

TERMS AND CONDITIONS OF YOUR

---

# BUSINESS ACCOUNT

---

**PSECU**<sup>SM</sup>



## **AGREEMENT:**

This document, along with any other documents we give you pertaining to your account(s), is a contract that establishes terms and conditions which control your account(s) with us. Please read this carefully. If you sign the application or open or continue to have your account with us, you agree to these terms and conditions. You will receive a separate schedule of rates, qualifying balances and fees if they are not included in this document. If you have any questions, please call us.

This agreement is subject to applicable federal laws and the laws of Pennsylvania. The body of state and federal law governs our relationship with you; however, it is too large and complex to be reproduced here. The purpose of this document is to:

- 1) summarize some laws that apply to common transactions;
- 2) establish rules to cover transactions or events which the law does not regulate;
- 3) establish rules for certain transactions or events which the law regulates but permits variation by agreement; and
- 4) give you disclosures of some of our policies to which you may be entitled or in which you may be interested.

If any provision of this document is found to be unenforceable according to its terms, all remaining provisions will continue in full force and effect. We may permit some variations from our standard agreement, but we must agree to any variation in writing either on the application for your account or in some other document.

As used in this document, the words “we,” “our,” and “us,” mean PSECU and the words “you” and “your” mean the account holder(s) of record and anyone else with the authority to deposit, withdraw or exercise control over the funds in the account. The headings on the account are for your convenience or reference only and will not govern the interpretation of the provisions. Unless it would be inconsistent to do so, words and phrases used in this document should be construed so the singular includes the plural and the plural includes the singular. Unless otherwise specified, the descriptions of accounts and the products and services available relate to PSECU’s business accounts, not PSECU’s personal accounts.

The unlawful Internet Gambling Enforcement Act (UIGEA) of 2006 prohibits any person engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in unlawful Internet gambling. As defined in Regulation GG, the final rule implementing this Act, unlawful Internet gambling is defined as “to place, receive, or otherwise knowingly transmit a bet or wager by any means which involves the use, at least in part, of the Internet where such bet or wager is unlawful under any applicable federal or state law in the state or tribal lands in which the bet or wager is initiated, received or otherwise made.” As a business member of PSECU, these transactions are restricted and therefore prohibited from being processed through your business account or other relationships you may have with PSECU.

**MEMBERSHIP:**

Eligibility for membership of PSECU is limited to such persons, corporate or other legal entities as are set forth in the Articles of Incorporation filed in the office of the Secretary of the Commonwealth of Pennsylvania and are approved by the Pennsylvania Department of Banking and PSECU's Board of Directors. A member of this credit union is any person or business entity who maintains at least one share (\$5 par value) in Business Regular Shares, for each account as required by our Bylaws.

At our option and sole discretion, we may suspend your rights to member services if you violate the terms of this agreement. You may terminate your membership by giving us notice.

If there is no financial activity for a one year period or more, your account will be considered dormant and PSECU will assess a fee. PSECU defines an account as the combination of all shares, services and loans, including Visa®. The fee will apply to all accounts, primary and any prefix.

Any member other than a natural person (i.e. business entities) may, through an agent representing the business entity, cast a member vote in the annual election of Board members. Business members may apply for loan services or additional share services.

**ACCOUNT SECURITY:**

Use of the PIN (Personal Identification Number) is the agreed security procedure to access your PSECU account. It identifies you to us and we will rely on instructions received under your PIN. You agree that the use of your PIN will have the same effect as your signature authorizing any transaction, including those electronically or telephonically performed. You are responsible for keeping your PIN, account numbers and other account data confidential.

Where you have authorized any other person to use your PIN in any manner, your authorization is considered by us to be unlimited in amount and duration. Granting another person access to your account via the PIN will make you financially liable for any loss incurred or misuse of the account. The Regulation E Disclosure contains more information regarding your liability for unauthorized activity in your account. Your authorization will be effective until:

- you have notified us that you have revoked the authorization, and
- have changed your PIN, and
- PSECU has had a reasonable opportunity to act upon a request to change your PIN.

You notify us in writing or change your PIN by using online banking.

In order to maintain secure communications and reduce fraud, you agree to protect the security of your account number and PIN. We reserve the right to block access to the service if we reasonably believe your PIN has been or is being used by an unauthorized person(s).

**BYLAWS:**

Our Bylaws, which we may amend from time to time, establish basic rules about our credit union policies and operations which affect your account and membership. You may obtain a copy of our Bylaws on request. Our right to require you to give us notice of your intention to withdraw funds from your account is described in the Bylaws.

**LIABILITY:**

You agree, for yourself (and the person or entity you represent if you sign as a representative of another) to the Business Service Charges and terms of this account. You authorize us to deduct these charges directly from the account balances as accrued. You will pay any additional charges as we deem reasonable at our sole discretion for services you request which are not covered by this agreement.

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 any business 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 deficiency including, to the extent permitted by law, our reasonable attorney's fees.

Where permissible by law, you hereby grant us full authority and right to exercise confession of judgment on your behalf in regard to the business entity you represent.

**DEPOSITS:**

We will give provisional credit until collection is final for any items, other than cash, we accept for deposit (including items drawn "on us"). We are not responsible for transactions done by mail or through an outside depository until we actually record them. We will treat and record all transactions received on a business day we are open, or received on a day we are not open, as if initiated on the day the deposit was received. Unless we have agreed otherwise, you are not entitled any original item after it is paid, although you may request that we send you an item(s) or a copy of an item(s).

**WITHDRAWALS:**

Unless clearly indicated otherwise on the account records, any of you, acting alone, who signs in the space designated for signatures on the applications may withdraw or transfer all or any part of the account balance at any time. Each of you (until we receive written notice to the contrary) authorizes each other person signing the application to endorse any item payable to you or your order for deposit to this account or any other transaction with us. We may charge your account for a check even though payment was made before the date of the check, unless we have received written notice of the postdating in time to have a reasonable opportunity to act. We may refuse any withdrawal or transfer request which you attempt on forms not approved by us or by any method we do not specifically permit, which is greater in number than the frequency permitted, or which is for an amount greater

or less than any withdrawal limitations. Even if we honor a nonconforming request, we may treat continued abuse of stated limitations (if any) as your act of closing the account. We will use the date the transaction is completed by us (as opposed to the date you initiated it) to apply the frequency limitations. The fact that we may honor withdrawal requests that overdraw the available account balances does not obligate us to do so later. See the Funds Availability Policy disclosure for information about when you can withdraw funds you deposit. For those accounts for which our funds availability disclosure does not apply, you can ask us when you make a deposit when those funds will be available for withdrawal.

### **BUSINESS ACCOUNTS:**

When the account opened is for a Corporation, Partnership, Limited Liability Company (LLC), Limited Partnership (LP) or Sole Proprietorship, you agree that:

- 1) you are fully authorized to execute all documents in the capacity stated therein;
- 2) you have furnished all documents necessary to evidence such authority;
- 3) if the business is a Sole Proprietorship, you will inform us at least annually of any changes that occur in your account information, including the name of the business owner, the physical address of the business, the home address of the business owner, the driver's license number of the business owner given to business owner by the Department of Motor Vehicles of the state in which your primary residence is located;
- 4) if the business is a Corporation, or other legal entity, you will supply us with a copy of the Articles of Incorporation, or other comparable document and a Fictitious Name Certificate, if required;
- 5) the information required by you in 3 and 4 above will be disclosed whenever PSECU receives a written request from a person to whom we have returned a dishonored check that was issued by your business. This request must include a photocopy of the dishonored check;
- 6) you will furnish any other documents in such form as we may request from time to time and are not required to recognize any resolution affecting the account that is not on our form;
- 7) we are not liable for, and you agree to hold us harmless from any unauthorized use of any Visa® card or Business Debit Card in connection with business or corporate accounts, as well as transactions performed via online account access;
- 8) if you use your personal account(s) for business purposes, we may freeze the personal account, including loans and services like Bill Payer, after 60 days of activity such as depositing business checks or other activity consistent with running a business. We will notify you within thirty days prior to any such action.
- 9) if the business is a Corporation, Partnership, Limited Liability Company (LLC), or a Limited Partnership (LP), you agree not to create or perform online transfers via business online banking, from your business account to your personal account and/or vice-versa. (This disclosure will give notice of the forbidden transfers that is a breach of fiduciary duty via UCC §3-307(2) NOTICE OF BREACH OF FIDUCIARY DUTY

- 10) Per PA Statute §701(a), if you have a current personal account or open a new personal account as a prerequisite to opening the business account, you agree to maintain an active personal account. If any owner's personal membership account is closed by that owner or by the credit union, or becomes dormant, the business will be unable to retain membership with PSECU until a personal membership and an active personal account is established for that owner. (This disclosure states the requirement that owners must open and maintain an active personal account and membership in order to maintain the business membership and account)

**STOP PAYMENTS (see Stale Checks below):**

If you do not want us to pay a check you have written, you can order us to stop payment. You can notify us by mail, telephone, or in person. For an immediate response, notification by telephone is the best method to communicate with us. A stop payment order must be received prior to the payment of the share draft. A verbal stop payment order lapses after fourteen (14) calendar days unless it is confirmed in writing within that period. A written stop payment order is effective for six (6) months. A written stop payment order will be valid upon receipt by us.

We have no obligation to notify you upon the expiration of a stop payment order. In order to place a valid stop payment order, you must inform us of the exact number of the check, and your account number. We are not responsible if stop payment orders cannot be completed due to incorrect information you supplied to us or your failure to provide any other reasonable information regarding the item. We are entitled to a reasonable period of time after receiving a stop payment order to notify our employees.

If this is a joint account, we will accept a stop payment order from any owner regardless of who wrote the check.

We may assess a reasonable fee for a stop payment order in accordance with our Business Service Charges.

**STALE CHECKS:**

We have no obligation to honor a check that is presented more than six (6) months after its date, but we may charge your account for a payment made thereafter in good faith.

**TELEPHONE TRANSFERS:**

A telephone transfer of funds from this account to another account with us, if otherwise arranged for, or permitted, may be made by the same persons and under the same conditions generally applicable to withdrawals made in writing. Unless a different limitation is disclosed in writing, we restrict the number of transfers from a savings 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 transfer restrictions may be described elsewhere.

## **AMENDMENTS AND TERMINATION:**

We may change our Bylaws and any term of this agreement. For other changes, we will give you reasonable notice in writing or by any other method permitted by law. We may close this account if your membership in the credit union terminates, or by giving reasonable notice to you and tender of the account balance personally or by mail. Notice to any one of you is notification to all of you. If we have notified you of a change in any term of your account and you continue to have your account after the effective date of the change, you have agreed to the new term(s). We may terminate, including any and all personal accounts of any of the partners and/or owners, or temporarily suspend or inhibit activity on any of your accounts at any time without notice to you or may require you to close your account(s) if:

- 1) there are excessive returned unpaid items not covered by overdraft transfer service;
- 2) there has been any misrepresentation or any other abuse of any of your accounts, or;
- 3) we reasonably deem it necessary to prevent a loss to us.

The aforementioned three reasons are applicable to any and all personal accounts in which all owners or partners have with PSECU. You understand that our right or authority under this Agreement shall not be changed or terminated by you.

## **STATEMENTS:**

Statements are a valuable tool to help prevent fraudulent or suspicious activity. Your statement will show the transactions that occurred in connection with your account during the statement period. Your statement will provide sufficient information for you to reasonably identify the items paid (item number, amount, and date of payment). You should keep a record of each transaction as it is made so that when we give you the information in the statement, you will have a complete understanding of each transaction listed.

You shall exercise reasonable control over all checks, unused checks, Personal Identification Number(s) (PIN(s)), Business debit card(s), user ID(s), password(s) and any other item or instrument related to your account. You shall notify us immediately if any of these things are or may have been lost, stolen, or used without authorization, or if you believe there is an error on your statement. We may issue replacements for lost or stolen checks, PINs, Business debit cards, User IDs, passwords or other items, instruments or cards, but only after you have provided such proof and security or indemnification as we may require and approve. In addition, we may have to close your account(s) to help prevent future losses.

If you notice suspicious or fraudulent activity on your account, please notify PSECU immediately to advise us of the nature of the transactions. If necessary we can restrict access to your account, change your password, issue new Business Check and/or debit card(s), or close your account if there is evidence that your account has been a target of criminal activity.

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, including giving us an affidavit containing whatever reasonable information we require concerning the account, the transaction, and the circumstances surrounding the loss. You will notify law enforcement authorities of any suspected criminal act related to the claim of lost, stolen or missing checks, or unauthorized withdrawals. We will have a reasonable amount of time to investigate the facts and circumstances surrounding any claim of loss. Unless it is determined that we have acted in bad faith, we will not be liable for special or consequential damages, including loss of profits or opportunity, or for any attorneys' fees incurred by you.

You must examine your statement of account with "reasonable promptness." If you discover (or reasonably should have discovered) any unauthorized signatures or alterations, you must promptly notify us of the relevant facts. As between you and us, if you fail to do either of these duties, you will either have to share the loss with us, or bear the loss entirely yourself (depending on whether we used ordinary care, and if not, whether we contributed to the loss) The loss could be not only with respect to items on the statement, but other items with unauthorized signatures or alterations by the same wrongdoer.

You agree that the time you have to examine your statement and to report to us will depend on the circumstances, but will not, in any circumstances, exceed a total of 30 days from when the statement is first sent or made available to you.

You further agree that if you fail to report any unauthorized signatures, alterations, forgeries or any other errors in your account within 60 days of when we first send or make the statement available, you cannot assert a claim against us on any items in that statement, and as between you and us, the loss will be entirely yours. This 60-day limitation is without regard to whether we used ordinary care.

**ACCOUNT TRANSFER:**

This account may not be transferred or assigned without our prior written consent.

**DIRECT DEPOSITS:**

If, in connection with a direct deposit plan, we deposit any amount in an 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 the account or from any other 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.

**RIGHT OF SETOFF:**

You each agree that we may (without prior notice and when permitted by law) charge against and deduct from this account any due and payable debt owed to us now or in the future, by any of you having the right to withdraw, to the extent of such persons' or legal entity's right to withdraw. If the debt arises from any business loan other than Business Visa®, we are entitled to demand payment under the terms of our Business loan agreements at the time we charge the account, including any balance the due date for which we properly accelerate under our Business loan agreements.

In addition to these contract rights, we may also have rights under a “statutory lien.” A “lien” on property is a creditor’s right to obtain ownership of the property in the event a debtor defaults on a debt. A “statutory lien” is one created by federal or state statute. If federal or state law provides us with a statutory lien, then we are authorized to apply, without prior notice, your shares and dividends to any debt you owe us, in accord with the statutory lien.

You agree to hold us harmless from any claim arising as a result of our exercise of our right to repayment.

**RESTRICTIVE LEGENDS:**

We are not required to honor restrictive legends 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.

**FACSIMILE SIGNATURES:**

Unless you make advance arrangements with us, we have no obligation to honor facsimile signatures on your checks or other orders. If we agree to honor items containing facsimile signatures, you authorize us at any time to charge you for all checks, drafts or other orders, for the payment of money that are drawn on us. You give us the authority regardless of by whom or by what means the facsimile signature(s) may have been affixed so long as they resemble the facsimile signature specimen filed with us, and contain the required number of signatures for this purpose. You must notify us immediately if you suspect that your facsimile signature has, is being, or has been misused.

**NCUA INSURANCE FUND:**

Funds in your account(s) with us are insured by the National Credit Union Administration (NCUA) and backed by the full faith and credit of the United States. Member accounts in this credit union are federally insured by the National Credit Union Share Insurance Fund. All funds in an account or accounts by a corporation, a partnership, or a sole proprietorship engaged in any activity are added together and insured to the \$250,000 maximum. The term “independent activity” means any activity other than the one directed solely at increasing coverage. If the corporation, partnership, or unincorporated association is not engaged in independent activity, any account held by the entirety is insured as if owned by the persons owning or comprising the entity, and the imputed interest of each such person is added, for insurance purposes, to any individual account which he maintains.

If you wish additional information, you may visit [psecu.com](http://psecu.com) and click on the NCUA logo. Additional information may be obtained at NCUA’s Web site at [ncua.gov](http://ncua.gov).

**ESCHEAT PROCEDURES:**

The law establishes procedures under which unclaimed property must be surrendered to the state. Generally, the funds in your account are considered unclaimed if you have not had any activity on the account over a period of years. (We may have specific procedures regarding dormant accounts, and if we charge a fee for dormant

accounts, it will be disclosed to you.) If your funds are surrendered to the state, you may be able to reclaim them, but your claim must be presented to the state. Once your funds are surrendered, we no longer have any liability or responsibility with the respect to the funds.

## **FUNDS AVAILABILITY POLICY:**

### **DEFINITIONS**

**“ACH”** stands for Automated clearinghouse and it means a facility that processes digital debit and credit transfers under rules established by a Federal Reserve Bank or under rules of an automated clearinghouse association. ACH Deposits are deposits processed through the ACH system.

**“ACH Debit transfer”** refers to incoming or outgoing transfers You authorize into or out of Your account. Some examples of ACH Debit transfers include transactions You initiate at PSECU between Your PSECU deposit account and an external account, and transactions You initiate with a third-party merchant or other external account holder and Your PSECU deposit account.

**“ATM”** refers to any automated teller machines that are part of any network, such as PLUS<sup>®</sup> and NYCE<sup>®</sup>, that accepts Your card to make deposits to an account by cash or check and perform other account transactions.

**“Business Day”** means all calendar days other than Saturday, Sunday, or the legal public holidays specified in 5 U.S.C. 6103(a), such as New Year’s Day, the Birthday of Martin Luther King, Jr., Washington’s Birthday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, and Christmas Day.

**“Electronic Deposit”** refers to an Electronic Payment made to Your PSECU deposit account.

**“Electronic Payment”** refers to a wire transfer or ACH Credit transfer and specifically does not include an ACH Debit transfer. Some examples of ACH Credit transfers include payroll, Social Security benefits, and pension or retirement payments.

**“Mobile Deposit”** refers to a deposit made by You by taking an image of the front and back of a check and submitting the image through PSECU’s mobile banking application.

**“New Account”** refers to an account during the first 30 calendar days after the account is established. An account is opened when the first deposit is made to the account. An account is not considered a new account, however, if each member on the account has a transaction account relationship with the depository institution that is at least 30 calendar days old or if each member has had an established transaction account with the depository institution within the 30 calendar days prior to opening the second account.

**“Nonproprietary ATM”** refers to an ATM that is not a proprietary ATM.

“**Proprietary ATM**” refers to an ATM that is (1) Owned or operated by or operated exclusively for PSECU; (2) Located on the premises (including the outside wall) of PSECU; or (3) Located within 50 feet of the premises of PSECU, and not identified as being owned or operated by another entity.

“**You**”, “**Your**” or “**Yourself**” refers to applicant, member, joint owner, and accountholder as applicable.

“**We**”, “**Us**”, “**Our**” or “**Ours**” refers to Pennsylvania State Employees Credit Union (PSECU).

## **AVAILABILITY OF FUNDS AND DISCLOSURE OF FUNDS AVAILABILITY POLICY**

### **I. IN GENERAL**

Our policy is to delay the availability of funds from Your cash and check deposits. During the delay, You may not withdraw the funds in cash, and We will not use the funds to pay checks that You have written. The length of the delay varies depending on the timing, transaction channel, and type of deposit and is explained in Sections II and III below. Please note that even though deposited funds may not be available, those funds begin to accrue dividends in an interest-bearing account no later than the business day on which the depository institution receives credit for the funds.

### **II. DETERMINING THE AVAILABILITY OF A DEPOSIT**

#### **A. Business Day and Cut-off Times.**

**1. Business Day.** We determine when deposited items are considered available for the payment of checks or withdrawal based on the number of business days from the day of Your deposit. In determining the availability of Your deposits, every day is a business day, except federal holidays and any Saturday or Sunday.

#### **2. Cut-off Times.**

*a. Deposits via Mail:* If You make a deposit by mail with a deposit slip and it is received before 3:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if Your mailed deposit is received after 3:00 p.m. (ET) on a business day, or on a non-business day, or is missing a deposit slip, We will consider Our next business day to be the day of Your deposit.

*b. Deposits through an ATM:* If You make a deposit at an ATM before 3:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if You make a deposit through an ATM after 3:00 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit. This applies to proprietary and non-proprietary ATMs.

*c. Deposits through Mobile Deposit:* If a deposit is accepted through Mobile

Deposit on or before 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if Your deposit is accepted after 4:00 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.

*d. Deposits through Wire Transfer:* If We receive a wire transfer before 5:30 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if We receive a wire transfer deposit after 5:30 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.

*e. Deposits in Person at a Branch:* If You make the deposit in person to one of Our employees before 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit.

*f. Deposits through Night Depository:* If You make a deposit between 8:00 a.m. and 4:00 p.m. (ET) on one of Our business days, We will consider that day to be the day of Your deposit. However, if You make a deposit after 4:00 p.m. (ET) on a business day, or on a non-business day, We will consider Our next business day to be the day of Your deposit.

### III. FUNDS AVAILABILITY

**A. Cash Deposits.** Upon receipt, deposits of cash are available for immediate withdrawal unless the deposit is made at a Nonproprietary ATM (see below for more details).

#### **B. Check Deposits.**

**1. Checks Drawn on Other Financial Institutions.** The first \$500 from a deposit of checks drawn on other financial institutions will be available immediately. The remaining funds will be available on the second business day after the day of Your deposit.

For example, if You deposit two checks drawn on financial institutions other than PSECU in the amount of \$700 and \$300 on a Monday, \$500 of the deposit is available on Monday. The remaining \$500 is available on Wednesday.

**2. Checks Drawn on PSECU.** The first \$500 from a deposit of checks drawn on PSECU will be available immediately. The remaining funds will be available on the first business day after the day of Your deposit.

For example, if You deposit two checks drawn on PSECU in the amount of \$700 and \$300 on a Monday, \$500 of the deposit is available on Monday. The remaining \$500 is available on Tuesday.

**3. U.S. Treasury Checks Payable to You.** The first \$500 from a deposit of a U.S. Treasury check will be available immediately. All remaining funds are available on the first business day after the day of Your deposit.

**4. State and Local Government Checks, Cashier's Checks, Certified Checks, Teller's Checks, Federal Reserve Bank Checks, Federal Home Loan Bank Checks, and Postal Money Orders, if These Items Are Payable to You.**

- If You make a deposit of any of the above checks in person to one of Our employees, the first \$500 will be available immediately, and the remaining funds are available on the first business day after the day of Your deposit.
- If You do not make Your deposit in person to one of Our employees (for example, if You mail the deposit), the first \$500 will be available immediately, and the remaining funds from these deposits will be available on the second business day after the day We receive Your deposit.

**C. Electronic Deposits.** Funds from electronic deposits to Your account will be available on the day We receive the deposit. An Electronic Deposit is deemed received by Us when We receive finally collected funds and payment instructions indicating Your account and the amount to be credited.

**D. ACH Debit Transfers.** Deposits You initiate by ACH Debit transfer will be available to You by the third business day following the business day of the deposit transaction.

**E. Mobile Deposits.** Except as may otherwise be provided herein, funds deposited to Your PSECU account by a mobile device, by Our cut-off time, are available based on the type of check and applicable holds outlined above.

**F. ATM Deposits.** Deposits made at an ATM will generally follow the funds availability schedule as described above in section 3A and 3B. Please be advised that PSECU utilizes both Proprietary and Nonproprietary ATMs and that availability of funds will differ depending upon the ATM used for Your deposit per sections 1 and 2 below.

**1. Proprietary PSECU Owned ATMs.** Funds from any check deposits made at ATMs owned and operated by PSECU may not be available on the first business day after the day of Your deposit in accordance with this Disclosure. Cash deposits made at PSECU owned ATMs will be available for immediate withdrawal. All ATMs that We own or operate are identified as Our machines.

**2. Nonproprietary ATMs.** Funds from any deposits (cash or checks) made at automated teller machines (ATMs) We do not own or operate will not be available until the fifth business day after the date of Your deposit. This rule does not apply to ATMs that We own or operate.

## **Longer Delays May Apply**

In some cases, We will not make all of the funds that You deposit by check available to You on the first business day after the day of Your deposit. Depending on the type of check that You deposit, funds may not be available until the fifth business day after the day of Your deposit. The first \$500 of Your deposits, however, may be available on the first business day.

If We are not going to make all of the funds from Your deposit available on the first business day, We will notify You at the time You make Your deposit. We will also tell You when the funds will be available. If Your deposit is not made directly to one of Our employees, or if We decide to take this action after You have left the premises, We will mail You the notice by the day after We receive Your deposit.

If You will need the funds from a deposit right away, You should ask Us when the funds will be available.

Funds You deposit by check may be delayed for a longer period under the following circumstances:

- We reasonably believe a check You deposit will not be paid.
- You deposit checks totaling more than \$5,525 on any one day.
- You redeposit a check that has been returned unpaid.
- You have overdrawn Your account repeatedly in the last six months.
- There is an emergency, such as failure of computer or communications equipment.

We will notify You if We delay Your ability to withdraw funds for any of these reasons, and We will tell You when the funds will be available. They will generally be available no later than the fifth business day after the day of Your deposit.

## **Special Rules for New Accounts**

If You are a new member, the following special rules will apply during the first 30 days Your account is open.

Funds from electronic deposits to Your account will be available on the day We receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,525 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of Your deposit, if the deposit meets certain conditions.

For example, the checks must be payable to You (and You may have to use a special deposit slip). The excess over \$5,525 will be available on the ninth business day after the day of Your deposit. If Your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of Our employees, the first \$5,525 will not be

available until the second business day after the day of Your deposit.

Funds from all other check deposits will be available on the ninth business day after the day of Your deposit.

## COMMON FEATURES

### **BYLAW REQUIREMENT:**

You must complete payment of one share in your dividend-bearing Business Regular Shares account as a condition of admission to membership. Dividends are based on current earnings and are available earnings of the credit union, after providing for required reserves.

### **NOTICES:**

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

### **TAXPAYER IDENTIFICATION:**

We require all entities opening a business account to provide an Internal Revenue Service assigned Business Employer Identification Number (EIN) or a Social Security Number (for a Sole Proprietorship).

## BUSINESS BILL PAYER SERVICE TERMS AND CONDITIONS

### **DEFINITIONS:**

The following definitions apply in this agreement.

“**Bill Payer**” (BP) is the business service that provides payments to third parties from your designated business checking account.

Time of day references are to **Eastern Standard Time** or **Eastern Daylight Time** as applicable.

“**We,**” “**us,**” or “**PSECU**” refers to **Pennsylvania State Employees Credit Union**, which offers member deposit accounts that are accessed by the Business Bill Payer services.

“**Payment Date**” is the date you have scheduled any payment to be processed, mailed or transmitted by PSECU. If the payment date is on a holiday or weekend, the disbursement will be mailed or transmitted the last business day before the holiday or weekend.

“**Due Date**” is the date the payment must reach your account with the payee (or merchant), to avoid penalties.



“**Check Payee**” is a merchant/individual/company accepting only paper check payments.

“**Electronic Payee**” is a merchant/individual/company accepting only electronically transmitted payments.

### **ESTABLISHING BILL PAYER SERVICE:**

Your account must be in good standing with PSECU. All loans must be current and a minimum \$5 account balance must be maintained in your Business Regular Shares. All BP transactions are processed (electronic transmission, or check printed and mailed) from your Business Checking Shares account.

You may apply for the service either by activating the service using online account access or by paper application. You will be notified when your application is approved. If we must decline your request, we will provide notice to you. BP payments will be made only to Payees designated by you and approved by PSECU. Payees will be considered approved by PSECU when they become available on the Master Payee Listing in online banking, or when added to your business account if you are using a paper application.

You authorize PSECU to send remittances to the Payees you list using online banking, on the BP application or amendments. In exchange for receiving the BP service, you agree to be responsible for:

- assuring accuracy of the information provided;
- verifying that payment information is correct before allowing the transaction to occur;
- reporting any discrepancies to PSECU immediately upon discovery;
- allowing sufficient time for processing any modification of information;
- verifying with Payees that the BP service is appropriate for payment.  
**Note:** The service does not use payment coupons;
- resolving any overpayment, late payment, missed or non-receipt of a payment, or charges assessed by Payees;
- funding your account sufficiently, including overdraft options, so that payments may be satisfactorily completed; and
- allowing sufficient processing time when scheduling payments. PSECU recommends scheduling check payments 5-10 days before due dates and electronic payments at least three business days before due dates.

### **PAYMENT INSTRUCTIONS:**

You may use PSECU’s Business BP service to authorize recurring and non-recurring payments for fixed and on-demand bills. A recurring payment is for a fixed amount sent on a specific frequency (weekly, bi-weekly, or monthly). A non-recurring payment must be scheduled each time you want the BP payment made.

Please see Business Service Charges on [psecu.com](http://psecu.com) or call us for fees.

You may schedule payments by one of two methods: (1) online banking, (2) paper

application. After PSECU receives your payment instructions, the BP system will make your payment by transmitting funds electronically to an “electronic payee” or by preparing a check from your PSECU business checking shares and mailing it to a “check payee.” PSECU will tell you how payments will be made (whether by check or electronically). PSECU reserves the right to change these payee types from time to time. If we do, we will notify you of the change.

### **PAYMENT SCHEDULING:**

You must set payment instructions using online account access no later than midnight, ET, one business day before the payment date. Sufficient processing time should be allowed. Any payment instruction received after midnight may be considered received on the next business day.

### **RESTRICTIONS:**

Violation of these rules may result in termination of the Business BP service we have provided to you.

- A PSECU loan or Visa® account may not be paid using the BP service. To automatically pay a PSECU obligation, please use our Automatic Transfer Service (ATS).
- You may not use BP service to send checks to your address of record or for deposit into the same account from which the payment was deducted.
- You may not intentionally supply invalid Payee information.
- You must use the remittance information supplied to you by the Payee via their billing statements or under their specific direction.
- You may only transmit payments to payees located in the United States. PSECU reserves the right to direct you to a pre-established Payee if the address you requested is already listed in a similar format or the Payee has requested the use of a different address. PSECU reserves the right to refuse to pay certain payees and to refuse to honor payment requests that appear to us to be fraudulent, erroneous or for illegal purposes.

Subject to the limitations stated, any financial service provided by PSECU may be used for any transaction permitted by law. You agree that you will not use any service for any transaction that is illegal under applicable federal, state or local law. You agree that illegal use of any financial service will be deemed an action of default or breach of contract. Use of any financial service in a manner not permitted by law may cause that service or related services to be terminated at PSECU’s discretion. You further agree, should illegal use occur, to waive any right to sue PSECU for such illegal use or any activity directly or indirectly related to it. Additionally, you agree to indemnify and hold PSECU harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use. PSECU reserves the right to decline any transaction that we consider fraudulent, suspicious, or illegal. PSECU will not knowingly authorize charges related to online gambling.

PSECU strongly suggests you do not use the BP service to make tax payments or court-ordered payments. Payments for these payees will be your sole responsibility if delayed or improperly processed or credited.

**ACCOUNT AND PAYMENT AUTHORIZATION:**

You authorize us to debit your PSECU Business Checking Shares on the date the payment is transmitted to an electronic payee. You authorize the payment of checks issued to check payees and drawn on your Business Checking Shares to be debited the day the check is presented to PSECU for payment. We may pay these items in any order that we decide. You must have enough money in your designated Business Checking Shares to complete the payment and should be aware that transactions other than Bill Payer will affect your account balance.

**OVERDRAFTS:**

Overdraft options with BP depend on the method of payment, i.e., electronic payee or check payee.

Paper Check Payee: Funds must be available in your Business Checking Shares when the Payee presents the item for payment. Automatic overdraft from the Business Savings Shares will be assigned when we establish BP service for you, unless overdraft options currently exist on the account. If sufficient funds are not available (including your overdraft options), your payment will not be sent and a Non-Sufficient Funds Fee will be assessed to your PSECU business account.

Electronic Merchant: Funds must be available in your Business Checking Shares at the time your payment is sent. Automatic overdraft from the Business Regular Shares will be assigned when we establish BP service for you, unless overdraft options currently exist on the account. If sufficient funds are not available (including your overdraft options), your payment will not be sent and a Non-Sufficient Funds Fee will be assessed to your PSECU account for each payment not sent.

**CANCELING A BILL PAYER TRANSACTION BEFORE IT HAPPENS:**

You may request to stop a Bill Payer transaction by using one of two methods: online banking or completing a paper amendment form. Notifying us in writing before we transmit the payment may cancel any payments you may have authorized.

To cancel a payment, your request must be received by PSECU at least one business day before the payment date. Please refer to the section on Payment Instruction & Scheduling for appropriate timeframes.

If you use online banking, changing the amount of the item to zero in the aforementioned timeframes will stop the Bill Payer process. Written notifications can be mailed to PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013. Faxes may be sent to 717.720.1197. Notifications must be received by 2 p.m. ET, one business day before the payment date, Monday through Friday (excluding holidays) to be in effect before the next Bill Payer transmission.

**PAYMENT IN ERROR:**

If you have scheduled a payment in error or have supplied erroneous remittance information and we have processed the electronic item, or the processed check has cleared, you will need to contact the Payee. If the check has not yet cleared, you

may place a stop payment on the item by contacting PSECU. Stop payment fees will be imposed per current Business Service Charges.

### **PAYMENT DISPUTES:**

If the Payee is disputing payment, please contact PSECU to verify the check has cleared or that the electronic payment has processed. You will need to supply PSECU with the specific date, amount and Payee information in question. You may verify your business account via online account access or Member Service Representative assistance.

PSECU is only responsible for exercising reasonable care in processing and sending payments upon your authorization in accordance with this Agreement. PSECU will not be liable in any way for damages you incur under any of these conditions:

- If you do not have sufficient funds in your Business Checking Shares or in your designated overdraft accounts to make the payment on the “Payment Date;”
- If delays occur in mail delivery;
- If changes to the Payee’s address or account number have occurred and you did not advise us within the appropriate time frames (Refer to the Payment Instructions & Scheduling Section of the Agreement);
- If the Payee fails to correctly account for or credit the payment in a timely manner; or
- If any other circumstances beyond PSECU’s control occur. For electronic items that cannot be posted at the Payee due to erroneous information, the Payee is obligated to return the item to PSECU. PSECU is not liable for late fees, stop payment fees, finance charges or negative impact on credit reporting instruments assessed or used by Payees due to late receipt or non-receipt of payments.

PSECU does not guarantee prompt receipt of payment by Payees. You agree that PSECU has no liability for any damages, expenses, charges or liabilities that you may incur as a result of any failure or delay on the part of the delivery service used to deliver any payment or on the part of any Payee in crediting the payment. You agree that we have no responsibility or liability for any act or omission, other than the liability imposed on us by law.

### **CHANGES & TERMINATION OF SERVICE:**

PSECU reserves the right to restrict the types of payees to whom payments may be made using the Business BP service from time to time. PSECU may withdraw approval of any payee, at any time, at its sole discretion after notice to you. The notice can be, but is not limited to, direct mailing or notification in the CU newsletter. PSECU reserves the right to change the payment method to a Payee as conditions dictate. Notice will be provided to you.

PSECU reserves the right to discontinue providing the Business BP service to you at our discretion. Notification of this action will be sent to your address of

record. Once a service is revoked by PSECU, there is a one (1) year waiting period before you may reapply.

For system integrity and efficiency, PSECU will remove dormant/unused Payees. A Payee is considered dormant if no member is currently utilizing it. PSECU will also remove dormant BP entries from member accounts. An entry is considered dormant if it has not been active for a period of 14 months or more. PSECU will remove any electronic BP item that results in payments returned by the Payee as Account closed, Account not found, or Account Number format not valid.

All terms and conditions of the Business BP service, including any fee schedule, are subject to change at any time. PSECU will announce all changes in its publications unless legal or regulatory requirements dictate otherwise.

### **BILL PAYER REGULATION E DISCLOSURE - SUMMARY OF CONSUMER LIABILITY:**

Tell us at once if you believe your PSECU Personal Identification Number (PIN) has been lost or stolen, or if you believe that your PSECU PIN is in the possession of an unauthorized person. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your account plus your maximum overdraft line of credit. If you believe your PSECU PIN has been lost or stolen, and you tell us within two business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your PSECU PIN without your permission. If you do not tell us within two business days after you learn of the loss or theft of your PSECU PIN, and we can prove we could have stopped someone from using your PSECU PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows BP transactions that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days, if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason kept you from telling us, we may extend the time periods.

### **Telephone Number and Address to Notify PSECU of Unauthorized Transfers:**

If you believe your PSECU PIN has been lost, stolen or that someone has transferred or may transfer money from your account without your permission, call: PSECU at **800.237.7328, TDD 800.472.1967**. PSECU Business Hours, Monday - Friday 8 a.m. - 6 p.m. (ET) or write PSECU at: **Pennsylvania State Employees Credit Union, P.O. Box 67013, Harrisburg, PA 17106-7013**.

### **FINANCIAL INSTITUTION'S BUSINESS DAYS:**

PSECU's business days are Monday through Friday; holidays not included.

### **TYPES OF AVAILABLE TRANSFERS AND LIMITATIONS ON TRANSFERS:**

- The Business BP service will pay bills from your Business Checking Shares in the

amount and on the date you request.

- You may use your Business BP service to pay up to 50 of your fixed or on-demand bills each month.
- The maximum amount of any Business BP transaction you make cannot exceed \$20,000.
- The minimum amount of any Business BP transaction should not be less than \$1.

### **ANY CHARGES FOR ELECTRONIC FUNDS TRANSFERS OR FOR THE RIGHT TO MAKE TRANSFERS:**

Currently there is no monthly service charge for our Business BP services. PSECU reserves the right to change this in the future and will provide notice 21 days before the effective date of the change.

### **SUMMARY OF CONSUMER'S RIGHT TO RECEIVE DOCUMENTATION PERIODIC STATEMENTS:**

You will receive a monthly statement showing the status of your account, any transactions made during the month, and any penalties or charges PSECU may impose during the month.

### **STOP PAYMENT RIGHTS - PREAUTHORIZED TRANSFERS, RIGHT TO STOP PAYMENT AND PROCEDURES FOR DOING SO:**

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how: Call us at **800.237.7328** or write us at: **PSECU, P.O. Box 67013, Harrisburg, PA 17106-7013**. We must receive your request for stop payment at least one business day before the payment date. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

### **LIABILITY FOR FAILURE TO STOP PAYMENT:**

If you order us to stop one of these payments within the guidelines of the service and we do not do so, we will be liable for your losses or damages unless we request and do not receive written confirmation of a verbal stop payment within 14 days and the transfer takes place after 14 days, or you fail to give us proper instructions that would enable us to place the stop on the transfer.

### **SUMMARY OF THE FINANCIAL INSTITUTION'S FAILURE TO MAKE OR STOP CERTAIN TRANSACTIONS:**

Liability for failure to make BP transactions: If PSECU fails to complete a transaction on time or in the correct amount, when properly instructed by you, PSECU will be liable for the losses and damages caused by our failure. However, there are some exceptions. We will not be liable in the following instances:

- If, through no fault of ours, you do not have enough money in your business account to make the transfer;
- If the transfer would exceed the funds in your Business account plus any credit limit on your overdraft protection;

- If the terminal or system was not working properly and you knew about the breakdown when you started the transfer;
- State or federal government laws or regulations would prohibit the transaction;
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken;
- You have not properly followed the scheduling instructions on how to make a transfer or payment included in this agreement;
- If we have received incomplete or inaccurate information from you or a third party involving the account, transfer, or payment;
- If the funds are subject to legal process; or
- If PSECU has reason to believe that the transaction requested is unauthorized.

### **DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:**

PSECU will disclose information to a third party about your business account(s) or the transfers you make:

- When it is necessary to complete transactions;
- To verify the existence and standing of your account with PSECU upon request of a third party, such as a credit bureau;
- In accordance with your written permission;
- To comply with government or administrative agency summonses, subpoenas, or court orders;
- On receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act of 1978; and
- When it is necessary to take legal action to recover shares.

### **IN CASE OF ERROR OR QUESTIONS ABOUT YOUR BILL PAYER TRANSACTIONS:**

If you think there is a BP error on your statement, or you have a question about your electronic transactions, telephone or write us. The following PSECU telephone number and address should be used: **800.237.7328** or write PSECU at: **P.O. Box 67013, Harrisburg, PA 17106-7013.**

Call or write if you think your statement is wrong, or if you need more information about a transaction listed on the statement. We must hear from you no later than 60 days after we sent you the first statement on which the problem or error appeared. You must provide the following information:

- Tell us your name and business account number.
- Describe the error or the transaction you are unsure about, and explain clearly why you believe it is an error or why you need more information.
- Notify us the dollar amount of the suspected error.

If you notify us verbally, we may require you to send us your complaint or question in writing within 10 business days. PSECU will tell you the results of the investigation within 10 business days after we hear from you and will correct any

error promptly. If we need more time, we may take up to 45 days to investigate your complaint or question. If we decide to use more time to investigate, we will credit your account within 10 business days for the amount you think is in error, so you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

**NEW ACCOUNT:**

If you give us notice of an error within 30 days after you make the first deposit to your new account, we will have 20 business days to investigate your complaint or question. If we need more time, we will have 90 days to complete the investigation. If we decide to do this, we will credit your account within 20 business days for the amount you think is in error. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

**FINAL INVESTIGATION RESULTS:**

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

**DISCLOSURES REGARDING ELECTRONIC  
WHOLESALE CREDIT TRANSACTIONS  
SUBJECT TO UNIFORM COMMERCIAL  
CODE ARTICLE 4A**

**PROVISIONAL PAYMENT:**

Generally not applicable, but in the event it would apply, credit given by us to you with respect to an automated clearing house 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 an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

**CHOICE OF LAW DISCLOSURE:**

We may accept on your behalf 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 Pennsylvania as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

THIS PAGE INTENTIONALLY LEFT BLANK

THIS PAGE INTENTIONALLY LEFT BLANK

**PSECU**<sup>SM</sup>

INSURED BY NCUA

©PSECU Form #3013 0124