c. The Credit Union is not obligated to pay a check that is more than six months old;

d. If funds are not available to cover an overdraft from item (b) above, the check(s) will be returned;

e. You waive any objection regarding any item shown on your monthly Checking account statement unless you put your objection in writing to the Credit Union on or before the 20th day following the day the statement is mailed;

f. All non-cash deposits made to the Checking account will be credited subject to final payment (the clearing of the third party check);

g. The Credit Union has the right to seek collection of any amount owed under this agreement, including service charges, charges and overdrafts paid. You authorize the Credit Union to offset from any other account you have in the Credit Union (except Retirement Accounts) without demand and you agree to pay the costs of such collection, including reasonable attorney's fees;

h. A maximum of six automatic transfers from regular savings to your Checking account are permitted during a one-month period; any transfer from savings to checking in excess of the six automatic transfers allowed could result in a returned check and/or service charge;

i. The Checking account is subject to service charges as adopted by the Credit Union from time to time;

j. The use of your Checking account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time;

k. We have no control over a postdated check being presented for payment;

l. The Credit Union has the right to modify the terms and conditions of this agreement upon written notice; and such modifications are effective within 30 days of each notice;

m. The Credit Union has the right to terminate this agreement without notice and without consent if more than five checks are returned because of insufficient funds within any 90-day period, or if you maintain the Checking account in a manner contrary to the terms of this agreement.

Insured Money Market Accounts

D.C. Teachers' FCU's Money Market Account is a share account which gives you more earning power than with a regular savings account. With a minimum balance requirement of only $2,500, our Money Market Account allows you to earn greater yields than with a regular share savings account.

There are no service charges related to this account. If your Money Market Account balance falls below the minimum balance of $2,500, the account will be closed. Dividends are variable and are determined monthly by the Credit Union. Dividends accrue from the day of deposit and are calculated on the actual daily balance, compounded and paid monthly. Dividends are paid from current income and available earnings after required transfers to reserves.

Share Certificate Accounts

A Share Certificate account earns dividends at a higher rate than regular share savings accounts for the same period if the funds remain on deposit for a pre-established period of time. D.C. Teachers' FCU offers several types of Share Certificate accounts, including Regular Share Certificates and IRA Share Certificates (see Individual Retirement Account section of this brochure). Each week the Credit Union determines the rate to be paid for all new share certificate accounts. The rate is fixed for the entire term of the Share Certificate.

Regular Share Certificates

Share Certificate accounts range in terms from 6 months to 60 months and require a $500 minimum balance. Dividends accrue from the day the certificate is opened and are calculated on the daily balance. Dividends will be posted to your share certificate upon maturity. You may elect to have your dividends transferred to your Share Savings, Money Market or Checking account. (In such a case, the compounding and Annual Percentage Yield earned would be affected.)

Once established, no additional deposits may be made to the share certificate. Any withdrawals will close the share certificate account. Share certificate accounts may be subject to substantial penalties for early withdrawal, which may result in a loss of principal. The penalty is 90 days' interest.

Thirty days prior to maturity, we will send a notice to you. You may choose to have the matured share certificate transferred to any of your savings or checking accounts. Unless we receive notice from you, the share certificate account will automatically roll into another share certificate account on the maturity date, for the same term and at the current rate. There is a 5-day grace period beyond the maturity date in which to respond. Please call the Credit Union to obtain current rate information.

Share Certificate Accounts may be used as collateral for a secured loan. The term of the loan may be up to the remaining life of the certificate.

Individual Retirement Accounts (IRAs)

D.C. Teachers' FCU offers IRAs which give you the option of investing in Traditional and Roth IRAs. IRAs can save you money because of possible tax deductions and tax-deferred growth or tax-free withdrawals. Federal regulations dictate some penalties on early withdrawals. Please ask us for details. Dividends are paid quarterly.

Traditional and Roth IRA Share Accounts

No minimum deposit is required and there are no administrative or maintenance service charges. You may be subject to substantial penalties for early withdrawal as federal regulations dictate. Dividends are variable and are determined at the discretion of the Board of Directors. Dividends accrue from day of deposit and are calculated on the actual daily balance. Dividends are compounded quarterly and paid on the last day of the month of the quarter. Dividends are paid from current income and available earnings after required transfers to reserves.

Traditional and Roth IRA Share Certificate Accounts

Traditional IRA Share Certificate accounts range in terms from 6 months to 60 months. Roth IRA Share Certificate accounts range in terms from 6 months to 60 months. Each requires a $500 minimum balance. Dividends accrue from the day the certificate is opened and are calculated on the daily balance. Dividends will be posted to your IRA share certificate upon maturity.

Once established, no additional deposits may be made to the IRA share certificate. Any withdrawals will close the IRA share certificate account. IRA share certificate accounts may be subject to substantial penalties for early withdrawal, which may result in a loss of principal. The penalty is 90 days' interest.

Thirty days prior to maturity we will send a notice to you. You may choose to have the matured share certificate transfer to any of your savings or checking accounts or roll into a different term IRA Share Certificate. Unless we receive notice from you, the share certificate account will automatically roll into another IRA share certificate account on the maturity date, for the same term and at the current rates. Please call the Credit Union to obtain current rate information.

RELATED SERVICES

We offer related services that may be used with accounts described in this publication.

Canceled Checks (share drafts)

We will not return canceled checks to you. Each time you write a check, it is automatically recorded on a carbon copy. If you should need a copy of a canceled check as proof of payment, you may obtain it for a reasonable service charge. If any of your checks are returned due to insufficient funds, we will always send them back to you after first charging you a fee. Refer to the credit union's **Service Charge Schedule.**

Direct Deposit

We offer both direct deposit and payroll deduction services. You may use direct deposit of all or part of your salary or entire retirement check to fund your checking or share savings account automatically. With direct deposit you don't wait in line to deposit your check and your money is deposited on time — even if you're ill or out of town, because you get a guaranteed date of deposit. Payroll deduction allows you to choose specific amounts to be deducted from your direct deposited paycheck and to apply them to your loans, savings and checking accounts.

Overdraft Protection

To help protect your account from overdrafts and rejected items, you may want to have your Checking account set up with overdraft protection.

Line of Credit. When your Checking account balance falls below zero, we may make loans to you from your line of credit by transferring to your Checking account, in multiples of $100, to cover your overdraft. The amount of the loan may not exceed the unused credit available from your line-of-credit. We make these loans under the terms and conditions of your line-of-credit agreement.

Savings Overdraft Coverage. When your Checking account balance falls below zero, we automatically transfer funds from your regular Savings account. We transfer the exact amount required to cover your overdraft plus a $1 fee. We don't transfer funds if the transfer could reduce the balance in your savings account to less than the minimum $50 required balance.

You may choose either option, or combine them in any order to maximize your overdraft protection coverage.

Transaction Limitations

Federal Regulation D limits the number of withdrawals or transfers to another of your Credit Union accounts or a third party by means of a preauthorized or automatic transfer or telephonic

order or instruction to six per month. No more than three of the six transfers may be made by check, debit card, or similar order to a third party.

Statements

You will receive a monthly statement that shows the activity in your Checking and Money Market accounts. The statement period for these accounts is based on the calendar month.

For all other accounts, you will receive a statement each calendar quarter that shows the activity in your account. You will receive a monthly statement, however, if you perform any of the following EFT transactions during the month:

a. Preauthorized debits or credits;
b. Deposits, transfers, or withdrawals with your ATM card;
c. MacLine audio response transactions;
d. CU Online

We mail all your deposit account statements to the address on file. If your statements are returned to us undelivered, we may destroy them.

Telephone Transfers

You may transfer funds by CU Online Home Banking, MacLine Voice Response, or by calling the Member Service Center. You must give us your name, account number, and answer certain other questions to provide us with identification information for security purposes. When making a transfer involving two separate account numbers, you must be listed on both accounts. You will be limited to six telephone transfers per month from your Savings or Money Market accounts to any Checking account.

ELECTRONIC FUNDS TRANSFER DISCLOSURE

The following information applies to our **ATM** service (Automated Teller Machine), our **MacLine**

service (audio response), and our **CU Online** service (computer home banking).

"Card" refers to the ATM access card; "PIN" refers to a Personal Identification Number for any of the above services. All of these services are activated immediately upon receipt of your PIN.

Available Transfers and Limits on Transfers

You may use your ATM card to withdraw cash from your Savings and Checking accounts and make point-of-sale purchases at grocery stores, gas stations, and other retailers within participating networks. You may also transfer funds within your account, make balance inquiries on your Savings and Checking accounts, or other services that the Credit Union may make available in the future.

You may not make withdrawals for an amount in excess of funds available in the account. ATM networks may impose additional limitations on the availability of the above services on some ATM terminals. Please call the Credit Union to obtain current daily limit information.

You may use MacLine and CU Online to make balance inquiries on your Savings, Checking, Money Market and loan accounts and transfer funds within your accounts. You may withdraw money by check from your Savings, Checking or line of credit loan, or make other inquiries, including account history, clearing of checks, and the amount of the most recent deposit via electronic funds transfer.

We may update the functions and limitations of MacLine and CU Online without notice, at the option of D.C. Teachers' FCU in order to provide improved service.

Electronic Check Conversion/Electronic Returned Check Fees

If you pay for something with a check or share draft you may authorize your check or share draft to be converted to an electronic fund transfer. You may also authorize merchants to electronically debit your account for returned check fees. You are considered

to have authorized these electronic funds transfers if you complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

Lost/Stolen Card or PIN and Unauthorized Transfers

Tell us at once if you believe any of your cards or PINs have been lost or that someone has transferred or may transfer from your account without your permission.

Call us at 202-547-4800 or write us at:

District of Columbia Teachers' Federal Credit Union
P.O. Box 60826
Washington, DC 20039-0826

If you tell us within two business days, you can lose no more than $50 if someone used your Card/PIN without your permission. If you do not tell us within two business days after you learn of the loss or theft of your Card/PIN, and we can prove we could have stopped someone from using your Card/PIN without your permission if you had told us, you could lose as much as $500.

If your statement shows transfers that you or other signers of the account did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a valid reason prevented you from notifying us within the above time periods, you may be granted a reasonable extension.

Procedures for Stop Payments of Preauthorized Debits

If you have authorized another institution to make regular payments out of your account, you can stop any of these payments. Here's how:

First contact that institution and instruct them to stop. As a follow-up measure, please submit a request in writing/fax to the Credit Union authorizing us to stop the debit. You will incur a fee. Refer to the credit union's **Service Charge Schedule.**

UCC Article 4A Disclosure

The Provisional Payment Disclosure

Credit given by [us] to [you] with respect to an automated clearing house credit entry is provisional until [we] receive final settlement for such entry through a Federal Reserve Bank. If [we do not receive such final settlement, [you] are hereby notified and agree that [we] are entitled to a refund of the amount credited to [you] in connection with such entry, and the party making payment to [you] via such enter (i.e. the originator of the entry) shall not be deemed to have paid [you] in the amount of such entry.

Notice Disclosure

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, [we] are not required to give next day notice to [you] of receipt of an ACH item and [we] will not do so. However, [we] will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Choice of Law Disclosure

[We] may accept on [your] behalf payment to [your] account which have been transmitted through one or more Automated Clearing Houses (ACH) 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 District of Columbia

as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transaction involving your account.

General Provisions

1. Business Hours

Our business days are Monday through Friday (excluding holidays). The ATMs, MacLine and CU Online are available 24 hours a day, seven days a week except for equipment repair, maintenance and daily computer file updating. Refer to the credit union's **Service Charge Schedule** for branch locations.

2. Liability for Failure to Make Transfers

If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we shall be liable for resulting losses or damages. However, there are some exceptions. We will not be liable, for instance:

a. If circumstances beyond our control (such as fire, flood, or acts of God) prevent the transfer, despite reasonable precautions we have taken;

b. If, through no fault of ours, you do not have enough money in your account to make the transfer;

c. If the ATM where you are making the transfer does not have enough cash;

d. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer;

e. If you institute a transaction in error or improperly use an EFT service;

f. If the funds in your account are subject to collection or legal process, such as garnishment or attachment, or if the account is subject to a pledge or security agreement;

g. If there are other exceptions stated in our agreement with you.

Institutions or merchants participating in STAR, CIRRUS or other networks shall be held harmless if

their ATM is not working at the time when you need it or if there is insufficient cash in the ATM. In the event the ATM dispenses less cash than you have requested due to mechanical or currency supply difficulty, your receipt and account balance will reflect the actual amount dispensed. This will be considered a good transaction.

3. Errors or Questions About Your Electronic Transfer

If you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt, call us at 202-547-4800 or write us at:

District of Columbia Teachers' Federal Credit Union
P.O. Box 60826
Washington, DC 20039-0826

We must hear from you no later than 60 days after we send you the FIRST statement on which the problem or error appeared.

a. Tell us your name and account number;
b. Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information;
c. Tell us the dollar amount of the suspected error and the date that the transaction occurred.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will tell you the results of our investigation within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or questions. If we decide to do this, we shall provide a provisional credit to your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not provide provisional credit

to your account. If we decide that there was no error, we shall send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documentation that we used in our investigation.

4. Account Information Disclosure

We will disclose information to third parties about your account or the transfers you make:

a. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or

b. In order to comply with government agency or court order; or

c. If you give us your written permission; or

d. Where it is necessary for completing such transfers.

5. Receipt and Statement Information

a. You will receive a receipt when you make any transaction using ATMs;

b. Details of every MacLine, ATM and CU Online transaction will appear on your regular statement.

Service Charges

Currently, we do not impose any service charges for MacLine. However, the Credit Union may adopt service charges in the future. Other institutions may impose their own fees for using their ATMs. Refer to the credit union's **Service Charge Schedule**.

CHECK 21 DISCLOSURE STATEMENT

Substitute Checks and Your Rights

1. What is a substitute check?

To make check processing faster, federal law permits banks 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. 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 law with respect to those transactions.

2. 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, bounced check 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 **(amount, not lower than $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.

3. 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 that was posted to your account, please contact us in writing at:

District of Columbia Teachers' Federal Credit Union
P.O. Box 60826
Washington, DC 20039-0826

You must contact 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 will 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: **(identifying information, for example the check number, the name of the person to whom you wrote the check, the amount of the check).**

ATM, MACLINE AND CU ONLINE AGREEMENT

You understand that the use of the Personal Identification Number (PIN) to access Credit Union accounts acknowledges acceptance of the following terms and conditions:

a. The Credit Union registers the PIN for your use only. You assume responsibility for all transactions made through the ATMs, MacLine and CU Online;

b. The PIN is the property of D.C. Teachers' Federal Credit Union and is subject to cancellation at any time. You may cancel your ATM card, MacLine and CU Online at any time by notifying D.C. Teachers' Federal Credit Union in writing;

c. We reserve the right to revoke your access and retain your card:
   - If you are indebted to the Credit Union as a maker or co-maker, and the loan for which you are responsible becomes delinquent;
   - If your account is overdrawn and you exceed your approved line of credit;
   - If you fail to pay applicable service charges;
   - If you allow an unauthorized person to use the card;
   - For any other reasons the Credit Union may adopt from time to time.

d. We reserve the right to amend any term or condition of this agreement upon notice to you as required by law.

e. You acknowledge that your PIN is personal and confidential. Therefore, you agree to take all reasonable precautions that no one else learns your PIN. At no time will you reveal or make available, directly or indirectly, the PIN to any other person. If you do, your account with us will be revoked immediately;

f. You will report any loss or theft of the PIN promptly. If you have notified us that your PIN has been lost or stolen and you find it, you must notify us to reactivate your PIN before you will be able to use it again;

g. The use of the ATM card, MacLine and CU Online is subject to all agreements and regulations on Checking and Savings accounts. You agree not to withdraw your funds in excess of the balance in your account. Electronic Transfers may be restricted by Federal Regulation;

h. If a PIN is registered for a joint account, you agree to be jointly and severally liable under the terms of this Agreement;

i. In the event the Credit Union institutes service charges, you authorize the Credit Union to collect service charges from your accounts as deemed necessary.

CHECK HOLD POLICY

Your Ability to Withdraw Funds at D.C. Teachers' Federal Credit Union

Our general policy is to allow you to withdraw funds deposited in your account on the second business day after the day we receive your deposit. Funds from electronic deposits will be available on the day we receive the deposit. In some cases, we may delay your ability to withdraw funds beyond the second business day. Then, the funds will generally be available by the fifth business day after the day of deposit. At that time, you can withdraw the funds by ATM or by DCTFCU-issued check and/or we will use the funds to pay checks that you have written. For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays and federal holidays. If you make a deposit before our cut-off hour 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 our cut-off hour or on a day we

are not open, we will consider that the deposit was made on the next business day we are open.

Reservation of Right to Hold

In some cases, we will not make all of the funds that you deposit by check available to you on the same business day of your deposit. Depending on the type of check that you deposit, funds may not be available until the second business day after the day of your deposit. However, the first $275 of your deposit will be available on the next day of deposit. If we are not going to make all of the funds from your deposit available on the next business day, we will notify you at the time you make your deposit. We will also tell you when the funds will be available. If you do not make your deposit directly to one of our employees, or if we decide to take this action after you have left the premises, we will mail you the notice by the second business day after we receive your deposit. If you need the funds from a deposit right away, you should ask us when the funds will be available.

Longer Delays May Apply

We may delay your ability to withdraw funds deposited by check into your account an additional number of days for these reasons:

a. You deposit checks totaling more than $6,725 on any one day;
b. You re-deposit a check that has been returned unpaid;
c. You have overdrawn your account repeatedly in the last six months;
d. We have reason to believe a check you deposit might not be paid, for example: a third party personal check or one of your own drawn on another institution;
e. There is an emergency, such as a failure of communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will

tell you when the funds will be available. They will generally be available no later than the fifth business day after the day your deposit would otherwise be available for withdrawal.

Special Rules for New Accounts

If you are a new customer, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first $6,725 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be 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 $6,725 will be available on the fifth 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 $6,725 will not be available until the second business day after the day of your deposit.

Holds on Other Funds

If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw a corresponding amount of funds that you have on deposit in another account with us. The funds in the other account would then not be available for withdrawal until the time periods that are described elsewhere in this disclosure.

SPECIAL SITUATIONS

The following terms may affect your deposit accounts.

Account Closing

You may close your account any time, except members with an outstanding loan balance. In certain circumstances, we may require your signature to close your account. Accrued earnings will be credited to your account prior to closing. We may also close your account if you violate the terms of our agreement.

If you have periodic payments deposited directly to your account or preauthorized debits subtracted from your account, you should notify the third party initiating the payments or debits that your account is being closed. After your account is closed, we will reject any debits and return any payments we receive.

Dormant Accounts

When a primary share savings account and its subshares have had no transactions for one year, then the account is considered dormant or inactive. Members who are 18 years of age and younger are exempt.

Escheatment

If your account is inactive for three years (regardless of balance) and we are not able to reach you by mail, District of Columbia and state law may require us to transfer your account to the appropriate jurisdiction as abandoned property. If we lose U.S. mail contact with you, any account may be deemed abandoned. An abandoned account may be subject to state escheat laws.

Change of Address

You must notify us in writing or by telephone to change your address. The Credit Union reserves the right to destroy any mail returned to us as undeliverable. It is your responsibility to maintain a current address on file with the Credit Union. Refer to the **Service Charge Schedule** for fee details.

Insufficient Funds

When you don't have enough funds in any of your accounts to cover a check or other debit we receive,

the check or debit is considered an insufficient funds item. If you have sufficient coverage under one of our overdraft protection plans, we transfer funds to your Checking account to cover the item. If you don't have overdraft protection or sufficient coverage under the plan, we return the item for insufficient funds. (For more information, see Overdraft Protection.) We charge a service charge for each insufficient funds item and you authorize us to offset such charges from any of your accounts. Refer to the **Service Charge Schedule** for details.

Legal Process

A legal order — such as a levy or attachment from a court or other government authority — may require us to hold or deliver funds on your account. Depending on the type of order, we either immediately deliver funds to the levying authority or hold the funds for a legally required period of time.

Payment of Debt by Right of Setoff

The law grants us a statutory lien and the right of setoff — that is, under certain circumstances we have the right to use funds in your deposit account to pay certain debts you owe us. For joint accounts, we may exercise this right to pay individual debts of any owner of the account. If we use funds from a share certificate, the account is then subject to the early withdrawal penalty that applies. We notify you after we exercise this right.

Power of Attorney

If you wish to grant someone power of attorney over your account, we require that you furnish us with a legal document which has been properly executed and notarized and in a form acceptable to us.

Reporting Problems

If you find that your records and ours disagree, if you lose your checks or check register, or if you suspect that a check or endorsement is altered or forged, call the Credit Union immediately. If you fail to

report such problems promptly, you may not be able to recover any losses resulting from a forged check you detect and any subsequent checks forged by the same person.

Return of Deposited or Cashed Items

If a check or other item you cash or deposit to your account is returned to us for any reason, we will redeposit the item when possible, or we may charge your account for the amount of the item. We also charge a service charge for each returned item and notify you that the item was returned. Refer to the **Service Charge Schedule** for fee details.

Right to Limit Account Use

The Credit Union may limit services to any member who causes the Credit Union a loss or to any member maintaining a delinquent account. The services available to these members could be limited to one Savings account to which deposits can be made or withdrawals can be taken.

Stop Payment Orders

You may ask us to stop payment on a check or other debit if it has not yet been paid from your account. You may request a stop payment order in person at a branch. You may also request an order by fax, and we will still require your signature authorizing the stop payment.

We need the following information: the account number; the exact amount and number of the check; and the name of the party to whom the check was made payable.

A stop payment goes into effect after we verify that the check or other debit is unpaid. A stop payment order is valid for six months, after which time you may renew the order. If the check is presented for payment after the stop payment expires, we may pay the check against your account. You may cancel the order any time in person or by writing to us. We cancel the order

automatically when the account on which the check is drawn is closed.

We charge your account a service charge when a stop payment order goes into effect. Refer to the **Service Charge Schedule** for fee details.

For information on stopping a preauthorized payment (debit) from your account, see Procedures for Stop Payments of Preauthorized Debits (Electronic Funds Transfer Disclosure).

Services

SAVINGS

- Savings
- Christmas Club Savings
- Share Certificate Accounts
- Checking
- Money Market
- IRAs and IRA Certificates

LOANS

- Consumer/Personal
- Savings and Certificate Secured
- Visa
- Secured Visa
- Vehicle
- Overdraft Protection
- Education
- Home Equity Line of Credit

AnyTime AnyWhere SERVICES

- Member Service Center
- ATM Networks
- Payroll Deduction
- Correspondent CU Services
- Home Page
- MacLine
- Direct Deposit
- Wire Transfers
- CU Online
- Western Union

OTHER SERVICES

- Auto Sales
- Financial Counseling
- Money Orders
- Traveler's Checks
- United Buyers Service
- Automatic Payment Plan
- Certified Checks
- Credit Life & Disability Insurance

D.C. Teachers'
FEDERAL CREDIT UNION

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5656 3rd Street, NE
Washington, DC 20011

Prince Hall Branch Office*
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Washington, DC 20001

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*Handicapped accessible.

This credit union is federally insured by the National Credit Union Administration

EQUAL HOUSING LENDER

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