



Membership Agreement





Welcome to Ascend,

It is our pleasure and goal to make each member feel appreciated by offering superior service. From day one our mission has remained focused on our members. We intend to provide you with a financial experience beyond compare through our attentive service, full suite of financial tools, and expert advice – all coupled with a personal touch.

Every day we ask ourselves how we can make things easier, faster, or better. We do this for one reason: You. At Ascend we know we can make a difference in the financial lives of our members. By providing the best services, constantly striving to improve, and responding to our members' needs, we know that we are raising possibilities for them.

Welcome to personal financial service that aims higher.

Sincerely,

Matt Jernigan
President and CEO

IMPORTANT NOTICE

Ascend agreements and disclosures are contained in this booklet. Please keep this booklet for your records. The agreements and disclosures are for your reference, and they are subject to change at any time, with notice if required by law.

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Membership Eligibility

Now that you have joined Ascend, members of your immediate family, who are defined as grandparents, parents, spouse, children, grandchildren, brothers and sisters, are also eligible for membership. And in some instances, permanent household members of existing members may join.

Membership Agreement

By signing the Membership Application or completing and transmitting an online account authorization or service request, or by establishing and using an account, each of you, jointly and severally, agree to the terms and conditions in this document, your Membership Application, terms and conditions of accounts, including the Privacy Policy, and Truth-in-Savings Disclosures ("Rate and Fee Addendum") accompanying this document, any account receipt, our Bylaws and Policies, and any amendments which collectively govern your membership and accounts (collectively, Agreement).

In this Agreement, the words "you" and "yours" mean those who sign the Membership Application or approve an electronic application. The words "we," "us," and "our," mean Ascend. The word "account" means any one or more deposit accounts you have at Ascend. You agree that additional accounts and associated services you request in the future will be governed by this Agreement, as amended from time to time. You certify that you are within the field of membership of Ascend and the information provided on your Membership Application is true and correct.

You agree that we have the right to apply the balance of funds and dividends in all individual and joint accounts you have to satisfy all sums in default on any type of account or loan balance due, including costs of collection and reasonable attorney fees. If you are in default, Ascend may exercise its right without further notice to you at any time.

You also agree that:

- a. Only Ascend approved methods may be used to make withdrawals from any account.
- b. Ascend is under no obligation to pay an electronic funds transfer transaction that exceeds the available balance in any account. See p. 10 Overdraft Disclosures.
- c. Any objection to a transaction shown on a periodic statement of a savings account must be made in writing to Ascend before the end of 60 days after the statement is mailed. After 60 days, other restrictions will apply.
- d. This account is subject to Ascend's right to require advance notice of withdrawal.
- e. This account is also subject to such other terms, conditions, and fees as Ascend may establish from time to time with or without prior notice.
- f. If a negative balance occurs, Ascend has the right and authority to transfer funds from any other account(s) of the Primary Owner, or if applicable the Joint Owner, to bring the account out of a negative balance.
- g. You understand and agree that excessive electronic fund transfers causing NSF's could result in immediate closure of your account or denial of other benefits without prior notice.
- h. You understand that any financial service provided by Ascend may only be used for any transaction permitted by law. You agree that

illegal use of any financial service will be deemed a default, and all services may be terminated at Ascend's sole discretion. You further agree, should illegal use occur, to waive the right to sue for such illegal activity and indemnify and hold Ascend harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal or fraudulent use.

- i. Members' accounts are not transferable. This agreement supersedes all prior agreements.

You agree that all disputes and claims arising out of or relating to the provisions contained in the Agreement, your application, and your use of any Ascend products and services, or the relationships that arise from either, whether based in contract, tort or otherwise, except for claims relating to Ascend debt collection or estate matters, shall be resolved by binding individual arbitration under the expedited procedures of the AAA Consumer-Related Disputes Supplementary Procedures.

This arbitration provision shall be interpreted and enforced in accordance with the Federal Arbitration Act, Title 9 of the US Code. We will pay the filing fees and costs of the arbitrator. However, you are responsible for your costs, including your attorneys' fees. Arbitration hearings will be held at a location within 50 miles of your residence at the time the arbitration is commenced, to be designated by the arbitrator, or at another location if agreed. AAA will appoint a single arbitrator who shall be an attorney or a retired judge. The arbitrator shall have experience and knowledge of financial transactions. Any issue concerning whether or the extent to which a dispute or claim is subject to arbitration, including but not limited to issues relating to the validity or enforceability of this arbitration provision, shall be determined by the arbitrator. All statutes of limitations or other defenses relating to the timeliness of the assertion of a dispute or claim that otherwise would be applicable to an action brought in a court of law shall be applicable in arbitration, and the commencement of arbitration is deemed the commencement of an action.

The arbitration shall be solely between you, Joint Owners, if any, and us and no class arbitration or other representative action shall be permitted, nor shall the arbitration be joined or consolidated with any other arbitration.

Judgment upon the award rendered in arbitration shall be final and may be entered in any court, state or federal, having jurisdiction. Any relief available in a court of law can be awarded by the arbitrator. Where mandatory arbitration is prohibited by law and for Ascend debt collection actions, the exclusive forum for any litigation arising out of or relating to the Agreement, your application and your use of Ascend's products and services, or the relationships that arise from either, shall be a Court in Coffee County, Tennessee. Neither we nor you shall invoke rights to arbitration for individual collections, judgment or estate related matters filed in small claims or probate court.

YOU HEREBY MUTUALLY WAIVE THE RIGHT TO TRIAL BY JURY OF ALL DISPUTES, CONTROVERSIES AND CLAIMS BY, BETWEEN OR AGAINST US WHETHER THE DISPUTE, CONTROVERSY OR CLAIM IS SUBMITTED TO ARBITRATION OR IS DECIDED BY A COURT.

This process does not preclude you from informing any federal, state or local agency or entity of your dispute. An agency or entity may be able to seek relief on your behalf. If you do not choose to consent to arbitration, you can opt out by sending a written request to Ascend within 60 days of

your receipt of this Agreement. The opt-out shall be in writing, signed by you and mailed to Ascend Legal Department at P.O. Box 1210, Tullahoma, TN 37388. Opting out of this arbitration clause will not affect any other rights and obligations you or we have under the terms of this Agreement and other Ascend documentation.

USA Patriot Act Notice

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT.

To help the government comply with the requirements of the USA Patriot Act, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying document, including your Social Security number.

Products & Services Descriptions

Additional Terms and Conditions may apply. See "Rate and Fee Addendum" for fees on ascend.org.

ATM Cards

Use your Ascend ATM card at thousands of ATMs worldwide.

Financial Education Resources

Visit ascend.org for free financial education including budgeting guidance, financial calculators, homebuying tips, and how to use credit wisely.

Christmas Club Accounts

Open a special club account to help you save for the Christmas holidays. Convenient deposit options include automatic transfer, by mail, via digital banking, or at any Ascend branch.

Online Services

Visit ascend.org for our current rates and promotions, detailed product descriptions and loan applications. Use ascend.org to access digital banking where you can view account balances, transfer funds between accounts, make loan payments, order checks, receive electronic statements, and view images of cleared checks.

Ascend Mobile App

Use our free and secure mobile app to monitor account balances, view images of canceled checks, transfer funds between accounts, deposit checks and pay bills with online bill pay.

Secure your wallet without leaving the Ascend app. Enable or disable your Ascend card(s) directly from your phone. Use the app to deactivate the card while it is out of your hands, then reactivate it again after you retrieve it.

Free Notary Service

Debit Cards

When you use an Ascend debit card, purchase amounts are automatically deducted from your checking account.

Possibilities Newsletter

Receive our newsletter to keep up to date on promotions and important

Ascend issues. Members enrolled to receive Online Statements will receive a digital version, straight to their inbox, while members who pay the \$1 fee to receive paper statements will receive a printed copy.

Ascend Retirement and Investment Services*

Ascend Retirement and Investment Services are designed exclusively for you and offer various insurance and investment programs that complement traditional Ascend savings plans. These include money management, insurance, retirement, investment, estate and tax planning.

Not Insured by NCUA or Any Other Government Agency	Not Credit Union Guaranteed	Not Credit Union Deposits or Obligations	May Lose Value
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***Securities and advisory services are offered through LPL Financial (LPL), a registered investment advisor and broker-dealer (member FINRA/SIPC).** Insurance products are offered through LPL or its licensed affiliates. Ascend Federal Credit Union and Ascend Retirement and Investment Services **are not** registered as a broker-dealer or investment advisor. Registered representatives of LPL offer products and services using Ascend Retirement and Investment Services and may also be employees of Ascend Federal Credit Union. These products and services are being offered through LPL or its affiliates, which are separate entities from, and not affiliates of, Ascend Federal Credit Union or Ascend Retirement and Investment Services. Securities and Insurance offered through LPL or its affiliates are:

Health Savings Account (HSA)

Cover medical expenses, including co-pays, deductibles, and prescriptions. You must have an HSA-qualified health plan to open.

Money Market Account

Open a Money Market account with six free withdrawals per month and a higher annual percentage yield (APY) for balances over \$2,500. Your annual percentage rate (APR) grows the more you save. See p. 24.

Direct Deposit and Automatic Transfer Options

Have your paycheck deposited directly to your savings or checking account and get immediate access to your funds via your checking account, ATM card, debit card or digital banking.

Automatic transfers make it easy for you to save or make loan payments. Transfers are made automatically from your account, on the date and in the amount you choose. You can make changes without penalty.

Checking Accounts

Ascend offers several types of checking accounts.

The Interest Earning Checking account earns higher dividends and features many useful benefits.

Rewards Checking offers 10¢ cash back on every qualifying debit card purchase and many other benefits.

Free Checking is a simple checking account without dividends or perks.

Interest Earning, Rewards, Preferred and Free Checking offer the option of overdraft protection, p. 14. Ascend also offers Basic Checking for members not eligible for other checking products. After one year of successfully maintaining a Basic Checking account, members can request the account be converted to an Interest Earning or Rewards Checking account.

Real Estate Loans

Apply for a mortgage or home equity products. Ascend is an Equal Housing Lender.

Safe Deposit Boxes

Rent a low-cost safe deposit box at many of our branches.

Share Certificates

Open a certificate account with a higher APY than our savings account.

Savings Account

Your savings account earns dividends on a monthly basis.

STAR (Simple Touchtone Audio Response)

Manage your Ascend accounts by phone, 24/7. Call 800-342-3086 or visit any Ascend branch to receive a temporary personal identification number (PIN). Then, you can access by dialing 800-342-8663 or 931-455-8663. You will be required to change your PIN the first time you access STAR. An automated voice guides you through managing your account.

Toll-Free Line and Internet Home Page

800-342-3086
ascend.org

U.S. Savings Bonds

Bonds may be redeemed at any of our branches.

Visa Gift Cards

Visa gift cards are available in denominations from \$10 to \$500.

Visa TravelMoney Card

Visa TravelMoney combines some features of a traveler's check with the convenience of plastic.

Youth Account

We offer an account for members 17 and younger to help them create wise saving and spending habits early.

Account Designation Explanation

Sole Owner

Account can only be accessed by you or your designated power of attorney. Upon death, funds in the account are payable to your estate or as otherwise allowed by law.

Sole Owner Designates Beneficiary Upon Death

You, as sole owner, instruct Ascend to pay any funds remaining in your account at the time of death together with any proceeds to the beneficiary designated on your most recent Account Application.

Joint Owners have Right of Survivorship

Each Joint Owner instructs Ascend to recognize any of the signatures on your Account Application in the payment of funds and all transactions for this account. The Joint Owners agree with each other and with Ascend that all funds in this account are and shall be owned by them jointly with the right of survivorship and subject to withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge Ascend from any and all liability. Any or all Joint Owners may pledge all or any part of the funds in this account as collateral security to a loan or loans at Ascend, with the exception of Money Market, Christmas

Club, checking and escrow accounts. Joint Owners agree that the Primary Owner may remove the Joint Owner from the account without notice to the Joint Owner.

Joint Owners also agree to the terms and conditions of the account on the Account Application and as established by Ascend from time to time and as governed by law.

NOTICES – Notices will be sent to you at the most recent address you have given us in writing. Notice to any one of you will be notice to all.

Joint Owners with Right of Survivorship with Designated Beneficiary Upon Death of All Owners

Each Joint Owner instructs Ascend to recognize any of the signatures on your Account Application in the payment of funds and all transactions for this account and to pay any balance remaining in this Account at the time of death of the last surviving owner to the beneficiary designated on the most recent Account Application. The Joint Owners agree that all funds paid into this Account, by any or all Joint Owners, are and shall be owned by them jointly with the right of survivorship and subject to the withdrawal or receipt of any of them, and payment to any of them or the survivor or survivors shall be valid and discharge Ascend for any and all liability. Any or all Joint Owners may pledge all or any part of the monies in this Account as collateral security to a loan or loans at Ascend, with the exception of Money Market, Christmas Club, checking, and escrow accounts. Joint Owners agree that the Primary Owner may remove Joint Owner from the Account without notice to the Joint Owner. Joint Owners also agree to the terms and conditions of the Account on the Account Application and as established by Ascend from time to time.

NOTICES – Notices will be sent to you at the most recent address you have given us in writing. Notice to any one of you will be notice to all.

Additional Authorized Signatory

You designate the person whose signature appears on the Account Application as an additional authorized signatory with authority during your lifetime to withdraw funds from this account. Funds remaining in the account upon your death may become part of your estate. You authorize Ascend to release all funds in the account, honor checks, and orders, drawn by your authorized signatory until notified of revocation of such authority or of your death. Authorized signatory agrees to any terms and conditions of the account as established by Ascend from time to time.

Checking Account Agreement, Money Market Account Agreement (for checking services only), and Health Savings Account (HSA) Checking Account Agreement

If requested, you authorize Ascend to establish a checking account or check transactions services for a Money Market account. Ascend is authorized to pay checks signed by you (or by any Joint Owner) and to charge all such payments against the funds in this account. Checks signed by you means (1) checks that bear your signature or mark, and (2) checks issued by a third-party bill-payer service at your request and on your authorization. If you give your account number to a third party, you authorize Ascend to honor transactions initiated by the third party even if you did not specifically authorize a particular transaction.

It is further agreed that:

- a. Only checks and other methods approved by Ascend may be used to make withdrawals from this account. All paper items must be compliant with financial industry standards and Credit Union specifications. Non-compliant items will be declined.
- b. Ascend is under no obligation to pay a check that exceeds the fully paid and collected checking balance in this account. Refer to the "Rate and Fee Addendum" for nonsufficient fund (NSF) fees. If overdraft protection is selected, Ascend may pay such checks and transfer funds to this account in the amount of the resulting overdraft from other regular savings accounts from which you are eligible to withdraw funds and/or as a request for an advance for the exact amount from this loan account if sufficient to permit Ascend to pay such check and credit the loan advance to this account, subject to certain terms and conditions.
- c. Ascend may pay a check on whatever day it is presented for payment, notwithstanding the date (or any limitation on the time of payment) appearing on the check.
- d. When paid, checks become the property of Ascend and will not be returned.
- e. Except for willful misconduct, Ascend is not liable for any action it takes regarding the payment or nonpayment of a check.
- f. Any objection respecting any item shown on a periodic statement of this account is waived unless made in writing to Ascend before the end of 60 days after the statement is mailed.
- g. This account is subject to Ascend's right to, unless otherwise allowed by law, require advance notice of withdrawal, as provided in its bylaws.
- h. This account is also subject to such other terms, conditions, and service charges as Ascend may establish from time to time with or without notice.
- i. If a negative balance occurs, Ascend has the right and authority to transfer funds from the other account(s) of the Primary Owner (or the Joint Owner) to bring this account out of a negative balance (not applicable to HSA checking accounts).
- j. You understand and agree that excessive returns or overdrafts could result in immediate closure of your account without prior notice.

Overdraft Disclosures

We may pay overdrafts in your checking account, and Money Market accounts for checking transactions, and charge you a fee. "Overdraft" means there is not enough available balance in your account. If we pay for an overdraft, we will charge a fee of \$25, or the current rate described in our "Rate and Fee Addendum" which is updated periodically. Please note that for ATM and one-time debit card transactions, you must affirmatively opt-in to this coverage. Without your consent, we may not authorize and pay an ATM or one-time debit card transaction that will result in insufficient available funds in your account. The following is important information regarding your account balance, how transactions are posted to your account, and when an overdraft fee will be charged. You should read these disclosures carefully. If you have questions, see a branch representative, or call 800-342-3086.

Your Account Balance

Your account has two kinds of balances: the "actual" balance and the "available" balance. Both can be checked when you review your account online, at an ATM (except Money Market accounts), by phone, or at a branch.

It is important to understand how the two balances work so that you know how much money is in your account at any given time. This section explains actual and available balances and how they work.

Your actual balance is the full amount of all unused deposits to your account, even though some portion of a deposit may be on hold and may not be available to you or may be pending receipt of funds from a third party, reduced by payment transactions that have actually been presented to us for payment, and have processed to your account, but not payment transactions that have been authorized and are pending, or all or portions of checks or other deposits that have not yet posted. Thus, while the term "actual" may sound as though the number you see is an up-to-date display of what is in your account that you can spend, that is not always the case. For example, if you have a \$50 actual balance, but you just wrote a check for \$40, then your actual balance is \$50 but it does not reflect the pending check transaction. So, at that point, you have \$50 in your actual balance, but you have already spent \$40.

Your available balance is the amount of money in your account that is available to you to use. The available balance takes into account things like holds placed on deposits and pending transactions (such as pending debit card purchases) that Ascend has authorized but that have not yet posted to your account. Other holds on funds, such as a levy, also impact the immediate availability of funds. For example, assume you have an actual balance of \$50 and an available balance of \$50. If you were to swipe your debit card at a restaurant to buy lunch for \$20, then that merchant could ask us to pre-authorize the payment (referred to as a "pre-authorization commitment"). If we do so, we are obligated to pay the merchant, even if your available account balance is negative at the time the debit card transaction is presented to us by the merchant for payment. In that case, we will put a "hold" on your account for \$20. Your actual balance would still be \$50 because this transaction has not yet been posted, but your available balance would be \$30 because you have committed to pay the restaurant \$20. When the restaurant submits its bill for payment (which could be a few days later), we will post the transaction to your account and your actual balance will be reduced by \$20.

When Your Account is Overdrawn

Your account is overdrawn if both your actual balance (at the time a transaction is posted) and your available balance (at the time a transaction is authorized) are insufficient to cover the amount of a transaction. The following example illustrates how this works:

Again, assume your actual and available balances are both \$50, and you swipe your debit card at a restaurant for \$20. The merchant requests a pre-authorization commitment from us to pay the \$20 transaction. Because you have \$50 available in your account, we will likely authorize the transaction for payment and will reduce your available balance to \$30. Your actual balance is still \$50. Before the restaurant charge is presented for payment, a check that you wrote for \$40 clears. Because you have only \$30 available (you have committed to pay the restaurant \$20), your account will be overdrawn by \$10, even though your actual balance is \$50. In this case, we may pay the \$40 check, but you will be charged an overdraft fee of \$25. That fee will be deducted from your account, further reducing the balance. However, in general, no overdraft fee will be charged on the debit card transaction since your available balance was sufficient to pay it at the time of preauthorization. Please note that there are circumstances in which our system may also

charge a fee on the debit card transaction, as described above.

It's very important to understand that you may still overdraw your account even though the available balance appears to show there are sufficient funds to cover a transaction that you want to make. This is because your available balance may not reflect all your outstanding checks and automatic bill payments that you have authorized, or other outstanding transactions that have not been paid from or posted to your account. In the example above, the outstanding check will not be reflected in your available balance until it is presented to us and paid from your account. Also, your available balance may not reflect recent deposits to your account that are subject to "holds" as described in the section of your Membership Agreement entitled "Availability of Funds Disclosure."

In addition, your available balance may not reflect all of your debit card transactions. For example, if a merchant obtains our pre-authorization commitment but does not submit a one-time debit card transaction for payment within three business days of authorization (or for up to 30 business days for certain types of debit card transactions), we must release the authorization hold on the transaction. The available balance will not reflect this transaction once the hold has been released until the transaction has been received by us and paid from your account.

Even though we may increase your available balance when a merchant does not submit the pre-authorized commitment transaction timely, the commitment to pay the transaction still applies and we must honor the payment commitment. The period for the pre-authorized commitment may be different for certain types of merchants, such as gas stations, that may have a preauthorization commitment period of several hours. You acknowledge and agree we are not obligated to notify you if your account does not have a sufficient actual account balance in order to pay transactions you have initiated.

Authorizing a Transaction

Your available balance (plus any Overdraft Privilege funds applicable to your account) is used to determine whether we will authorize a transaction for payment. Check, draft, and ACH transactions are authorized for payment when they are presented for payment. Your debit card transactions are authorized when you swipe your card at a merchant location or when you provide your debit card to an online merchant. Your debit card transactions may not be received for payment for several days after they are authorized.

How Transactions are Posted to Your Account

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

- **Credits.** Most deposits are added to your account when we receive them. For some checks you deposit, only \$225 will be made available at the time of deposit; the balance will be available two business days later. There may be extended holds on checks over \$5,525 or in other circumstances. Thus, your available balance may not reflect the most recent deposits to your account. For details on the availability for withdrawal of your deposits, see the section of your Membership Agreement entitled "Availability of Funds Disclosure."

- **Debits.** There are several types of debit transactions. Each type of debit transaction is described generally below. Keep in mind that there are many ways transactions are presented for payment by merchants and Ascend is not necessarily in control of when transactions are received.
- **Signature Debit Card Transactions.** These are transactions where you make a purchase with your debit card, and you do not enter your personal identification number (PIN), but you are instead asked to sign for the purchase. As described above, in these situations, the merchant may seek prior authorization for the transaction. When that happens, we generally reduce the available funds in your account by the amount of the authorization request. We refer to this as an "authorization hold." Authorization holds are deducted from your available balance immediately but not your actual balance until after you sign for the transaction, and it is processed by the merchant and submitted to us for payment. This can happen hours or sometimes days after you signed for it, depending on the merchant and its processing company. These payment requests are received in real time throughout the day and are posted to your account as they are received. Please note: the amount of an authorization hold may differ from the actual payment because the final transaction amount may not yet be known to the merchant when the authorization request is submitted. For example, if you use your card at a restaurant, a hold will be placed in the amount of the bill presented to you, but when the transaction posts it will include any tip that you may have added to the bill. This may also be the case where you swipe your debit card at gas stations and hotels and other retail establishments. We cannot control how much a merchant asks us to authorize, or when a merchant submits a transaction for payment.
- **Checks.** When you write a check, it is processed through the Federal Reserve system. We receive data files of cashed checks from the Federal Reserve each day. The checks drawn on your account are compiled from these data files and paid each day. We process the payments from low to high dollar value.
- **ACH Payments.** We receive data files every day from the Federal Reserve with Automated Clearing House or ACH transactions. These include, for example, automatic bill pays you have signed up for. Each day, ACH payment transactions are paid in the order they are presented in the data file we receive from the Federal Reserve. Available for Money Market accounts.
- **Point of Sale (POS) Debit Card Transactions.** These are transactions where you use your debit card, and you enter your PIN at the time of the sale. They are similar to ATM withdrawals because money is usually deducted from your account immediately at the time of the transaction. However, some POS transactions are not presented for payment immediately; it depends on the merchant.

This is a general description of how certain types of transactions are posted. These practices may change, and we reserve the right to pay items in any order we choose as permitted by law. We may receive multiple deposit and withdrawal transactions on your account in many different forms throughout each business day. This means that you may be charged more than one fee if we pay multiple transactions when your account is overdrawn. In addition, we may receive multiple withdrawal attempts on a single transaction. This means that you may be charged a fee each time it

is presented. For Money Market accounts, we will also charge an excess withdrawal fee if you exceed the six-withdrawal-per-month limit (includes transfers). Please see "Rate and Fee Addendum" for fee amount.

Overdraft Fees and Insufficient Funds Fees

Fee Assessments

If a transaction is presented for payment and you do not have a sufficient available account balance, we may assess an overdraft or insufficient funds fee depending on whether the transaction is paid or returned.

This section explains these two fees:

- a. If a check or ACH payment transaction is not authorized, then it will be returned unpaid, and we will assess an insufficient funds fee. Note: except for recurring debit card transactions, this does not apply to debit card transactions; a debit card transaction that is not authorized will be declined with no corresponding fee when account funds are insufficient.
- b. If a transaction is authorized and both your available account balance at the time of authorization and your ledger account balance at the time of payment are insufficient, we may, but are not obligated to, pay the transaction, and will assess an overdraft fee.
- c. You may be assessed more than one of these fees if multiple transactions are submitted for payment when the ledger account balance is insufficient (overdrawn).
- d. You may be assessed more than one insufficient funds fee or an overdraft fee if a merchant submits the same payment multiple times after it has been initially rejected for payment.

THE BEST WAY TO KNOW HOW MUCH MONEY YOU HAVE AND TO AVOID PAYING OVERDRAFT FEES IS TO RECORD AND TRACK ALL OF YOUR TRANSACTIONS CLOSELY.

IF YOU DO NOT UNDERSTAND ACCOUNT BALANCES, HOW WE PROCESS TRANSACTIONS, OR WHEN YOUR ACCOUNT MAY BE SUBJECT TO OVERDRAFT OR INSUFFICIENT FUNDS FEES, PLEASE CONTACT US.

Checking Account Overdraft Protection

Not applicable to HSA checking accounts.

Upon opening your checking account or any time after, you may sign up for one of our overdraft protection plans. The first option transfers the exact amount of the overdraft from your regular savings account if available. Six transfers per month can be made at no charge (See "Rate and Fee Addendum" for additional fee info). Joint Owners designated on your checking account must also be joint on the savings account.

The second option is overdraft coverage through a personal line of credit loan at the current rate of interest. This option requires that you and any Joint Owner, if applicable, complete a loan application and be approved.

The third option allows you to combine the first two options by requesting that the overdraft amount be transferred from your regular savings account if the money is available. If not, then the overdraft amount would be covered through an approved personal line of credit loan. This also works in reverse. You can request that if you overdraft, first the loan will be extended to cover up to your approval limit. If the loan does not completely cover the overdraft,

the remainder will be taken from your savings account if it is available.

A fourth option is to have the amount of the overdraft transferred from a Money Market account. The Money Market account is allowed six free withdrawals each month and includes transfers. Any subsequent withdrawals, even if the funds are transferred to cover an overdraft on the checking account, will be charged a service fee. The per-transfer overdraft transfer fee will not be charged additionally for transfers from the Money Market account if you transfer more than six times in a given month. Joint Owners on the checking account must be joint on the Money Market account. See "Rate and Fee Addendum" for the most current fee amounts.

If the funds are not available in the overdraft option or options you have selected above, and if you do not have Overdraft Advantage, we will charge a fee for each returned check. (See "Rate and Fee Addendum" for the amount of the fee). Any personal line of credit loan delinquent by 14 days or more voids loan overdraft protection and will result in a hold for the amount of the delinquency being placed on your savings account. In this case, funds may not be available for transfer from your savings account to clear the check resulting in a returned check and the corresponding fee.

Important Information Regarding the Overdraft Advantage Program

Not available for Money Market and Health Savings Account transactions.

Overdraft Advantage is a discretionary service offered to qualifying members with checking accounts. Ascend may pay an overdrawn amount and prevent a check from being returned to the merchant. If you qualify and opt-in to Overdraft Advantage for your debit card, we may also pay ATM and point-of-sale transactions with your card. Standard overdraft fees apply, but you may be spared the expense of paying fees charged by merchants. Ascend is under no obligation to pay items when your account has nonsufficient funds (NSF) even if previous NSF transactions were paid. Whether your overdrafts will be paid is discretionary, and we reserve the right not to pay, especially if your account is not in good standing. The Service does not constitute an actual or implied agreement between you and Ascend, nor does it constitute an actual or implied obligation of the Credit Union. The Service is a privilege that Ascend provides from time to time and which may be withdrawn, limited, or withheld by Ascend at any time, without prior notice, reason, or cause.

Accounts in "good standing" are those in which Overdraft Advantage overdrafts are paid in a timely manner, all Ascend loans are current, and there is no evidence of account abuse or fraud. In any event, Ascend will not approve an overdraft in excess of the predetermined amount assigned to your account by Ascend. Please note that the amount of the overdraft plus the Overdraft Advantage fee per paid item will be deducted from the overdraft limit.

The amount of any overdraft including our fee for each item (paid or returned) that you owe us shall be due and payable upon demand no later than 45 calendar days after the creation of the overdraft.

Electronic Funds Transfer Disclosure Statement

Below are your rights and responsibilities when using Electronic Funds

Transfer (EFT) services offered or accepted by Ascend. These rules govern the relationship between Ascend and each person authorized to use any of our electronic funds transfer services. Please read the following carefully and retain this copy with your Ascend records.

EFT Services Available

The following services are offered or accepted by Ascend and allow you to access your Ascend account 24 hours a day.

- a. **Automated Teller Machines (ATMs).** Use your Ascend ATM card at thousands of ATMs worldwide to withdraw cash from and make deposits to your savings, checking, and Money Market accounts; make open-end loan advances; and inquiries about your account. All transactions listed here may not be available at all ATMs. (If you use an ATM that is not affiliated with us, you may be charged a fee by the ATM operator. The ATM surcharge will be debited from your account if you elect to complete the transaction). ATM cards are not available for HSA checking accounts or Money Market account checking transactions.
- b. **Simple Touchtone Audio Response (STAR).** Use Ascend's touchtone telephone service to change your STAR personal identification number (PIN). Check balances, transactions, and loan history; transfer funds between accounts in which you have ownership interest and to and from another member on accounts where you have cross account access established, copy of a check, monthly statement and IRS form 1099 INT, review and request stop payments and report a lost or stolen debit or credit card.
- c. **Automated Clearing House (ACH).** Receive pre-authorized deposits to and withdrawals from your Ascend accounts, including recurring payments, subject to certain terms and conditions. ACH withdrawals are allowed from Money Market Accounts.
- d. **Debit card.** Use at Visa Merchant terminals to purchase goods and services in POS transactions (use of the card to pay a merchant for goods and services at point-of-sale and as an ATM card).
- e. **Digital banking.** Access your accounts online to complete most transactions 24-hours-a-day, seven-days-a-week. The delivery of your transaction information is real-time and accurate. With online banking, you can transfer funds between your savings, checking, HSA checking*, or line-of-credit accounts; make loan payments on your Ascend accounts; verify your balances, order checks, apply for loans; pay bills, receive statements and review transactions.
- f. **Point-of-Purchase Transactions and Accounts Receivable Check Entries.** Ascend allows electronic check transactions to post to member's checking accounts.
- g. **HSA debit card.** Use at Visa-Merchant terminals to purchase goods and services in POS transactions.
- h. **Mobile app.** Use your smartphone to deposit checks, transfer funds, check your balance, and much more.
- i. **Money Market debit card.**

Card Ownership Termination

All cards remain our property and shall be surrendered immediately to Ascend upon request. We may terminate your privilege of using the card and may withhold approval of any transaction at any time without notice to you.

Personal Identification Number (PIN)

If a PIN is made available to you to access any Ascend service, it is your

responsibility to safeguard that information. If a PIN is associated with a card, do not keep your card and PIN in the same place. Try to memorize your PIN and do not reveal it to anyone.

Member Liability

You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit other persons to use any EFT service ATM Card or Visa Debit Card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. You are also responsible for all EFT payments to recipients using recipient information generated by you, even if that recipient turns out to be a fraudster or different than the intended recipient.

Tell us AT ONCE if you believe your card has been lost or stolen. Contacting us immediately is the best way of keeping your possible losses down. You could be responsible for all the money in your account (plus your maximum overdraft line of credit unless protected by law). If a transaction was made with your card or card number without your authorization, and it was a Visa transaction, you will have no or only a certain amount of liability for the transaction, unless you were grossly negligent in the handling of your account or card. Your liability for unauthorized use of your card or account will be determined under the following paragraphs for transactions that are not Visa transactions, for transactions at ATMs, or if you were grossly negligent in the handling of your account or card.

If you tell us within two business days, you can be responsible for no more than \$50 if someone used your card without your authorization. If you do NOT tell us within two business days after you learn of the loss or theft of your card or PIN, you could be responsible for as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days after the statement was made available to you, you may not get back any money that was taken from you after the 60 days. If a good reason (such as an unexpected circumstance or a hospital stay) kept you from telling us, we may extend the time periods.

Use of peer-to-peer mobile payment apps is governed by the providers' terms and conditions and are only available for payments to known individuals, such as your share of the dinner bill. These apps are not available for payment of goods or services. You are responsible for all EFT payments to recipients using recipient information generated by you, even if that recipient turns out to be a fraudster or different than intended recipient.

For Debit Card Users

In the United States, lost or stolen debit cards should be reported directly to 866-609-7654 if Ascend is closed.

Address and Telephone Numbers

If you believe your card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your authorization, immediately call: 931-455-5441 or 800-342-3086 or write:

Ascend Federal Credit Union
P.O. Box 1210
Tullahoma, TN 37388

Charges For Transfers (Fees)

Refer to the fee schedule on the "Rate and Fee Addendum" for the following:

- a. ATMs

- b. STAR
- c. ACH
- d. Debit Cards
- e. Digital Banking
- f. Point of Purchase Transactions and Accounts Receivable Check Entries
- g. Foreign Transaction Fee (Visa card, debit card, HSA debit card, ATM card)

Ascend reserves the right to establish and maintain service charges and/or transaction fees and may change such fees and charges from time to time.

Disclosure of Account Information

We may disclose information to third parties about your account or the transfers you make:

- a. When it is necessary for completing transactions;
- b. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- c. In order to comply with a government agency, court orders or other legal mandates; and
- d. If you give us your permission.

Documentation of Transfers

You may receive receipts, statements, or notices, according to the type of service you use, so you will have a record of your electronic funds transfers. You can get a receipt at the time you make any transfer to or from your account when using an automated teller machine. If you have arranged 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 800-342-3086 or 931-455-5441 to find out whether or not the deposit has been made. You will get a monthly account statement unless there are no transfers in a particular month. In any case, you will get the statement at least quarterly.

When using digital banking, you will receive a confirmation screen with reference information after every transfer you make. You may save or print this information for your records. Your monthly statement will show all electronic fund transfers.

Business Days of Ascend

Our business days for purposes of this disclosure are Monday through Friday. Saturday, Sunday, and holidays are not business days.

Limitations on Transfers

The following limitations for dollar amount will apply when using the services listed above. For security reasons, the number of ATM, debit card, Money Market account debit cards, and HSA debit card transactions within a 24-hour period has been limited.

- a. Dollar Amounts:
 - i. ATM Transactions – You may withdraw up to \$500 or the available balance in your account, whichever is less, from our ATMs each 24-hour period.
 - ii. Debit Card and HSA Debit Card – Purchases made with your card are limited to \$5,000 or the available balance in your checking account, whichever is less, each 24-hour period. With your debit card, you may withdraw up to \$500 or the available balance in your checking account, whichever is less, from an ATM each 24-hour period.

- b. Payment Transfers via Online Bill Pay:
 - i. Deductions made to transact payments using online bill pay are from checking accounts only.

Right to Stop Payment

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call us at 800-342-3086 or 931-455-5441 or write to us at P.O. Box 1210, Tullahoma, Tennessee 37388, in time for us to receive your request three business days or more before the payment is scheduled to be made. If the request is made verbally, we may also require your request in writing and our receipt of said request within 14 days after your initial verbal notice. (You will be charged a fee as disclosed in the fee schedule on the "Rate and Fee Addendum" per request for each stop-payment order you give).

If the amount of these regular payments varies, we must be notified of the amount of the payment at least 10 business days prior to the date of each payment. No stop payment request is guaranteed.

With Online Bill Pay, you may cancel a pending bill payment by going to the My Payments screen, selecting the payment to be canceled, and clicking on Delete Payment. Payments may be canceled only when they are found on the My Payments screen.

Once the transaction is completed, the amount is debited from the account, and the transaction may be seen on View Payment History.

Our Liability if We Fail to Make Certain Transfers

Our failure to complete a transfer on time or in the correct amount, to or from your account, when you have properly instructed us to do so may result in us being liable to you for damages subject to certain requirements.

There are exceptions to our liability. We will not be liable for instance:

- If, through no fault of ours, you do not have enough money in your account to make the transfer;
- If the transfer would go over the credit limit on your personal line of credit loan;
- If the terminal or system was not working properly, and you knew of the breakdown before you began the transfer;
- If circumstances beyond our control (such as fire, flood, or equipment malfunction) prevent the transfer, despite reasonable precautions that we have taken;
- If the ATM where you are making the transfer does not have enough cash;
- If we have identified you as a credit risk and have chosen to terminate your services;
- With Online Bill Pay, if you do not obtain confirmation at the time you initiate a payment and/or transfer;
- With Online Bill Pay, if you have not provided us with the correct information for those merchants to whom you wish to direct payment or accounts to which you wish to make the transfer;
- With Online Bill Pay, if the merchant mishandles or delays handling payments sent by us; or
- There may be other exceptions not stated in this disclosure.
- You may recover only your actual damages if our failure to make a transfer resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adopted to avoid such error.

(With Online Bill Pay, maximum reimbursement cost is disclosed in the fee schedule on the "Rate and Fee Addendum.")

Limitations on Ascend's Responsibilities

Ascend is not liable for any personal injury, tangible, property, or other damage suffered or incurred by you through use or attempted use by you of the card at any ATM.

In Case of Errors or Questions About Your Electronic Transfers

Telephone us at 800-342-3086 or 931-455-5441 or write us at Attn: Accounting/General Ledger Department, P.O. Box 1210, Tullahoma, Tennessee 37388, immediately if you think your statement or receipt is wrong, or if you need more information about a transfer listed on the statement or receipt. You must notify us no later than 60 days after we send the first statement on which the problem or error appears. We will require the following information:

- a. Your name and account number;
- b. A description of the error or the transfer you are unsure about, and a clear explanation of why you believe it is an error, or why you need more information; and
- c. The dollar amount of the suspected error.

If you notify us verbally, we may require that you send us your complaint or question in writing within 10 business days.

We will tell you the results of our investigation within 10 business days (20 business days if you give notice of an error within 30 days after you make the first deposit to your account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 business days (90 business days if you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a point-of-sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories) to investigate your complaint or question unless otherwise mandated by law.

Upon request, we may credit your account within 10 business days (20 business days if you give notice of an error within 30 days after you make the first deposit to your account) for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

(If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within five business days or sooner unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within 10 business days).

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. If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. Any funds credited during the investigation period will be debited from the account.

You may request copies of the documents we used in our investigation in writing. Other requirements and obligations may apply as required by law.

Debit Card Agreement Including Health Savings Account (HSA) Debit Card and

Money Market Account Debit Card

These rules govern the relationship between Ascend and you if issued or authorized to use our debit card (Card). We may change the terms and/or conditions of this agreement without notifying you, subject to applicable law. When you use your Card for any type of account, you are bound by the standard terms of that account.

Acceptance, retention, or use of the Card by you constitutes an agreement between you and Ascend as follows:

Use and Ownership of Card

If you requested a Card, you agree that the Card be encoded and validated to purchase goods and services in Point-of-Sale (POS) transactions at places that have agreed to accept the Card. The Card remains the property of Ascend and shall be surrendered immediately upon request. We may terminate your privilege of using the Card and may withhold approval of any transaction at any time.

Overdrafts

If use of your Card overdraws your account, you will be notified and agree to make immediate payment to us of the amount of any such overdrafts together with such service charges as we may impose in accordance with applicable laws and Ascend's practices. You also agree to pay all costs of collection, including but not limited to, attorney fees. Whenever your account is overdrawn, we have the right to return unpaid checks or other orders on your account which are presented to us and assess a service fee per item (see "Rate and Fee Addendum"). If your account has an overdraft line of credit associated with it, the terms and conditions contained in your Credit Agreement (or other applicable agreement) will control, with respect to overdrafts of your account, regardless of whether they result from POS transactions, cash withdrawals, use of checks or any other card or device. See Overdraft Disclosures.

Authorization to Debit or Credit Account

Each time your Card is properly used, you authorize Ascend to debit or credit your account (whichever is appropriate) for the total amount shown on any sales check, withdrawal order or credit voucher originated by use of the Card, whether or not signed by you, and Ascend is permitted to handle such checks, orders, and vouchers in the same way it handles authorized checks drawn on your account.

Refunds on POS Transactions

Cash refunds will not be made on any POS transactions made with your Card. If the merchant involved with one of your POS transactions gives you any credit adjustment for the goods or services you purchased, the merchant will do so by sending us a credit slip which we will apply to your account. You must deal directly with the merchant on any claim or defense with respect to goods or services purchased by a POS transaction in dispute, plus any other appropriate charges we may be authorized to make. Ascend has no responsibility for issues arising from POS transactions.

Agreement to Comply with Rules

Your retention of, signature on, or use of the Card constitutes your agreement to comply with these rules and the additional rules as outlined in the Electronic Funds Transfer Disclosure Statement in this Agreement, and any amendments thereof. This Agreement and your use of the Card will be governed by the laws of the State of Tennessee and any other applicable

laws.

Digital Banking Agreement

Ascend's free digital banking services:

- Transfer funds between your savings, checking, HSA, Money Market, or line of credit accounts.
- Perform account-to-account transfers (provided you are an Owner on the accounts).
- Make loan payments on your Ascend accounts, determine which checks have cleared, verify your account balance, make application for consumer, home equity, and mortgage loans, send us electronic mail, obtain electronic statements, pay bills electronically, and much more.
- Get a better picture of your finances with our money management tool.
- You can transfer funds to family and friends conveniently in our mobile app and within digital banking.
- Make transfers between financial institutions easier with Funds Transfer, subject to its own terms and conditions.
- Chat with an Ascend representative securely without leaving your digital banking session.

Ascend maintains appropriate security standards to authenticate users of digital banking, including issuance of user IDs and passwords to members who request electronic access to their accounts. By using any of the digital banking services:

- a. You agree not to give out or make available your user ID and/or password to any person not authorized to access your account.
- b. You agree to keep your password for digital banking services secure.
- c. You agree to notify us immediately if you believe your password for the digital banking service has been used without your consent, obtained, or compromised in any way. We may suspend your access until a new password has been established.
- d. We reserve the right to terminate or suspend your use of digital banking in whole or in part at any time, for any reason, without notice and without liability.
- e. You may terminate digital banking access at any time by notifying us in writing and providing your name, address, account number, and date you want the termination to be effective. If you decide to terminate access, you will no longer be able to use digital banking or Online Bill Pay.
- f. Ascend will not be liable for any loss, liability, injury, or damages resulting from any failure of your equipment or software, or that of an Internet browser provider, by an internet service provider, or by an online service provider, nor will we be liable for any direct, indirect, special, or consequential damages resulting from your access or failure to access digital banking or Online Bill Pay. Further, you agree to indemnify, defend, and hold us, our affiliate companies, directors, officers, employees, agents, and assignees harmless against any third-party claim, demand, suit, action, or other proceeding and any expenses related to digital banking or Online Bill Pay services in any manner.
- g. Ascend is not responsible for any electronic virus that you may encounter. We suggest that you routinely scan your PC for possible viruses or other problems. An undetected virus may corrupt and

destroy your programs, files, and your hardware.

- h. You are responsible for all charges assessed by communication companies, both local and long-distance, or other related companies.
- i. You understand that to use digital banking, you must have Internet access through an internet provider and Internet browser software.
- j. Your use of digital banking is your acknowledgment that you have received and agree to be bound by this Agreement.

Availability of Funds Disclosure

Our policy is to make funds from your deposits available to you as set forth earlier and subject to below.

When you make a deposit with a representative at an Ascend branch or Interactive Teller Machine (ITM), you can withdraw some or all the funds in cash and we will use the funds to pay checks that you have written or debits/withdrawals you have made. When you make a deposit at one of our Automated Teller Machines (ATMs), cash deposits (daily maximum of \$9,999) and check deposits under \$225 will generally be made available to you immediately. Checks over \$225 will generally have the remaining amount available on the first business day after the day we receive 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 with a representative at one of our branches on a business day before 5:00 pm, central time, or with a video representative at an Ascend ITM before 7:00 pm, central time, or at an Ascend ATM on a business day before 11:59 pm, central time, we will consider that day to be the day we received your deposit. If you do not make your deposit in person to one of our employees (for example, you use the night drop), or if you make a deposit on a day that is not a business day, or make a deposit at an ATM after 11:59 pm central time, we will consider the deposit to have been received when it is processed on the next business day.

All deposits made by mail to P.O. Box 1210 Tullahoma, TN 37388-1210, will be considered received by Ascend Federal Credit Union on the business day we process the deposit.

Longer Delays May Apply

In some cases, we will not make all of the funds that you deposit by check available to you as described above. Funds may be put on hold and not be available until the second business day after the day of your deposit or later in certain cases. However, the first \$225 of your deposit will be available immediately if you make a deposit to one of our employees, or on the first business day after the day of your deposit if you make a deposit at an ATM.

If we are not going to make all of the funds from your deposit available as described above, 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 no later than the first business day following the day the facts become known or your deposit is received, whichever is later.

If you will need the funds from a deposit right away, ask us when the funds will 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 \$5,525 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 communications or computer equipment.
- You have a new account.
- If cashier's checks are deposited into an ATM or through mobile deposit, the funds are on hold until the seventh business day.

We will notify you if we delay your ability to withdraw funds for any of these reasons above or for a later period than two business days, and we will tell you when the funds will be available. They will generally be available no later than the seventh 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 deposits of cash, payroll, cashier's checks, certified checks, and electronic direct deposits will be available on the day we receive the deposit except cashier's checks deposited through ATMs or mobile deposit will be held until the ninth business day.

Funds from electronic direct deposits to your account, including wire transfers, will be available on the day we receive the deposit. and the first \$5,525 of a day's total deposits of 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. The excess over \$5,525 will generally 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.

Applicable for All Accounts

Please remember that even after we have made funds available to you, and you have withdrawn the funds, you are still responsible for checks you deposit that are returned to us unpaid and for any other problems involving your deposit, including overdraft fees if applicable.

Interest Earning Checking Accounts

Except as specifically described, the following disclosures apply to Interest Earning Checking accounts.

Rate Information

The dividend rates and annual percentage yields (APY) are based on the daily balance of the account. Dividends are calculated by the Daily Balance Method which applies a daily periodic rate to the balance in the account each day. Interest Earning Checking account dividends are paid on the last day of the month. Please refer to the "Rate and Fee Addendum" for the current dividend rates and annual percentage yields. The dividend rate is subject to change without notice. Fees may reduce earnings.

Compounding and Crediting

For this account type, the dividend period is the calendar month. For example, the beginning date of the first dividend period of the calendar year

is January 1, and the ending date of such dividend period is January 31. All other dividend periods follow this same pattern of dates. The dividend declaration date follows the ending date of a dividend period, and for the example is January 31.

If you close your Interest Earning Checking account before dividends are credited, you will receive dividends due at the time the account is closed. Dividends will not be earned for the day the account is closed.

Minimum Balance Information

The minimum balance account required to open an Interest Earning Checking account is \$25.00 for new and existing Ascend members (see the "Rate and Fee Addendum" for more information regarding minimum opening deposit requirements). There is no minimum balance requirement to maintain an Interest Earning Checking account.

Fees and Charges

There is a \$5.00 Monthly Service Fee for all Interest Earning Checking accounts. You must make 10 qualifying debit card purchase transactions of \$5.00 or more per calendar month from this account; or receive at least an aggregate of \$1,000 direct deposit into any share account each month; or keep a combined Average Daily Balance of \$5,000 in the shares associated with this account.

If you do not meet at least one of these three conditions for the month, your account will be charged the Monthly Service Fee for that month. Payment transactions, money transfers to non-financial institutions (such as person-to-person), tax payments, and fraudulent purchase transactions are excluded. Exclusions are subject to change (see the "Rate and Fee Addendum" for additional exclusions, if applicable). The debit card purchase transactions must be posted to the account during the calendar month to qualify. Please refer to the "Rate and Fee Addendum" for more information regarding the Monthly Service Fee and other potential fees associated with this account.

Transaction Limitations

No transaction limitations apply to this account.

Rewards Checking Accounts

Except as specifically described, the following disclosures apply to Rewards Checking accounts.

Rate Information

This is a non-dividend-bearing account.

Minimum Balance Requirement

The minimum balance amount required to open a Rewards Checking account is \$25.00 for new and existing Ascend members (see the "Rate and Fee Addendum" for more information regarding minimum opening deposit requirements). There is no minimum balance requirement to maintain a Rewards Checking account.

Cash Back Rewards

You could earn 10¢ cash back on debit card purchase transactions of \$5.00 or more each month (up to a maximum of \$250 per month, \$3,000 per year). Please note that the purchases must post to the account before any cash back is credited. Cash back will be calculated at month end on net purchases (purchases minus any credit or returns). Payment transactions,

money transfers to non-financial institutions (such as person-to-person), tax payments, and fraudulent purchase transactions are excluded. Exclusions are subject to change (see the "Rate and Fee Addendum" for additional exclusions, if applicable).

Fees and Charges

There is a \$5.00 Monthly Service Fee for all Rewards Checking accounts. You must make 10 qualifying debit card purchase transactions of \$5.00 or more per calendar month from this account; or receive at least an aggregate of \$1,000 direct deposit into this account each month; or keep a combined Average Daily Balance of \$5,000 in the shares associated with this account.

If you do not meet at least one of these three conditions for the month, your account will be charged the Monthly Service Fee for that month. Payment transactions, money transfers to non-financial institutions (such as person-to-person), tax payments, and fraudulent purchase transactions are excluded. Exclusions are subject to change (see the "Rate and Fee Addendum" for additional exclusions, if applicable). The debit card purchase transactions must be posted to the account during the calendar month to qualify. Please refer to the "Rate and Fee Addendum" for more information regarding the Monthly Service Fee and other potential fees associated with this account.

Transaction Limitations

No transaction limitations apply to this account.

Share Certificate Accounts

Except as specifically described, the following disclosures apply to all Share, Jumbo, Home Purchase, and Member Advantage Share Certificate accounts.

Rate Information

The Annual Percentage Yield (APY) is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. The APY is based on an assumption that dividends will be compounded and remain on deposit until maturity. A withdrawal of dividends will reduce earnings.

Variable Rate Accounts

For the IRA Accumulation Variable Rate Certificate accounts, the dividend interest rate and APY may change as determined by the credit union and will be set at the credit union's discretion. For all variable rate accounts, the initial dividend rate and APY you receive will be set forth on the Certificate Accounts Rate Schedule and Truth in Savings in effect at the time you open the account, and then they will vary according to the terms set forth above. The dividend rate and APY may change monthly as determined by the credit union's Board of Directors and will be based on the prospective rates and yields that the credit union anticipates paying for the applicable dividend period. For Money Market accounts, the dividend rate and APY may change at any time as determined by the credit union and will be based on the prospective rates and yields that the credit union anticipates paying for the applicable dividend period. For Health Savings Accounts, the dividend rate and APY may change monthly if the savings account rate changes and will be equal to the savings account rate plus or minus a stated percentage, based on the balance in the account. For all variable rate accounts, the initial dividend rate and APY you receive will be set forth on the "Rate and Fee Addendum" in effect at the time you open the account, and then they will

vary according to the terms set forth above.

Fixed Rate Accounts

All accounts not listed above have a fixed dividend rate and APY. The specific dividend rate and APY that apply will be set forth on the Certificate Accounts Rate Schedule and Truth in Savings in effect at the time you open the account and will be in effect for the term of the account.

Nature of Dividends

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

Compounding and Crediting

The compounding and crediting of dividends applicable to each account is set forth in the Certificate Accounts Rate Schedule and Truth in Savings. The dividend period begins on the first calendar day of the dividend period and ends on the last calendar day of the dividend period. For the Share, Jumbo, Home Purchase Share Certificate, and Member's Advantage Share Certificate accounts, dividends may be transferred monthly to another account. For all IRA Share Certificate accounts, members who are age 59½ or older or are totally disabled have the option to transfer dividends monthly to another account.

Minimum Balance Information

The minimum balance requirements applicable to each account are set forth on the "Rate and Fee Addendum." For all accounts, dividends are calculated by the Daily Balance method which applies a daily periodic rate to the principal in the account each day. For checking accounts, the minimum opening balance must be established at account opening unless established automatic transfers or direct deposits are being made.

Transaction Limitations

After your account is opened, your ability to make additional deposits to your account or withdrawal of dividends and any limitations on such transactions are set forth on the Certificate Accounts Rate Schedule. For all certificate accounts, withdrawals below the minimum balance will result in closure of the certificate, and a penalty may apply to the entire balance as described in these disclosures. Additional deposits to the IRA Accumulation Variable Rate Certificate and the Home Purchase Share Certificate accounts may be made in any increment. Prior to establishing a Member's Advantage Share Certificate, two qualifying services must be in use by the member.

During the term, this certificate allows:

1. one additional deposit of \$1,000 minimum; and
2. one rate increase to the current issue rate if greater.

Early Withdrawal Penalty

For all Share Certificate and IRA Share Certificate accounts, we may impose a penalty if you withdraw any of the principal before the maturity date.

Amount of Penalty

For Share Certificate and IRA Share Certificate accounts, the amount of the early withdrawal penalty is based on the term of your account. The penalty schedule is as follows:

- Terms of three (3) months and six (6) months – Ninety (90) days' dividends
- Terms of twelve (12) months – one hundred eighty (180) days' dividends

- Terms in excess of twelve (12) months – Two hundred ten (210) days’ dividends

For Share Certificate Accounts established and renewed between Jan. 1, 2016, and Dec. 31, 2018:

- Terms in excess of 12 months – equal to 50% of dividends to be earned from withdrawal date to the maturity date.

How the Penalty Works

The penalty is calculated as a forfeiture of part of the dividends that have been or would be earned on the account. It applies whether or not the dividends have been earned.

If the account has not yet earned enough dividends to cover the penalty, or if the dividend has already been paid, the penalty will be deducted from the principal.

Exceptions to the Early Withdrawal Penalty

For all accounts, at our option, we may pay the account before the maturity date without imposing an early withdrawal penalty if the member dies. For the Home Purchase Share Certificate account, we may pay the account before maturity without imposing the penalty when the withdrawal is being made in conjunction with the purchase of a home. For the IRA Share Certificate accounts, we may pay the account before maturity without imposing the penalty under the following circumstances:

- When member dies; or
- Within seven days after establishment of the account; or
- The owner attains age 59½ or becomes completely disabled; or
- When a qualified distribution is made from a Coverdell Education Savings account; or
- When the owner moves the IRA Accumulation Variable Certificate account to an IRA Fixed Certificate account.

Exclusive within Ascend Federal Credit Union:

- When the owner moves the IRA Accumulation Variable Certificate account to an IRA Fixed Certificate account; or
- Owners who have attained age 59 ½ or who are completely disabled have the option to move an IRA Fixed Certificate account to another IRA Share Certificate account one time per calendar year.

Accrual of Dividends

For all accounts, dividends will begin to accrue on deposits on the business day you make the deposit into your account.

Renewal Policy

All accounts will automatically renew for another term upon maturity. A grace period of seven (7) calendar days will allow you to withdraw, deposit or change the terms on your Share Certificate account. Once instructions are received and processed on the maturity date or during the grace period, the grace period expires.

Maturity (if applicable)

Your account(s) will mature as indicated on your account receipt or maturity notice.

Grace Period

For all accounts, you have a grace period allowing seven (7) calendar days from maturity date to change the term, make a deposit, and/or make a

partial or complete withdrawal from the Share Certificate account. Once instructions are received and processed on the maturity date or during this grace period, the grace period expires. The certificate will earn the current offering rate for the same term during the grace period until your instructions are provided.

Nontransferable/Nonnegotiable

For Share Certificate and IRA Share Certificate accounts, your account is nontransferable and nonnegotiable. The funds in your Share Certificate accounts may not be pledged to secure any obligation of an owner, except obligations with the credit union. The funds in your IRA Share Certificate accounts may not be pledged to secure any obligation.

IF YOU DO NOT UNDERSTAND THIS AGREEMENT OR HAVE ANY QUESTIONS, PLEASE DO ONE OF THE FOLLOWING:

- Please call us at 800-342-3086 between 8:30 a.m. and 6 p.m. CT Monday through Friday or between 9 a.m. and 1 p.m. CT Saturday.
- Email memberservice@ascend.org
- Visit your nearest Ascend Federal Credit Union branch. For a list of business hours and locations, please visit ascend.org/locations.

Notes:



Questions?

Give us a call:

800-342-3086

Visit our website:

ascend.org

Join us on social:



@ascendfcu

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We do business in accordance with the Federal Fair Housing Laws and the Equal Credit Opportunity Act. All loans are subject to credit approval.