

MEMBERSHIP AND ACCOUNT AGREEMENT

GENERAL MEMBERSHIP

Membership: Membership in the credit union is restricted to persons who at the time of application, are within the field of membership and meet the membership requirements. To maintain membership, a minimum share deposit of \$1 is required and must be maintained.

Member Services: Various financial services are provided for members, including share and deposit accounts, share draft (checking) accounts, Individual Retirement Accounts (IRA's), share certificates, and a full range of loan products. Non-financial services include automatic teller machine access, telephone account access, online PC access, credit card accounts, notary public service, wire transfers, western unions, and automatic clearinghouse (ACH) transfers. These services are provided according to this membership agreement and/or the terms and conditions established by NCCFCU in any related agreements.

Dividends: Dividends may be paid on shares or deposit account, including checking (share draft) accounts. Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period. Dividends are subject to change. All dividend rates are variable rates and advance notice of rate change is not required.

Statutory lien and right of set off: All shares deposits, including Social Security, accumulated interest or dividends in any individual, joint, multiple party or transaction account at the credit union are subject to a statutory lien and right of set off for any amounts owed to the credit union by a member or other person having any ownership interest in the account. This lien and right of set off applies to any amounts in the account in the future. The credit union may exercise its lien and right of set off without notice and without judicial process. The lien and right of set off does not apply to amounts in any Individual Retirement Account.

Change of terms: We may change the terms and conditions of any account from time to time. You will receive notice of any changes that would adversely affect your accounts at least 21 days before the effective date of the change. However, no prior notice is required if an immediate change is necessary to protect the security of the account or the system. If the change becomes permanent, the credit union may notify members in writing on or with the next periodic statement, or within 30 days of making the change permanent.

Account closing: The account(s) of a member may be closed by the credit union if the member (a) has or may cause a loss to the credit union; (b) has not maintained any required minimum deposit requirements; (c) has filed a petition in bankruptcy; (d) has failed to behave properly at the credit union; or has violated any other terms or conditions of membership. You will lose your deposit of \$1.00, if the account is closed within six months of opening.

National Credit Union Share Insurance Fund: Your savings is federally insured to at least **\$250,000** and backed by the full faith and credit of the United States Government.

ACCOUNT OWNERSHIP

Designation on account card: The ownership of any credit union accounts shall be designated on the applicable account card. Unless specific ownership is otherwise designated, the ownership of the share account shall apply to all additional sub-accounts having the same account number.

Single account: An account owned by one member (any individual, trust, or other organization eligible for membership). Upon the member's death, his/her interest passes, subject to applicable law, to the decedent's estate or Payable on Death (POD) beneficiary, subject to other provisions of the Agreement governing our protection for honoring transfer and withdrawal request of an owner or owner's agent prior to notice of owners death.

Joint tenancy with rights of survivorship: Any account owned as joint tenants with rights of survivorship shall be subject to the provisions of applicable North Carolina law. Any joint tenant may withdraw all amounts on deposit in the account. Upon the death of a joint tenant, a surviving joint tenant can withdraw amounts on deposit.

Payable on death beneficiary: The member may designate a payable on death beneficiary. Any account with a payable on death beneficiary shall be subject to applicable North Carolina law.

Trust accounts: Accounts of trusts may be established at the NCCFCU, which acts as the depository only for the trust account. Any trustee designated on any account card may transact any business on a trust account. NCCFCU may rely upon written evidence submitted by the trustee or successor trustee regarding the appointment of the trustee or the successor trustee.

DORMANT OR INACTIVE ACCOUNTS

Dormant or inactive accounts: An account is dormant or inactive if no activity is recorded for 1 year or if mail is returned to the credit union as undeliverable. You may notify the credit union in writing if no activity is expected on an account, but you wish to maintain the account.

Charges on dormant accounts: NCCFCU applies charges related to the maintenance of dormant accounts; see *Schedule of Rates, Balances, and Fees*.

TRUTH IN SAVINGS

SHARE SAVINGS ACCOUNTS & SECONDARY SHARE ACCOUNTS

Rate information: the dividend rate and the annual percentage yield on your share account are disclosed on the *Schedule of Rates, Balances, and Fees*. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change monthly as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends on regular share and other share savings accounts such as club accounts are compounded monthly and credited monthly. If you close your regular share account before dividends are credited, dividends earned to the day of closure are credited when the account is closed.

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Minimum balance requirements: The minimum balance to open this account is \$1 for the purchase of one share (par value of \$1). You must maintain a minimum balance of \$1 in your account. Your account may be subject to other fees and charges as stated on the *Schedule of Rates, Balances, and Fees*.

Balance computation method: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

Accrual of dividends: Dividends will begin to accrue on the business day you deposit cash or non-cash items (e.g. checks) to your account.

Fees and charges: Fees and charges may be assessed against your account. These fees and charges are set forth on the *Schedule of Rates, Balances, and Fees*.

Transaction limitations: During any Statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union. We reserve the right to at any time require not less than seven business days notice in writing before each withdrawal from a dividend-bearing account other than a time deposit or from any other account as defined by Regulation D.

Periodic statements: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days. After the statement is mailed or we send you notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or an electronic notice sent to you, you forfeit any right to claim any losses against us, regardless of whether we used ordinary care.

FRESH START ACCOUNT

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

Fresh Start Account gives you the opportunity to open an account even if you have a record on Chexsystems. This account is not eligible for overdraft privilege. There is a \$10.00 fee to open the account. All personal and handwritten payroll checks will be put on a 5-business day hold. If your account goes negative because of debit card use; your debit card privilege will be revoked. The Fresh Start Account is in the Household Rewards Level of Choice, which incurs an \$8 monthly fee (see fee schedule). After 18 months of the account being opened, we will evaluate your activity, if you have not had more than two NSFs in 18 months; we will change your account type to General Membership.

HOLIDAY ACCOUNT

You must have a share savings account with a balance of at least \$1 before you can open this type of account. We will transfer the total balance of a Holiday Account to the share savings or other designated account, the first week of October. The account remains open at a zero balance and holds subsequent deposits until the following October transfer.

NO WITHDRAWALS are permitted during the Holiday period.

SHARE BEAR CLUB ACCOUNT

Account is designed for children and is limited to children from birth to age 12. Child must have a social security number before opening the account. The minimum opening deposit to the account is \$1.00.

Rate information: the dividend rate and the annual percentage yield on your share account are disclosed on the *Schedule of Rates, Balances, and Fees*. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change monthly as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends on regular share and other share savings accounts such as club accounts are compounded monthly credited monthly. If you close your regular share account before dividends are credited, dividends earned to the day of closure are credited when the account is closed.

Minimum balance requirements: The minimum balance to open this account is \$1. You must maintain a minimum balance in your account as stated on the *Schedule of Rates, Balances, and Fees* to remain a member in good standing.

Balance computation method: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

Accrual of dividends: Dividends will begin to accrue on the business day you deposit cash or non-cash items (e.g. checks) to your account.

Fees and charges: Fees and charges may be assessed against your account. These fees and charges are set forth on the *Schedule of Rates, Balances, and Fees*.

Transaction limitations: There is no restriction on withdrawals.

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Periodic statements: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or we send you a notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or an electronic notice sent to you, you forfeit any right to claim any losses against us.

BASIC CHECKING ACCOUNT

You must have a share savings account with a balance of at least \$1 before you can open any other type of account. Direct deposit required each month into the checking account to avoid a .25 per check writing fee. Accounts without direct deposit will be assessed a check writing fee of .25 per check.

TIERED-RATE CHECKING (SHARE DRAFT ACCOUNTS)

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

STUDENT CHECKING (SHARE DRAFT) ACCOUNTS

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

Requirements: The member must be a student between the ages of 13 and 21. There must be a qualified adult joint owner who will assume responsibility for the account and pledge his/her shares to backup the student's account.

ALL CHECKING ACCOUNTS

Rate Information: The dividend rates and the annual percentage yields on your checking account are disclosed on the *Schedule of Rates, Balances, and Fees*. Your dividend rate depends on the balance you keep in your checking account. The dividend rates and the annual percentage yields may change monthly as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends on checking are compounded monthly credited monthly. If you close your account before dividends are credited at the end of the month, dividends earned to the day of closure will be credited when the account is closed.

Minimum Balance Requirements: If you are ordering checks, you must make a deposit sufficient to cover the cost of the checks.

Balance computation method: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

Accrual of dividends: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

Fees and charges: Fees and charges may be assessed against your account. These fees and charges are set forth on the *Schedule of Rates, Balances, and Fees*.

Transaction limitations: We reserve the right to, at any time; require not less than seven business days notice in writing before each withdrawal from a dividend-bearing account other than a time deposit or from any other account as defined by Regulation D.

Periodic statements: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or we send you notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or an electronic notice sent to you, you forfeit any right to claim any losses against us.

Authorized signatures: NCCFCU is authorized to pay drafts signed by any person on the account card. All such payments shall be charged against the shares in this account.

Checks: Only checks and draft blanks (and other methods) approved by the credit union may be used to make withdrawals from this account. NCCFCU is not responsible for any loss based on the use of forms not approved by the credit union.

Check exceeding balance: NCCFCU is under no obligation to pay a draft that exceeds the fully paid and collected balance in this account. If a draft that would exceed such balance and result in this account being overdrawn comes through, you may have NCCFCU do one of the following:

- (a) Advance from the overdraft line of credit
- (b) Transfer shares to this account in the amount of the resulting overdraft, plus a service charge, from any other regular share account from which any of the undersigned is then eligible to withdraw shares. **LIMIT THREE PER STATEMENT PERIOD.**

Overdraft Privilege: This discretionary service will be provided to eligible members. It is designed to help guard members against having items returned by your credit union. We will pay: ATM transactions and everyday debit card transactions only when you authorize/ opt-in. The opt-in is for ATM and everyday debit card overdrafts and does not affect checks or ACH transactions. At the credit unions discretion, each eligible member will be provided a specific Overdraft Privilege limit. NSF/Overdraft fees are included in the Overdraft Privilege limit.

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Overdraft Privilege does not cover Bill Pay Payments.

Retention of checks: Paid checks become the property of NCCFCU and are not returned either with the periodic statement of this account or otherwise.

Liability: Except for negligence, NCCFCU is not liable for any action it takes regarding the payment or nonpayment of this account or otherwise.

MONEY MARKET SAVINGS ACCOUNT & CASH MANAGEMENT CHECKING

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

Rate information: This dividend rate and the annual percentage yield on your money market share account are disclosed on the *Schedule of Rates, Balances, and Fees*. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change monthly as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends will be compounded monthly and will be credited monthly. If you close your investment account before dividends are credited at the end of the month, dividends earned to the day of closure will be credited when the account is closed.

Minimum balance requirements: The minimum balance to open this account is \$1,000 as stated in the *Schedule of Rates, Balances, and Fees*. A \$1,000 minimum daily balance is required in your account as stated in the *Schedule of Rates, Balances, and Fees*. If, during any month, your account balance falls below the required minimum daily balance your account will not earn dividends until the balance reaches \$1,000 again.

Balance computation method: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

Accrual of dividends: Dividends will begin to accrue on the business day you deposit cash or non-cash items (e.g. checks) to your account.

Fees and charges: Fees and charges may be assessed against your account. There is a \$20.00 charge for each debit item that exceeds the limits set in the "Transaction Limitations" section.

Transaction limitations: During any statement period, you may not make more than six withdrawals or transfers to another credit union account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card, if applicable or similar order to a third party. If you exceed the transfer limitations set forth above in any statement period, your account will be subject to closure by the credit union.

Periodic statement: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or we send you notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or electronic notice sent to you, you forfeit any right to claim any losses against us.

INDIVIDUAL RETIREMENT ACCOUNTS (IRAs)

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

NCCFCU offers Traditional and Roth IRAs. These are long-term savings plans. IRA shares of \$500 or more may be rolled into IRA share certificates for even higher yields.

Rate Information: The dividend rate and the annual percentage yield on your IRA account are disclosed on the *Schedule of Rates, Balances, and Fees*. You will be paid this rate for the initial dividend period. The dividend rate and the annual percentage yield may change monthly as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends are compounded monthly credited monthly. If you close your account before dividends are credited at the end of the month, dividends earned to the day of closure will be credited when the account is closed.

Minimum balance requirements: The minimum balance to open an IRA is \$25, as stated in the *Schedule of Rates, Balances, and Fees*.

Balance computation method: Dividends are calculated by applying the dividend rate to the average daily balance in your account.

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Accrual of dividends: Dividends begin to accrue on the business day you deposit cash or non-cash item (e.g. checks) to your account.

Fees and charges: Fees and charges may be assessed against your account as set forth by federal law.

Transaction limitations: Withdrawals from IRA share accounts are subject to federal tax withholding as specified by the IRS. We reserve the right to at any time require not less than seven business days notice in writing before each withdrawal from a dividend-bearing account other than a time deposit or from any other account as defined by Regulation D.

Periodic statements: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or we send you notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or electronic notice sent to you, you forfeit any right to claim any losses against us.

CERTIFICATE ACCOUNTS

You must have a share savings account with a balance of at least \$1 before you can open any other type of account.

Rate information: The dividend rate and the annual percentage yield on your share certificate account are disclosed on the *Schedule of Rates, Balances, and Fees*. The rate is determined by length of the certificate and the initial rate is applied throughout the entire dividend period. The dividend rate and the annual percentage yield for new certificates may change at any time as determined by the credit union's Board of Directors.

Dividends are paid from current income and available earnings, after required transfers to reserves at the end of a dividend period.

Compounding and crediting: Dividends will be compounded monthly and will be credited monthly. If you close your certificate account before dividends are credited at the end of the month, dividends earned to the day of closure will be credited when the account is closed.

Minimum balance requirements: The minimum balance to open a share certificated is \$500, as stated in the *Schedule of Rates, Balances, and Fees*.

Balance computation method: Dividends are calculated by applying the divided rate to the average daily balance in your account.

Accrual of dividends: Dividends begin to accrue on the business day you deposit cash or non-cash items (e.g. checks) to open your certificate.

Renewal Information: If funds are not withdrawn, share certificates automatically renew at the dividend rate offered at the time of renewal.

You have 10 days after the maturity date of your certificate in which to withdraw the funds with no penalty. If you withdraw only a portion of the funds, reducing the principal sufficient to drop to another tier, the dividend rate may change.

Transaction limitations: Deposits to a share certificate are not allowed once the account is opened. There is a substantial penalty for early withdrawal.

Fees & Charges: Early withdrawal results in a loss of 90 days of dividends on the amount withdrawn from eh certificates of less than 12 month; 180 days on certificates of 12 months or more.

Periodic statement: Objection to any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or we send you notice that your statement is ready for electronic pickup. If you fail to report any suspected error on your statement within 60 days after it was first mailed or electronic notice sent to you, you forfeit any right to claim any losses against us.

Maturity date: The maturity date of your account is stated on the Certificate Agreement or on the periodic statement.

Renewal policies: Your certificate account will automatically renew at maturity unless you notify NCCFCU in writing otherwise. You will have ten (10) calendar days after the maturity date to withdraw the funds in the account without being charged an early withdrawal penalty.

Periodic statements: Any objection respecting any item show on a periodic statement of the account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed or electronically delivered. If you fail to report any suspected error on your statement with 60 days after the statement is mailed or electronically delivered to you, you forfeit any right to claim any losses against us.

ELECTRONIC FUNDS TRANSFER

As a user of electronic funds transfer service, you may have access to specifically identified automated teller machines, *Tellerphone*, *ONLINE BANKING*, Visa Debit, and Automated Clearing House (ACH) services. Refer to your ATM & Visa Check Card agreement for terms & conditions associated with those cards.

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The following are types of Electronic Funds Transfers we can handle, not all of which may apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed: Point-of-sale (POS) transfers, automated teller machines (ATM) transfers, direct deposits or withdrawals of funds, transfers sent via ACH (Automated Clearinghouse), transfers initiated by telephone, transfers resulting from debit card transactions (whether or not initiated through an electronic terminal) and payments made by a bill payer under a bill payment service (unless made solely by check, draft or similar paper instrument), and online banking.

Preauthorized credits: You may arrange for certain direct deposits to be accepted into your NCCFCU share savings, Money Market, checking account(s).

Preauthorized payments: You may make recurring payments from your checking account.

Electronic Check conversion (ECK) transaction: An ECK transaction occurs when a member authorizes a one-time EFT from his or her account using information from a check to initiate the transfer. An electronic check conversion transaction can only be proceeding when it has been authorized by the member. A member authorizes the transaction when he receives the appropriate notice and then goes forward with the transaction.

ACH & Wire Transfers: You may initiate or receive credits or debits to your account through wire or ACH transfer. You agree that if you receive funds by a wire or ACH transfer, we are not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement. We may provisionally credit your account for an ACH transfer before we receive final settlement. We may reverse the provisional credit or you will refund us the amount if we do not receive final settlement. When you initiate a wire transfer, you may identify either the recipient or any financial institution by name and by account or identifying number. The Credit Union (and other institutions) may rely on the account or other identifying number as the proper identification even if it identifies a different party or institution. We may accept on your behalf, payments to your account that have been submitted by Fed Wire and that are not subject to the Electronic Funds Transfer Act ("Regulation E"). Your rights and obligations with respect to such transfers shall be governed and construed in accordance with Regulation J, Funds Transfers through Fed wire. Whenever an ACH is used as part of a transaction that does not involve Fed wire, the operating rules of the National Automated Clearing House Association ("NACHA") will be applicable to ACH transactions involving your account.

AT HOME TELLERPHONE AND ONLINE BANKING

You may access you account through *Call 24 Tellerphone*, our telephone transaction system. You use your account number and your *Tellerphone* authorization code (PIN), and a Touch-tone phone. You connect to Online Banking from our website: www.nccfcu.org, by entering your NCCFCU account number and your password. You must then select a new password and you are set for online banking.

Monetary transfers from share savings and Money Market accounts via *Tellerphone* and Online Banking are included, under Regulation D, as part of the six allowed transfers per month.

Transactions include:

- View deposit and loan account balances and history
- Transfer funds from share savings to any sub account or to another member account**
- Advance funds from a line of credit to related share or savings account
- Make loan payments from related share or saving accounts
- Get balance information
- Verify check clearings
- Get dividends earned on share or saving accounts
- Get balance information
- Get dividends earned on share * interest paid on loans
- Order Checks*
- Pick up e-statement*

* Online Banking only.

** Member to member account transfers

ONLINE BANKING BILL PAYMENT SERVICES

You may pay recurring bills through *Online Banking Bill Payment Services*. Payments may be made from checking and savings; however, Regulation D limits the number of transfers from savings to no more than six a month. Some vendors will not accept payments made through online bill payer systems. If you select a vendor that will not accept payment, you will receive an e-mail notice that the vendor will not accept your payment. See *Schedule of Rates, Balances, and Fees*.

To sign up: When you click on the Bill Payment button, you are given an opportunity to complete the enrollment form. To apply for this service, click on the [click here to](#) register link. Bill Payment functions include the following:

- View pending payments
- View payment history
- Payee maintenance (e.g., change vendor name and address)
- Add one vendor payment or add multiple vendor payments at one time
- Customer Support



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Timing of payments: NCCFCU processes payments through a third party vendor and is not responsible for the timing of payments.

- Allow about 10 working days for your payment to reach the vendor. Mail payments take longer than those sent electronically. The vendor determines which type of payment it will receive. NCCFCU is not responsible for late payments. We are only responsible in the event we fail to complete a payment in accordance with your correct instructions.

Sufficient funds: You must have sufficient funds in your account to cover the payment. We will not take your balance negative to make a scheduled payment.

Liability: NCCFCU's liability is stated in a separate section of this document, *Financial Institution's Liability*. In no case will NCCFCU be liable for consequential, indirect, or punitive costs or damages. NCCFCU and the bill payer service provider will carry out your instructions in a reasonable manner.

ONLINE BANKING ACCOUNT POLICY

Beginning January 1, 2011, we will begin to disable Online Banking accounts which have not been in use for over six months and will continue to disable accounts on a monthly basis. Members will receive notice 30 days prior to their account being disabled. If you would like your Online Banking account to remain active, log into your account at least once every six months.

ATM TRANSACTIONS

You may access your account(s) by NCCFCU ATM using your ATM or Visa Check Card and personal identification number (PIN) to:

- Get balance information on savings and checking accounts
- Make withdrawals from savings ----- \$310 limit per 24-hour day with ATM card
- Make withdrawals from savings and checking ----- \$310 limit per 24-hour day with Visa Check Card
- Make deposits at an NCCFCU ATM
- Transfer money from savings to checking
- Transfer money from checking to savings
- Make payments to NCCFCU loans by check deposit or transfer from savings or checking

At **foreign Star® and Cirrus® ATMs you can get balance information and make cash withdrawals from checking or savings, depending upon how your account is set up. Some of these services may not be available at all terminals. The way your card is set up also affects what transactions you can do.

**Foreign means an ATM that participates in these networks, but is not owned by NCCFCU.

ATM Card Transactions: You can use your NCCFCU ATM card to access your share savings and checking account at the ATM to get cash and make deposits, pay for services (in person), get cash from a merchant, if merchant policy permits, or from participating financial institutions. The maximum daily limits are \$310 at the ATM.

Visa® Check Card POS transactions: You may access your NCCFCU share savings and checking account at the ATM to get cash and make deposits. You may access your NCCFCU checking account to purchase goods (in person), pay for services (in person), get cash from a merchant (if merchant policy permits) or from participating financial institutions, and use it to pay for goods and services by telephone and the Internet. Daily Visa Check Card limits are \$310 for ATM withdrawals; \$510 for point of sale purchases.

Currency conversion/Foreign Transactions: Purchases and cash advances you make in foreign countries and foreign currencies will be billed to you in U.S. dollars. Effective April 2, 2005, the 1% currency conversion fee charged by Visa and reflected in the adjusted charge to your account will be discontinued. Instead, Visa will charge a 1% International Transaction Fee. The converted transaction amount and the International Transaction Fee will appear as separate items on your statement. The fee is assessed on all international purchases, credit vouchers, and cash disbursements. In addition, effective April 2, 2005, Visa will select the conversion rate from a table with a range of rates available in the wholesale currency markets for the applicable central processing date. This rate may vary from the rate Visa itself receives or the government-mandated rate in effect for the applicable central processing date, and 1%. Effective April 4, 2008, Visa will impose a 0.8% fee on foreign transactions where a currency conversion is not performed.

Illegal use: You agree not to use your card(s) for illegal gambling or other illegal purposes. Display of payment card logo by, for example, an online merchant does not necessarily mean that the transactions are lawful in all jurisdictions in which the card holder may be located.

FEES

Please refer to the *Schedule of Rates, Balances, and Fees* for applicable fees.

ATM operator/network Fees: You may be charged a surcharge fee by the owner of a non-NCCFCU ATM or by the network used and you may be charged for a balance inquiry even if you do not complete a funds transaction. NCCFCU charges you **\$2.00** when you use a non-NCCFCU ATM.

Terminal transfers: You can get a receipt at the time you make any transfer to or from your account using a ATM or a POS terminal.

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Preauthorized credit: If you arrange to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at 866-265-0269 to find out whether or not the deposit has been made.

Periodic statement: We will send a monthly statement of your NCCFCU checking account. You will get a periodic statement from us for your share savings account each month in which there are EFT transfers, otherwise, you will get a quarterly statement.

Electronic statement: NCCFCU has the capability of capturing your periodic statement electronically (e-statement) and posting it in a secure manner so that you may retrieve it at your convenience. **YOU HAVE THE RIGHT TO HAVE YOUR STATEMENT PROVIDED ON PAPER** or receive it electronically. If you elect to have your statement presented electronically, we may also send, from time to time, other notices and promotional material. NCCFCU will provide you error-resolution information with each periodic statement.

Equipment Required: You will need access to a personal computer and the Internet. The preferred browser is either Microsoft Explorer or Netscape Navigator (latest version). To view your e-statement, you will need Adobe Acrobat Reader® 4.0 or higher. If you choose to print your statement, you will need access to standard printing capabilities.

Authorizing e-statements: You must sign up for e-statements through ONLINE BANKING you can reach via our web site www.nccfcu.org. We will consider your request for e-statements to be your agreement that NCCFCU will post your statement in a secure location and notify you via e-mail that your statement is ready for pickup. Your statement will remain on the site for 90 days from the date we notify you. **We will stop sending paper statements on this account unless you notify us that you no longer wish to receive e-statements; however you can always request a special copy of the statement be created for you.** See *Schedule of Rates, Balances, and Fees*.

Canceling e-statement: If you are not happy with your e-statement after you have tried it for at least one full quarter (3 months), we will switch you back to paper statement at no charge. **We must hear from you at least five business days before the end of a statement period, which is either the last business day of the month or last day of business for the quarter.** (Charges may be applied for abusing the privilege of switching back and forth.) To switch from e-statement back to paper statements, call us at 800-734-8204 and ask us to re-set your account for paper statements. We may ask you to put your request in writing and deliver it to us within 14 business days.

Supplemental paper statement: If you need to get a paper copy of your statement, you may do so by calling in the number(s) previously listed. See the *Schedule of Rates, Balances, and Fees* for applicable charges.

Member Responsibilities: It is your responsibility to keep NCCFCU apprised of your current e-mail address. Failure to notify NCCFCU of e-mail address changes is treated just as failure to notify us of new physical address. See the *Schedule of Rates, Balances, and Fees* for this charge. If e-mail is returned undeliverable, we will attempt to re-send it; however, it is your responsibility to contact us if you do not receive your statement or notice of statement. You are also responsible for picking up your statement. Statements will reside on the secure site for 90 days. If you do not pick up your statement within that time, you will have to call for a paper statement to be generated and pay the appropriate charge shown on the *Schedule of Rates, Balances, and Fees*.

PREAUTHORIZED PAYMENT

Right to stop payment: You can stop any of these payments. Here is how:

Call us at the telephone number listed in this brochure in time for us to receive your request, three business days or more before the payment is scheduled to be made. If you call, we may require you to put your request in writing and get it to us 14 days after you call. See the *Schedule of Rates, Balances, and Fees* for applicable charges.

We are not obligated to honor a stop payment request that does not contain accurate information provided in a timely manner. You understand that it is necessary to provide the correct information related to the transaction, and that failure to do so may result in the payment of the item.

Liability for failure to stop payment: If you order us to stop one of these preauthorized payments three business days or more before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

FINANCIAL INSTITUTION'S LIABILITY

Failure to make transfers: If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. There are, however, some exceptions, for instance:

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

UNAUTHORIZED TRANSFERS

Your liability for unauthorized uses: VISA Zero Liability

July 21, 2011



If your Visa card information is stolen, you owe nothing on fraudulent transactions. Visa's Zero Liability policy means 100% protection for you. Should someone steal your card number while you are shopping, online or off, you will pay nothing for the fraudulent activity. The Zero liability policy covers all Visa credit and debit card transactions processed over the visa network-online or off. The only transactions not covered under the Zero liability policy are commercial card, ATM, and non-Visa-branded PIN transactions. Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement is mailed to you, you may not get back any money.

If you believe your Card or PIN has been lost or stolen, or that your statement shows transfers that you did not make, call or write to the credit union using the telephone number and address shown on your monthly or quarterly statement.

Locations and Hours

Main Office - 2401 East Ash Street, P.O. Drawer 10589, Goldsboro, N.C. 27534 Monday –Friday 8:00AM-5:00PM
Drive Thru – Thursday 8:00AM-5:30PM
Drive Thru – Friday 8:00AM-6:00PM
1-800-734-8204

Base Office – 1350 Edwards Street, Seymour Johnson AFB, N.C. 27531 Monday – Friday 8:00AM -5:00PM
919-722-1919

Mount Olive Office – 710 North Church Street, Mt. Olive N.C. 28365 Monday -Friday 8:00AM – 5:00PM
919-658-8806

Preauthorized transfers TO your account: You may arrange to have direct deposits made to your account from the same person or company. You may call the number on your periodic statement or call *Tellerphone* or access *Online banking Branch* to see if the transfer did occur.

Our liability if transfers are not made or stopped: You agree that we shall have no liability to you for our failure to make or stop preauthorized transfers, except where such failure is intentional or the result of negligence on our part.

Information to third parties: We will not disclose information to third parties concerning your account with us except: (a) When such disclosure is necessary to complete the transactions; (b) To verify the existence and condition of your account for a third party such as a credit bureau as is permitted by law; (c) To comply with court order or applicable laws or regulations; (d) When you give us permission.

ERROR RESOLUTION

You have 60 days after receiving a periodic statement to notify the credit union that an error has occurred. The notice may be written or oral; however, NCCFCU may require you to provide written confirmation of an error within 10 business days of an oral notice. If you make a timely request for documentation on further clarifications to determine whether or not an error has occurred, your notice will be considered timely if received by NCCFCU no later than 60 days after the credit union receives it. . NCCFCU must promptly investigate the matter and determine within 10 business days whether or not an error occurred (20 days for a new account, i.e., less than 30 days old.) However, the credit union may take up to 45 days (90 days for foreign and POS debit card transaction, and new accounts) to conduct its investigation if it:

- *provisionally credits your account within 10 business days of receiving the error notice (20 days for new accounts)
- *informs the member within 2 business days after providing the provisional credit of the amount and date of the crediting, and gives the member full use of the funds
- *corrects the error, if any within 1 business day after determining that an error occurred
- *report the results to the member within 3 business days after completing the investigation (including, if applicable, notice that provisional credit has been made final.

We must include a written explanation of our findings when we report the results of the investigation to you. The explanation must note your right

to request the documents that we relied on in making our determination.

If we debit the provisionally credited amount, we must notify you of the following:

- *the date and amount of the debiting
- *that we will honor checks/drafts or similar instruments payable to third parties and preauthorized transfers from your account(that we will honor checks/drafts or similar instruments payable to third parties and preauthorized transfers your account without charge as a result of an overdraft) 5 business days after the notification

What if no error occurred? NCCFCU must include a written explanation of its findings when it reports the results of the investigation to the member. The explanation must note the member's right to request the documents that the credit union relied on in the making its determination.

Your account is considered a new account for the first 30 days after you make the first deposit, unless each of you already has an established account with us before you opened this account.

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CHILDREN'S ONLINE PRIVACY PROTECTION ACT—(COPPA) STATEMENT

For purposes of this statement, a child is considered any individual under the age of 13. We do not seek to collect personal information about children through our web site. The only time we collect data from children is that data necessary to allow them access to their accounts through *Online Banking* at home.

FUNDS AVAILABILITY POLICY DISCLOSURE FOR CHECKING ACCOUNTS

This policy applies to all checking accounts at NCCFCU.

Our policy is to make funds from your deposits available to you on the first business day after the day we receive your deposit. Electronic direct deposits are available on the day we receive the deposits.

Once they are available, you may withdraw the funds.

Please remember that even after we make funds available to you and you withdraw the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit on a business day that we are open, we consider that day to be the day of deposit. However, if you make a deposit on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Longer delays may apply in some cases; we will not make all of the funds 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. However, the first \$200 of your deposit into a checking account will be available on the first business day after we receive your deposit.

If we are not going to make all of the funds from your deposit available on the first business day after we receive your deposit, we will notify you at the time you make the 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 delay availability after you have left the premises, we will mail you a notice by the day after we receive your deposit.

If you need the funds from a deposit right away, you should ask us when the funds would be available.

In addition, funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposit will not be paid.
- You deposit checks totaling more than \$5,000 in 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 communications or computer equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons and we will tell you when the funds will be available. They will generally be available no later than the ninth business day after the day of your deposit.

Special rules for new accounts: All accounts open for less than 30 days are new accounts. Next-day availability applies only to cash, electronic direct deposits, and the first \$5,000.00 of any next-day item; the remaining amount from next-day items must be made available by the ninth business day.



North Carolina Community Federal Credit Union's Privacy Notice

FACTS	WHAT DOES NORTH CAROLINA COMMUNITY FEDERAL CREDIT UNION DO WITH YOUR PERSONAL INFORMATION?		
Why?	Financial companies choose how they share personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.		
What?	<p>The types of personal information we collect and share depend on the product or service you have with us. This information can include:</p> <ul style="list-style-type: none"> • Social Security number and income • Account balances and payment history • Credit history and credit scores <p>When you are no longer our member, we continue to share information as described in this notice.</p>		
How?	All financial companies need to share member personal information to run their everyday business. In the section below, we list the reasons financial companies can share their member's personal information; the reasons that North Carolina Community Federal Credit Union chooses to share; and whether you can limit this sharing.		
Reasons we can share your personal information	Does NCCFCU share?	Can you limit this sharing?	
For our everyday business purposes- such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No	
For our marketing purposes – to offer our products and services to you.	Yes	No	
For joint marketing with other financial companies.	Yes	No	
For our affiliates' everyday business purposes – information about your transactions and experiences.	No	No	
For our affiliates' everyday business purposes – information about your creditworthiness.	No	No	
For nonaffiliates to market to you.	No	No	
Questions?	Call 1-800-734-8204 or go to www.nccfcu.org		



Who we are	
Who is providing this notice?	North Carolina Community Federal Credit Union
What we do	
How does NCCFCU protect my personal information?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
How does NCCFCU collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> • Open an account or deposit money • Pay your bills or apply for a loan • Use your credit or debit card <p>We also collect your personal information for others, such as credit bureaus, affiliates, or other companies.</p>
Why can't I limit all sharing?	<p>Federal law gives you the right to limit only:</p> <ul style="list-style-type: none"> • Sharing for affiliates' everyday business purposes- information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you State law and individual companies may give you additional rights to limit sharing.
Definitions	
Affiliates	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> • NCCFCU does not have affiliates.
Nonaffiliates	<p>Companies not related by common ownership or control. They can be financial and non financial companies.</p> <ul style="list-style-type: none"> • Nonaffiliates with which we share may include check printing firms, data processors, statement printing firms, and other service providers.
Joint marketing	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> • We may disclose all of the information we collect, as described above in the notice, to such companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.
Other important information	
For more information on our Privacy Policy, you may write us at 2401 East Ash Street, Goldsboro, N.C. 27534, or call us at 1-800-	

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734-8024 or visit our web site at www.nccfcu.org

**SCHEDULE OF RATES, BALANCES & FEES
DIVIDEND RATES & MINIMUM BALANCES**

December 1, 2010

Account	Rate/PC Rate	Yield/PC APY*	Minimum to Open
Share savings, Christmas Club, Special Purpose \$000 - \$14,999 \$15,000 and up	0.10%/0.35% 0.40%	0.10%/0.35% 0.40%	\$1.00
Share Bear Club	0.10%	0.35%	\$1.00
Basic Checking			\$0
Relationship Rewards Checking balance \$000 - \$2,499 \$2,500 and up	0.0%/0.0% 0.05%/0.30%	0.0%/0.0% 0.05%/0.30%	\$0
IRA Passbook Savings	.10%	.10%	\$25.00
Money Market/Cash Management Checking \$1,000 and up	0.25% / 0.50%	0.25% / 0.50%	\$1,000

IRA/TIERED SHARE CERTIFICATES

Minimum balance to open - \$500.00

TERM	RATE	APY*	PC RATE	APY*
6-17 months	0.25%	0.25%	0.50%	0.50%
18-35 months	.75%	.75%	1.00%	1.00%
36-59 months	1.25%	1.26%	1.50%	1.51%
60 + months	1.50%	1.51%	1.75%	1.76%

* - Annual Percentage Yield

IMPORTANT NOTICE: All rates are fixed and subject to change without notice. While we make every effort to keep this table current, there may be a slight lag time between rate change and updates to this table. To ensure that you get the most current rate, please check with our Call Center Member Service Specialists for up to the minute rates.

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RELATIONSHIP REWARDS LEVELS

Rewards Level	Household Balance Requirements
Basic Service	No-frills basic service...a pay as you go type account
Choice	Combined average household share balance of less than \$2,500 & combined average household loan balance less than \$5,000
Preferred	Combined average household share balance of \$2,500-\$15,000 OR combined average household loan balance of \$5,000-\$30,000
President's Club	Combined average household share balance of \$15,000 or more OR combined average household loan balance of \$30,000

CHARGES FOR SPECIAL SERVICES EFFECTIVE May 9, 2011

Whether you pay certain fees and the amount of the fee you pay depends generally on the type of account you have. An X in a column mean that the fee applies to level indicated at the top of the column.

Service	Charge	Household Rewards Level			
		Basic	Choice	Preferred	President's Club
Internet Bill Pay (Bill Pay)	FREE	X	X	X	X
Non-NCCFCU ATM use	\$2.00/transaction	X	X	X	
Monthly Account Charge	\$8.00/month		X		
Dormant Account	\$7.00/month	X	X	X	X
Account open / Fresh Start	\$10.00				
Replace Visa Check Card*	\$8.00	X	X	X	
Replace Visa Debit PIN	\$3.00	X	X	X	
Replace ATM Card	\$8.00	X	X	X	
Check cashing	\$4.50/check	X			
Write checks	\$0.25/check	X			
Assisted check order***	\$10.00/order	X	X	X	
Excessive Money Market debits	\$20.00/item	X	X	X	
Overdraft from savings	\$5.00/transfer	X	X	X	X ¹
Assisted transactions/inquiries	\$7.00/transaction	X	X	X	
Assisted transfer within same account or to another member account	\$7.00/transfer	X	X	X	
Cashier's check	\$8.00 each	X	X		
Stop Payment	\$35.00	X	X	X	X
NSF Check/ATM/Debit fee	\$35.00	X	X	X	X
Overdraft Privilege/NSF	\$35.00	X	X	X	X
Returned deposit item	\$35.00	X	X	X	X
Returned deposit item on Credit Card	\$25.00	X	X	X	X
Check photocopy	\$5.00	X	X	X	
Statement copies	\$10.00/statement	X	X	X	
Account activity printout	\$1.00/page	X	X	X	
Research and reconciliation	\$30.00/hour	X	X	X	
Undelivered mail	\$15.00	X	X	X	
Western Union-Domestic	\$20.00	X	X	X	
Western Union-International	\$15-\$46.50 Depending on Amount	X	X	X	X
Wire transfer-Domestic	\$20.00	X	X	X	
Wire transfer-International	\$30.00	X	X	X	X

Fresh Start Accounts have a \$10 account opening fee

¹ Fee Refunded upon request * There is no charge to replace a stolen card *** Order checks without re-order coupon