



Effective February 1, 2020, we have updated your Membership Agreement with Florida Credit Union. In accordance with the terms of your Membership Agreement, we hereby notify you of the following changes:

We have changed all references to the “Rates and Fees Schedule” or “Rates & Fees Schedule” to refer to the “Rates and/or Fee Schedule.”

We have updated the language in the “Binding Arbitration” Section on the first page of the Agreement to read:

- **EXCEPT AS SPECIFICALLY PROVIDED HEREIN AND UNLESS YOU CHOOSE TO OPT-OUT, THIS ARBITRATION PROVISION SUBSTANTIALLY LIMITS YOUR RIGHT TO BRING A LEGAL ACTION IN A JUDICIAL FORUM (EXCEPT FOR MATTERS THAT MAY BE BROUGHT IN SMALL CLAIMS COURT AS SET FORTH HEREIN).**

See page 5 for instructions on how to opt-out.

We have updated the language in the “Transfers or Withdrawals from your Account(s)” Section to read as follows. Unless expressly stated below, all existing terms remain unchanged.

- **Overdrafts.** An overdraft occurs when, on any day, you do not have a sufficient actual or available balance to cover drafts, fees or other items posted to your account, whether the transaction was made by check, electronically, or otherwise.
- **Overdraft Protection Plan Agreement.** If we have approved an Overdraft Protection Plan for your account, we will honor drafts drawn on an insufficient actual or available balance by transferring funds from another designated account under this Agreement or a loan account or credit card account, as you have directed, or as required under our Overdraft Protection Policy.
- **Effect of Holds on Your Available Balance, Overdrafts and Fees.** Holds on your account, including, but not limited to, holds placed on your account for pending electronic transactions, such as hotel or rental car deposits, holds placed on any deposits to your account, holds placed on any account for delinquent loans or lines of credit, holds based on any pledges of your account and any minimum account balance requirements may reduce your available balance and may cause your account to become overdrawn regardless of your actual balance. Any hold placed on your account which reduces the available balance may cause subsequent transactions to overdraw your account. The Credit Union can decide whether an overdraft occurs based on your available balance or your actual balance as determined by the Credit Union in its sole discretion from time to time. However, you should assume that any item which would overdraft your account based on your then-current available balance may create an overdraft. There may be a preauthorization hold on a transaction while there are actual or available funds in your account, but by the time that transaction posts to your account, you no longer have sufficient actual or available funds to cover the transaction. The Credit Union may

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charge a Bounce Free Protection or NSF fee when you do not have sufficient actual or available funds either during the preauthorization hold or when the transaction posts to your account, but you will not be charged two fees if you have insufficient funds during both time periods.

- **Representation of Declined Transactions:** We reserve the right to charge an NSF Fee each time a transaction is presented if your account does not have sufficient funds to cover the transaction at the time of presentment and we decline the transaction for that reason. This means that a transaction may incur more than one NSF Fee if it is presented more than once. For example, if an ACH or other item is presented for payment and declined due to insufficient funds and then represented for payment and declined again due to insufficient funds, we reserve the right to charge an NSF Fee for both the original presentment and the representation in accordance with our Fee Schedule and other applicable law.

We have amended the “Mandatory Arbitration of Dispute and Claims” Section to read as follows:

- Arbitration is a method of deciding disputes outside the court system. The parties agree and understand that they choose arbitration instead of litigation to resolve all claims and disputes not specifically excluded. This provision governs when and how any disputes you and we may have will be decided. Unless specifically prohibited by applicable law all disputes, claims, damages, choses in action, claims for injunctive relief or controversies arising from or relating in any way to the agreements, relationships, accounts, loans, or security agreements between you and us; the relationships which result or arise as a result of this Agreement; any rights, privileges or services you receive from us now or in the future; any claims or disputes arising in or ancillary to any bankruptcy or other insolvency proceeding; or the validity of this clause (together referred to collectively as Agreement), shall be resolved by binding arbitration by a single arbitrator chosen with the mutual consent of the parties. The arbitrator must be an attorney with more than ten (10) years experience or a retired judge. If for any reason the parties do not consent to an arbitrator within thirty (30) days from the date that notice of a claim or intent to arbitrate is provided to the other party, then an arbitrator will be selected pursuant to the Rules of the American Arbitration Association (“AAA”). This arbitration Agreement is made pursuant to a transaction in Interstate Commerce, and shall be governed by the Federal Arbitration Act (“FAA”) at 9 USC § 1, et seq., as amended from time to time. It is understood and agreed that your Credit Plan Agreement(s), your Accounts, all transactions on your Accounts, and any dispute defined herein shall involve Interstate Commerce. If any dispute between us does not involve Interstate Commerce, such dispute shall be governed by the Arbitration Act for the State set forth in this Membership Agreement, as amended from time to time, in which case all references to the FAA herein shall be to said State Act. **If the State has no Arbitration Act, then the parties will be governed by the Rules of the American Arbitration Act in any matter not involving interstate commerce.** The parties agree and understand that the arbitrator shall have all power provided by the law and this Agreement to make and enter findings of fact and determination of judgment based on the parties’ Agreements and applicable law, including but not limited to the rights of possession, off-set, property rights, money damages, declaratory relief, and injunctive relief. No arbitrator shall have the

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jurisdiction or authority to add to, take from, nullify or modify any of the terms of the Agreement. The arbitrator shall be bound by the facts and evidence submitted to him. Arbitration will be subject to the rules of procedure and evidence consistent with the Rules of the American Arbitration Association, and the Arbitrator will not apply federal or state rules. An award in arbitration shall determine the rights and obligations between the named parties only, and only in respect of the claims in arbitration, and shall not have any bearing on the rights and obligations of any other person, or on the resolution of any other dispute. You or we may choose to have a hearing and be represented by counsel. The decision of the arbitrator shall be final and binding and may be enforced in accordance with the terms of either the Federal or applicable State Law, except for any specific appeal right regarding a judgment under the FAA or a judgment for more than \$100,000. For these judgments, any party may appeal to a three- arbitrator panel appointed by and under the rules of the AAA. The decision of the panel will be by majority vote and will be final and binding except for any specific appeal right under the FAA. All provisions of this Arbitration Agreement will apply to the panel. Judgment upon the award rendered may be entered in any court having jurisdiction.

WITH THE EXCEPTION EXPLAINED HEREIN, THE PARTIES AGREE AND UNDERSTAND THAT ALL DISPUTES (INCLUDING ALL LEGAL AND EQUITABLE RIGHTS AND REMEDIES) ARISING UNDER CASE LAW, STATUTORY LAW, AND ALL OTHER LAWS INCLUDING, BUT NOT LIMITED TO, ALL CONTRACT, TORT, REGULATORY, AND PROPERTY DISPUTES WILL BE SUBJECT TO BINDING ARBITRATION IN ACCORD WITH THIS AGREEMENT. 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.

YOU ACKNOWLEDGE THAT in arbitration THERE WILL BE NO RIGHT TO A JURY TRIAL. Any claim or dispute relating to or arising out of your Accounts or our relationship will be subject to arbitration, regardless of whether that dispute arose before or after your receipt of this notice. Disputes include claims made as part of a class action, private attorney general or other representative action, it being expressly understood and agreed to that the arbitration of such claims must proceed on an individual (non-class, non-representative) basis and the arbitrator may award relief only on an individual (non-class, non-representative) basis. Disputes also include claims relating to the enforceability 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 disputes are subject to arbitration, no matter what legal theory they are based on, or what remedy (damages, or injunctive or declaratory relief) they seek.

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Disputes include any unresolved claims concerning any services relating to your Accounts. Disputes include not only claims made directly by you, but also made by anyone connected with you or claiming through you, such as a joint account holder, account beneficiary, employee, representative, agent, predecessor or successor, heir, assignee, or trustee in bankruptcy. Disputes include not only claims that relate directly to the Credit Union, but also its parent, affiliates, successors, assignees, employees, and agents, and claims for which we may be directly or indirectly liable, even if we are not properly named at the time the claim is made. Disputes include claims based on any theory of law, contract, statute, regulation, tort (including fraud or any intentional tort), or any other legal or equitable ground, and include claims asserted as counterclaims, cross-claims, third-party claims, interpleaders or otherwise; and claims made independently or with other claims. If party initiates a proceeding in court regarding a claim or dispute which is included under this Mandatory Arbitration of Disputes and Claims provision, the other party may elect to proceed in arbitration pursuant to this Mandatory Arbitration of Disputes and Claims provision.

Any provision of the foregoing to the contrary notwithstanding, 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 foreclose on any collateral securing your obligations to us by way of replevin, claim and delivery, or otherwise, 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. The initiation and maintenance of an action for judicial relief in a court on the foregoing terms shall not constitute a waiver of the right of any party to compel arbitration regarding any other dispute or remedy subject to arbitration in this Agreement, including the filing of a counterclaim in any action brought by the Credit Union pursuant to this provision. Further, disputes filed by you or by us individually in a small claims court are not subject to arbitration, so long as the disputes remain in such court and advance only an individual (non-class, non-representative) claim for relief. However, if a matter in small claims court is removed, transferred, or appealed to a non-small claims court, that claim shall be subject to this Mandatory Arbitration of Disputes and Claims provision.

Any arbitration proceeding will take place in the federal judicial circuit where the Credit Union maintains a branch that is the closest Credit Union branch to your primary place of business. 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

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(including attorneys' fees) and expenses from another party if the arbitrator, applying applicable law, so determines. The rules of the AAA will be applied to any arbitration between the parties, except in the event of any inconsistency between this Agreement and the rules of the AAA, in which case this Agreement will govern.

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 Arbitration provision is deemed invalid or unenforceable, the remainder of this Arbitration provision shall remain in force. No portion of this Arbitration provision may be amended, severed, or waived absent a written agreement between you and us.

The provisions of this Arbitration provision shall not be applicable or enforceable against you in connection with any consumer credit transaction if (i) at the time of the attempted enforcement of this provision, you are a "covered borrower" within the meaning of the Military Lending Act, 10 U.S.C. 987, or (ii) you are a "covered borrower", as so defined, at the time of your agreement to this Membership Agreement.

YOU MAY CHOOSE TO REJECT THIS MANDATORY ARBITRATION OF DISPUTES PROVISION BY SENDING US WRITTEN NOTICE AS DESCRIBED BELOW:

1. If you agree to be bound by this Mandatory Arbitration of Disputes and Claims provision, then no action is needed on your part. If you take no action, then effective immediately your Accounts will be bound by this Mandatory Arbitration of Disputes and Claims provision.
2. If you do not agree to be bound by this Mandatory Arbitration of Disputes and Claims provision, you must send us written notice via mail at Arbitration Opt-Out Department PO BOX 5158 Gainesville, FL 32627-5158 or e-mail at arbitrationoptout@flcu.org that you reject the Mandatory Arbitration of Disputes and Claims provision within 30 days of account opening or within 30 days of receiving this notice, whichever is sooner, including the following information:

Your written notice must include: your name, as listed on your account, your account number, and a statement that you reject the Mandatory Arbitration of Disputes and Claims provision.

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