



Second Chance Checking Account Agreement

Members with a negative report from ChexSystems or TeleCheck (code 4), who do not qualify for a Basic or Courtesy Pay Checking account, may be eligible for a Second Chance Checking Account. The purpose of this checking account is to allow members to rebuild their finances. We want to give you a second chance to establish a banking relationship as the first step toward improving your credit record. A Second Chance Checking Account erases the inconvenience of not having a checking account and/or being forced to use fee-intensive alternatives.

Account Description - Second Chance Checking Accounts are available to members 18 years of age and older. Members are responsible for any overdrafts, returned items, debit card transactions or unpaid charges on the account. The Credit Union reserves the right to close the account when there are excessive unpaid items or repeated abuse of your Debit MasterCard. If your checking account is closed for any reason, you may not be eligible to apply to reopen the account for a period of six months. No transaction limitations apply to this account. Any fees and charges that may be assessed against the account are disclosed on the Fee Schedule.

Rules Applying to Second Chance Checking Accounts – Due to the nature of second chance checking, special rules apply that are not applicable to either the Basic or Courtesy Pay Checking Accounts.

- ❖ \$7.95 Monthly Service Charge
- ❖ Minimum initial deposit of \$50 to open the account
- ❖ Direct Deposit is preferred - Extended check holds (up to 7 days) may apply for personal checks deposited to Second Chance Checking Account. Other check deposits may be placed on extended hold if the credit union is not able to verify funds. The Credit Union will provide notice if an extended hold applies.
- ❖ Checks will be available to a member only after the first direct deposit has been received, or after the account has been opened one month.
- ❖ A Debit MasterCard will be ordered at the time the account is opened.

Eligibility:

- ❖ Account holder must be at least 18 years of age
- ❖ Have no past fraud on ChexSystems or TeleCheck
- ❖ Have no current delinquency with UECU
- ❖ Have no charge-off balances owed with UECU

Termination of Account – The Credit Union may terminate your account due to the following:

- ❖ Excessive returned unpaid items – excessive means more than 6 transactions drawn against insufficient funds within a 12 month period
- ❖ If there is fraud or a forgery reported or committed involving your account
- ❖ If you deposit a check that is returned for any reason
- ❖ There has been any misrepresentation or any other abuse of any of your accounts
- ❖ If your account is negative for more than 14 days
- ❖ If the credit union is made aware of payday lender transactions on the account

Special Notes Concerning “Pay Day” Loans Debits - Second Chance Checking Accounts are provided as an option for members who are trying to reconcile past financial errors and become more financially responsible. As a result, Pay Day loan debits are not authorized on this account. In applying for this account, you agree that you will not initiate any debit transaction with a Pay Day lender or like company. If, after the account is established, you have preauthorized pay day loan debits pay from your account and you wish to dispute them, you must resolve the dispute with the Pay Day loan merchant. In addition, if you choose to close your account because you have previously

authorized Pay Day loan payments and subsequently decide you do not want the payments to post, you will not be allowed to open a new account for a period of six months.

Procedures for Converting to a Basic or Courtesy Pay Checking Account – If a member has maintained a Second Chance Checking Account in good standing for over 12 months; the account may be converted to either a Basic or Courtesy Pay Checking at the member’s request. The Second Chance Checking Account should not have had more than three non-sufficient funds transactions drawn against the account within the prior 12 month period. In addition the account should not have had any fraud or disputed debit card transactions within the prior 12 month period. If after 12 months the Second Chance Checking Account does not qualify to be converted, the member may request that the account be review again in another six months.

I have read and agree with the terms and conditions for a Second Chance Checking Account with United Energy Credit Union. I acknowledge receipt of a full copy of the “Deposit Agreement and Disclosure Statement”.

Member’s Signature

Date

Joint Member’s Signature

Date