

## MEMBERSHIP AND SAVINGS ACCOUNT AGREEMENT

I/We hereby make Application for Membership in Freedom Credit Union (Freedom), and agree to conform to its bylaws and amendments thereof, and to subscribe for at least one Share. In accordance with the statutory lien regulation, I/we grant Freedom the right to apply the balance of deposits/shares and/or dividends in my/our Deposit/Share Accounts to satisfy any financial obligation(s) to Freedom including, but not limited to: loan payments, fees, amounts due, or such additional charges as may be imposed by Freedom from time to time. I/We further agree that, if I/we are in default, Freedom may exercise this right without further notice to me/us. Furthermore, if I/we lose or misplace any of my identification, I/we will formally notify Freedom in writing within 48 hours after such occurrence and will hold Freedom harmless from liability concerning any transaction(s) on or for my/our Account(s) if I/we do not initiate this notice. I/we authorize Freedom to obtain information regarding my/our identity, credit history, and other banking history from a consumer reporting agency for the purpose of extending credit or services to me/us. Freedom may report information about my/our Account to credit bureaus. Late payments, missed payments, or other defaults on my/our Account may be reflected in my/our credit report. If I/we request, Freedom will tell me/us the name and address of any credit reporting agency from which it received a credit report on me/us. Freedom is hereby authorized to recognize any of the signatures subscribed hereto in the payment of funds or the transaction of any business for this Account, which is defined as any Freedom Accounts that share the same Freedom Member Number.

The Joint Owners of this Account hereby agree with each other and with Freedom that all sums now paid in on Deposit/Share Accounts, or heretofore or hereafter paid in on Deposit/Share Accounts, by any or all of said Joint Owners to Freedom as such Joint Owners with all accumulations thereon, are and shall be owned by them jointly, with right of survivorship and be 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 Freedom from any liability for such payment. Any or all of said Joint Owners may pledge all or any part of the deposits/shares in this Account as collateral security to a loan or loans. The right or authority of Freedom under this Agreement shall not be changed or terminated by said Owner, or any of them except by written notice to Freedom which shall not affect transactions theretofore made. This Membership card, when properly signed, voids the existing Membership card(s), if any, and becomes the official record of all parties to this Account. Any financial service provided by Freedom may be used for any transaction permitted by law. I/We agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated in Freedom's discretion. I/We further agree to refrain from illegal use or any activity directly or indirectly related to it and additionally I/we agree to indemnify and hold Freedom harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use. Under the penalties of perjury, I/we certify that: (1) the number shown on this form is my correct Social Security Number/Taxpayer Identification Number, (2) that I/we am not subject to backup withholding because: (a) I/we am exempt from backup withholding, or (b) I/we have not been notified by the Internal Revenue Service (IRS) that I/we am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I/we am no longer subject to backup withholding, and (3) I/we am a U.S. person (including a U.S. resident alien). Cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. Cross out item 3 and complete a W-8 BEN if you are not a U.S. person. The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding. In addition to this Agreement, I/we have read and agree to Freedom's Electronic Funds Transfer Disclosure, Rate and Fee Schedule, and Funds Availability Policy. If requesting a Checking Account, I/we have read and agree to the Checking Account Agreement below this Agreement. Important information about procedures for opening a new Account: To help the Government fight the funding of terrorism and money laundering activities, 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 documents.

## CHECKING ACCOUNT AGREEMENT

I/We hereby authorize Freedom to establish for me/us a Checking Account. Freedom is authorized to pay: (1) Checks signed by me (or by any of us), (2) Visa Check/ATM Card transactions performed by me (or by any of us), (3) Bill Payer Transactions, (4) Automated or recurring transactions authorized by me (or by any of us); and to charge the payments against the Checking Account. It is further agreed that: (a) Only checks, ATM Cards, Visa Check/ATM Cards and other methods approved by Freedom may be used to withdrawal funds from this Checking Account; (b) advances on my/our Line(s) of Credit and/or withdrawals from my/our Savings Account(s) may be made by writing a check, using the Visa Check/ATM Card, performing a Bill Payer or Mobile Banking transaction, or through the posting of an automated or recurring transaction. When a check, Check/ATM Card, Bill Payer, Mobile Banking or automated or recurring transaction clears in excess of the amount on deposit in the Checking Account, it will be charged to my/our Line(s) of Credit and/ or my/our Savings Account(s), in accordance with pre-established overdraft protection or in an order determined by Freedom. Charges to Savings Accounts for Checking Account transactions are limited to six per calendar month. This amount may be reduced by the number of preauthorized transfers or withdrawals that occur directly from your Savings Account. Additional charges to Savings Accounts for Checking Account transactions may be subject to fees in accordance with the prevailing fee schedule or returned unpaid; (c) although Freedom is under no obligation to do so, Freedom may pay a check, Visa Check/ATM Card transaction, or automated or recurring transaction which exceeds the balance in the Checking Account and charge the amount of the resulting overdraft against any other Deposit/Share Account which I/we who signed this Agreement is entitled to withdrawal deposits/shares or pay the check/transaction using Courtesy Pay. Share Drafts order of transactions clearing are lowest to highest dollar amount, ACH/Check Card are posted as they are presented. Manual postings are not reflected in the Order of Transactions. Freedom is under no obligation to pay a check on which the date is more than six months old. Post dated or conditional checks will be charged on the date presented; (d) in the event that any of the undersigned writes a check or performs a Bill Payer or Visa Check Card or automated or recurring transaction which would result in this Checking Account being overdrawn, and if at that time any of the undersigned is eligible to receive advances from Freedom, such transaction shall be deemed to be a request to Freedom for an advance under such Loan Account sufficient to permit Freedom to honor such check; Freedom may credit the advance to this Checking Account; (e) except for negligence, Freedom is not liable for any action it takes regarding the payment or non-payment of a check, Visa Check/ATM Card transaction, automated or recurring transaction; all non-cash payments received on the Checking Account will be credited subject to final payment; (f) any objection regarding any item shown on a monthly statement of the Checking Account shall be waived unless made in writing to Freedom on or before the sixtieth day following the day the statement is mailed; (g) the use of the Checking Account is subject to such other terms, conditions and requirements as Freedom may establish, the Checking Account may be subject to service charges in accordance with the rate and fee schedules adopted by Freedom from time to time; (h) if signed by more than one person, this Agreement is subject to the additional terms and conditions of any Joint Deposit/Share Account Agreement that applies to a Deposit/Share Account in our joint names.

## BINDING ARBITRATION AND CLASS ACTION WAIVER

RESOLUTION OF DISPUTES BY ARBITRATION: THIS SECTION CONTAINS IMPORTANT INFORMATION REGARDING YOUR ACCOUNTS AND ALL RELATED SERVICES. IT PROVIDES THAT EITHER YOU OR WE CAN REQUIRE THAT ANY DISPUTES BE RESOLVED BY BINDING ARBITRATION. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY TRIAL AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, THE DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY. ARBITRATION PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

## **Agreement to Arbitrate Disputes.**

Either You or We may elect, without the other's consent, to require that any dispute between us concerning Your Accounts and the services related to your Accounts be resolved by binding arbitration, except for those disputes specifically excluded below.

This arbitration agreement is entered into pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1 – 16 (the "FAA").

## **Disputes Covered by Arbitration.**

Claims or disputes between you and us arising out of or relating to your Account(s), transactions involving your Account(s), safe deposit box, and any related service with us are subject to arbitration. Any claims or disputes arising from or relating to this agreement, any prior account agreement between us, or the advertising, the application for, or the approval or establishment of your account are also included. Claims are subject to arbitration, regardless of what theory they are based on or whether they seek legal or equitable remedies. Arbitration applies to any and all such claims or disputes, whether they arose in the past, may currently exist or may arise in the future. Disputes also include claims or disputes relating to the enforceability, validity, scope or interpretation of any of these arbitration provisions. Any questions about whether disputes are subject to arbitration shall be resolved by interpreting this arbitration provision in the broadest way the law will allow it to be enforced. All such disputes are referred to in this section as "Claims".

An exception to arbitration of Claims is that both you and we have the right to pursue a Claim in a small claims court instead of arbitration, if the Claim is in that court's jurisdiction and proceeds on an individual basis. Claims or disputes arising from your status as a borrower under any loan agreement with the Credit Union are also excluded from this Resolution of Disputes by Arbitration provision.

## **No Class Action or Joinder of Parties.**

YOU ACKNOWLEDGE THAT YOU AND WE AGREE THAT NO CLASS ACTION, CLASS-WIDE ARBITRATION, PRIVATE ATTORNEY GENERAL ACTION, OR OTHER PROCEEDING WHERE SOMEONE ACTS IN A REPRESENTATIVE CAPACITY, MAY BE PURSUED IN ANY ARBITRATION OR IN ANY COURT PROCEEDING, REGARDLESS OF WHEN THE CLAIM OR CAUSE OF ACTION AROSE OR ACCRUED, OR WHEN THE ALLEGATIONS OR FACTS UNDERLYING THE CLAIM OR CAUSE OF ACTION OCCURRED. Unless mutually agreed to by you and us, claims of two or more persons may not be joined, consolidated, or otherwise brought together in the same arbitration (unless those persons are joint account holders or beneficiaries on your account and/or related accounts, or parties to a single transaction or related transaction), whether or not the claim may have been assigned.

## **Right to Reject this Resolution of Disputes by Arbitration provision.**

You have the right to opt out of this agreement to arbitrate if you tell us within 30 days of the opening of your account or the mailing of this notice, whichever is sooner. To opt out, send us written notice that you reject the Resolution of Disputes by Arbitration provision, including your name as listed on your account and your account number to the following address: Member Services Department, 626 Jacksonville Road, Suite 250, Warminster, PA 18974

Otherwise, this agreement to arbitrate will apply without limitation, regardless of whether 1) your account is closed; 2) you pay us in full any outstanding debt you owe; or 3) you file for bankruptcy.

## **The Arbitration Proceeding.**

The arbitration must be filed with one of the following neutral arbitration forums: American Arbitration Association (“AAA”) or JAMS. For AAA, the arbitration will be conducted in accordance with the AAA Consumer Due Process Protocol in concert with the AAA Consumer Arbitration Rules. For JAMS, the arbitration will be conducted in accordance with the JAMS Comprehensive Arbitration Rules & Procedures. If there is a conflict between a particular provision of the AAA or JAMS Rules and this arbitration provision and/or this agreement, this arbitration provision and this agreement will control. If JAMS or the AAA is unable or unwilling to handle the claim for any reason, then the matter shall be arbitrated by a neutral arbitrator selected by agreement of the parties (or, if the parties cannot agree, selected by a court in accordance with the FAA). The neutral arbitrator selected by the parties or the court shall apply the Federal Rules of Evidence and the Federal Rules of Procedure concerning discovery, except that the above class action waiver is specifically enforceable notwithstanding any Federal Rule of Procedure to the contrary.

## **Costs.**

The party initiating the arbitration shall pay the initial filing fee. If You file the arbitration and an award is rendered in Your favor, We will reimburse You for Your filing fee. If there is a hearing, We will pay the fees and costs of the arbitration for the first day of that hearing. All other fees and costs will be allocated in accordance with the rules of the arbitration forum. However, We will advance or reimburse filing and other fees if the arbitrator rules that You cannot afford to pay them or finds other good cause for requiring Us to do so, or if you ask us in writing and we determine there is good reason for doing so. Each party shall bear the expense of their respective attorneys, experts, and witnesses and other expenses, regardless of who prevails, but a party may recover any or all costs and expenses from another party if the arbitrator, applying applicable law, so determines.

## **Right to Resort to Provisional Remedies Preserved.**

Nothing herein shall be deemed to limit or constrain our right to resort to self-help remedies, such as the right of set-off or the right to restrain funds in an account, to interplead funds in the event of a dispute, to exercise any security interest or lien we may hold in property, or to comply with legal process, or to obtain provisional remedies such as injunctive relief, attachment, or garnishment by a court having appropriate jurisdiction; provided, however, that you or we may elect to arbitrate any dispute related to such provisional remedies.

## **Severability, Survival.**

These arbitration provisions shall survive (a) termination or changes to Your accounts or any related services; (b) the bankruptcy of any party; and (c) the transfer or assignment of your Accounts or any related services. If any portion of this Resolution of Disputes by Arbitration provision is deemed invalid or unenforceable, the remainder of this Resolution of Disputes by Arbitration provision shall remain in force. No portion of this Resolution of Disputes by Arbitration provision may be amended, severed, or waived absent a written agreement between You and Us.

## **Applicability.**

The requirement to arbitrate will not apply to Your Account as long as You are a Service Member of the U.S. military on active duty.