

KINECTA FEDERAL CREDIT UNION

IMPORTANT: RETAIN FOR YOUR RECORDS

CHANGE IN TERMS OF BUSINESS MEMBERSHIP AND ACCOUNT AGREEMENT AND BUSINESS SCHEDULE OF FEES AND CHARGES

This limited disclosure is given in conjunction with a change in the terms of Kinecta Federal Credit Union's (the "Credit Union's") Business Membership and Account Agreement (the "Agreement") and the Business Schedule of Fees and Charges Effective April 1, 2021 ("Fee Schedule").

BRIEF SUMMARY OF IMPORTANT CHANGES IN YOUR FEE SCHEDULE

The following is a summary of changes that are being made to the terms of your Agreement and Fee Schedule. These changes will take effect on November 1, 2021 (the "Effective Date").

The changes being made to the Fee Schedule include but are not limited to: (1) elimination of Card Excessive Replacement Fees; (2) elimination of Levy/Garnishment Fees; and (3) elimination of separate Preauthorized Transfer insufficient funds fees

ACTIVATION OF COURTESY PAY SERVICE

As of the Effective Date, and pursuant to Section 9 of the Agreement, "courtesy pay" will be available on your accounts. If you do not have sufficient available funds in your Savings Account to pay an overdraft on your checking account, then we may pay these overdrafts through our Courtesy Pay Service or Select Accept Service. The Service is a backup to any existing overdraft protection plans linked to your account (such as lines of credit or linked share savings) and will only be activated if funds are not available from those plans.

Any payment made by us under the Service will be made on a case-by-case basis, in our sole and absolute discretion. The Service does not constitute an actual or implied agreement between you and the Credit Union, nor does it constitute an actual or implied obligation of the Credit Union. The Service is a privilege that the Credit Union provides from time to time and which may be withdrawn, limited, or withheld by the Credit Union at any time, without prior notice, reason or cause.

The total of the overdraft (negative) balance in any of your accounts, including any and all fees and charges, is due and payable upon demand, and you are required to immediately deposit sufficient funds to cover the overdraft paid by us and pay the related fees.

A Courtesy Pay Fee will be charged to your checking account, in accordance with the Fee Schedule, for each overdraft that is authorized and paid through the Service. This means that more than one Courtesy Pay Fee may be assessed against your checking account per day depending upon the number of overdrafts authorized and paid through the Service. We limit the number of Insufficient Funds (NSF) and Courtesy Pay Fees we charge in a business day. The maximum number of overdrafts due to insufficient or unavailable funds that will be subject to overdraft charges in one day is three (3).

We may terminate or suspend the courtesy pay services at any time without prior notice. In no event will any termination relieve you of your other obligations under the Agreement, including your obligations to repay any negative account balance, overdraft fees, collection costs, and attorneys' fees, if any.

For complete details on this service, please visit: **www.kinecta.org/disclosures** and click on the *Courtesy Pay Addendum* link.

If you prefer not to have the courtesy pay service, contact us at Kinecta Federal Credit Union, PO Box 10003 Manhattan Beach, CA 90266 or send a secured message through online banking and we will remove the Service from your checking account. If you Opt-Out of the courtesy pay service, you will still be charged an NSF Fee for each item returned.