



**TRUSTONE**  
FINANCIAL

**TruStone Financial Credit Union  
Business Service Agreement  
& Disclosures**

September 2023

## **Agreement & Disclosure**

These agreements and disclosures (collectively, the "Agreement") set forth the terms and conditions for your accounts and outline the guidelines of your membership(s) with TruStone Financial Credit Union (TruStone). Additional copies of this Agreement may be obtained by contacting us at **800 862-1998**, online at TruStone.org or at any branch location.

In this Agreement, the words "you" and "your" mean 1) a business (and its owner(s)), organization, representative, authorized signer, member or person who request to take action or conduct a transaction on membership, accounts, loans, products or services with us and 2) any person or organization that requests us to act on any matter concerning the business of our Credit Union. The words "we", "us", and "our" mean TruStone Financial, a state-chartered credit union located with its corporate office in Plymouth, Minnesota.

You agree to the provisions of TruStone's Articles, Bylaws, policies, federal and state regulations, the rules and regulations of any clearinghouse association (the "Other Agreements"), and to the terms and conditions contained in this Agreement, and any additional disclosures that we may provide to you at the time you open your account. Together, this Agreement and the Other Agreements form a binding contract and make up the entire agreement between you and TruStone regarding the handling of your accounts. We may amend this Agreement or the Other Agreements, or change the rules and charges at any time, if we follow the procedures set forth in this Agreement. You agree that, at our option, we may suspend your membership rights if you violate the terms of this Agreement or the other Agreements. You also agree that you will not use any TruStone product or service for any illegal purpose. You will be held responsible if your account is used for any illegal transaction.

## **Membership Eligibility**

To join TruStone, you must be in our field of membership, provide any information we request and meet all our requirements for eligibility, due diligence, and verification. Before allowing a business or organization to join TruStone, we may require a representative to provide proof of certain important matters. These matters include:

- the business or organization is lawfully formed (e.g., by providing Articles of Incorporation, Incorporation, Operating Agreement/Meeting Minutes or Partnership Agreement, Certificate of Organization/Incorporation/Existence, registration with the Secretary of State, Certificate of Assumed Name, business license, most recent tax returns and/or signed W9 form and/or EIN letter from the IRS, client/customer references and/or other documentation from the last three years (though we may serve non-lawfully formed businesses or organizations at our discretion).
- the business or organization is eligible for membership with us.
- the business or organization wants to join TruStone and start membership, product, and services with us.
- each representative must substantiate her or his authority to act as a representative for the business or organization (e.g., by providing a notarized board resolution, partnership letter, business license, driver's license or other proof of ownership or authority).
- each representative must substantiate her or his identity as a representative of the business or organization (typically with ID). By consenting to the Agreement, you acknowledge you have informed us of the persons who are representative and/or transactor(s) who may act on behalf of the business or organization when taking actions or conducting transactions on the accounts, loans, products, and services the business or organization has with us.

You also agree we may need to obtain important specific information about any person who owns or manages the business. We may need to identify the number of people who control at least a twenty five percent (25%) ownership interest in the business, along with each such owner's name, birthdate, physical address, and social security number (SSN). You agree to notify us if the beneficial owner(s) or control person of the business changes. We may rely on the Agreement and our records until you tell us in writing of any changes, and we have had a reasonable time to act on the written notice. By consenting to the Agreement, you certify the business or organization does not engage in the internet gambling business and will notify us before in any internet gambling business in the future.

## **Organizational Account**

At the time this type of membership is opened, the organization must be composed exclusively of persons who are within our field of membership.

## **Notice of Negative Information and Consumer Reporting Agency Information**

As required by Federal Law, this is notice to you that we may furnish any "negative information" regarding your accounts to a nationwide consumer reporting agency. "Negative information" means information concerning

delinquencies, late payments, insolvency, or any form of default. This Notice does not mean that we will be reporting such information about you, only that we may report such information about members who have not done what they are required to do under this Agreement. You authorize us to obtain a consumer credit report in connection with any application, update or renewal of any share or loan account that you apply for. You authorize and understand that we may obtain such reports at any time after you establish membership with us. Also, you authorize us to use these consumer credit reports to consider you for other products and services with us and as may be necessary to offer account terms and benefits to you.

### **Consent to Contact**

You agree that we may contact you by telephone or text message at any telephone number that you provide to TruStone including wireless telephone numbers (i.e., cell phone numbers), which may result in a charge to you. You agree that we may contact you in order to service your account, prevent fraud, collect any amounts owed to us, and for informational and telemarketing purposes as permitted by law. You further agree that methods of contact may include the use of pre-recorded or artificial voice messages and/or the use of an automatic dialing system. You understand that you are not required to agree to this provision of the Agreement as a condition of purchasing any property, goods, or services and that you may call us at 800 862-1998 or visit us online at TruStone.org to update your contact preferences. You represent and agree that you are and will be the wireless telephone number subscriber with respect to each wireless telephone number provided by you to us.

### **Notices**

Any notice you send us will not be effective until it is actually received. Any notices, statements (unless agreed to otherwise), or other correspondence we send you regarding any of your accounts may be sent by ordinary mail to the last mailing address you have provided to us or to the email address to which we send your statements. If there is more than one signer on your account, notices, statements, and correspondence may be sent to any authorized signer. You assume the risk of loss in the mail. Any notice we send you will be effective when mailed to the mailing address you or any authorized signer provides.

### **General Account Information & Applicable Terms**

#### **Terms applicable to all account types**

#### **Accounts Limited to Business Purposes**

You agree that you shall only use the accounts subject to this Agreement for business purposes and you agree not to use the accounts for personal, family or household purposes. We reserve the right to revoke any and all of the rights granted to you in this Agreement if we determine that you are using the accounts for such purposes, as determined in our reasonable discretion.

#### **Authorized Signers**

An authorized signer is someone to whom you give all rights to transact on your account and receive account information. Any authorized signer may sign checks or withdrawal orders, provide us with instructions on the account, including instructions to close the account. Even if an authorized signer on an account change, we may continue to honor checks, withdrawal orders or other instructions until we are notified in writing not to do so.

We have no obligation to inquire as to the use of any funds or the purpose of any transaction made on your account by an authorized signer. We are not responsible for any transaction by an authorized signer.

#### **Disputed Ownership**

If a dispute arises over control of or access to your account, or if we receive conflicting instructions from you, including any owner, authorized signer, or officer of the company, or in the case of conflicting corporate, board or partnership authorizations or instructions, we may require (but are not obligated to require) the signatures of all authorized signers on items, withdrawals or other transactions. We may also, but are not required to, freeze the account until we get evidence satisfactory to us that either the dispute is resolved or there is general agreement on payment of funds in the account.

#### **Signatures and Endorsements**

You agree to sign as your signature appears on the membership application when drawing checks or other items. If, in good faith, we believe your signature is not genuine we will refuse to pay any check drawn on your account. We may also refuse to honor any check that is not on a form acceptable to us. If you have indicated more than one signature is required in connection with a check or other order or instruction for the payment, transfer or withdrawal of funds (an "item") drawn on your account, we will have no liability to you if an item is deposited to or paid against your account

with fewer than the number of signatures you have indicated as being required, provided at least one of the required signatures appears on the item. We will have no liability to you for failing to detect a forgery of your signature or an alteration of one of your items, if the forgery or alteration is such that a person could be expected not to detect it. Because of the large volume of checks processed by us, we are unable to look for special instructions or dates on each check. Accordingly, we may pay a check even though special instructions on the check might, if we knew about them, cause us to refuse payment. We will not be liable if we pay checks contrary to written special instructions, even if payment results in a refusal to honor other checks written by you on this account. All transaction items presented for deposit must be properly endorsed. Endorsements on the back of the check should be limited to the 1-1/2" designated on the back of each check. The remainder of the back of the check must be left clear for our credit union endorsement and subsequent financial institution endorsements. You authorize us to accept checks or other instruments for credit to the account and to supply any needed endorsement if you have neglected to endorse the instrument. If stamps or information placed on the back of a check makes our endorsement illegible, you agree to hold us harmless in any resulting delay in the return of the check. You are responsible for any loss if the loss is due to a delay in the return of an item where the delay is caused by material appearing on the back of the item including carbon bands, blacked-out areas and printed or written text appearing in the improper area.

### **Duty of Care**

We will exercise ordinary care in processing transactions for your account. When we accept an item for processing by automated means, "ordinary care" does not require us to examine the item. "Ordinary care" requires only that we follow standards that do not vary unreasonably from the general standards followed by similar financial institutions. A clerical error, or a mistake, will not be considered a failure by us to perform any of our obligations.

### **Fees and Expenses**

You agree to pay us for our services in accordance with the TruStone Fee Schedule, including but not limited to, any fees that may be imposed for maintaining your account. The TruStone Fee Schedule may be amended or changed at our discretion. If the addition, amendment, or change is adverse to you, we will provide notice in accordance with the notice provision in this agreement. All fees and expenses incurred by you or charged to you may be deducted from your account. In the event fees are drawn against your account, we will not be responsible for refusing to honor other items presented because of insufficient funds as a result of charges to your account for fees. If your account is closed, you will continue to be responsible for any fees that may have accrued, any items deposited to or drawn against your account prior to its being closed, and any fees and expenses related to such items. If we incur any costs or expenses in connection with enforcing this Agreement against you, you will pay those costs and expenses, including without limitation reasonable attorney's fees and court costs.

### **Right of Setoff**

You agree we may (without prior notice and when permitted by law) charge against and deduct from your account(s) any due and payable debt owed to us now or in the future, by any of you having the right of withdrawal, to the extent of such person's or legal entity's right to withdraw. If the debt arises from a note, "any due and payable debt" includes the total amount of which we are entitled to demand payment under the terms of the note at the time we charge the account, including any balance which we properly accelerate under the note. In the event of your death, any debt owed to us at the time of your death with any right of survivorship, is subject to this right of setoff. Our right of setoff does not apply to any retirement accounts or to debtors whose right to withdraw arises only in a representative capacity. We will not be liable for the dishonor of any check when the dishonor occurs because we charge and deduct an amount you owe us from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of setoff.

### **Statutory Lien**

Unless prohibited by law, you pledge and grant as security for all obligations you may have, now or in the future, all shares, and dividends in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account(s) for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn, unless you are in default. Except as limited by Federal or state law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you.

### **Security Interest**

Your pledge and our statutory lien rights will allow us to apply the funds in your account(s) to what you owe when you are in default, except as limited by Federal or state law. If we do not apply the funds in your account(s) to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply the funds in your account(s) to the amount you owe us at a later time. By not enforcing our right to apply funds in your account to your obligations that are in default, we do not waive our right to enforce these rights at a later time.

### **Enforcement**

You are liable to us for any losses, costs, or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs, or expenses, including attorneys' fees, from your account without prior notice to you. In addition, if we bring legal action to collect any amount due or to enforce this Agreement, we shall be entitled, subject to applicable law, to reasonable attorney fees and costs, including any fees on any appeal, bankruptcy proceeding, and any post-judgment collection actions. If you bring legal action against us, and we prevail, we will be entitled to recover all costs of our defense, including, but not limited to, court costs and attorneys' fees. If any demand or action is brought against us by a third party, we shall be entitled to any and all cost of defense, including, but not limited to, settlement and attorneys' fees.

### **Legal Action**

We may withdraw funds from your account, place a hold on funds in your account, or disclose information about your account if in good faith we believe we must do so in order to comply with a subpoena, search warrant, garnishment summons, writ of attachment, writ of execution, order to enjoin, temporary restraining order, order or seizure, levy, tax levy, or any other judicial or administrative action. In our sole discretion and as permitted by law we may, prior to releasing funds or information about your account, exercise our right to set off the funds held in such account to pay any due and payable debt that you or any authorized signers owe to us, or exercise any lien or security interest which we have in the funds held in such account. In these cases, we will not have any liability to you if there are insufficient funds to pay your items because we have withdrawn funds from your account or in any way restricted access to your funds including the placement of a hold on the funds. Any fees or expenses we incur in responding to any such legal action (including without limitation attorneys' fees and our internal expenses) may be charged against your account.

### **IRS Reporting and Backup Withholding**

An identifying number must be associated with all accounts for IRS reporting. This is your taxpayer identification number (TIN), such as a social security number or employer identification number (EIN). You are required by the Internal Revenue Code to provide your TIN or EIN to us whether or not you file a tax return. We must withhold a percentage of taxable dividends if:

- you fail to furnish your TIN or EIN to us, or
- the IRS notified us you furnished an incorrect TIN or EIN, or
- you are notified you are subject to backup withholding because you have failed to report all interest and dividends, or
- you fail to certify to us you are NOT subject to backup withholding because you have failed to report all interest and dividend payment, or
- you fail to certify your TIN or EIN.

### **Deposits and Collected Items**

If you deposit any non-cash item (including items drawn on us) we will give your account temporary or provisional credit only until collection is final (non-cash deposits made or payable in foreign currency will be given credit in the amount of U.S. dollars received in final collection of the item). Foreign currency will not be accepted for deposit to any account. You may make deposits through the automated clearing house (Direct Deposit). We reserve the right to not accept third-party checks and checks more than six months old. We are not responsible for transactions by mail or outside depositories until we actually receive them. Do not send currency by mail. We treat all transactions we receive after the close of business as if it occurred on our next business day. If you make a deposit in one of our night depositories, it may not be credited to your account until the next business day. In addition, night depositories are used at your own risk as to amount verification. We may reverse any credit that has been erroneously made to your account at any time without prior notice. If, in connection with a direct deposit plan, we deposit any amount in your account which should have been returned to the federal government for any reason, you authorize us to deduct the

amount of our liability to the federal government from any account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability. If a deposit item is returned unpaid, we will charge it back to your account. In this case, we will charge a "returned check deposit fee" as indicated in the TruStone Fee Schedule. We have the right to pursue collection of any items deposited to your account which have been returned unpaid. You are responsible for paying any special fees for collecting your deposit. We may charge back any item at any time before final payment, whether returned or not, including any item drawn on us. If claim is made for recovery of any part of a collected item after final payment or settlement, due to the fact that the item was altered or bore a forged or unauthorized endorsement or was otherwise not properly payable, we may withhold the contested amount from this account until the claim is settled.

### **Stop Payments**

The provisions in this section that are applicable to stop payment orders are also applicable to notices of post-dating. Therefore, the term "stop payment order" refers to both an order not to pay a check and to a notice of post-dating. If you do not want us to pay a check you have written, you can request that we place a stop payment on it. You may ask us to stop payment of any check; automated clearing house/pre- authorized electronic funds transfer ACH/EFT or other item on your account. Your right to stop payment may be limited. You can notify us in writing, contact us by phone at 800 862-1998 or in person at any branch location. If your checks are lost or stolen, contact us immediately to place a stop payment order. A verbal stop payment order takes effect when we record it on your account and is effective for 14 calendar days unless confirmed in writing within that period. A written stop payment order is effective for six months unless renewed in writing. We will charge you a "stop payment fee" as indicated in the TruStone fee Schedule. A stop payment order against an ACH/ EFT is effective until the earlier of: you withdraw the stop payment order, or the debit entry is returned, or, where a stop payment order is applied to more than one debit entry under a specific authorization involving a specific party, all such debit entries are returned. We may require you to provide us written confirmation of a verbal stop payment order request against an ACH/EFT within 14 calendar days. Additionally, if you request us to stop all future payments pursuant to a specific ACH/EFT authorization involving a particular party, we may require you to confirm in writing. Your stop payment order must include your account number, exact check number, date of check, payee name, and exact amount of the item. The stop payment order must be received by us no later than the business day prior to the business day the item is presented to us. A release of the stop payment order may be made only by the person who initiated the stop payment order. We will not be liable except for our failure to exercise ordinary care. If we honor any item subject to a valid stop payment order, we will credit your account for the amount of the item when you execute an affidavit describing the dispute with the payee, to transfer to us all of your rights against the payee or other holder of the item and to assist us in legal action against that person. You agree to hold us harmless for all liabilities, expenses, and costs incurred by us on account of refusing payment on an item subject to your stop payment order.

### **Withdrawals**

You may make withdrawals verbally, in writing or through electronic means. You must have sufficient available funds in order to make a withdrawal. We may refuse withdrawal requests against funds which have been deposited but which are not yet available, unless prohibited by law or our written policy. We reserve the right to refuse any withdrawal or transfer request which is attempted by any method not specifically permitted, which is for any amount less than any minimum withdrawal requirement, or which exceeds any frequency limitation. Even if we honor a nonconforming request, repeated abuse of the stated limitations, if any, may force us to close the account. Cash withdrawals may be limited to a certain amount per day and may vary by branch location. The drawing of conditional or post-dated checks is prohibited, and we may charge any conditional, post-dated, or stale-dated check against this account without regard to whether the condition stated has been met, the date of the check, or the age of the check. We are unable to look for special instructions or dates on each check; we may pay checks drawn against your account notwithstanding any special instructions on the checks. We will not be liable for any payment of checks contrary to the conditions or checks that are stale-dated or post-dated even if payment causes the account to have insufficient funds to pay other checks drawn on the account, unless you provided written notice of postdating as described in the Stop Payments section.

### **Telephone Transfers**

You can authorize us to transfer funds from one account to another by calling 800 862-1998. We will ask you for information to verify your identity and authority to make the transfer. Telephone transfers are accepted during our business hours and are posted on that day.

### **Automatic Transfers**

You may authorize us to set up automatic transfers between your accounts. This service is available for transfers under your membership between your savings, checking, and loan accounts, such as automatic monthly transfers from your checking account to your loan account.

#### **Insufficient Funds and Returned Items**

We may return any item that is drawn against insufficient funds in your account. If we return any item that is drawn against insufficient funds, we will charge your account a "returned check fee" or "returned ACH fee." Returned items may be represented for payment multiple times. A returned check fee or returned ACH fee may be imposed each time an item is resubmitted and returned due to insufficient funds. Any negative balance in your account is immediately due and payable unless we agree otherwise in writing. We have the right to offset negative balances in your accounts using any funds, including Social Security funds that are deposited into any of your accounts at TruStone. It is your responsibility to ensure funds are available in your account when you write a check, use your debit or ATM card, or authorize any other type of withdrawal.

#### **Funds Transfers Governed by Article 4a.**

This section provides the terms and conditions which specifically relate to any transfer or receipt of funds governed by Article 4a of the Uniform Commercial Code. Generally, these are wire transfers or transfers through an automated clearing house (ACH) that are not otherwise governed by the Electronic Funds Transfer Act, but other types of transfers may be covered. Fedline is the automated clearing house that may be used for funds transfers. Regulation J governs fund transfers through Fedline. Credit given by us to you with respect to an ACH 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 agree that we are entitled to a refund from you in the amount credited to your account, and the party originating such payment will not be considered to have paid the amount so credited. We will not be liable on international wire transfers for any reason if the funds are not received or are misapplied during the wire transfer process. We have no control over how long an international wire transfer will take to be received and processed by the receiving financial institution.

We will notify you of funds credited to your account through your account statement covering the period in which these funds were credited to your account. For funds received by wire transfer we may also provide you with a written receipt but are not obligated to do so. All funds wired out of your account must be fully available funds. Instructions for outgoing wire transfers will be received on any business day we are open. Any instructions for outgoing wire transfers received after 3:00 PM. will be processed the next business day. In acting upon wire transfer instructions, we will request personal information in order to positively identify you and to verify your authority to make the withdrawal. You are responsible for obtaining the proper wiring instructions from the receiving financial institution. In some instances, a receiving financial institution receives wires through another institution called its "correspondent." We must have the name of the correspondent and its routing and transit number to be able to process the wire. In acting upon funds transfer instructions, some financial institutions rely solely on the identifying number or account number accompanying the payment order to identify the person who is to receive payment. If you instruct us to make payment to a person and you identify that person by both a name and an identifying number or account number, payment may be made to that person's financial institution on the basis of the identifying number or account number even if the number identifies a person different from the person named as the beneficiary in your instructions to us. Additionally, if your payment instructions to us identify a financial institution that is to participate in the funds transfer both by name and an identifying number, any financial institution, including us, may rely on the identifying number as the proper identification of the financial institution that is to participate in the funds transfer even if it identifies a financial institution different from the financial institution identified by name. We may notify the Federal Reserve Bank of the relevant facts concerning an unauthorized or erroneously executed payment order within 30 calendar days after we receive notice from the Federal Reserve Bank that the payment order was accepted or executed.

We are required by law to scrutinize or verify any international ACH transaction (IAT) received against the Specially Designated Nationals (SDN) list of the Office of Foreign Assets Control (OFAC). This action may, from time to time, cause us to temporarily suspend processing of an IAT and potentially affect the settlement and/or availability of such payments.

#### **Denial of Service and Expulsion Policy**

We may deny financial services to you or expel you for reasons related to: (1) violent, abusive, disruptive, harassing or threatening behavior to credit union employees, volunteers or agents; (2) causing the credit union a financial loss; (3)

unauthorized use or access of credit union property; (4) the knowing dissemination of false, misleading, confidential or proprietary information regarding the credit union; (5) any action that may cause material risk or financial harm to the credit union.

You may be denied any and all services offered by the credit union, including access to any credit union facility or event, upon oral or written notice.

- If you are denied services, and you maintain a minimum balance in the primary share account, you will retain the right to vote in annual and special meetings during the time that services are denied.
- If services are denied due to causing a loss to the credit union, full member benefit rights, subject to requalification and approval, will be restored once restitution has been finalized or a repayment plan is accepted.
- If services are denied due to behavior or because of a concern for material risk or harm to the credit union, full member benefit rights will be restored when management reasonably believes that the cause for concern has lapsed.

We may expel a member for nonparticipation in the credit union. Nonparticipation is the failure to purchase and/or maintain at least one credit union share or to pay a membership fee, if any. If the required share balance falls below the par value, you must increase the balance to the par value within 30 days or you may be expelled from TruStone. Denial of service or expulsion of a member may extend to any account in which you have an ownership or fiduciary interest or are an authorized signer.

### **Closing Accounts**

The credit union has the right to terminate your relationship with us at any time. If we do so, we may send the balance on deposit to your most recent mailing address on file. Before we close your account, we will give you any notice required by law. However, when a checking account is in an overdraft position, or we have reason to believe funds will not be collectible, we will close the checking account immediately without notice. We will not be liable for any loss or damage that may result from dishonoring any of your items that are presented or otherwise received after your account is closed. Any authorized signer may close the membership or account at any time without the consent of the other authorized signers. When you close your account, you will be responsible for making sure there are sufficient funds in your account to cover all outstanding items to be paid.

### **Statements and Change of Address**

Statements and other information regarding your account will be mailed to you at the last mailing address you provided to us unless we both agree otherwise. It is your responsibility to keep us informed of your current address. A residential address is required to be on file at all times. If your account is a joint account, we may mail the statement to any of you. Your account may be charged a returned mail fee if your statements and other notices are returned as undeliverable. In order to keep the possibility of a loss to a minimum, you must carefully examine your statement and each credit and debit reflected on it. You must promptly report any errors, forgeries, unauthorized withdrawals, or alterations. In all cases, you must report any such information to us within 60 days after the statement is available. If you do not report this information to us within that time, you give up your right to contest the payment of any items reported in your statement and we can assume that you have accepted the reported charges and stated balance as being correct. This means we are released from all liability for the items we have charged to your account, and for all other transactions or matters covered by the statement.

### **Release of Account Information to Others**

From time to time, we may release the information necessary to inform you of new products or services. Other times, we may be legally required to release information about your account to others. Examples include when verifying a check, you wrote or authorizing an electronic withdrawal; or when required by law or regulation or upon receipt of a court order, subpoena, or search warrant. If your account is closed due to misuse on your part, we may be required to report that information to a credit bureau and/or an account verification service.

### **Notices**

Any notice you send us will not be effective until it is actually received. Any notices, statements, or other correspondence we send you regarding any of your accounts may be sent by ordinary mail to the last mailing address you have provided to us for the business. If there is more than one signer on your account, notices, statements, and correspondence may be sent to any representative. You assume the risk of loss in the mail. Any notice we send you will



be effective when mailed to the mailing address you or your representative provided.

### **Amendments**

We may change, alter, amend, or add to the terms and conditions of this disclosure, and any other disclosures you may have received at the time you opened your account. When required by law, notice will be mailed or emailed at least 30 calendar days before the effective date of the change. Notice of all other changes may be provided by posting the changes in our offices or on our website, enclosing the notice in a statement or mailing the notice to you at the mailing address on file with us. If any part of these disclosures is found to be invalid, it shall not affect the validity of any other part of this Agreement.

### **Freezing an Account**

If we suspect any unlawful or unauthorized activity involving your account or receive notice of any dispute over funds in an account, we may place a hold on the account or any other accounts you maintain with us pending an investigation of the suspected activities ("freeze"). We may also freeze your account without any liability if we have reason to believe that doing so is necessary or prudent to avoid incurring potential liability, costs, or expenses, or to avoid potential loss of such funds, until the situation is resolved to our satisfaction or until we receive a Court Order instructing us regarding the disposition of said funds. If we freeze your account, we will give you any notice required by law. You shall be responsible for any costs we incur should legal action arise, including, but not limited to, an interpleader action. Costs include, but are not limited to, court costs and attorneys' fees. Any costs we may incur may be offset against any funds in your account held by TruStone Financial.

### **Warranties**

You make the following warranties to us concerning each item you deposit or which we cash for you or give other consideration: all necessary signatures and endorsements have been placed on the item and are genuine, the item has not been materially altered and you have good title to it, and no defense of any party to the item is good against you. If any such warranty is breached, we may deduct the amount of the item, plus expenses, from any of your accounts or otherwise collect from you. If we determine an error has been made on your account regarding any transfer, deposit, or withdrawal, we may correct the error, including debiting your account, without any further liability to you.

If a claim is made against us, or when we receive notice of a potential claim involving a breach of any warranty, we may withhold from any of your accounts the amount in dispute, plus fees, until the claim is resolved. The claim will be considered valid unless you give us written notice contesting the claim within 10 days after we notify you. On request, you will promptly furnish an affidavit stating your factual basis for contesting the claim. You also will defend and indemnify us from all liability and losses we may incur by not honoring a disputed claim.

### **Governing Law, Waiver and Venue**

Your relationship with us is governed by the laws of the State of Minnesota, except where pre-empted by Federal or other state law. Your account is subject to all applicable rules and customs of any clearing house or other association involved in the account transactions. Changes in these laws and regulations may modify the terms and conditions of the account. We do not have to notify you of these changes. You hereby waive the right to a jury trial in disputes concerning your accounts. You agree that any dispute concerning your account will be resolved by arbitration as provided in the Dispute Resolution – Arbitration section below. We do not give up any rights we have under this agreement by delaying or failing to exercise them.

### **Time to Bring Legal Action**

Unless another time is provided in another provision of this Agreement or required by applicable law, an action or proceeding by you to enforce an obligation, duty, or right arising under this Agreement or under applicable law with respect to your account must be commenced within one year after the cause of action accrues.

### **DISPUTE RESOLUTION –ARBITRATION**

**This arbitration provision is optional. If you do not wish to accept it, you must follow the instructions in paragraph (10) below to reject arbitration. Unless you timely reject arbitration, this arbitration provision is binding on you and us.**

**(1) Claims Subject to Arbitration: Except as specified in paragraph (2) below, any dispute or claim between you and us must be arbitrated if either party elects arbitration of that dispute or claim. This agreement to arbitrate is intended to be broadly interpreted. It includes, but is not limited to:**

- claims arising out of or relating to any aspect of the relationship between you and us, whether based in contract, tort, fraud, misrepresentation, or any other statutory or common-law legal theory;
- claims that arose before this or any prior agreement (including, but not limited to, claims relating to advertising or disclosures for any of our products or services);
- claims for mental or emotional distress or injury not arising out of bodily injury;
- claims asserted in a court of general jurisdiction against you or us, including counterclaims, cross-claims, or third-party claims, that you or we elect to arbitrate in the answer or other responsive pleading;
- claims relating to the retention, protection, use, or transfer of information about you or any of your accounts for any of our products or services;
- claims relating to communications with you, regardless of sender, concerning any of our products or services, including emails and automatically dialed calls and text messages; and
- claims that may arise after the termination of this Agreement.

In this arbitration provision only, references to “we” and “us” mean the financial institution and its past, present, and future parents, subsidiaries, affiliates, and each of these entities’ predecessors, successors, assigns, agents, and employees. In this arbitration provision only, references to “you” mean the account owners, all authorized or unauthorized users or beneficiaries of the account, each of those person’s assignees, heirs, trustees, agents, or other representatives, and if the account owner is a business, the account owner’s parents, subsidiaries, affiliates, and each of those entities’ predecessors, successors, assigns, agents, and employees. This arbitration agreement does not preclude you or us from bringing issues to the attention of federal, state, or local agencies. Such agencies can, if the law allows, seek relief against you or us on the other’s behalf. Nor does this arbitration agreement preclude either you or us from exercising self-help remedies (including setoff), and exercising such a remedy is not a waiver of the right to invoke arbitration of any dispute. You and we each waive the right to a trial by jury or to participate in a class action whenever either you or we elect arbitration. This agreement evidences a transaction in interstate commerce, and thus the Federal Arbitration Act governs the interpretation and enforcement of this provision. This arbitration provision shall survive termination of this agreement.

**(2) Claims Not Subject to Arbitration:** You and we agree that the following disputes or claims cannot be arbitrated:

- claims arising from bodily injury or death;
- claims seeking only individualized relief asserted by you or us in small claims court, so long as the action remains in that court and is not removed or appealed de novo to a court of general jurisdiction;
- claims to collect or challenge debts owed pursuant to an extension of credit under a separate agreement or note (such as a separate loan agreement, promissory note, or bank card agreement), in which case the dispute over the debt shall be governed by the dispute-resolution procedures set forth in that separate agreement or note;
- disputes over the scope and enforceability of this arbitration provision, whether a dispute or claim can or must be brought in arbitration, whether paragraphs (7) or (8) of this arbitration provision have been violated; and
- disputes over whether paragraph (4) has been violated, for purposes of awarding relief that a court can award under that paragraph.

**(3) Pre-Arbitration Notice of Disputes and Informal Resolution:** Before either you or we commence arbitration, the claimant must first send to the other a written Notice of Dispute (“Notice”). The Notice to us should be sent by U.S. mail or professional courier service to: TruStone Financial Credit Union, Attn: Operations Department, 14601 27th Avenue North, Suite 104, Plymouth, MN 55447 (“Notice Address”). The Notice to you will be sent to your address on file with your account. The Notice must (a) include your name, phone number, address, and account number; (b) describe the nature and basis of the claim or dispute; and (c) set forth the specific relief sought. The Notice must be personally signed by you (if you are the claimant) or by our representative (if we are the claimant). To safeguard your account, you might be required to provide both your authentication and consent for us to discuss your account or share your account information with anyone but you, including an attorney (“Authentication and Consent”).

Whoever sends the Notice must give the other party 60 days after receipt of a complete Notice (including your Authentication and Consent, if required) to investigate the claim. During that period, either you or we may request an individualized discussion (by phone call or videoconference) regarding settlement (“Informal Settlement Conference”). You and we must work together in good faith to select a mutually agreeable time for

the Informal Settlement Conference (which can be after the 60-day period). You and our representative must both personally participate, unless otherwise agreed in writing. Your and our lawyers (if any) also can participate. Any applicable statute of limitations or contractual limitations period will be tolled during the "Informal Resolution Period." The Informal Resolution Period is the number of days between the date that a complete Notice (including Authentication and Consent, if required) is received by the other party and the later of (i) 60 days later or (ii) the date the Informal Settlement Conference is completed, if timely requested.

(4) Commencing Arbitration: An arbitration proceeding cannot be commenced until after the Informal Resolution Period has ended and the pre-arbitration requirements in paragraph (3) have been satisfied. (Paragraph (8) has additional requirements for commencing certain coordinated arbitrations.) A court will have authority to enforce this paragraph (4), including the power to enjoin the filing or prosecution of arbitrations without first providing a complete Notice and participating in a timely requested Informal Settlement Conference. The court also may enjoin the assessment or collection of arbitration fees incurred as a result of such arbitrations. Further, unless prohibited by applicable law, the arbitration provider shall not accept nor administer any arbitration nor assess any fees in connection with an arbitration unless the claimant has complied with the Notice and Informal Settlement Conference requirements of paragraph (3).

(5) Arbitration Procedure: The arbitration will be governed by the Consumer Arbitration Rules ("AAA Rules") of the American Arbitration Association ("AAA"), as modified by this arbitration provision, and will be administered by the AAA. (If the AAA is unavailable or unwilling to administer arbitrations consistent with this arbitration provision, another arbitration provider shall be selected by the parties or by the court.) The AAA Rules are available online at [www.adr.org](http://www.adr.org) or by writing to the Notice Address.

Unless you and we agree otherwise, any arbitration hearings will take place in the county of your address on file with your account. If appropriate, the arbitrator may hold hearings by telephone or videoconference or decide matters on the basis of papers submitted by the parties. Regardless of the manner in which the arbitration is conducted, the arbitrator shall issue a reasoned written decision sufficient to explain the essential findings and conclusions on which the award is based.

Except as provided in paragraph (7) below, the arbitrator shall apply the same substantive law that a court would apply and can award the same individualized remedies (including punitive and statutory damages and statutory attorney's fees and costs) that a court could award under applicable law. The arbitrator may consider rulings in arbitrations involving different customers, but an arbitrator's ruling will not be binding in proceedings involving different customers. As in court, you and we agree that any counsel representing someone in arbitration certifies that they are complying with the requirements of Federal Rule of Civil Procedure 11(b), and the arbitrator is authorized to impose any sanctions available under that rule, the AAA Rules, or applicable federal or state law against all appropriate represented parties or counsel.

During the arbitration, the amount of any settlement offer shall not be disclosed to the arbitrator until after the arbitrator determines the amount, if any, to which you are entitled. If you have complied with the requirements of this paragraph and paragraph (3) and the arbitrator awards you an amount of money that exceeds the value of our last written settlement to you before the appointment of the arbitrator, then we will pay you \$1,000 in lieu of any smaller award. In determining whether you are entitled to the minimum \$1,000 recovery, the arbitrator shall not consider amounts offered or awarded for attorneys' fees or costs. Any disputes as to payment of the \$1,000 minimum recovery shall be resolved by the arbitrator, and must be raised within 14 days of the arbitrator's ruling on the merits.

(6) Arbitration Fees: We will pay all AAA filing, administration, case-management, hearing, and arbitrator fees ("AAA Fees") if we initiate an arbitration. If you initiate arbitration of claims of \$10,000 or less, we will pay the AAA Fees, so long as you have fully complied with the requirements in paragraph (3). In such cases, we will pay the filing fee directly to AAA upon receiving a written request from you at the Notice Address or, if AAA requires you to pay the filing fee to commence arbitration, we will send that amount to the AAA and request that the AAA reimburse you. If, however, the arbitrator finds that you or your counsel have violated the standards of Federal Rule of Civil Procedure 11(b), then the payment and allocation of AAA Fees will be governed by the AAA Rules, and you may be required to reimburse us for AAA Fees that we paid on your behalf.

(7) Requirement of Individual Arbitration: The arbitrator may award relief (including damages, restitution, and declaratory or injunctive relief) only in favor of the individual party seeking relief and only to the extent necessary to provide relief warranted by that party's individual claim. YOU AND WE AGREE THAT EACH MAY BRING CLAIMS AGAINST THE OTHER ONLY IN YOUR OR OUR INDIVIDUAL CAPACITY, AND NOT AS A PLAINTIFF

OR CLASS MEMBER IN ANY PURPORTED CLASS, REPRESENTATIVE, OR PRIVATE ATTORNEY GENERAL PROCEEDING. Further, unless both you and we agree otherwise, the arbitrator may not consolidate the claims of more than one person (except for the claims of co- or joint account owners pertaining to that account), and may not otherwise preside over any form of a representative, class, or private attorney general proceeding. If, after exhaustion of all appeals, any of these prohibitions on non-individualized relief and proceedings or on consolidation are found to be unenforceable, then all other aspects of the case must be arbitrated first. After completing arbitration, the remaining (non-arbitrable) aspects of the case will then be decided by a court.

(8) Coordinated Arbitrations: If 25 or more claimants submit Notices or seek to file arbitrations raising similar claims and are represented by the same or coordinated counsel (whether the cases are pursued simultaneously or not), all the cases must be resolved in staged proceedings. You agree to this process even though it may delay the arbitration of your claim. In the first stage, we and claimants' counsel will each select up to 25 cases (50 cases total) to be filed in arbitration and resolved individually by different arbitrators. In the meantime, no other cases may be filed or proceed in arbitration, and the arbitration administrator must not assess or demand payment of fees for the remaining cases or administer or accept them.

The arbitrators are encouraged to resolve the cases within 120 days of appointment or as swiftly as possible thereafter, consistent with fairness to the parties. After the first stage is completed, the parties must engage in a single mediation of all remaining cases, with us paying the mediation fee. If the parties cannot agree how to resolve the remaining cases after mediation, they will repeat the process of selecting and filing up to 50 cases to be resolved individually by different arbitrators, followed by mediation.

If any claims remain after the second stage, the process will be repeated until all claims are resolved, with four differences. First, a total of 100 cases may be filed in the third and later stages. Second, the cases will be randomly selected. Third, arbitrators who decided cases in the first two stages may be appointed in later stages if different arbitrators are not available. Fourth, mediation is optional at the election of claimants' counsel.

Between stages, counsel will meet and confer regarding ways to improve the efficiency of the staged proceedings, including whether to increase the number of cases filed in each stage. Either party may also negotiate with the arbitration administrator regarding the amount or timing of arbitration fees.

If this paragraph applies to a Notice, the Informal Resolution Period for the claims and relief set forth in that Notice will be extended (including the tolling of any limitations periods) until that Notice is selected for a staged proceeding, withdrawn, or otherwise resolved. A court will have the authority to enforce this paragraph, including by enjoining the mass filing, the prosecution or administration of arbitrations, or the assessment or collection of arbitration fees. This paragraph is intended to be severable from the rest of this arbitration provision. If, after exhaustion of all appeals, a court decides that the staging process is not enforceable, then the cases may be filed in arbitration and the payment of arbitration fees will be assessed as the arbitrations advance and arbitrators are appointed rather than when the arbitrations are initiated.

(9) Future Changes to Arbitration Provision: Notwithstanding any provision in this Agreement to the contrary, you and we agree that if we make any future change to this arbitration provision (other than a change to the Notice Address), you may reject that change by sending us written notice within 30 days of notice of the change to the Notice Address. By rejecting that future change, you are agreeing that you will arbitrate any dispute or claim between you and us in accordance with the language of this provision, as amended by any changes that you did not timely reject.

(10) Right to Reject Arbitration Provision: If you do not wish to arbitrate, you have 30 days to reject this arbitration provision by sending a rejection notice to the Notice Address above ("Rejection Notice"). To be valid, a Rejection Notice must: (a) include your name, address, phone number, account number, and a statement that you are rejecting the arbitration provision in this agreement; and (b) be received by us within 30 days after the opening of your account. If an arbitration provision has been added for the first time to the agreement for an existing account or there has been an amendment, change, alteration, or addition to an existing arbitration agreement, your Rejection Notice must be postmarked on or before the effective date of that amendment, change, alteration, or addition to that agreement. If your Rejection Notice complies with these requirements, this arbitration provision will not apply to you with respect to any claims that you or we commence in litigation or arbitration after we receive your Rejection Notice. Rejecting this arbitration provision will not affect your other rights or responsibilities under this agreement. Nor will it affect any other arbitration agreements between you and us, such as arbitration provisions in other contracts between you and us. If you do not properly opt out, your continued use of your accounts will be deemed acceptance of this agreement to arbitrate.

**(11) Military Lending Act: If you are a covered member of the armed forces or the dependent of a covered member within the meaning of the Military Lending Act and your Agreement with us involves an extension of consumer credit under that Act, then you are not required to arbitrate disputes.**

**FORUM SELECTION** – Unless you and we agree otherwise, to the greatest extent permitted by law, the state and federal courts in Minneapolis, Minnesota will have exclusive jurisdiction over any disputes (except for disputes brought in small claims court) that are not subject to arbitration or over any action involving the applicability or enforceability of the Dispute Resolution By Binding Arbitration provision. You and we consent to the jurisdiction of those courts and waive any objections as to personal jurisdiction or venue in those courts or any right to seek to transfer or change venue of any such action to another court.

**Additional terms applicable to share accounts**

To become a member-owner, you purchase one share in TruStone with the required minimum deposit at the time of application. This deposit is the par value of one share and must remain in the Primary Share to maintain credit union membership. Once you join, you become eligible to apply for other services. If the balance in your Primary Share falls below the required minimum and does not increase within 30 days of the reduction, it may be closed.

Sub-share Accounts: Once you have established a Primary Share with the required minimum deposit, you are eligible to open sub-share accounts.

We reserve the right, at any time, to require you to give, in writing, not more than 60 days' notice of intention to withdraw the whole or any part of the amounts so paid into the Primary Share.

You may not withdraw shareholdings that are pledged as required security on loans without our written approval, except to the extent those shares exceed your total primary and contingent liability to us.

You may not withdraw any shareholdings below the amount of your primary or contingent liability to us if you are delinquent as a borrower, or if borrowers for whom you are a co-maker, endorser, or guarantor are delinquent, without our written approval, except those shares issued in an irrevocable trust as provided in our Bylaws are not subject to restrictions upon withdrawal except as stated in the trust agreement.

**Additional terms applicable to checking Accounts.**

**Checks**

Only approved checking forms and other methods approved by us may be used to withdraw funds from this account.

**Payment of Checks**

We are under no obligation to pay a check which was issued more than six months ago. We are also under no obligation to pay a check which exceeds the available balance in the checking account, except as may be described below in our Overdraft Protection and Overdraft Privilege services. Please see the discussion below under Overdraft Privilege for an explanation of how your available balance is calculated and for an explanation of these services.

**Overdraft Protection**

You may authorize the payment of overdrafts from the following sources:

- An automatic transfer from your designated savings account to your checking account in any sum necessary to cover overdrafts up to the available balance in the savings account. All transfers to the checking account will be in increments of \$100 up to the available balance in the savings account. All transfers shall be under the same account number.
- An automatic transfer from the Business Line of Credit under the same membership according to the terms of the loan agreement.

Overdraft Protection is not automatically applied to your checking account and must be elected by you.

**Overdraft Privilege**

We are not obligated to pay any item presented for payment if the available balance in your account is insufficient to authorize or pay the item. Your available balance means the total, at the time an item is presented for payment (also referred to as the time an item "posts" to your account), of cash deposited to your account plus checks that have been deposited in your account and for which funds have been made available to you pursuant to our Funds Availability

Policy, less any withdrawals from or other items that have cleared and been deducted from your account and less holds for certain pending transactions. Your available balance takes into account holds that have been placed on deposits and pending transactions (such as pending debit card transactions) that we have authorized but that have not yet posted to your account.

Your available balance may be different from your actual balance. Your actual balance is the amount of money that is actually in your account at any given time. Your actual balance reflects transactions that have posted to your account, regardless of holds, but it does not include transactions that have been authorized and are pending. While it may seem that the actual balance is the most up-to-date display of the funds that you can spend from your account, this is not always the case. Your account may have purchases, holds, fees, other charges, or deposits that have not yet posted, and, therefore, will not appear in your actual balance. Also, funds from checks which have been deposited into your account, but which have not been made available to you pursuant to our Funds Availability Policy will appear in your actual balance but will not be available to use.

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 onetime debit card transaction for payment within 3 business days of authorization (or for up to 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.

Rather than automatically returning, unpaid, items presented for payment when your available balance is insufficient to pay the item, if your "eligible account type" has been open for at least 30 days and thereafter you maintain your account in good standing, which includes at least:

- Continuing to make deposits consistent with your past practices;
  - You are not in default on any loan obligation to us;
  - You bring your account to a positive balance (not overdrawn) immediately or as soon as possible and at least once every 30 days. You have no legal right to defer payment of your outstanding overdrafts including our fees; and
  - Your account is not the subject of any legal or administrative order or levy, such as bankruptcy or a tax lien.
- We will consider, without obligation on our part, approving your overdrafts up to your assigned Overdraft Privilege limit. This discretionary\* service will generally be limited to a set overdraft (negative) balance for business checking accounts. This privilege does not apply to minor or Trust accounts.

Our normal fees and charges including, without limitation, our non-sufficient funds/ overdraft fees will be included in these limits and will be charged for each transaction presented for payment against non-sufficient funds with the exception of certain debit-card transactions where merchants require an authorization before submitting the transaction for payment. We will charge our normal fee whether we approve the item for payment or not. You agree to reimburse TruStone for funds advanced if we pay a check or other authorized transaction from your account(s), including any fee applicable for such an overdrawn account.

We do authorize and pay overdrafts for the following types of transactions: Checks and other transactions made using your checking account number and automatic bill payments, including recurring payments that you may have set up using your debit card to pay bills. To determine whether a debit-card transaction is recurring or a "onetime" debit card transaction, we trust how the merchant has coded it and will not perform an independent assessment or review.

Unless you request us to do so, we do not authorize and pay overdrafts for the following types of transactions: ATM transactions and one-time debit card transactions such as those conducted at grocery stores, doctor's offices, pharmacies, gas stations, restaurants, dry cleaners, or other similar transactions. Recurring payments that you may have set up using your debit card to pay bills such as your mortgage, rent, or utilities are not considered one-time purchases. If you would like us to authorize and pay one-time debit card and ATM transactions that may overdraw your account, please visit a branch or fill out the Overdraft Privilege Consent Form which you obtained at account opening and which can also be found at [www.TruStone.org](http://www.TruStone.org) and mail it to TruStone Financial Credit Union, Attn:

Operations Department, 14601 27th Avenue North, Suite 104, Plymouth, MN 55447.

An example may further explain how actual and available balances can be different and how you may incur an overdraft fee. Assume your actual and available balances are both \$100 and you swipe your debit card at a merchant for \$40. A hold is placed on the account at the time that you swipe, so the available balance is now only \$60. However, because we have not yet received the merchant charge for processing and settlement, your actual balance is still \$100. Before the merchant charge is received by us for processing and settlement, a check that was previously written for \$75 clears your account. Because there was only \$60 available (you already committed to pay the merchant \$40), the account will be overdrawn by \$15, even though the actual balance is \$100 at the time the check is presented. In this case, TruStone may pay the \$75 check, but you will be charged an overdraft fee. That fee will be deducted from the account on the day that we pay the check, further reducing the available and actual balances. When the \$40 merchant charge is then presented for payment and assuming you have authorized us to pay overdrafts for one-time debit card transactions, we will not assess an additional overdraft fee because your available balance was sufficient when we authorized the transaction.

We may refuse to pay an overdraft for you at any time, even though your account is in good standing and even though we may have previously paid overdrafts for you. You will be notified by mail of any non-sufficient funds' items paid or returned that you have; however, we have no obligation to notify you before we pay or return any item. The amount of any overdrafts including fees you owe us shall be due and payable immediately. If there is an overdraft paid by us on an account with more than one owner, each owner, and agent if applicable, drawing / presenting the item creating the overdraft, shall be jointly and severally liable for such overdrafts including our fees.

\*Always a DISCRETIONARY SERVICE — Overdraft Privilege is a purely discretionary courtesy or privilege and not a right or obligation. We may provide Overdraft Privilege to you from time to time and withdraw or withhold the service at any time without prior notice, reason, or cause. For example, and not by way of limitation, we may elect to not pay items under Overdraft Privilege if you do not maintain your account in good standing by bringing your account to a positive balance within every 30-day period for a minimum of 24 hours, if you default on any loan or other obligation to TruStone Financial or if your account is subject to any legal or administrative levy.

Accounts may be charged the standard Overdraft fee of \$30.00 for handling each overdraft created by check, ACH, Point-of-sale, in-person withdrawal, ATM withdrawal, or other electronic item that is paid and \$30.00 for items returned. An overdrawn balance must be repaid within 30 days.

You may opt-out of Overdraft Privilege by calling us at 800 862-1998 or by coming into any of our branches.

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.

### **How Transactions Are Posted to Your Account**

There are basically two types of transactions in your account: credits or deposits of money into your account, and debits or payments out of your account. It is important to understand how each is applied to your account so that you know how much money you have and how much is available to you at any given time. This section explains generally how and when we post transactions to your account.

**Credits.** Most deposits are added to your account when we receive them. Your actual balance will reflect the full amount of the deposit at the time the deposit is made. However, see the Funds Availability Policy below for an explanation of when deposited funds will be available to you.

**Debits.** There are several types of debit transactions. Each type of debit transaction is described generally below. Keep in mind that there are many ways transactions are presented for payment by merchants, and we are not necessarily in control of when transactions are received.

### **Checks**

When you write a check, it may be processed through the Federal Reserve System or by other electronic means. We receive data files of cashed checks from the Federal Reserve or other electronic means each day. The checks drawn on your account are compiled from these data files and paid each day.

### **ACH Payments**

We receive data files every day from the Federal Reserve with Automated Clearing House or ACH transactions. These include, for example, automatic bill pays you have signed up for. Each day, ACH transactions for your account are paid as received.

### **Point of Sale (POS) Debit Card Transactions**

These are transactions where you use your debit card, and you enter your PIN number at the time of the sale. They are similar to ATM withdrawals because money is usually deducted from your account immediately at the time of the transaction. However, some POS transactions are not presented for payment immediately; it depends on the merchant.

### **Signature Debit Card Transactions**

These are transactions where you make a purchase with your debit card, and you do not enter your PIN, but you are instead asked to sign for the purchase. As described above, in these situations, the merchant may seek prior authorization for the transaction. When that happens, we generally reduce the available balance in your account. We refer to this as an "authorization hold," and the amount of the authorization hold will be subtracted from your available balance. Authorizations are deducted from your available balance but not your actual balance as they are received by us throughout each day. At some point after the transaction is authorized it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your account as they are received. Please note: The amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, if you use your card at a restaurant, a hold will be placed in the amount of the bill presented to you, but when the transaction posts it will include any tip that you may have added to the bill. This may also be the case where you swipe your debit card at gas stations and hotels and other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.

This is a general description of how certain types of transactions are posted. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law.

We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each business day. This means that you may be charged more than one fee if we pay multiple transactions when your account is overdrawn.

### **Protecting Your Checking Account Number**

Balance your checking account on a regular basis. If you furnish your checking account number to a telemarketer, the case can be made that it was an authorized transaction. Never share your checking account number.

### **Emergency Conditions**

In the case of an emergency condition, we may extend the hold placed on a check beyond the ten business days but not more than a reasonable period following the end of the emergency, or the time funds must be available for withdrawal under normal conditions, whichever is later. We will notify you if we delay your ability to withdraw funds, and we will tell you when the funds will be available. **If you will need the funds from a check deposit right away, ask us when the funds will be available.**

### **Deposits at Automated Teller Machines (ATMs)**

Funds from deposits (cash or check) made at TruStone Owned/Operated ATM will generally be available the first business day after the day of deposit, subject to the restrictions above. Funds from deposits (cash or check) made at any Non-Proprietary ATMs will generally be available the second business day after the day of deposit, subject to the restrictions above. However, the first \$225 of the deposit will be available on the day of deposit. ATMs owned or operated by TruStone are located at most of our branch offices.

### **Digital Banking Services & Website**

You may use certain services we offer if you have access to an electronic device (like a personal computer, tablet, or mobile phone) that provides you with Internet access, compatible browser software and other software as may be required.

Full terms and conditions for these services are provided and must be accepted upon initial use of digital banking services. Complete details, including our rights to cancel or discontinue services, can be accessed at [TruStone.org/disclosures](http://TruStone.org/disclosures).

You can access TruStone's website at [TruStone.org](http://TruStone.org). The website contains information about the credit union's products



and services, a digital banking login section, links to other websites of common interest, applications for various services that can be completed online and a way to send electronic mail (email) to or communicate with us.

### **Phone Banking**

You may access your account(s) by touch tone phone 24 hours a day by calling 800 862-1998 and using your account sign on information to log in to our secure service. You will be able to transfer funds between your shares and make payments to your loans. You will also be able to obtain balances on your checking, share savings and loan accounts.

### **Visa Debit Card**

You may use your TruStone Debit Card (Card) to purchase goods and services any place your Card is honored by participating merchants. If funds to cover your Card purchases in your account are not sufficient to pay the transaction amount, and there is not an overdraft protection plan that transfers the necessary funds from another account, we will not pay the amount and may terminate all services under this agreement. You may use your Card and PIN (Personal Identification Number) in automated teller machines (ATMs) or facilities as we may designate.

At the present time you may use your Card to:

- Transfer funds from your linked savings and checking accounts.
- Obtain balance information for your savings and checking accounts.
- Make PIN/point of sale (POS) transactions with your Card to purchase goods and services at merchants that accept VISA® debit cards.
- Order goods and services by mail, telephone or the Internet from places that accept VISA® debit cards.
- Make deposits to your savings and checking accounts.
- Withdraw funds from your savings and checking accounts.

### **Ownership of Cards**

Any Card or other device which is supplied to you by us is our property and must be returned to us, or to any person whom we authorize to act as our agent who is authorized to honor the card immediately according to instructions. The Card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your Card or account to another person.

### **Honoring the Card**

Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

### **Security of PIN**

You may use your PIN with your Card. The PIN issued to you is for your security purposes. Any code issued to you is confidential and should not be shared with any third parties. You are responsible for providing adequate security of your PIN. Your responsibility to provide safekeeping of this PIN shall continue until you specifically revoke such authority by notifying us.

You also understand that any authorized representative that has your Card and PIN may withdraw and transfer funds from any of your accounts. If you fail to maintain the security of this PIN and we suffer a loss, we may terminate your Card services immediately.

### **Terminal Receipt**

You will receive a receipt at the time you make any transaction involving your account using an ATM/POS terminal or TruStone Financial Debit Card transaction with a participating merchant unless you specifically request not to receive a receipt.

### **Service Limitations**

#### **Automated Teller Machines**

The following limitations on the frequency and amount of TruStone Financial ATM Card transactions may apply:

- You may complete a maximum of three (3) TruStone Financial ATM Card transactions per day.
- You may withdraw from your share and checking accounts a total aggregate amount of not more than \$500 per day unless a different daily dollar amount has been disclosed to you.
- You may transfer up to the available balance in your accounts at the time of transfers.

#### **Visa Debit Card**

The following limitations on the frequency and amount of Debit Card transactions may apply:

- You may complete a maximum of 15 Debit Card purchases per day.
- Purchase amounts are limited to \$3,000.00 per day.

- Cash withdrawals from an ATM are limited to a \$500.00 daily limit.
- You may transfer up to the available balance in your accounts at the time of transfers.

### **Termination of Electronic Funds Transfer Privileges**

All of your electronic funds transfer privileges will end if you close your account with us. Either TruStone or you may also terminate specific electronic funds transfer services without closing your account. You may terminate a service by giving us written or verbal notice. We may terminate your right to receive electronic funds transfer privileges at any time without notice. We may or may not send you written notice of termination. Contact us at 800 862-1998 for questions or assistance or by writing to TruStone Financial, Attention: Payments, 14601 27th Avenue North, Ste 104, Plymouth, MN 55447.

### **Disclosure of Business Days**

Business days are Monday through Friday. Holidays observed by us are not considered business days.

### **Loss of a Password**

Contact us immediately at **800 862-1998** if you believe your Phone Banking or Digital Banking password has been lost or stolen, if your statement shows transactions, you did not make, or if you believe someone has transacted or may transact on your account without your permission.

### **Disclosures Regarding Electronic "Wholesale Credit" Transactions**

#### **Provisional Payment**

Subject to Uniform Commercial Code Article 4a, credit given by us, to you, with respect to an Automated Clearing House (ACH) 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. **Notice of Receipt of Entry:** 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 the ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statement we provide to you. **Choice of Law:** We may accept on your behalf, payments 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 Minnesota, as provided in the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

#### **Confidentiality**

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

- Where it is necessary for complete transfers, or
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- In order to comply with government agency or court orders, or
- If you give us your written permission.

#### **Preauthorized Credits**

If direct deposits are being made to your account at least once every 60 days from the same person or company, you can call us at 800 862-1998 or log in to your online banking account to find out whether or not the deposit has been made.

#### **Preauthorized Payments**

If you have told us in advance to make regular payments out of your account, you can stop these by contacting us at least three (3) business days before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and send it in no later than fourteen (14) days after the call is made. We will charge a \$30.00 fee for each stop payment order. To contact us to stop a payment:

Call: 800 862-1998

Write to: TruStone Financial Credit Union, Attn: Payments

PO Box 1260

Minneapolis, MN 55440-1260

Or email: [contactus@trustone.org](mailto:contactus@trustone.org)

### **Notice of Varying Amounts**

If regular payments vary in amount, the payee is responsible for informing the payor 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment differs by more than a certain amount from the previous payment, or when the amount would fall outside certain limits set.)

### **Liability for Failure to Stop Payment of Preauthorized Transfer**

If you order us to stop one of these payments, three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages. 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 will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would go over the credit limit on your overdraft line.
- If the ATM where you are making the transfer does not have enough cash.
- If the automated teller machine (ATM) was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as flood or fire) prevent the transfer, despite reasonable precautions we have taken.
- There may be other exceptions stated in our agreement with you.

### **Indemnity**

You shall indemnify and hold us and our employees, officers, directors, agents and other representatives (the "Representatives") harmless against all claims, proceedings, damages, losses, costs (including legal fees and disbursements on a substantial indemnity basis), expenses and liabilities (collectively, "Claims") directly or indirectly incurred by or taken against us or our Representatives which without limitation, are the direct or indirect result of: (a) your use of the accounts and the services offered in relation thereto; (b) any willful misconduct or wrongful, fraudulent or negligent act or omission by you or your agents and other representatives; (c) any willful misconduct or wrongful, fraudulent or negligent act or omission of any third party where you voluntarily waive the use of or improperly use the fraud protection and/or security procedures we offer; (d) any misrepresentation or inaccurate statement, or breach of any warranty by you or your agents and other representatives in this Agreement, or in any other document you or your agents or other representatives deliver to us, or contained in any other communication or agreement (written or oral) between you or your agents or other representatives and TruStone; (e) the enforcement of this Agreement, or any provision hereof; except to the extent such Claims are the direct cause of our gross negligence or willful misconduct.

