

Membership & Account Agreement



This Agreement covers your and our rights and responsibilities concerning accounts Memorial Federal Credit Union (Credit Union) offers. In this Agreement, the words “you” and “yours” mean anyone who signs an Account Card or Account Change Card. The words “we,” “us,” and “our” mean the Credit Union. The word “account” means any one or more share accounts you have with the Credit Union. By signing an Account Card or Account Change Card, each of you agree to the terms and conditions of this Agreement, Truth-In-Savings Rate and Fee Schedule, and the Credit Union’s Bylaws and policies.

Membership Eligibility—To join the Credit Union you must meet the membership requirements including purchase and maintenance of at least one (1) shares as set forth in the Credit Union’s Bylaws. The par value of a share is \$5. You authorize us to check credit and employment history to verify your eligibility for the accounts you request.

Single Party Accounts—A single party account is an account owned by one individual. If the account owner dies, the interest passes, subject to applicable law, to the decedent’s estate or beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner prior to notice of death.

Multiple Party Accounts—An account owned by two or more persons qualified for credit union membership is a multiple party account.

Rights of Survivorship: If one owner dies, all sums in the account will pass to the surviving owner (s). A surviving owner’s interest is subject to the Credit Union’s statutory lien for the deceased owner’s obligations, and to any security interest or pledge granted by a deceased owner.

Control of Multiple Party Accounts: Any owner may withdraw all funds, stop payment on items, transfer, or pledge to us all or any part of the shares without the consent of the other owner(s). If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act.

Accounts for Minors—We may require any account established by a minor be a multiple party account, with an owner who has reached the age of majority under state law.

Account Rates and Fees—We pay account earnings and assess fees against your account as set forth in the Rate and Fee Schedule. We may change the Rate and Fee Schedule at any time and will notify you as required by law.

Deposit of Funds Requirements—Funds may be deposited to any account, in any manner approved by the Credit Union.

Endorsements: We may accept transfers, checks or drafts for deposit into any of your accounts if they are made payable to, or to the order of, one or more account owners. If a check, draft or item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft or item as though it is payable to either person.

Collection of Items: We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail are not our responsibility until we receive them.

Final Payment: All items or Automated Clearing House (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items or ACH transfers and impose a return item charge of your account. We reserve the right to refuse or return any item of funds transfer.

Direct Deposits: We may offer preauthorized deposits (e.g. payroll, Social Security, etc.). You must authorize payroll deductions by signing a Payroll Deduction form. Upon a bankruptcy filing, we will cancel all payroll deposits coming in to your account.

Crediting of Deposits: Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

Inactive Accounts—If your account falls below any applicable minimum balance and you have not made any transactions over twelve (12) months, we may classify your account as inactive. We may charge a service fee set forth in the Rate and Fee Schedule for processing your inactive account. Funds in inactive accounts will be reported and remitted in accordance with state law. Once funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.

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

Business Days—Our business days are Monday through Friday. Holidays are not included.

Account Access

Authorized Signature: Your signature on the Account Card authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine.

Access Options: You may withdrawal or transfer funds from your account in any manner we permit (e.g. in person, by mail, automatic transfer, or telephone). We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.

ACH: You agree that if you receive funds by ACH, we are not required to notify you at the time the funds are received. Instead, the transfer will be shown on your periodic statement.

Transaction Limitations

Withdrawal Restrictions: We permit withdrawals only if your account has sufficient available funds. Drafts or other transfer or payment orders which are drawn against insufficient funds may be subject to a service charge set forth in the Rate and Fee Schedule. We may refuse a withdrawal if: (1) a dispute between account owners; (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been submitted; or (5) you fail to repay the Credit Union on time.

Maximum amount of withdrawal is based on the amount of cash the credit union has on hand at any given time. Small credit unions do not carry large amounts of cash as a matter of routine, not an indicator of distress. For large withdrawals, contact the credit union for availability.

Transfer Limitations: For share savings account, you may make up to six (6) preauthorized, automatic, telephonic, or electronic transfers during any calendar month. We may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend, or close your account.

Certificate Accounts—Any share certificate allowed by state law and offered by the Credit Union, is subject to the terms of this Agreement and the Rate and Fee Schedule .

Account Information—Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) such disclosure complies with the law or a government agency; or (3) you give us written permission.

Hold On Funds—If we accept for deposit a check that is drawn on another bank, we may make funds from the deposit available for withdrawal immediately but delay your availability to withdraw the full amount based on the amount of funds you had on deposit prior to the deposit of the check.

Notices

Name or Address Change: You are responsible for notifying us of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. If mail is returned to us by the USPS due to an invalid address, we may impose a service fee as set forth in the Rate and Fee Schedule.

Notice of Amendments: Except as prohibited by applicable law, we may change the terms of this Agreement. We will notify you of any changes in terms, rates, or fees as required by law.

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

Statements

Contents: You will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. You agree that only one statement is necessary for a multiple party account.

Examination: You are responsible for examining each statement and reporting any irregularities to us. We will not be responsible for any forged, altered, unauthorized or unsigned items drawn on your account if: (1) you fail to notify us within thirty-three (33) days of the mailing date of the earliest statement regarding any error in the statement; or (2) any items are forged or altered in a manner not detectable by a reasonable person.

Notice to Credit Union: The statement will be considered correct for all purposes and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. If you fail to receive a periodic statement you agree to notify us within fourteen (14) days of the time you regularly receive a statement.

Periodic Statements: We will send you a quarterly share account statement unless we consider the account inactive. Transaction account holders will receive a monthly statement.

Termination of Account—We may require you to close your account and apply for a new account if: (1) there is a change in owners; (2) there has been a forgery or fraud reported or committed involving your account; (3) there is a dispute as to the ownership of the account or of the funds in the account; (4) there has been any misrepresentation or any other abuse of any of your accounts; or (5) we reasonably deem it necessary to prevent a loss to us. We are not responsible for any draft, withdrawal or other item after your account is terminated, however, if we pay an item after termination, you agree to reimburse us.

Death of Account Owner—We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of a member's death. This Agreement will be binding upon any heirs or legal representatives of any account owner.

Stop Payment Orders—You may request a stop payment on any draft drawn on your account. If you give us incorrect or incomplete information, we will not be responsible for failing to stop payment on the draft. If the stop payment order is not received in time for us to act upon the order, we will not be liable to you or to any other party for payment of the draft.

Liability: Fees for stop payment orders are set forth in the Rate and Fee Schedule. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims of related to our refusing payment of an item, including claims of any multiple party account owner in failing to stop payment of an item as a result of incorrect information provided by you.

Credit Union Liability—If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim.

Credit Union Lien and Security Interest—If you owe us money as a borrower, we have a statutory lien on the account funds in any account in which you have an ownership interest, regardless of their source, unless prohibited by law. We may apply these funds, without further notice to you, in any order to pay off your indebtedness. In addition, you grant the Credit Union a consensual security interest in your accounts and we may use the funds from your account to pay any debt, unless prohibited by applicable law.

Enforcement—You are liable to us for any loss, cost or expense we incur from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs.

Governing Law—This Agreement is governed by the Credit Union's Bylaws, federal laws and regulation, including applicable principles of contract law, and regulations of the state (MS) and federal government. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in Harrison County, MS.

Disclosures

Electronic Delivery of Statements—If you have selected electronic delivery of statements (eStatements), you consent and agree the Credit Union may provide periodic account statements to you in electronic form, in lieu of paper form. You understand that we will discontinue mailing paper periodic statements. You can obtain, review and print eStatements through our online banking system.

Duty to Review Periodic Statements: As previously mentioned in this Agreement, you agree to promptly access/review your eStatement and notify us of any error.

Liability: You agree that the Credit Union shall not be liable if you are unable to gain access to the website. You understand that our online banking system may not be available from time to time due to maintenance and/or network failure.

Our Right to Terminate: You agree that we can terminate the service and revert to printed statements for any reason at any time.

Automated Clearing House (ACH)

Under the Operating Rules of the National Automated Clearing House Association (NACHA), which are applicable to ACH transactions involving your account, the Credit Union is not required to give next day notice to you of receipt of an ACH item. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Credit given by us to you with respect to an ACH credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive 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 party making payment to you via such entry shall not be deemed to have paid you the amount of such entry.

We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses and which are not subject to the Electronic Funds 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.