

This is the Agreement between you, the member, and Scient Federal Credit Union ("Credit Union"), regarding your accounts with the Credit Union. By establishing an account with the Credit Union, you agree that this Agreement is a binding contract between you and the Credit Union.

You should retain a copy of the agreement and feel free to call the Credit Union if you have any questions. In addition to your agreement with the terms and conditions set forth in this document, by establishing an account with the Credit Union you acknowledge receipt of and agree to the various terms separately provided to you with regard to Truth in Savings, Availability of Funds, and Electronic Fund Transfers (EFT) and Wire Transfer Disclosures. The various terms and conditions set forth in those documents are incorporated into this Agreement by reference. You also agree to abide by the Bylaws of the Credit Union.

This Agreement and those documents discussed above include certain disclosures required under the Truth-In-Savings Act and National Credit Union Administration and Federal Reserve Board regulations and commentary, the Electronic Fund Transfer Act (Regulation E), the Connecticut Electronic Funds Transfers Act, the Funds Availability Act (Regulation CC), Regulation D, and Uniform Commercial Code Article 4A.

Throughout this Agreement, the words "you" and "your" mean the member and any joint members or co-depositors or co-borrowers. The words "we", "our", "us", and "Credit Union" mean Scient Federal Credit Union.

### Membership

**Membership Eligibility.** The Credit Union serves in its field of membership those applicants within the Scient Federal Credit Union's common bond as defined in the Credit Union's Charter. Scient Federal Credit Union is a member-owned federally chartered Credit Union providing a full line of financial services. Please review our website at [www.scientfcu.org](http://www.scientfcu.org) for a complete listing of eligible groups.

**Family Membership.** Our membership also includes, if sponsored by a Member in Good Standing, spouses of members and children (by blood, marriage or adoption) of members; surviving spouses of a deceased member who joined the Credit Union prior to the member's death; members of the immediate families of the foregoing; step-children, grandparents, grandchildren, brothers, sisters, step-brothers, step-sisters and other groups as listed in the Credit Union's bylaws. Membership in the Credit Union is a lifetime membership provided that you keep your membership in good standing. The Credit Union's bylaws provide that "once a member, always a member" so that even if you retire, change jobs (outside the field of membership) or move to a new location, you may remain a member of the Credit Union. Only members in good standing may receive the benefits and services of the Credit Union.

**Becoming a Member.** To become a member of the Credit Union, you must complete a Member Application and open a Regular Share Account. The basic share deposit that you must always keep in your Regular Share Account is \$5.00, or your membership may be immediately terminated. To join Scient Federal Credit Union, you must open a Share (Savings) Account with a minimum deposit of at least \$5.00.

**Credit Information.** You authorize the Credit Union to investigate your credit standing when opening or reviewing any Loan Account. We may report information about your loan account(s) to credit bureaus. Late payments, missed payments, or other defaults on your loan account(s) may be reflected in your credit report. You also authorize the Credit Union to disclose information regarding your Account to credit bureaus and creditors who inquire about your credit standing.

**Deposits Generally.** After you have established your Regular Share Account, you may make additional deposits into that account, or establish other types of accounts as described herein, at any time and in any amount. Your accounts are not transferable except on the Credit Union's books and records. We may establish minimum amounts for deposits in your Regular Share Account or any other accounts you have with the credit union.

You can make deposits in person or by mail. At the present time, you can arrange to have one or more of the following deposits made directly to your accounts: (1) payroll deduction deposits, (2) net pay deposits, (3) Social Security deposits, (4) pension plan deposits, (5) stock dividends or (6) other miscellaneous deposits. If you have an automatic teller machine (ATM) card or a debit card, you can also make a deposit through one of the automated teller machines equipped to accept deposits in the Co-Op network.

If you have applied for and been given access to our Internet Home Banking Service, you can also transfer funds from one account to another, provided you are an owner on every account involved in the transfer.

If you have arranged to have direct electronic fund transfer deposits made to your account at least once every 60 days from the same person or company, you can call the Credit Union at (860) 445-1060 to find out whether or not the deposit has been made. In addition, you will receive an account statement showing all such direct deposits at least monthly. Your account statements will be admissible as evidence of the electronic fund transfer deposit or other transaction they represent in any action in a court of law.

All deposits are subject to proof and verification. If you deposit a check, draft or other non-cash item, we have the right to clear it before we make the money available to you subject to applicable federal regulations. If there are special fees for collecting your deposit, you promise to pay them (see the Schedule of Fees and Charges for a list of fees). We may deduct such fees directly from your account. If we feel there is a reason to do so, we may refuse, limit or return any deposit. We have the right to refuse to accept any deposit and we specifically reserve the right to refuse to accept checks for deposit that have more than one endorsement. We reserve the right not to pay interest on amounts subject to garnishment, levy or other legal process; and we reserve the right not to pay interest on any deposit that is returned to us unpaid by the financial institution on which it is drawn (even if that means a reversal of credited interest).

All negotiable instruments presented for deposit must be in a format that can be processed and/or photographed. The Credit Union may refuse to accept any check or draft that does not meet this requirement. All endorsements placed on the reverse side of any check or draft which you deposit to your account must be placed so that they are on the left side of the item when looking at it from the front and must be placed so they do not go beyond an area located 1 and ½ inches from the left edge of the item when looking at it from the front. The Credit Union may refuse to accept any item that does not meet this requirement, and, if the credit union does accept it, you agree that you are completely responsible for any loss we incur which is premised on an endorsement not meeting this requirement, including any court costs and reasonable attorney fees.

**Withdrawing Money from Your Account.** As long as you have money in an account, and subject to any applicable state or federal laws and regulations and any specific terms of this Agreement, money can be withdrawn from your accounts by any method approved by the Credit Union.

**Fees.** Any Account may be subject to service charges in accordance with the fee schedule adopted by the Credit Union from time to time. You should refer to the Schedule of Fees and Charges for a list of fees. These fees may be changed at our discretion. We will provide you notice of such changes in accordance with law.

**Regulatory Reporting.** Scient FCU will create for your Checking or Money Market Account a transaction sub account and a savings sub account for the purpose of regulatory reporting to the Federal Reserve. Balances not routinely needed to pay debits may be transferred to a savings sub account for reporting purposes only to the Federal Reserve. The Credit Union may periodically transfer funds between these two sub-accounts for reporting purposes only. Your dividend calculation on dividend bearing accounts will stay the same. This process will not affect your available balance, the interest you may earn, NCUA insurance protection, your monthly statement, or any other features of this Account.

**Unlawful Internet Gambling Notice.** Restricted transactions as defined in Federal Reserve Regulation GG are prohibited from being processed through this account or relationship. Restricted transactions generally include, but are not limited to, those in which credit, electronic fund transfers, checks, or drafts are knowingly accepted by gambling businesses in connection with the participation by others in unlawful Internet gambling.

**Credit Reporting.** I/we authorize Scient FCU to verify my/our previous payment history and to obtain credit report(s) for this application and any updates, renewals, or extensions. If I/we request, the credit union will tell me the name and address of any agency from which it received a credit report.

**Power of Attorney.** If you appoint an agent as your Attorney-in-Fact with a Power of Attorney document and we accept the documentation presented for such an appointment, we may accept such an authorization for transactions without further communication to you. Unless your Power of Attorney document specifically prevents you from entering into transactions, we may accept either your personal transactions and/or those authorized by your appointed "Agent".

### Special Terms Regarding Share Draft Accounts

**Deposits Generally.** Once you have established your Share Draft Account (at some Credit Unions, these are called checking accounts), you may make additional deposits into that Share Draft Account at any time and in any amount subject to the terms of this Agreement. There is no minimum deposit for your Share Draft Account, however, you must maintain a minimum balance of \$5.00 in your primary share account at all times. The above terms regarding "deposits generally" also apply to Share Draft Accounts, except as they may be modified by this section. All drafts drawn on your Share Draft Account may be returned by us unpaid for any reason that drafts are normally returned, such as, for example, insufficient funds, uncollected funds, or litigation.

**Minimum Balance.** The minimum amount required to open a Share Draft Account is \$0.00. Thereafter, there are no requirements to maintain a minimum balance in a Share Draft Account, but you must maintain a minimum balance of \$5.00 on deposit in your Regular Share Account to retain a Share Draft Account.

**Withdrawing Money from Your Share Draft Account.** As long as you have money in your Share Draft Account, and subject to any applicable state or federal laws and regulations, money can be withdrawn from your account by written draft or any other method approved by the Credit Union.

Share drafts must generally be ordered through the Credit Union. If share drafts are not ordered through the Credit Union, it may result in processing problems in clearing such drafts in an automated fashion. The credit union will not be liable to issues processing share drafts ordered through an outside vendor. When you order share drafts through the Credit Union, the Credit Union will charge your account for the costs of said share drafts, which costs vary depending on the style of drafts ordered. You may select drafts from the current styles available.

**Transaction Limitations.** Except as otherwise stated in this Agreement, or in any applicable federal or state law or regulation, there are no transaction limitations on this account.

**Payment of Share Drafts.** The Credit Union is under no obligation to pay a share draft which is more than 6 months old. Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a draft.

**Dividends.** The Credit Union does not pay dividends on its Share Draft Accounts.

**Funds Availability.** Funds from deposits you make into your Share Draft Account may not always be immediately available. Refer to our Funds Availability disclosure for more details.

The use of the Share Draft Account is subject to other terms, conditions and requirements as the Credit Union may establish from time to time.

**Fees.** As with all other accounts, your Share Draft account may be subject to service charges in accordance with the fee schedule adopted by the Credit Union from time to time. You should refer to the Schedule of Fees and Charges for a list of fees. These fees may be changed at our discretion.

**Overdraft(s).** The Credit Union is under no obligation to pay a share draft you have written, or notify you if it would result in the Share Draft Account being overdrawn (a draft written against your Share Draft Account when insufficient available funds are on deposit in the account is known as an NSF Share Draft), however, you agree to reimburse the Credit Union for funds advanced if the Credit Union does pay a share draft or other authorized transaction from your account(s), including any fee applicable for such an overdrawn account. You agree for yourself and the person or entity you represent if you sign as a representative of another, to the terms of this account and the schedule of charges. You authorize us to deduct these charges directly from your share draft account balance as accrued. You will pay any additional reasonable charges for services you request which are not covered by this agreement.

If this is a joint account (that is, if two or more people are parties to this account), all of the joint owners are jointly and severally liable to repay the Credit Union the amount of any overdraft and service charges, regardless which of the parties writes the draft that creates an overdraft and regardless of which party benefits from the overdraft. Each of you also agrees to be jointly and severally (individually) liable for any account shortage resulting from charges or overdrafts, whether caused by you or another with access to this account. This liability is due immediately, and can be deducted directly from the account balance whenever sufficient funds are available. You have no right to defer payment of this liability, and you are liable regardless of whether you signed the item or benefited from the charge or overdraft. This includes liability for our costs to collect the deficit including, to the extent permitted by law, our reasonable attorneys' fees.

**Standard Overdraft Protection.** If we offer standard Overdraft Protection, you must separately apply and be approved for Overdraft Protection. Overdraft protection is a revolving line of credit that can be attached to your checking account. To the extent authorized by law, you hereby authorize us to transfer funds from other accounts you maintain at this credit union, to any account upon which you issue a share draft when there are not sufficient funds in the account upon which that draft is issued. If you have a line of credit with this credit union, transfers will be made either from your credit line up to the available credit limit or from your Regular Share Account, if there are sufficient funds in the Regular Share Account. You may elect your preference as to which account funds may be transferred from for this purpose. Any overdraft transfers resulting from this procedure may result in a fee being assessed to your Regular share account. You agree to hold the credit union harmless for any and all liability that may otherwise exist if a transfer does not occur.

**Privilege Pay Overdraft Disclosures.** If we offer Privilege Pay Overdraft Protection, you must separately apply and be approved for Privilege Pay. These Privilege Pay Overdraft Disclosures describe the circumstances when we (the credit union) will pay overdrafts in your checking account and charge you a Privilege Pay fee. "Overdraft" means there is not enough "available balance" in your checking account or any other account funds can be transferred from to pay for a transaction at the time it is presented to us for payment ("posts" to your account). If we pay for an overdraft, we will charge a Privilege Pay fee. The fee is described in our Fee Schedule, which is updated periodically.

Please note that for ATM and one-time debit card transactions, you must affirmatively consent to this coverage on a separate disclosure. Without your consent, we may not authorize and pay an ATM or one-time debit card transaction that will result in negative available balance in your account.

The following is important information regarding your account balance, how transactions are posted to your account, and when an overdraft fee will be charged. You should read these disclosures carefully. If you have questions, please see a branch representative or give us a call.

**Your Checking Account Balance.** Your checking account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, by phone, or at a branch. It is important to understand how the two balances work so that you know how much money is in your account at any given time. This section explains actual and available balances and how they work.

Your **actual** balance is the full amount of all deposits made into your account less payment transactions that have actually "posted" to your account. While the term "actual" may sound as though the number you see is an up-to-date display of what is in your account that you can spend, that is not always the case. It does not reflect checks you have written or payments you have authorized, or holds on deposits that have not yet posted. For example, if you have a \$50.00 actual balance, but you just wrote a check for \$40.00, then your actual balance is \$50.00 but it does not reflect the pending check transaction. So at that point, you actually have \$50, but you have already spent \$40. Also, the actual balance does not include holds that may be placed on checks you deposit. Thus, if you deposit a \$1,000 check, your actual balance will increase by \$1,000 but only \$200 may be available for you to spend because there may be a hold on \$800 for a period of time.

Your **available** balance is the amount of money in your account that is available to you to use without incurring an overdraft fee. The available balance takes into account things like holds placed on deposits and pending transactions (such as pending debit card purchases) that the Credit Union has authorized but that have not yet posted to your account. For example, assume you have an actual balance of \$50 and an available balance of \$50. If you were to use your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment. In that case, we will put a "hold" on your account for \$20. Your actual balance would still be \$50.00 because this transaction has not yet posted, but your available balance would be \$30 because you have committed to pay the restaurant \$20. When the restaurant submits its bill for payment (which could be a few days later), we will post the transaction to your account and your actual balance will be reduced by \$20. Available balance at the time a transaction posts to your account is used to determine when your account is overdrawn.

It is very important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your available balance may not reflect all the outstanding checks and automatic bill payments that you have authorized, or other outstanding transactions that have not been paid from your account. In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our prior authorization but does not submit a one-time debit card transaction for payment within three (3) business days of authorization (or for up to thirty (30) business days for certain types of debit card transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account.

**The best way to know how much money you have and avoid paying overdraft fees is to record and track all of your transactions closely.**

**IF YOU DO NOT UNDERSTAND THIS AGREEMENT OR HAVE ANY QUESTIONS, PLEASE CONTACT US.**

**Involuntary Account Closing.** The Credit Union reserves the right to close a share draft account if:

- the account is overdrawn three or more times in a 90-day period.
- Failure to maintain the \$5.00 minimum balance in the primary share account.
- Non-compliance with the policies adopted by the Board of Directors.
- Determination that kiting is occurring on an account.
- Not meeting other obligations with the Credit Union.

#### **Stop Payments**

**Stop Payment Order Request.** You may request a stop payment order on any share draft drawn on your account. To be binding, an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order in time for the Credit Union to act upon the order and you state the number of the account, number of the draft, and its exact amount. You understand that the exact information is necessary for the Credit Union's computer to identify the share draft. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft. If we re-credit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft, and to assist us in any legal action.

**Duration of Order.** A verbal request is valid for 14 days and must be followed up in writing in order for the stop payment to be effective for six (6) months and may be renewed after the six months. We do not have to notify you when a stop payment order expires.

**Liability.** Fees for stop payment orders are set forth on the Truth in Savings Rate and Fee Schedule. You generally may NOT stop payment on any teller's check or any other check, draft, or payment guaranteed by us. Even if payment of such an item is stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing payment of an item, including claims of any multiple party, account owner, payee, or endorser in failing to stop payment of an item as a result of incorrect information you provided the Credit Union.

**Payment of Share Drafts after Death.** The Credit Union may, after the date of your death, pay share drafts drawn before death unless ordered to stop payment by the Personal Representative or other appropriate person claiming an interest in the account.

#### **Accounts for Trusts**

Members who maintain a minimum \$5.00 membership share in the Credit Union can open a separate membership account for a Revocable Living Trust, provided all Settlor-Trustees of that Trust are members of the credit union in their own right.

The following types of financial products and services will be available to Trusts:

Regular Share/Savings Account  
Certificate of Deposit

To the extent applicable and not superseded by this section, the terms and conditions governing those types of accounts and services for individuals govern accounts and services provided to Trusts.

In order to open an account for a Trust, you agree to provide such documentation as is required by the Credit Union with regard to the Trust, including, but not necessarily limited to, the Trust document itself and/or a Certificate of Trust prepared by the attorney who drafted the Trust.

The Credit Union reserves the right to refuse membership to a Trust when it is not drafted in accordance with and governed by the laws of the State of Connecticut.

If you have opened an account for a Trust, you as Trustee(s) understand and agree that the Credit Union may distribute funds pursuant to the terms of the most recently dated Trust Agreement on file at the Credit Union, and you, on behalf of the Trust, all beneficiaries of the Trust, and all Successor Trustees forever indemnify and hold the credit union harmless for distributions made pursuant to that Trust made in good faith in the absence of gross negligence on the part of the Credit Union. You further agree that it is your responsibility to notify the Credit Union when a Trust for which an account has been opened has been revoked, rescinded, revised, or in any way modified.

#### **Other Terms and Conditions**

**Share Insurance.** Your savings in the Credit Union are insured up to \$250,000 by the National Credit Union Share Insurance Fund (NCUSIF), which is funded by federal credit unions, in accordance with regulations promulgated by the NCUA. Funds in traditional Individual Retirement Accounts (IRAs), Roth IRAs, and Education IRAs are added together and insured in the aggregate up to \$500,000.

**Charges.** You agree to pay us charges in connection with your accounts in accordance with the Schedule of Fees and Charges for accounts in effect from time to time. We will provide advance notice of any increase in current charges, or any new charges, as required by law. We may deduct any charges owed by you from any of your accounts. We reserve the right to waive any charges in our sole discretion.

**Return of Deposits/Closed Accounts.** We may, at any time, in our sole discretion, refuse to accept any deposit, or close any or all of your accounts with us without prior notice to you. Provided, however, we may not terminate your membership in the Credit Union without satisfying the notice provisions of the Connecticut Credit Union Act and related Bylaw Provisions and regulations. If we close an account, we will notify you and send you a check for any balance in your account after deducting all applicable charges. Any withdrawal that reduces the amount in an account to zero (other than a Share Draft Account) may automatically close that account. We are not liable for any draft, withdrawal or other order after an account is closed. Any drafts presented after your account has been closed will be returned unpaid. We reserve the right to advise consumer reporting agencies and other third parties of accounts closed for misuse.

**Inactive Accounts.** The Credit Union will consider your account inactive as defined by Connecticut Statute with no deposits or withdrawals on your account. This excludes dividends credited to your account by the Credit Union. Connecticut Law requires the Credit Union to turn these funds over to the State after a period of no activity as specified by statute. Before turning funds from inactive accounts over to the State of Connecticut, the Credit Union will send notices as required by Connecticut law advising you of your rights.

**Statement.** You will receive a periodic statement (normally monthly) for your Share Draft Account or other Accounts. You will receive a periodic statement (normally quarterly) for your Share Savings Account or other savings accounts unless you have an electronic funds transfer transaction during a monthly period (in which case you will receive a monthly statement), or you will receive a combined statement on a monthly basis if you have a Share Draft Account and other savings accounts. Each such statement shall show the transactions on your accounts and any charges. We reserve the right not to send statements for accounts we consider inactive, or for those accounts on which we do not have a valid address on file.

You should examine the periodic statement carefully and reconcile the account. If there are any discrepancies, the Credit Union should be notified immediately. You are in the best position to detect an unauthorized signature, a forged endorsement, or an alteration. You have the responsibility for any fraud loss if you fail to exercise reasonable care in examining the statement or fail to report forgeries or alterations to the Credit Union within 60 days of the mailing date of the earliest statement containing those items. The Credit Union will not be liable if items were forged or altered such that the fraud could not be detected by a reasonable financial institution. You agree that the Credit Union's retention of drafts does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. If you fail to receive a periodic statement at the time you regularly receive your Credit Union statements, you agree to notify us within fourteen (14) days from the time your statement normally arrives.

**Security.** You agree to exercise reasonable control over all credit union checks; unused checks; certificates of deposit (CDs); Personal Identification Numbers (PINs); ATM/Check Cards; Access IDs; passwords; and any other item, instrument, access device, or card related to your account. You agree to notify us immediately if any of these things are or may be lost, stolen, or used without your authorization, or if you believe there is an error on your periodic account statement. We may issue replacements for lost or stolen checks; CDs; PINs; ATM/Check Cards; or other items, instruments, access devices, or cards, but only after you have provided such proof of loss, and sufficient security or indemnification of us, as we may require. In addition, you acknowledge that we may close your account to prevent future losses.

**Truncation.** You authorize us to retain and image (i.e., truncate) all of your checks, drafts, debits, and credit advices for your account, and you understand that by our doing so, your original checks will not be returned to you with your statement. After the original documents have been imaged, they will be destroyed but will be available as required by law. Copies of items are maintained by us and are available upon request. Fees for such copies may apply. Please consult our schedule of fees and charges. The same restrictions for notifying us about an unauthorized signature, unauthorized endorsement, or alteration, as indicated above, apply to electronic statements. You agree that our retention of checks and other items does not alter or waive your responsibility to examine your statements promptly or change the time limits for notifying us of any errors. You are responsible for promptly examining and reconciling your statement each statement period and reporting any irregularities to us immediately upon discovery of an error or within the time limits stated in this disclosure, whichever is earlier. If another credit union, bank, financial institution or clearing house truncates your check you understand that we have no means by which to view and verify your signature on the item and you agree that we will not be liable for any forgery or alteration on the item unless we fail to act with ordinary care with the information we have available.

**Reviewing Account Statements.** You will receive periodic statements of all transactions and activity in your deposit accounts during each statement period. Your statement will be sent to your address as it is shown on our records. All deposits, withdrawals, transfers, payments of dividends, and impositions of applicable fees will appear on your statement. You are in the best position to detect an unauthorized signature, forged endorsement or material alteration of a check written on your account. As a result, you are responsible for promptly examining and reconciling your statement each statement period and reporting any irregularities to us immediately. The periodic statement will be considered correct for all purposes and we will not be liable for any payment made and charged to your account unless you notify us in writing promptly upon discovery of the error or within sixty (60) calendar days after the statement and checks are made available to you, whichever is earlier. We will not be liable for any check that is altered or any signature that is forged unless you notify us promptly upon discovery of the error or within sixty (60) calendar days after the statement and the altered or forged item(s) are made available, whichever is earlier. We will not be liable for any subsequent items paid, in good faith, containing an unauthorized signature or alteration by the same wrongdoer unless you notify the Credit Union within sixty (60) calendar days after the statement and first altered or forged item is made available. If you fail to notify us within the time limit stated above, you agree to accept the stated balance as correct and to assume responsibility for and indemnify, defend and hold us harmless from, the payment of any check reported on your account statement. You also release us from all liability for payment of such checks. We will not be liable if items are forged or altered so cleverly, such as the unauthorized use of a facsimile signature machine, that the fraud could not be detected by a reasonable banking institution. You must also report any other account problem promptly upon discovery of the error or within sixty (60) calendar days, whichever is earlier, or lose your right to assert a claim against us.

Because we employ high speed check processing equipment to reduce costs, we may not perform a review of the signatures affixed to your checks or other items which are presented for payment from your account. You agree that this is the customary practice for Credit Unions in Connecticut. You further agree that the practice of such Credit Unions is the standard to be used in determining reasonable Credit Union practices. You agree to safeguard your checks which are magnetically encoded with your unique account number. You agree to assume full responsibility for the unauthorized use of your checks, including unauthorized signatures and alterations, where you did not use ordinary care in controlling access to your checks, promptly reviewing your Credit Union statement for unauthorized activity, or where your lack of the use of ordinary care otherwise contributed to the unauthorized use of your account. You agree to be responsible for the acts of your agents, employees and any other party authorized to have access to your account.

**Claim of Loss.** If you claim a credit or refund because of a forgery, alteration or any other unauthorized withdrawal you agree to cooperate with us in the investigation of the loss. This may include providing us with an affidavit containing whatever reasonable information we require concerning your account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any criminal act relating to the claim of the lost, missing or stolen checks or unauthorized withdrawal. We will have a reasonable period of time to investigate the facts and circumstances surrounding any claim of loss. Unless we have acted in bad faith, we will not be liable for special or consequential damages including loss of profits or opportunity, or for attorney fees incurred by you.

You will not waive any rights you have to recover your loss against anyone who is obligated to repay, insure, or otherwise reimburse you for your loss. You will pursue your rights, or at our option, assign them to us so that we may pursue them. Our liability will be reduced by the amount you recover or are entitled to recover from these other sources.

**Agreement.** This Agreement shall be effective and shall govern all deposit accounts with us. By signing a signature card, making deposits or withdrawals, or leaving amounts on deposit, you agree to the terms of this Agreement. This Agreement shall supersede all previous agreements for such accounts.

**Amendment.** We may change any of the items of this Agreement at any time without prior notice to you if the change is favorable to you. We may make changes that are adverse to you only if we provide you with any notice required by law or required in this Agreement. You may close the account if you do not agree to the changes; if you continue to use the account or keep the account open after the effective date of such change, you will be deemed to have agreed to the changes.

**Notice of Name or Address Changes.** You are responsible for notifying us of any address or name change. Whenever we are required to send you notice, the Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us in writing. The Credit Union requires all notices of change in address or name to be in writing.

**Notice of Amendments.** Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms or rates as required by law or as required in this Agreement. All notices regarding the account will be posted in our office lobbies or will be sent to you to the address shown on your statement. In the event of joint ownership, notice by or to any one joint depositor shall be deemed notice by or to all. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement. We reserve the right not to send notice for accounts we consider inactive. Notices to us should be sent to:

**Scient Federal Credit Union**  
60 Colver Avenue, PO Box 499  
Groton, CT 06340  
Phone: (860) 445-1060

**Effect of Notice.** Any written notice you give us is effective when we receive it. Any written notice we give to you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address. Notice to any account owner is considered notice to all account owners.

**Indemnity.** If by following your instructions we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities or damages including actual attorneys' fees. If you ask us to follow instructions that we believe might expose us to claims, suits, losses, expenses, liabilities or damages, whether directly or indirectly, we may refuse to follow your instructions, or we may require a bond or other protections.

**Severability.** If any of this Agreement is found by any other court or regulatory body of competent jurisdiction to be invalid or unenforceable in whole or in part for any reason whatsoever, the authority of the remaining provisions or portions hereof shall not be affected thereby.

**Waiver.** We may waive any of these provisions at our sole discretion, but any such waiver will apply only on that occasion. If we choose to waive any provision, we will not be bound to waive the same provision or any other provision on another occasion.

**Statutory Lien & Right of Offset/Enforcement.** If you owe us money as a borrower, guarantor, endorser or otherwise, you pledge to us a lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds in any order to pay off your indebtedness. By not enforcing a lien, we do not waive our right to enforce it later. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your accounts to pay any debt or amount now or hereafter owed the Credit Union, or for any loss, cost or expenses, including reasonable attorney's fees, we incur as a result of your failure to comply with the terms and conditions of this Agreement or that we may take to enforce this Agreement or any other Agreement you may enter into with us. This security interest is not applicable to obligations secured by your residence, or unless otherwise may be prohibited by applicable law. We will notify you if we have exercised our right of offset. All accounts are nonassignable and nontransferable to third parties.

**Telephone Requests.** You agree (for joint accounts, all joint owners agree jointly and severally) that funds in any of your accounts with us can be transferred upon the telephone request of any signer on the account. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any telephone request or order. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a money market account to another account or to third parties, to a maximum of six per month (less the number of "preauthorized transfers" during the month). Other account restrictions may be disclosed elsewhere.

**Facsimile Signatures.** You agree (for joint accounts, all joint owners agree jointly and severally) that the Credit Union may accept and rely on facsimiles of your signature(s) on any deposit or withdrawal form, order or other notices, requests or instructions regarding any account under this Agreement or with the Credit Union. We shall not be responsible for any loss incurred as a result of our acting upon or executing any request, order or instruction we believe to be genuine. Furthermore, we may refuse to execute any facsimile request or order.

**Information About Your Accounts and About You.** Generally, we will not disclose information to third parties about your accounts or about you without your permission. However, we may disclose information: (1) when it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (2) to our accountants, attorneys or other professional advisors; (3) to Credit Union or financial institution regulators; (4) to exchange, in the regular course of business, credit information with other financial institutions or commercial enterprises, directly or through credit reporting agencies; (5) to advise third parties of accounts closed for misuse; (6) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; (7) to comply with government agency or court orders, or to furnish any information required by statute; (8) to furnish information about the existence of an account to a judgment creditor of yours who has made a written request for such information; (9) when we are attempting to collect an obligation owed to us; or (10) unless otherwise prohibited by law. In addition, you understand and agree that we may, from time to time, request and review credit reports and other information about you prepared by credit reporting agencies or others. For additional information about how we share your information with third parties, please refer to the Credit Union's Privacy Notice.

**Section Headings.** Section headings in this Agreement are for convenience of reference only and shall not govern the interpretation of any of the provisions of this Agreement.

**Joint Accounts (Survivorship Accounts).** If two or more parties have signed a signature card, you are creating, and intend to create, a "joint tenancy with rights of survivorship." That is, you as the owners of the account agree with yourselves and the Credit Union that all sums paid in shares or other deposits (as applicable), together with all accumulations, prior to now or hereafter, less setoffs as allowed by law for any sums due the Credit Union by any party, shall be owned by all of you jointly with full right of survivorship, and shall be subject to withdrawal or receipt by any of you in whole or in part. Payment to any of you or the survivor(s) of you, or your personal representatives, administrators or assigns of the last survivor(s) of you, shall be valid and discharge the Credit Union from any liability for such payment and amount. Each signer appoints each other signer to be his or her irrevocable attorney: to make deposits to the account; to endorse, for cash or deposit, any checks or other items whether payable to one of the signers alone or with others; and to receive and receipt for all funds all without obligation to us to inquire into the source or application of funds. To induce us to act thereunder, each person signing the signature card jointly and singly agrees to hold the Credit Union harmless and indemnify us from loss, cost, and damage in all respects in connection with any of the foregoing, including court costs and attorney's fees, except as may be limited by applicable law. Any or all of the joint owners may pledge all or part of the shares or deposits in the account as collateral for security on a loan(s) to this Credit Union. No authority or obligation of the Credit Union may be changed or terminated by one or more of the joint owners without prior written notice to the Credit Union, and no such change or termination shall affect transactions already made. Further, each joint owner is subject to the terms and disclosures of this Agreement, and hereby acknowledges receipt thereof.

**POD/Trust Account Designation.** A Payable on Death (POD) account or trust account designation is an instruction to the Credit Union that a single or multiple party account so designated is payable to the owner(s) during his, her or their lifetimes and, when the last account owner dies, payable to any named and surviving POD or trust beneficiary/payee. Accounts payable to more than one surviving beneficiary/payee are owned jointly by such beneficiaries/payees without rights of survivorship. The Credit Union is not obligated to notify any beneficiary/payee of the existence of any account or the vesting of the beneficiary/payee's interest in any account, except as otherwise provided by law.

**Missing Endorsements.** The Credit Union is authorized to supply any of your endorsements on any check or other instrument tendered for any account, and the Credit Union shall have no liability in connection with the collection of such items that are handled by it without negligence, and the credit union shall not be held liable for the acts of any agents, subagents or others. Withdrawals may not be made on account of such items until collected, or as otherwise provided by law. Any amount not collected, or later returned, may be charged back to the account, including expense incurred, and any other outside expenses incurred relative to the account may be charged to it.

**Restrictive Legends.** The automated processing of the large volumes of checks prevents us from examining each item for "Restrictive Endorsements" and the Credit Union will not be liable for any such restrictions, unless otherwise required by law. Restrictive endorsements include, but are not limited to, "Void after 90 Days" or "Not Valid Over \$1,000.00", for example only. We are not required to honor any restrictive legends placed on checks you write unless we have agreed in writing to the restriction. We are not responsible for any losses, claims, damages or expenses that result from your placement of these or other special instructions on your checks.

**Payment Order of Items.** Payment on items, such as checks drawn on your account, may be paid by the Credit Union in any order either received or processed.

**Pledges.** You may not pledge your Credit Union Shares as collateral to another entity or party without the written consent of the Credit Union.

**Accounts for Minors.** We may require any account established by a minor to be a multiple party account with an owner who has reached the age of majority under Connecticut law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to a minor without regard to his or her minority. Unless a guardian or parent is an account owner, the guardian or parent shall not have any account access rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority, unless authorized in writing by all account owners.

**Custodial Accounts for Minors.** Connecticut Statutes provide that an adult may make an irrevocable gift to a minor, held by an adult custodian and we will establish such an account upon your request. The donor may be the custodian, or another adult may be named, however, either the minor or the custodian must be eligible to join the Credit Union. The funds in the minor's Custodial Account are owned by and titled in the minor's name. There may be only one adult custodian on each account of this type.

**ACH & Wire Transfers.** The following rules shall apply to all wire transfers services provided by the Credit Union.

Scient Federal Credit Union may accept, on your behalf, payments to your account that have been submitted by Fedwire. Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Subpart B-Funds Transfers through Fedwire. These regulations and state law are applicable to funds transfers involving your account.

If you give us a payment order that identifies a beneficiary (the person to whom you are wiring funds) by name and account or some other identifying number (such as a Social Security, Taxpayer I.D. or driver's license number), we may pay the beneficiary on the basis of the number provided to us by you and consider that number to be proper identification. This will be true even if the number you provided to us identifies a person different from the named beneficiary, unless otherwise provided by law or regulation.

If you give us a payment order that identifies the beneficiary's financial institution in the funds transfer by name and Routing and Transit ("R/T") or other identifying number, we, as well as the receiving financial institution, may rely on the number provided to us by you as the proper identification. This will be true even if the number provided identifies a financial institution that is different from the named financial institution, unless otherwise provided by law or regulation. Therefore, it is in your best interest to contact the receiving institution to acquire the appropriate wire transfer instructions so that you may feel confident that your money will arrive safely. You, the member, are ultimately responsible for providing accurate information regarding funds transfers and are consequently liable for any losses or expenses should an error occur.

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.

In the event we accept payments to your account through one or more Automated Clearing Houses ("ACH"), the operating rules of the National Automated Clearing House Association ("NACHA") will be applicable to ACH transactions involving your account. These rules do not require that we provide you with next day notice of receipt of an ACH item. Therefore, we will provide you with notification of the receipt of these items as part of your periodic statement.

In addition, if we are ever obligated to pay interest on the amount of the transfer, you will be paid interest on a daily basis equal to the current dividend rate that is otherwise applicable to the account from which the funds transfer should have occurred. In the event we are ever liable to you for damages due to a transfer, your damages will be limited to actual damages only. We will not be responsible for incidental or consequential damages, court costs or attorney's fees, unless otherwise provided by law or regulation.

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 entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

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 State of Connecticut, including Article 4A of the Connecticut Uniform Commercial Code, and as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

**Agency Designation on an Account.** An agency designation on an account is an instruction to us that the owner authorizes another person to make transactions as agent for the account owner regarding the accounts designated. An agent has no ownership interest in the account(s) or Credit Union voting rights. We have no duty to inquire about the use or purpose of any transaction made by the agent.

**Legal Process.** If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any pay out until the dispute is resolved. Any expenses or attorney fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.

**Taxpayer Identification Numbers and Backup Withholding.** Your failure to furnish a correct Taxpayer Identification Number (TIN) or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service (IRS) a percentage of dividends, interest and certain other payments. If you fail to provide your TIN, we may suspend opening your account and/or withhold dividend payments.

**Special Account Instructions.** You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirements of your trust, will, or court order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions or may require you to indemnify us or post a bond or other protection. Account changes requested by you, or any account owner, such as adding or closing an account or service, must be evidenced by a signed Account Change form and accepted by us.

**Termination of Account.** We may terminate your account at any time without notice to you, or we may require you to close your account and apply for a new account if: (1) there is a change in owners or authorized signers; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) any share drafts are lost or stolen; (5) there are excessive returned unpaid items not covered by an overdraft protection plan; (6) there has been any misrepresentation or any other abuse of any of your accounts; or (7) we reasonably deem it necessary to prevent a loss to us. You may terminate a single party account by giving written notice. We reserve the right to require the consent of all owners to terminate a multiple party account. We are not responsible for payment of any draft, withdrawal, or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

**Termination of Membership.** You may terminate your membership by giving us notice. You may be denied services or expelled for any reason allowed by applicable law, including causing a loss to the Credit Union.

**Governing Law.** This Agreement shall be governed by the laws, including applicable principles of contract law, and regulations of the State of Connecticut, except as superseded by federal laws and regulations, by the Credit Union's Bylaws, and by local clearinghouse rules. Unless prohibited by applicable law, any action brought pursuant to this Agreement against the Credit Union must be brought in the local State District Court or State Circuit Court in the jurisdiction of the Credit Union's main office or Branch Offices.

**Account Agreement.** Your application for Membership in the Credit Union as well as your use of any Credit Union Membership privileges constitutes an acknowledgement and consent to the terms and conditions of your accounts as set forth in this Account Agreement and all other accompanying Disclosures provided to you.

## USA PATRIOT ACT

In accordance with the USA PATRIOT ACT, Federal law requires all financial institutions to obtain, verify, and record information that identifies each individual or entity opening an account. This includes all personal and commercial accounts including loan and deposit accounts, as well as trust, brokerage, insurance, and investment management accounts.

### What This Means To Our Members

When you open an account, you will be asked for your name, address, social security or tax identification number, date of birth (if applicable) and other information that will allow Scient Federal Credit Union to identify you. You will also be asked to furnish your drivers license or other identifying documents. We are required to follow this procedure each time an account is opened, even if you are a current member of Scient Federal Credit Union.