



UTILITIES EMPLOYEES CREDIT UNION – CHANGE IN TERMS NOTICE

Utilities Employees Credit Union’s (UECU) Account Agreement & Disclosures have been updated to implement an Arbitration and Class Action Waiver clause and other changes. You can opt out of the Arbitration and Class Action Waiver clause as provided below.

The various changes found in the updated version of the Account Agreement & Disclosures are outlined below. The Account Agreement & Disclosures is comprised of your Membership Agreement, Funds Availability Policy, Electronic Funds Transfer Act (EFT) Agreement, Truth-In-Savings (TIS) Disclosure and Privacy Policy. Changes were made to the Membership Agreement. No revisions were made to the Funds Availability Policy, EFT Agreement, TIS Disclosure or Privacy Policy.

THE CHANGES BELOW ARE EFFECTIVE DECEMBER 1, 2021. The updated version of the Account Agreement & Disclosures will be available online at uecu.org on December 1, 2021. To obtain a copy of the updated version of the Account Agreement & Disclosures you may write to us at PO Box 14864, Reading, PA 19612-4864 or call us at 800.288.6423 to request a copy be emailed or mailed to you. The updated Account Agreement & Disclosures apply to your accounts and your membership relationship with UECU.

A. New Section – Arbitration and Waiver of Class Action. The below language will be added to the Membership Agreement:

THIS AGREEMENT CONTAINS AN ARBITRATION AND WAIVER OF CLASS ACTION CLAUSE. IT IS IMPORTANT THAT YOU READ THIS CLAUSE CAREFULLY, AND FOLLOW THE PROCESS TO OPT OUT IF YOU WISH TO DO SO, BEFORE CONSENTING TO THIS ACCOUNT AGREEMENT.

Arbitration and Waiver of Class Action: You and we agree to attempt to informally settle any and all disputes arising out of, affecting, or relating to your accounts, or the products or services we have provided, will provide or have offered to provide to you, and/or any aspect of your relationship with us (hereafter referred to as the “Claims”). If that cannot be done, then you agree that any and all Claims that are threatened, made, filed or initiated after the Effective Date (defined below) of this Arbitration and Waiver of Class Action provision (“Arbitration Agreement”), even if the Claims arise out of, affect or relate to conduct that occurred prior to the Effective Date, shall, at the election of either you or us, be resolved by binding arbitration administered by the American Arbitration Association (“AAA”) in accordance with its applicable rules and procedures for consumer disputes (“Rules”), whether such Claims are in contract, tort, statute, or otherwise. The Rules can be obtained on the AAA website free of charge at www.adr.org; or, a copy of the Rules can be obtained at the Credit Union upon request. Either you or we may elect to resolve a particular Claim through arbitration, even if one of us has already initiated litigation in court related to the Claim, by: (a) making written demand for arbitration upon the other party, (b) initiating arbitration against the other party, or (c) filing a motion to compel arbitration in court. **AS A RESULT, IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU WILL GIVE UP YOUR RIGHT TO GO TO COURT TO ASSERT OR DEFEND YOUR RIGHTS UNDER THIS ACCOUNT AGREEMENT (EXCEPT FOR CLAIMS BROUGHT INDIVIDUALLY WITHIN SMALL CLAIMS COURT JURISDICTION, SO LONG AS THE CLAIM REMAINS IN SMALL CLAIMS COURT). IF EITHER YOU OR WE ELECT TO RESOLVE A PARTICULAR CLAIM THROUGH ARBITRATION, YOU AND WE EXPRESSLY AGREE TO WAIVE THE RIGHT TO TRIAL BY JUDGE OR JURY.** This Arbitration Agreement shall be interpreted and enforced in accordance with the Federal Arbitration Act set forth in Title 9 of the U.S. Code to the fullest extent possible, notwithstanding any state law to the contrary, regardless of the origin or nature of the Claims at issue. This Arbitration Agreement does not prevent you from submitting any issue relating to your accounts for review or consideration by a federal, state, or local governmental agency or entity, nor does it prevent such agency or entity from seeking relief on your behalf. This Arbitration Agreement shall not apply to claims that are initiated in or transferred to small claims court.

- 1. Selection of Arbitrator.** The Claims shall be resolved by a single arbitrator. The arbitrator shall be selected in accordance with the Rules, and must have experience in the types of financial transactions at issue in the Claims. In the event of a conflict between the Rules and this Arbitration Agreement, this Arbitration Agreement shall supersede the conflicting Rules only to the extent of the inconsistency. If AAA is unavailable to resolve the Claims, and if you and we do not agree on a substitute forum, then you can select the forum for the resolution of the Claims.
- 2. Effective Date.** This Arbitration Agreement is effective upon the 61st day after we first provide it to you (“Effective Date”), unless you opt-out in accordance with the requirements of the RIGHT TO OPT-OUT provision below.
- 3. Arbitration Proceedings.** The arbitration shall be conducted in Reading, Pennsylvania or Philadelphia, Pennsylvania, whichever you prefer. Any claims and defenses that can be asserted in court can be asserted in the arbitration. The Arbitrator shall be entitled to award the same remedies that a court can award, including any kind of relief that could be awarded by a court, including injunctive relief. The Arbitrator is not entitled to make errors of law. Discovery shall be available for non-privileged information to the fullest extent permitted under the Rules. The Arbitrator’s award can be entered as a judgment in court. Except as provided in applicable statutes, the arbitrator’s award is not subject to review by the court and it cannot be appealed;

provided, however, the Arbitrator's award can be reviewed for errors of law. We shall pay for any filing, administration, and arbitrator fees imposed on you by the AAA, except for your initial filing fee if you initiate the arbitration. You will be responsible for your own attorneys' fees, unless you prevail on your Claim in the arbitration, in which case, we will pay your attorneys' fees. If we prevail, you will not be required to pay our attorneys' fees and costs. Any determination as to whether this Arbitration Agreement is valid or enforceable in part or in its entirety will be made solely by the arbitrator, including without limitation any issues relating to whether a Claim is subject to arbitration; provided, however, the enforceability of the Class Action Waiver set forth below shall be determined by a court.

4. **Class Action Waiver.** ANY ARBITRATION OF A CLAIM WILL BE ON AN INDIVIDUAL BASIS. YOU UNDERSTAND AND AGREE THAT YOU ARE WAIVING THE RIGHT TO PARTICIPATE AS A CLASS REPRESENTATIVE OR CLASS MEMBER IN A CLASS ACTION LAWSUIT.
5. **Severability.** In the event the Class Action Waiver in this Arbitration Agreement is found to be unenforceable for any reason, the remainder of this Arbitration Agreement shall also be unenforceable. If any provision in this Arbitration Agreement, other than the Class Action Waiver, is found to be unenforceable, the remaining provisions shall remain fully enforceable.
6. **Right to Opt-Out.** You have the right to opt-out of this Arbitration Agreement and it will not affect any other terms and conditions of your Account Agreement or your relationship with us. To opt out, you must notify us in writing of your intent to do so on or before the Effective Date. Your opt-out will not be effective and you will be deemed to have consented and agreed to the Arbitration Agreement unless your notice of intent to opt out is received by us in writing at compliance@uecu.org or P.O. Box 14864, Reading, PA 19612 on or before the Effective Date. Your notice of intent to opt out can be a letter that is signed by you or an email sent by you that states "I elect to opt out of the Arbitration Agreement" or any words to that effect.
7. **Survival.** This Arbitration Agreement shall survive the closing of your account, membership or this Account Agreement and Disclosures.

FOR MORE DETAILS or if you have questions, you may call us or visit the Credit Union. If you have questions about AAA procedures, you should check AAA's website, www.adr.org, or call AAA at (800) 778-7879.

B. New Section – Severability – The below language will be added to the Membership Agreement:

Severability: If any provision of this Agreement is held by a court or arbitrator to be illegal, invalid or unenforceable, such provision shall be severed and inoperative, and—provided that the fundamental terms and conditions of this Agreement remain legal, valid and enforceable—the remainder of this Agreement shall remain operative and binding on you and the Credit Union.

- C. **Membership** – Remove temporary and contract employees from the first sentence of the Membership section. Sentence will now read as follows: Employees and retirees of our partner companies, members of affiliated associations and anyone who lives, works, worships or attends school in the Greater Reading Area are eligible for membership. Add the following sentence to the end of the Membership section: Your account(s) will be closed within 45 days of opening if we do not obtain all completed documentation required to establish membership.
- D. **Inactive Accounts** – Rename section, Inactive Checking Accounts. Remove the last two sentences from the Inactive Checking Accounts section: Your account(s) will be considered inactive and closed within 45 days of opening if we do not obtain all completed documentation required to establish membership. Your account(s) will be considered inactive and closed if there are no transactions conducted within six (6) months after account opening.
- E. **Governing Law; Venue; Jury Trial Waiver** – What is bolded will be added to the following sentence in the Governing Law; Venue; Jury Trial Waiver section: **Except as provided in the Arbitration Agreement**, any action or proceeding arising out of or relating to this Agreement shall take place in the United States District Court for the Eastern District of Pennsylvania or the Magisterial District Courts and Courts of Common Pleas of the Commonwealth of Pennsylvania located in Berks County.
- F. **Denial of Services and Member Expulsion** – The following sentence will be added to the Denial of Services and Member Expulsion section: Personal accounts cannot be used for business purposes. If your account is being used for business purposes, we reserve the right to close your account. If we exercise this right, we will send notice of account closure and give 30 days for you to redirect your financial services.