



## MEMBERSHIP AGREEMENT

Information about the laws and regulations governing the financial services we provide

For purposes of this agreement, the terms “you” or “your” refer to the member, account owners and any agents appointed by or on behalf of the owner(s) to sign on the account as a representative and the terms “our” “we” or “us” refer to PARDA Federal Credit Union.

Please read this agreement carefully. By submitting the PARDA Federal Credit Union Membership Agreement application form you are agreeing to accept the terms and conditions set forth in this agreement. Also, the individual listed as Name 1 of the application (unless already a member) is applying for membership in PARDA Federal Credit Union.

**All Accounts and account services** are subject to the terms and conditions of this agreement, except as may otherwise be specifically provide in this notice or other agreement(s) with us. This agreement consists of; your Account Card(s), account receipts, certificates and all other applications or agreements we require; along with the Credit Union’s Bylaws, policies and procedures. The Agreement may be amended or revised by us at any time, and any change in the Agreement shall become effective at the earliest time and with the proper notification under the appropriate law(s).

We reserve the right to refuse some forms of ownership on any or all of our accounts.

**Membership Eligibility and Services:** To open or maintain an account with us, or qualify for any services, you must qualify for membership and deposit the Par Share value as provided by the Credit Union’s Bylaws and Charter. To verify your eligibility for accounts, services and/or loan products, now and in the future, you authorize us to make inquiries to determine your employment and to obtain information concerning any accounts you may have with other institutions and ;your credit history, including consumer credit reports. The authority applies to any account, service, loan or other financial product you request or which we may offer to make available to you. We may also report information concerning your account(s) and credit to others.

**Multiple Name Account Agreement** If more than one owner(s) name is listed on the Membership Application, the account shall be a multiple name account. The owners on the account agree with each other and with the credit union that all funds paid into the account now and in the future, by any or all owners with all accumulations thereon shall be owned by them jointly, with right to survivorship, and shall be subject to withdrawal or receipt of any of them. Payment in accordance with such a proper demand shall be valid and discharge PARDA Federal Credit Union from any liability for such payment. No owner may be removed as an owner, except upon death, without that individual’s consent.

Any owners shall not change the right and authority of the credit union under this agreement, except by written notice to the credit union. Such notice shall not affect any transactions made prior to the receipt of the notice by the credit union.

**Inappropriate Transactions** By accepting the terms and conditions of this agreement, you warrant and agree that you will not use any credit union account or service to make or facilitate any illegal transaction(s) as determined by applicable law. Any such use will constitute an event of default under this agreement. PARDA Federal Credit Union may decline to accept, process or pay any transaction that we believe to be illegal or unenforceable under applicable law. You agree that PARDA Federal Credit Union will not have any liability, responsibility or culpability whatsoever for any such use by any owners and/or authorized users; or for declining to accept, process or pay any transaction. Furthermore, you agree to indemnify and hold PARDA Federal Credit Union harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such use.

**Membership Benefits and Obligations** After your application for membership has been approved and for as long as the required Par Share value is being maintained in your account, you are a “member-owner” of PARDA Federal Credit Union. As a “member-owner” you are eligible to apply for all credit union deposit, loan and other financial services. You may vote at all annual and special meetings of the membership if you are 16 years of age or older. You have an obligation to the credit Union and all other members-owners to follow the rules established from time to time for the use of products and services, and not to cause the Credit Union any loss.

**CROSS-COLLATERALIZATION:** *To reduce the possibility of loss, you grant the PARDA Federal Credit Union a lien on all shares and agree that all collateral pledged to secure any loan obligation owed to us will also secure payment of your other obligations. This pledge will secure all obligations owed at the time of the pledge or which arise thereafter. This “cross-collateralization” of your obligations applies to all debts regarding your accounts, loans, or otherwise, including but not limited to each closed-end loan obligation, each advance under an opened end loan plan, all obligations under any credit card agreement with us, and overdrafts. Unless a contrary intent is evidenced in writing, obligations secured by a primary residence are not included in the “cross-collateralization” of your obligation to us.*

**Deposits Made and Instruments Cashed to Your Account**

Funds may be deposited to any of your accounts, in any manner that is acceptable to us. Deposits may be made by mail, in person to one of our branches during regular business hours, or by direct deposit or other electronic funds transfer allowed by us.

You authorize us to accept transfers, checks, drafts and other items for deposit into your account if payable to you or any one or more owners on the account. All owners will receive the benefit of all deposits and proceeds from such deposits. We may give cash back to any owner or payee. We are authorized to supply missing endorsements of any owners unless the check or draft requires a personal endorsement as set forth on the back of the check or draft. All non-cash payments credited to your account are subject to final payment. This means that we can revoke the credit and charge the item back to your account if it is returned to us unpaid. We reserve the right to refuse to deposit or cash any checks or drafts not drawn on PARDA Federal Credit Union as permissible by law. Drafts drawn on PARDA Federal Credit Union will only be accepted if sufficient funds are available in the payors account.

**Withdrawals and Charges**

All sums paid to the credit union on shares (less setoffs allowed by law and/or provided by contract) shall be paid on proper withdrawal demand. For an individual account, such demand must be made by you or your representative. In the case of multiple name accounts, such demand must be made by any of the owners named on the account card unless properly authorized restrictions are clearly stated in the membership file. We reserve the right to require advanced notice of withdrawal, as provided in the credit union's bylaws.

Each owner agrees to the terms of this account and the fees imposed by us as set out in the Schedule Of Fees. You authorize us to deduct the fees directly from the account. Each owner shall be jointly and severally responsible for any account deficit resulting from charges or overdrafts, whether you caused them or someone authorized by you to withdraw from the account caused them. You will also be liable for our costs to collect any deficit, including but not limited to reasonable attorney fees, to the extent permitted by law.

**Authorized Signature**

We are authorized to recognize any signature on the Account Card or document, but will not be held liable for refusing any item we believe in good faith contains a signature that is not genuine. Any signature by you and/or any owner of this account that is received for an account, product and/or service via facsimile is legally binding and shall be considered as an original signature. A photocopy of any application for an account, product and/or service that was originally signed by you and/or any owner is legally binding and shall be considered an original signature.

Any objection respecting any item shown on a periodic statement of this account is waived unless made in writing to the credit union before the end of 60 days after the statement is mailed.

**Right of Set Off**

You agree that the credit union retains the common law equitable right of set off (without prior notice and when permitted by law) against shares with regard to any debt or obligation owed to us individually or otherwise. We will not be liable for the dishonor of any check or draft when the dishonor occurs because we charge and deduct an amount you owe from your account. You agree to hold us harmless from any claim arising as a result of our exercise of our right of set off.

**Statutory Liens and Freezes**

If you are in default on any financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in your account(s) at the time of default to satisfy that obligation. You grant us and we impress a lien on any and all funds in all individual and joint share accounts. This lien secures any account owner's joint and individual obligations to us now and in the future, whether direct, indirect, contingent or secondary. You agree that this lien is impressed as of the first date that any applicable account is opened with us. You authorize us to apply shares to any debt or obligations owed to us if you fail to pay or satisfy an obligation to us, without further notice to you.

You agree that we have the right to place an administrative freeze on any account held individually or jointly to preserve the credit union's lien rights, to preserve our right of set off, to comply with legal process, or otherwise without notice to any owner. Such action by the credit union shall not violate any applicable law.

**Membership Termination**

You may terminate your membership by giving us notice and complying with the policies and procedures of the credit union. If your membership share account balance falls below the required par share value for membership, then we may terminate your membership pursuant to the Credit Union Bylaws. Termination either voluntary or by us, will not release you from any fees or obligations you owe us due to outstanding fees, charges or items either at the time or in the future. Once your membership has been terminated, you must meet eligibility criteria and follow the same procedure as a new member to have membership reinstated.

**Powers of Attorney**

We may allow a third person acting as your attorney-in-fact to make transactions regarding your account(s), but we have no obligation to do so. You agree that we have no obligation to verify the scope, authenticity, and validity of any Power of Attorney presented to us. If we accept the Power of Attorney, we have no duty to inquire as to the use or purpose of any transactions by your attorney-in-fact, and may restrict or refuse account access, withdrawal or transfers. You agree to reimburse PARDA Federal Credit Union for all costs and expenses we incur, including reasonable attorney fees, and agree to indemnify us for any loss or expense we incur from accepting your Power of Attorney.

**Death of Owner/Beneficiary Information**

We may continue to honor all transactions on your account until we receive actual notice of your death. After receiving actual notice, we may honor all transactions for a period of ten (10) days, unless instructed not to do so by the person(s) claiming an interest in your account. We can require any person claiming the funds to indemnify us for any losses we may incur as a result of their request.

Upon the death of the owner, or the last surviving owner if there is more than one, the funds covered by this agreement shall become the property of the beneficiary(s) listed on the signature card who are alive at that time if state law permits. Each beneficiary shall have the power to withdraw only his or her share of the remaining account balance. The multiple name section of this agreement will not apply to beneficiary(s). No beneficiary will have under any circumstances the right to change the terms and conditions of this agreement.

If there is no named beneficiary(s) upon the death of the last owner, the account will be paid out to the estate. If there is no estate we will pay the funds to any heir, who will be solely responsible for any further distribution of said funds, provided the appropriate court issued documentation has been presented.

**Duty to Cooperate**

You have a duty to cooperate with us, and/or any law enforcement or government agent or agency with regard to any claim of fraud, forgery, unauthorized access or any other adverse claim(s). You must be willing to file and follow through on any charges brought against the wrongdoer(s).

**Binding Arbitration**

This provision substantially limits or affects your rights. Please read it carefully. You or any owner that shall be bound by the terms of this membership agreement acknowledge and agree to binding arbitration for any disputes that may arise between you and us as a result of this agreement. Disputes that arise from case law, Statutory law (including all legal and equitable rights and remedies) and all other laws including, but not limited to, all contract, tort, regulatory, and property disputes will be subject to binding arbitration. You shall not have a right to have a jury decide any claim or dispute that may arise as it is related to this agreement and the ability to appeal is limited in an arbitrated matter. You, any account owner, or agent appointed by you or on behalf of you in a representative capacity cannot pursue a claim or dispute in a class or representative action.