



December 6, 2024

RE: Notice of new and changed terms for Business Account Agreements and Disclosures, Business Account Schedule of Service Charges, and other agreements and disclosures, **including mandatory Arbitration Agreement with waiver of class action lawsuits and opportunity to opt out.**

Dear Name,

Welcome to Pillur, the business account brand ("Pillur") of Michigan State University Federal Credit Union ("MSUFCU"). As part of the acquisition of substantially all of the assets and liabilities of Algonquin State Bank ("ASB") by MSUFCU, your ASB account(s) will be converted to Pillur account(s) subject to Pillur rates, terms, conditions, service charges, agreements, and disclosures **effective January 25, 2025** ("Effective Date"). We understand you may have questions about your Pillur accounts (individually or collectively, "Account"), and we are happy to help you through the process with resources that will assist in making the transition as seamless as possible.

We want to ensure you are aware of our practices, and we are required by regulation to provide you with specific notice of new and changed terms for your Account. Enclosed are the following items:

- A Summary of Key Changes which describes the Pillur accounts that will result from this acquisition and conversion, identifies each Pillur agreement and disclosure applicable to your Account, and summarizes the new and changed rates, terms, conditions, service charges, agreements, and disclosures applicable to your Account, **including a mandatory Arbitration Agreement with waiver of class action lawsuit and opportunity to opt out described in Section 6.2 that begins on page 7.**
- A Summary of Key Changes for Account Owners Not Opted In to Membership, which describes differences in account conversion and availability of Pillur products and services for those who have not elected to opt in to Credit Union membership in Section 7 on page 9.
- A copy of each agreement and disclosure named in the Summary of Key Changes ("Summary"), which establishes the new and changed rates, terms, conditions, and service charges applicable to your Account. The Summary is not exhaustive, so you should review all enclosed agreements and disclosures to understand your rights and obligations as well as our rights and obligations.

This notice will be sent to the primary address for the business that we have on file. All authorized individuals on the account should be notified of the content of this letter and the new and changed terms for your Account. Your agreement to the new and changed rates, terms, conditions, fees, agreements, and disclosures is indicated by your continued maintenance and use of your account after the Effective Date. If you have any questions about the new and changed rates, terms, conditions, fees, agreements, and disclosures, or would like to view or request copies of any additional documents not enclosed with this letter, please call us at 800-678-4968, visit any MSUFCU branch in the state of Illinois, or visit our website at msufcu.org/algonquin.

(Summary of Key Changes begins on the next page)

SUMMARY OF KEY CHANGES

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1. BUSINESS ACCOUNT CONVERSION CHART

On the Effective Date, your ASB account(s) will be converted to Pillur account(s) as summarized in the below Business Account Conversion Chart and further described later in the Summary of Key Changes ("Summary"). Please refer to your current ASB statement(s) to locate the name of your account(s) and determine how your account(s) will be converted.

BUSINESS ACCOUNT CONVERSION CHART		
BUSINESS SAVINGS ACCOUNTS		
Former ASB Account(s)	New Pillur Account	For More Info
Corporate Statement Savings	Business Spartan Saver	See Section 2
Money Market The Investor Money Market	Business Insured Money Management Account (Business IMMA)	
BUSINESS CERTIFICATES		
Former ASB Account(s)	New Pillur Account	For More Info
Business Certificate of Deposit	Business Certificate	See Section 3
CHECKING ACCOUNTS		
Former ASB Account(s)	New Pillur Account	For More Info
Business Checking NOW Business Checking Regular Checking Senior Checking	Small Business Checking	See Section 4
Demand Public Funds	Standard Business Checking	

For further information about the agreements and disclosures that establish the new and changed rates, terms, conditions, and service charges applicable to your Account, see Section 5.

2. BUSINESS SAVINGS ACCOUNTS

As of the Effective Date, the rates, terms, conditions, and service charges applicable to your business savings account(s) will change.

- As of September 1, 2024, your account(s) began earning dividends, rather than interest.
- The changed dividend rates and annual percentage yield (APY) are described in our Business Account Current Dividends rate sheet, which is enclosed and described in Section 6.1 of this Summary.
- The new and changed terms and conditions can be found in our Business Account Terms and Conditions, Business Electronic Correspondence Disclosure and Agreement, VISA Debit Card for Business Agreement, and Funds Availability Policy Disclosure (collectively referred to as "Business Account Agreements and Disclosures" within this notice), which are enclosed and described in Section 6.2 of this Summary.
- The new and changed fees are described in our Business Account Schedule of Service Charges, which is enclosed and described in Section 6.3 of this Summary.

Membership Savings Account

- Credit union members are required to subscribe to at least one par value share, called the membership share. The \$5.00 membership share of members with business accounts is held in their Membership Savings Account. During account conversion, \$5.00 from your primary checking or savings account will be transferred to fund your Membership Savings Account. If a Membership Savings Account balance falls below the required \$5.00 membership share, the account owner(s) will have six (6) months to restore the account balance to the \$5.00 par value before membership will terminate.

Corporate Statement Savings, Statement Savings, and Passbook Savings will become Savings Account

- There is no minimum balance to open this account.
- There is no minimum balance required to avoid the assessment of a monthly fee.
- There is no minimum balance required to earn the stated annual percentage yield (APY).
- You receive 25 complimentary transactions to/from this account per month. After the complimentary transactions, you will be assessed a fee of \$0.25 per transaction.
- Dividends are compounded and credited monthly.

Money Market, Money Market Premium Public, and Investor Money Market will become Business Insured Money Management Account (Business IMMA).

- You receive 25 complimentary transactions to/from this account per month. After the complimentary transactions, you will be assessed a fee of \$0.25 per transaction.
- The minimum balance to earn dividends for a Business IMMA is \$2,000.00.
- If you close your account prior to payment of a dividend, you will receive accrued dividends.
- Dividends are compounded and credited monthly.
- The tiered rate structure for Business IMMA is noted in the enclosed Business Account Current Dividends rate sheet.
- Checks will no longer be able to be written from accounts that were previously Investor Money Market accounts.

3. BUSINESS CERTIFICATES

Terms, conditions, and service charges applicable to any open Certificate(s) you have as of the Effective Date will change. The rate and maturity date will be honored for the duration of the Certificate until maturity or closure.

- The dividend rates and APY for Certificates renewed or newly opened on or after the Effective Date are described in our Business Account Current Dividends rate sheet, which is enclosed and described in Section 6.1 of this Summary.
- The new and changed terms and conditions can be found in our Business Account Agreements and Disclosures, which are enclosed and described in Sections 6.2 of this Summary.
- The new and changed fees are described in our Business Account Schedule of Service Charges, which is enclosed and described in Section 6.3 of this Summary.

7-Day Certificates are discontinued.

- Upon maturity, the funds on deposit in a 7-Day Certificate and any dividends earned on those funds on deposit will be deposited into the account owner's Business Spartan Saver.

Business 3-Month to 5-Year Certificates of Deposit are now Business Certificates.

- Upon renewal, a renewing Business Certificate automatically renews into a new Business Certificate featuring the same or nearest applicable Certificate term that does not exceed the term of the original Business Certificate.
- Upon renewal, any Business Certificate withdrawals that previously required multiple authorized individuals to authorize withdrawal can be made by any single authorized individual regardless of any previously elected restrictions.
- Early withdrawal penalties will be assessed as follows:
 - A penalty equal to 90 days of dividends, based on the amount withdrawn, will be assessed for any Business Certificate with a term of 1 year or less.
 - A penalty equal to 180 days of dividends, based on the amount withdrawn, will be assessed for any Business Certificate with a term of greater than 1 year and less than 5 years.
 - A penalty equal to 365 days of dividends, based on the amount withdrawn, will be assessed for any Business Certificate with a term greater than 5 years.
- The grace period during which you may withdraw funds after renewal of a Business Certificate without being charged an early withdrawal penalty will be decreased from 10 days to 7 days.
- Additional deposits to a Business Certificate after it is opened may not be made to any Business Certificate other than the 1-Year Add-On Certificate.
- Additional deposits to the 1-Year Add-On Certificate are allowed up to \$10,000.00 per member per calendar year. Additional deposits to a Business Certificate do not change its maturity date or dividend rate.
- If additional deposits to a 1-Year Add-On Certificate exceed the stated limitations, the funds exceeding the stated limitations will be withdrawn from the Certificate and deposited into the member's Business Spartan Saver.
- Dividends are calculated by the daily balance method, which applies a daily periodic rate to the balance in the account each day.
- Dividends are compounded and credited monthly.
- Minimum balance requirements for Business Certificates can be found in the enclosed Business Account Current Dividends rate sheet.

4. BUSINESS CHECKING ACCOUNTS

As of the Effective Date, the rates, terms, conditions, and service charges applicable to any checking account(s) you have will change.

- The changed rates and APY are described in our Business Account Current Dividends rate sheet, which is enclosed and described in Section 6.1 of this Summary.
- The new and changed terms and conditions can be found in our Business Account Agreements and Disclosures, which are enclosed and described in Section 6.2 of this Summary.
- The new and changed fees are described in our Business Account Schedule of Service Charges, which is enclosed and described in Section 6.3 of this Summary.

Business Checking, NOW Business Checking, Senior and Regular Checking will become Small Business Checking.

- Small Business Checking is a non-dividend-bearing/non-interest-bearing account.
- You will receive 100 complimentary transactions to/from this account per month. After the complimentary transactions, you will be assessed a fee of \$0.25 per transaction.

Demand Public Funds will become Standard Business Checking.

- Standard Business Checking is a non-dividend-bearing/non-interest-bearing account.
- You will receive 300 complimentary transactions to/from this account per month. After the complimentary transactions, you will be assessed a fee of \$0.25 per transaction.
- The minimum daily balance requirement for the Standard Business Checking is \$2,500.00 to avoid a monthly minimum balance fee of \$15.00.

5. BUSINESS LOANS

As of the Effective Date, the rates, terms, conditions, and fees applicable to business credit and loans you have will change.

- Any changed rates and fees are described below.
- New and changed fees are described in our Business Account Agreements and Disclosures, which are enclosed and described in Section 6.2 of this Summary.
- Any automatic payments from your designated account to any business credit or loans you have will continue as scheduled.
- Any prepayment penalties outlined in original loan agreements will be permanently eliminated, and no prepayment penalties will be assessed or collected for paying off loans prior to the maturity date.

Terms that will apply for open-end and/or closed-end business credit.

- For any open-end or closed-end business credit, the grace period within which a late payment can be made without incurring a late payment fee will increase from 10 days to 15 days after the payment due date.
- For any open-end or closed-end business credit, when the minimum payment is not made within the 15-day grace period, a late payment fee equal to the greater of 5% of the payment amount or \$25.00 will be assessed.
- For any open-end or closed-end business credit, a \$25.00 returned payment fee will be assessed for any returned payment.
- For any open-end or closed-end business credit, in the event of default as defined in your Business Loan Agreement and Promissory Note, the loan will be subject to a default interest rate equal to the interest rate in effect before default, plus 5%, with a maximum interest rate of 18%.
- For any open-end business credit at the time of renewal, members will be subject to a renewal fee that will be appropriately disclosed during the renewal process.
- Any extension charge stated in the Promissory Note for your business credit will be honored. If your Promissory Note does not state a charge for an extension, any approved extension will be subject to an extension charge that will be disclosed during the extension process.
- For variable rate loans using a Wall Street Journal Prime Index, the rates may change daily.

6. AGREEMENTS AND DISCLOSURES

As of the Effective Date, your Account is subject to all terms and conditions of the enclosed agreements and disclosures. Please note there are sections within these agreements and disclosures featuring new or changed privileges and liabilities for you and MSUFCU when compared to the previously existing privileges and liabilities for you and ASB. As the key information we have included within this Summary for each of these agreements and disclosures is not exhaustive, we encourage you to carefully review each of these enclosed documents in full:

- Business Account Current Dividends rate sheet — See Section 6.1 below
- Business Account Agreements and Disclosures — See Section 6.2 below
- Business Account Schedule of Service Charges — See Section 6.3 below

As of the Effective Date, your Account is no longer subject to any of the terms and conditions in the following ASB agreements and disclosures:

- Terms and Conditions — 2021
- Truth in Savings — 2021
- Electronic Funds Transfer Disclosure
- Privacy Policy
- ASB Wallet Privacy Policy
- Any other agreement or disclosure provided by ASB to you, other than an agreement or disclosure provided to you for a loan or credit product that is still open as of the Effective Date.

6.1 Business Account Current Dividends Rate Sheet

This enclosed document sets forth certain terms, conditions, and rates applicable to your savings and checking accounts with us. The dividend rates and corresponding annual percentage yield (APY) applicable to any of your open savings and checking accounts with us, not including any open Certificates you may have with us, may change at any time. For current dividend rates and APYs, please visit our website at msufcu.org, call us at 800-678-4968, or visit any of our branches in the state of Illinois.

6.2 Business Account Agreements and Disclosures

This enclosed document outlines the privileges and liabilities of MSUFCU and you regarding the accounts and services we offer. This document establishes, among other privileges and liabilities:

- **Arbitration Agreement: A mandatory Arbitration Agreement with a waiver of class action lawsuits. Any individual authorized to act on behalf of the business has the right to opt out of the mandatory Arbitration Agreement and class action waiver. If any individual authorized to act on behalf of the business opts out of the Arbitration Agreement, all individuals authorized to act on behalf of the business will be considered to have opted out with respect to the Account. Doing so will not affect any other terms and conditions of your Account or your relationship with MSUFCU. To opt out, you must notify MSUFCU in writing of your intent to do so prior to the Effective Date. Verbiage such as, "I elect to opt out of the Arbitration Agreement" or any words to that effect, and your account number, must be included in your written notice of intent to opt out. Your notice of intent to opt out can be sent by letter signed by you to MSUFCU at PO Box 1208, East Lansing, MI 48826-1208 by February 24, 2025.**
- **Business Accounts:** Business accounts are those established by any partnership, corporation, association, sole proprietorship, or other entity operated on a for-profit basis; all corporations and associations operated on a not-for-profit-basis; and any individual who intends to use the account for carrying on a trade or business. We reserve the right to require separate written authorization, in a form acceptable to us, telling us who is authorized to act on your behalf. We are authorized to

follow the directions of a person designated as having authority to act on the entity's behalf until we receive written notice that the authority has been terminated and have had a reasonable time to act upon that notice.

- Overdrafts: Terms and conditions concerning overdrafts and available balance.
- Payable on Death Account for Sole Proprietorships: A requirement for any Beneficiary Designations made or changes after the Effective Date to be authorized by the Sole Proprietor. The continued use of an account after the Effective Date constitutes an agreement by the Sole Proprietor that any existing beneficiary designation is valid and in effect, regardless of whether the Sole Proprietor designated the beneficiary(ies). If no beneficiaries or contingent beneficiaries are living at the time of the death of the Sole Proprietor, the remaining funds in the account will be paid to the Sole Proprietor's estate. To confirm or update a beneficiary designation on a Sole Proprietor account, please call us at 800-678-4968 or visit any of our branches in the state of Illinois.
- Indemnity and Waiver: Except in the event we materially breach these Terms, you or any surviving beneficiary or owner agree(s) to waive, indemnify, and hold us harmless from any claim or liability asserted against us as a result of the establishment and management of an account, the disposition of funds in reliance on these Terms and any account designations, the making and servicing of loans, or the offering or rendering of any other financial services. You or any surviving beneficiary or owner also agree to waive, indemnify, and hold us harmless from any claim or liability asserted against us for your use of or dealings with third-party vendors whose applications or website links are accessible via our website(s). We may require any account changes you wish to make to be specified in writing or on an account change form, including adding or terminating an account or service. We may also require an account change form to be signed by all account owners. We may decline to abide by your directions, or request that you post a bond or alternative protection, if such directions make us susceptible to claims, lawsuits, expenses, liabilities, or damages, either directly or indirectly. If, by following your directions, we are exposed to a claim or suit by an adverse claimant, you shall hold us harmless and indemnify us from any such losses, expenses, liabilities, or damages, including actual attorney's fees. In the event we honor your request that does not conform to the Terms herein, you acknowledge that we are not considered to be in material breach thereof, and you acknowledge that we are not required to honor the same request again later.
- Member Interactions: We may restrict or suspend access to any or all products or services, except the ability of a member to attend, participate, and vote in annual and special meetings and maintain a savings account, if any account owner engages in conduct that is abusive to us, our employees, the employees of the nonaffiliates with whom we conduct business, and/or our membership. The Credit Union's Board of Directors has adopted a Member Expulsion and Limitation of Services Policy which addresses the rights and obligations of members. Specifically, the Policy provides that the Credit Union may suspend or limit services to members who are not in good standing and also describes reasons why a member may have their Credit Union membership terminated. This Policy was adopted to protect members, Credit Union employees and volunteers, and the Credit Union. You may view the details on "member in good standing" and examples of situations where the Credit Union may suspend or limit services in our Member Standing, Limitation of Services, and Expulsion Guidelines available at msufcu.org/disclosures.
- Member Selected Content: We may deny the use of member-selected content — including but not limited to: account names, codewords, comments on fund transfers, and usernames — if we determine at our sole discretion the member-selected content is inappropriate, offensive, threatening, obscene, or objectionable.

6.3 Business Account Schedule of Service Charges

This enclosed document discloses the service charges applicable to various accounts and services available to MSUFCU business members. While many service charges that may impact your Account will be reduced through the acquisition, the following fees will be increased or new for your Account:

Increased Service Charges

- The charge for a printed Statement Copy will increase/change from \$2.00 for the first page and \$1.00 for each additional page to \$5.00 per statement.
- The charge for Drilling to Open a Safe Deposit Box will increase from \$200.00 per box drilled to a variable charge that is based on urgency and starts at \$280.00 per box drilled.

New or Updated Service Charges

- A \$30.00 Overdraft Charge will be assessed when a business account is overdrawn. While business accounts are generally not eligible for overdraft coverage that would trigger an overdraft charge, this charge will be assessed if an overdraft transaction is paid for a business account. Due to our Balance Shield service featuring a threshold of \$50.00, members who overdraw their eligible accounts by check or ACH transfer up to \$50.00 will not incur an Overdraft Charge.
- A \$2.00 Paper Notice Charge will apply per notification of a Non-Sufficient Funds (NSF) or Overdraft Transfer Notice if you have not opted to receive electronic notices.
- An International Service Assessment charge of 1% for ATM/PIN-based transactions and 3% for signature-based transactions will apply for transactions made using a Business VISA Debit Card or Business Cash Back VISA Credit Card.
- \$100.00 International Check Processing charge — Federal Reserve (Long Collection)
- \$75.00 Escheatment charge
- \$50.00 Returned International Check charge
- \$40.00 International Expedited Card charge
- \$35.00 International Check Processing charge — Standard (Short Collection)
- \$30.00 Domestic Expedited Card charge
- \$20.00 International Currency Purchase and International Currency Sale charge
- \$10.00 International Check Processing charge — Canadian
- \$10.00 Card Replacement charge for replacement ATM, debit, or credit card
- \$7.95 Convenience Loan Payment or Account Deposit charge for attempting a payment or deposit to your MSUFUCU loan or account using a debit card
- \$5.00 Cancelled Check Copy charge
- \$4.50 VISA Gift Card charge
- \$3.00 Money Order charge
- \$1.00 per page Temporary Check charge
- \$1.00 per transaction Non-CO-OP ATM charge

7. KEY CHANGES FOR ACCOUNT OWNERS NOT OPTED IN TO MEMBERSHIP

On the Effective Date, if you have not opted in for membership, there will be limited availability of Credit Union products and services. We encourage you to carefully review this Section 7 in full to understand the complete scope of these differences that may significantly impact you. If you have already completed your membership opt in, you may disregard all information within this Section 7.

As a nonmember account owner of the Credit Union, you would not have access to certain products and services only available to Credit Union members. See Product and Service Limitation for Nonmembers below for more information. Additionally, if you have not opted in for membership, you will not have the right to vote at Annual and Special Meetings or maintain a share account. However, at our sole discretion, we will allow you to maintain nonmember accounts with significantly limited services as described below.

If you would like to opt in to membership to receive the full benefits of Credit Union membership, you may do so by:

- 1. Providing electronic authorization at msufcu.org/asbmembership; or**
- 2. Calling us at 1-312-270-0204 x3133; or**
- 3. Visiting one of our convenient branch locations.**

If you are unsure whether or not you opted in for membership, you may check by calling us at the number above or visiting one of our branch locations.

Product and Service Limitation for Nonmembers

The following describes the product and service limitations applicable to nonmember account owners.

Business Loans and Lines of Credit

- **The Credit Union cannot offer or service any loans or lines of credit to nonmembers. We previously notified all account owners by mail who had not opted in for membership as of October 25, 2024, of the need to opt in to membership by November 15, 2024, for the Credit Union to continue servicing any loans and lines of credit they may have. If you did not opt in for membership, you must do so as soon as possible but no later than January 10, 2025. You can contact us to complete your membership opt-in or discuss other options by calling us at 1-312-270-0204 x3133.**
- **If you have an open line of credit and have not opted in to membership by January 10, 2025, you will be unable to make any advances from your open line of credit as of January 25, 2025.**

Business Certificates

- Upon maturity, the funds on deposit in a Certificate held by a nonmember, and any dividends earned on those funds on deposit, will be deposited into a Savings Account, with no ability to renew an existing Certificate or open a new Certificate.
- Additional deposits into any certificates are prohibited for nonmembers.

Safe Deposit Box

- Safe Deposit Boxes are not available to nonmembers. Any Safe Deposit Box(es) being used by a nonmember must be closed with all items removed on or before the lease renewal date.

Other Product and Service Limitations

- Opening a new account, loan, or Safe Deposit Box is not available to nonmembers.
- Account modifications are not available to nonmembers, including adding or removing signers, or adding or changing beneficiaries (Sole Proprietorship only).
- Money orders, cashier's checks, VISA gift cards, and CashBack+ are not available to nonmembers.
- Signature Guarantee and notary public services are not available to nonmembers.
- U.S. Savings Bond redemption services are not available to nonmembers.
- Foreign Currency Purchasing services are not available to nonmembers.

- ATM cards and debit cards will not be provided to and are not available to any nonmember.
- eDeposit is not available to nonmembers.
- Bill Payment services are not available to nonmembers.
- Balance Shield is not available to nonmembers.
- Wire Transfer, ACH Transfer, and ACH Origination services are not available to nonmembers.
- Further product and service limitations that may be determined at the sole discretion of the Credit Union.