NAVY FEDERAL BUSINESS SERVICES

DISCLOSURE BOOKLET

NAVY FEDERAL Business Services

navyfederal.org
1.888.842.6328

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BUSINESS SAVINGS AND CHECKING ACCOUNTS

Accounts held in the name of a business or organization member are subject to all of the conditions and terms contained in this Agreement. Navy Federal reserves the right to require the business member to provide an account authorization card or other documentary evidence satisfactory to Navy Federal informing the credit union who is authorized to act on the business member's behalf. No Payable on Death (POD) beneficiary designation or other designation shall apply to the account. You agree to notify Navy Federal of any change in this representative authority of your agent. Navy Federal may rely on your written authorization until such time as the credit union is informed of changes in writing and has had a reasonable time to act upon such notice. You agree that Navy Federal shall have no notice of any breach of fiduciary duties arising from any transactions by any agent of the account owner, unless Navy Federal has actual notice of such breach. Navy Federal may require that third-party checks payable to a business may not be cashed, but must be deposited to a business account. All non-cash share purchases or payments made to the Business Savings and Checking Accounts will be credited subject to final payment of the deposited items.

You may be required to open a separate membership account for your business. Upon verification of eligibility for membership and upon purchase of at least one share ($5.00), a Business Account will be established in the business' name. The words "my," "me," "I," "you," or "your" contained in this disclosure refer to either the Business Owner or the business entity. A signed application must be completed and returned to be valid. By signing the application, you agree to abide by the properly disclosed terms and conditions of all business accounts and services that you may receive at Navy Federal. You also agree to keep Navy Federal informed of your current mailing address.

Authorized Signers

A Business Owner is the only individual entitled to add and delete Authorized Signers. This may be accomplished by completing a Business Change of Information/Additional Services Application.

Required IRS Information

Federal law requires certification under penalty of perjury that the Taxpayer Identification Number (TIN) furnished to Navy Federal is your correct number, and your TIN is not subject to backup withholding or the business is not subject to backup withholding. As a business, the TIN is the Employer Identification Number (EIN) assigned to your business, or the Business Owner's Social Security Number (SSN), if applicable. The Internal Revenue Service does not require consent to any provision of this document other than the certification required for backup withholding. Failure to provide a valid TIN and to complete and sign a Business Account Application certifying a SSN/EIN for this purpose could result in backup withholding being applied to all interest earnings (dividends) at Navy Federal.

Dividends

Dividends are a division and distribution of earnings after all expenses have been paid and the required amount has been set aside for reserves. Dividend rates are declared prospectively by the Board of Directors in the month preceding the dividend period. These prospective dividend rates may change at the determination of the Board. Navy Federal also provides the Annual Percentage Yield (APY) for each dividend rate declared by the Board. Payment of all dividends is dependent on the availability of earnings at the end of the period. Dividends at Navy Federal are earned from day-of-deposit to day-of-withdrawal and are computed using the daily balance method by applying the daily periodic rate to the full amount in the account at the end of each day. Dividends for the Business Savings Account are compounded monthly and credited on the last business day of the month in which they were earned. The dividend period is monthly; for example, the beginning date of the first dividend period of the calendar year is 1 January, and the ending date of such dividend period is 31 January. All other dividend periods follow this same pattern of dates. Dividends for Business Checking Accounts are compounded monthly and credited on the last business day of the month in which they were earned.

Business Savings Transfers and Withdrawals

You may transfer and/or withdraw funds from the Business Savings Account as often as you want under the following conditions: in person, by mail, by automatic teller, to pay your Navy Federal loan, to have funds mailed directly to you, or as distributions of your Direct Deposit. Based on federal regulatory restrictions, Navy Federal limits the number of certain types of transfers and/or withdrawals you can make from the Business Savings Account to six per month. The types of transfers and withdrawals that are limited are those requested by fax, telephone, Internet, pre-authorized transfers, and transfers automatically generated from Business Savings to cover check overdrafts. Navy Federal may, at its option, pay

a check that exceeds the share balance in the Business Checking Account by transferring the amount of the resulting overdraft from the corresponding Business Savings Account.

Request for Information

When necessary for business purposes and in accordance with applicable law, you and the Authorized Signers (if any) allow any person to furnish upon request by Navy Federal any information concerning your financial affairs.

Insurance

Your shares are backed by the assets of Navy Federal and are insured for up to at least $250,000 for all of your individual accounts by the National Credit Union Administration, a U.S. government agency. If you have an IRA, it is separately insured for up to $250,000. Accounts for Partnerships and Corporations are separately insured for up to $250,000. Accounts for Sole Proprietors are not insured separately from your individual accounts. Adding Authorized Signers to your accounts does not increase insurance coverage. For more information about NCUA share insurance, please see the "Insurance on Your Savings" brochure (NFCU 1116e).

Governing Laws

Navy Federal accounts are maintained and governed in accordance with federal law and the laws of the Commonwealth of Virginia, as amended. Property may be transferred to the appropriate state if there has been no activity within the time period specified by state law.

Business Checking

By requesting a Business Checking Account, you certify that you have never had a Navy Federal account that has been closed due to abuse. If you make a false statement in this regard, the Business Checking Account can be immediately closed without prior notification. The owner shall discharge Navy Federal from any liability for carrying out any requested actions, including any made by Authorized Signers. You agree to be liable for negative balances on your accounts including any overdrafts, regardless of the cause, and agree to immediately deposit sufficient funds to cover the overdrafts. As the Business Owner, you agree to reimburse Navy Federal for all costs of collection, including reasonable attorney's fees and court costs.

It is agreed that checks may be used to withdraw funds from this Business Checking Account. By requesting a Business Checking Account, you authorize Navy Federal to pay checks signed by you or the Authorized Signers (if any) of this account and to charge the payments against the Business Checking Account. Each negotiated check will be charged to the Business Checking Account as of the date of receipt by Navy Federal. Navy Federal will not be responsible for checks that are postdated if they are paid before the date of the instrument. Navy Federal is under no obligation to pay or refuse the payment of a check on which the date is more than six months old. Navy Federal is authorized to refuse checks that exceed funds available in the Business Checking Account. A fee will be assessed in the amount shown on Navy Federal's current *Schedule of Fees and Charges* for each refused check. Checks deposited in other financial institutions may be sent to us electronically. Except for negligence, Navy Federal is not liable for any action it takes regarding the payment or nonpayment of a check.

The Business Owner and Authorized Signers (if any) may request that payment of a check be stopped by providing notification to Navy Federal. A fee will be assessed in the amount shown on Navy Federal's current *Schedule of Fees and Charges* for each stop-payment request. The owner and Authorized Signers (if any) may request copies of paid checks. A fee will be assessed in the amount shown on Navy Federal's *Schedule of Fees and Charges* for each check copy.

Navy Federal may return debits (e.g., an Automated Clearing House payment) to the Business Checking Account if the amount of the debit exceeds funds available in the Business Checking Account. A fee may be assessed in the amount shown on Navy Federal's current *Schedule of Fees and Charges* for each returned debit item. Navy Federal may, at its option, pay a Business Check Card transaction that exceeds the balance in the Business Checking Account by transferring the amount of the resulting overdraft from the Business Savings Account. You will be held responsible for the amount of any Business Check Card transaction that cannot be paid out of your Business Checking Account. A fee may be assessed in the amount shown on Navy Federal's current *Schedule of Fees and Charges* for each Business Check Card transaction that causes your account to be overdrawn.

All Navy Federal Business Checking Accounts have two subaccounts: a Business Checking transaction subaccount and a Business Savings subaccount. Periodically, we may transfer funds between the Business Checking subaccount and the Business Savings subaccount for management purposes. This Business Savings subaccount will be subject to federal regulation transfer limitations as are shares in any Navy Federal Business Savings account. Should there be a sixth transfer of funds in a month, all remaining funds will be transferred to the Business Checking subaccount for the remainder of the month. Rates, compounding, balance information, and nature of dividends for both subaccounts will be the same as those for the basic Business Checking Account.

Change in Terms

Navy Federal reserves the right to terminate this Agreement. The terms and conditions of these accounts and services are subject to change without notice to you, unless prior notification is required by law. The right or authority of Navy Federal under this Agreement shall not be changed or terminated by you except by written notice to Navy Federal, which shall not affect transactions previously made.

Other Terms and Conditions

Shares in the Business Checking Account may not be pledged as collateral on any loan. You must notify Navy Federal in writing of an error concerning an item on your statement no later than the 60th day following the day the statement was mailed. If we do not receive your written notice of an error within this time frame, you may not dispute the item. Navy Federal has the right of assignment of this Agreement.

I/We grant and pledge to Navy Federal a lien upon and a security interest in my/our shares and dividends on deposit in all joint and individual accounts and any monies held by Navy Federal now and in the future, to the extent of any loan made and any charges payable, and a security interest in the collateral securing other loans that I/we have with Navy Federal now and in the future, including any type of change or increase, and any proceeds from the sale of such collateral and of insurance thereon, not to exceed the unpaid balance of the loan. This lien does not apply to shares in any Individual Retirement Account or to security in my/our primary residence.

You agree to notify Navy Federal of any change affecting your business account(s), such as (and not limited to) a change to any Authorized Signers on the account(s) or your conversion to a different type of business entity. Navy Federal may consider your business as continuing as described on the Business Account Application you completed until Navy Federal has received written notice from at least one of the Business Owners (or person designated by the business) and has had a reasonable time to act on that notice.

NAVY FEDERAL FUNDS AVAILABILITY POLICY

Your Ability to Withdraw Funds at Navy Federal Credit Union

Our general policy is to make funds available from your deposits made on or before the first business day after the day we receive your deposit. At that time, you can withdraw the funds in cash, and we will use the funds to pay checks that you have written. For example, if you deposit a check on Monday, you may not be able to access the funds from that deposit, to include paying other checks, until Tuesday or possibly later.

See the availability timelines below for details about when you can use the funds from different types of deposits. Longer delays (of up to 14 business days) may apply to checks deposited in branches and Automated Teller Machines (ATMs) outside of the continental United States and Hawaii. Additionally, we will place a longer hold and credit will not be received on non-U.S. items until the collection process is completed.

Deposits at ATMs: Deposits of cash or checks at any ATM may be held, without notice, for sufficient time for us to verify actual deposited funds.

Navy Federal ATMs: The first $200 from a deposit of cash or checks will be available immediately. The remaining funds will be available by the second business day after the day of your deposit.

Deposits at Nonproprietary ATMs (Vcom® ATMs): Funds from any deposits made at ATMs we do not own or operate will not be available until the fifth business day after the date of deposit.

Determining When a Deposit Is Received

To determine the availability of your deposits, business days are Monday through Friday, except federal holidays. If you make a deposit before the locally posted settlement time (which is before 2:00 pm, local time, for a staffed office or 12:00 noon, Eastern Time, for a Navy Federal Automatic Teller) on a business day that we are open, we will consider that day to be the day we received your deposit. However, if you make a deposit after the locally posted settlement time or on a non-business day, we will consider the next business day as the day we received your deposit. When you mail deposits, we will consider the deposit made on the day we receive the deposit at our office in Vienna, VA.

Availability and Notice for Electronic Entries

In the case of credit entries subject to Article 4A of the Uniform Commercial Code, Navy Federal hereby provides notice that such entries may be transmitted through the Automated Clearing House (ACH) Network pursuant to the ACH Rules governed by the National Automated Clearing House Association (NACHA). Your rights and obligations concerning these entries shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia. Credit provided by the Receiving Depository Financial Institution (RDFI) to the Receiver for these entries is provisional until the RDFI has received final settlement through a Federal Reserve Bank. If the RDFI does not receive such payment for the entry, the RDFI is entitled to a refund from the Receiver in the amount of the credit to the Receiver's account, and the Originator of the entry will not be considered to have paid the amount of the credit to the Receiver. Navy Federal has not agreed to provide you with notice if we have received a credit entry subject to Article 4A of the Uniform Commercial Code.

Next-Day Availability

Funds from the following deposits are available by the next business day after we receive your deposit:

- U.S. Treasury checks
- electronic payments, such as wire transfers, ACH credits, and pre-authorized payments (e.g., direct deposits of Social Security benefits and payroll payments)
- checks drawn on any bank, amount less than $200
- state and local government checks
- cashier's, certified, and teller's checks
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders
- cash

If your deposit of these checks (excluding U.S. Treasury checks) is not made in person to a Member Service Representative at a branch, the funds may not be available until the second business day after we receive your deposit.

Checks $200 and Over

The first $200 of a deposit of checks will be available on or before the first business day after we receive your deposit. The remaining amount will be available for withdrawal the second business day following the date of deposit.

For example, if you deposit a check of $1,000 on a Monday, $200 of the deposit is available on or before Tuesday. The remaining $800 is available on or before Wednesday.

Longer Delays May Apply

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 $5,000 on any one day; you re-deposit a check that has been returned unpaid; you have overdrawn your account repeatedly in the last six months; you are a new member (account opened less than 30 days); or there is an emergency, such as natural disaster or failure of communications equipment.

We will notify you if we delay your ability to withdraw funds for any of these reasons, and we will tell you when the funds will be available. Funds will generally be available no later than seven business days after the day of your deposit.

Check Cashing

If we cash a check for you that is drawn on another financial institution, we may withhold the availability of a corresponding amount of funds that are already in your account. Those funds will be available using the same hold policy as if you had deposited it.

Rights Reserved

Navy Federal reserves the right to:

- accept or reject any check for deposit.
- revoke any settlement with respect to a check accepted by us, and to charge back to your account the amount of the check based on the return of the check or a receipt of notice of nonpayment of the check, or claim a refund for such credit.
- require that the space reserved for endorsement by Navy Federal on the back of any check accepted for deposit be free and clear of any prior markings or endorsements.

Payment of Dividends

Dividends are paid on all deposits to your savings and checking accounts, where applicable, as of the date of receipt, including non-cash deposits (e.g., checks).

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

Types of Transfers, Limitations, and Fees

We can accept transfers to your checking or savings accounts and make transfers from your checking or savings accounts electronically. Such transfers are often received or sent in the form of ACH debits and credits. For example, an ACH credit to your account might be in the form of an electronic deposit of your pay, stock dividends, or tax refund. An ACH debit might be made as a result of an authorization you gave a third party to automatically transfer funds from your account to pay your monthly insurance premium, utility bills, or car payment. You may also authorize third parties to use information from one of your checks or Money Market Savings Account (MMSA) checks to initiate a one-time ACH debit from your checking or MMSA account.

Please note: *Savings accounts may only receive ACH credits. Checking accounts may receive ACH credits and debits. MMSAs may receive ACH credits and debits in accordance with the limitations set forth in the MMSA agreement.*

You should refer to your account disclosures to determine what, if any, transfer limitations exist.

Documentation of Transfers

You may verify the posting of your transfers by calling us at the telephone numbers listed at the end of this Agreement and Disclosure, or by accessing your account information by phone or Navy Federal Online® Account Access.

ATM Fees

When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

Periodic Statements

You will receive a monthly account statement (unless there are no electronic fund transfers in a particular month, in which case you will receive a statement at least annually).

Business Days

Our business days are Monday through Friday, excluding federal holidays.

Unauthorized Transfers

If you believe that someone has transferred or may transfer money from your account without your permission, or if you believe that a transfer has been made without your permission using information from one of your checks or MMSA checks, call, write us, or contact us online at the telephone numbers and address listed at the end of this Agreement and Disclosure. Unauthorized transfers that occur between unrelated corporate entities or are transmitted as intra-company cash concentration and disbursement transactions must be reported by the close of the business day following the transaction.

Stop Payment Procedure

Navy Federal cannot cancel an agreement you have with a third party or revoke the authorization you have provided a third party for recurring automatic transfers from your accounts. To cancel your agreement with a third party and revoke your authorization for recurring automatic transfers, you must contact the third party with whom you have an agreement. Navy Federal can only stop payment on one future pre-authorized transfer at a time. We must receive your stop-payment request three business days or more before the transfer is scheduled to be made. You may contact us by calling or writing us at the telephone numbers or address listed at the end of this Agreement and Disclosure. You will be charged for each stop-payment request in accordance with Navy Federal's *Schedule of Fees and Charges*. If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Notice of Varying Amounts

If your recurring transfers vary in amount, the third party debiting your account will tell you 10 days before each payment, when the debit will be made, and how much it will be.

Navy Federal's Liability

If Navy Federal does not complete a transfer to or from your account on time, or for the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance:

1) if, through no fault of ours, you do not have enough money in your account or available credit in your Checking Line of Credit to make the transfer.
2) if the funds in your account are subject to legal process, such as garnishment or attachment, or if the account is subject to a pledge or security agreement.
3) if circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
4) when there are additional exceptions specified under other agreements you have with us.

In Case of Errors or Questions About Your Electronic Transfers

If you have arranged to have electronic transfers made to your account at least once every 60 days from the same person or company, you can call us at the telephone numbers listed at the end of this Agreement and Disclosure to find out whether or not the transfer has been made. Contact us at the telephone numbers or address listed at the end of this Agreement and Disclosure as soon as you can if you think your statement or receipt is wrong, or if you need more information about a transaction listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

1) Tell us your name and account number.
2) Describe the error or the transfer you are unsure about, and clearly explain why you believe it is an error or why you need more information.
3) Tell us the dollar amount of the suspected error. If you tell us orally, 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 for new accounts) after we hear from you and will correct any error promptly.

If we need more time, however, we may take up to 45 days to investigate your complaint or question and determine whether an error occurred. If we decide to do this, we will provisionally credit your account within 10 business days (20 business days for new accounts) for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. A provisional credit is a temporary credit adjustment to your account during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may remove the provisional credit from your account. **Please note that contacting us by telephone does not preserve your rights.** If it is determined that there was no error, we will reverse any provisional credits within one business day of finishing our investigation and send you a written explanation within three business days. If there are not sufficient funds in your account to cover the amount of the provisional credit, the account will be overdrawn and you will be responsible for payment. You may ask for copies of the documents that we used in our investigation.

Account Information Disclosures

We will disclose information to third parties about your account or the transactions you make:

1) if we are unable to complete an electronic fund transfer because of non-sufficient funds.
2) when it is necessary for completing transfers.
3) to verify the existence or conditions of your account for a third party, such as a consumer reporting agency or merchant.
4) to comply with government agency or court orders.
5) if you give us your written permission.
6) in accordance with our privacy policy.

Contact Numbers and Addresses

Whenever possible, please contact us by telephone or at Navy Federal Online Account Access to report unauthorized transfers or request stop payments. Contacting us by these methods is the quickest way for us to comply with your requests.

Telephone Us

For toll-free numbers in the U.S.: 1-888-842-6328. For toll-free numbers when overseas, visit **navyfederal.org**. Use 1-703-255-8837 for collect international calls.

Online

If you are signed up for Navy Federal Online Account Access, you may send us an electronic message through our e-messaging system at **navyfederal.org**.

Write Us

Navy Federal Credit Union
Account Servicing Section
PO Box 3000
Merrifield, VA 22119-3001

NAVY FEDERAL®

Rev. 12/14

FACTS — WHAT DOES NAVY FEDERAL DO WITH YOUR PERSONAL INFORMATION?

WHY?	Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.
WHAT?	The types of personal information we collect and share depend on the product or service you have with us. This information can include: • Social Security number and income • Account balances and payment history • Account transactions and checking account information When you are *no longer* our member, we continue to share your information as described in this notice.
HOW?	All financial companies need to share members' personal information to run their everyday businesses. In the section below, we list the reasons financial companies can share their members' personal information, whether Navy Federal chooses to share and whether you can limit this sharing.

Reasons we can share your personal information	Does Navy Federal share?	Can you limit this sharing?
For our everyday business purposes—such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	YES	NO
For our marketing purposes—to offer our products and services to you	YES	NO
For joint marketing with other financial companies	YES	NO
For our affiliates' everyday business purposes—information about your transactions and experiences	YES	NO
For our affiliates' everyday business purposes—information about your creditworthiness	NO	WE DO NOT SHARE
For nonaffiliates to market to you	NO	WE DO NOT SHARE

Questions?	Call toll-free 1-888-842-6328 or go to **navyfederal.org**.

WHO WE ARE

WHO IS PROVIDING THIS NOTICE?	Navy Federal Credit Union; Navy Federal Financial Group, LLC; Navy Federal Brokerage Services, LLC; and Navy Federal Asset Management, LLC

WHAT WE DO

HOW DOES NAVY FEDERAL PROTECT MY PERSONAL INFORMATION?	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. Navy Federal regularly tests and assesses its information security measures, systematically trains employees, and adopts upgrades and enhancements as necessary to protect your information.
HOW DOES NAVY FEDERAL COLLECT MY PERSONAL INFORMATION?	We collect your personal information, for example, when you: • Open an account or deposit money • Pay your bills or apply for a loan • Use your credit or debit card We also collect your personal information from others, such as credit bureaus, affiliates or other companies.
WHY CAN'T I LIMIT ALL SHARING?	Federal law gives you the right to limit only: • Sharing for affiliates' everyday business purposes—information about your creditworthiness • Affiliates from using your information to market to you • Sharing for nonaffiliates to market to you State laws and individual companies may give you additional rights to limit sharing.

DEFINITIONS

AFFILIATES	Companies related by common ownership or control. They can be financial and non-financial companies. • *Our affiliates include companies with a Navy Federal name: financial companies such as Navy Federal Credit Union; Navy Federal Financial Group, LLC; Navy Federal Brokerage Services, LLC; and Navy Federal Asset Management, LLC.*
NONAFFILIATES	Companies not related by common ownership or control. They can be financial and non-financial companies. • *Navy Federal does not share with nonaffiliates so they can market to you.*
JOINT MARKETING	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. • *Our joint marketing partners include investment, insurance and other financial services companies.*