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Beach Municipal Federal Credit Union Teen Club Share Account Policy

- I. Teen Club Share Accounts are established and authorized by the Board of Directors as a regular share account for those members between 13 and 17 years of age and are a requirement for credit union membership unless the person is already a member and owns a regular share account or Long John Saver's Kid's Club Account.
- II. A person must be within the field of membership to join the credit union and open a Teen Club Share Account. A signed account card is required to open this account.
- III. Existing account holders qualifying for the Teen Club Share Account may convert their current regular share account or Long John Savers Kid's Club Account to a Teen Club Share Account as long as all Teen Club Share Account criteria are met.
- IV. There is a one-time membership fee as established by the Board of Directors due upon opening a Teen Club Share Account unless the person is already a member and is converting a regular share account or Long John Saver Kid's Club Account to the Teen Club Share Account. Teen Club Share Accounts will not be assessed a dormant account fee.
- V. Teen Club Share Accounts must be opened in the name of the minor with or without a parent or guardian of legal age as a joint owner of the account. If the minor is old enough to sign the documentation, the minor should sign. If the minor is not able to sign, a minor's parent or legal guardian has the right to sign for the minor (e.g., Mary Doe by John Doe, Father). The credit union shall not change the account status when the minor reaches the age of majority unless authorized in writing by all account owners.
- VI. Accounts with joint account owners will be issued with or without survivorship.
- VII. If the account is a joint account, all owners will have equal access to the funds. The credit union shall make payments of funds directly to the minor without regard to his/her minority. Unless a parent or guardian is an account owner, the parent or guardian shall not have any account access rights other than in a custodial capacity. We have no duty to inquire of the use or purpose of funds of any transaction by the minor, parent or guardian or any account owner. In the event of a dispute, the credit union reserves the right to not honor any withdrawal and turn the matter over to the credit union's attorney for resolution.
- VIII. Upon the eighteenth (18th) birthday of the primary account holder, the Teen Club Share Account terms will be void, and the account will convert to the regular share account terms or the account may be converted into an All About Me Share account. Joint owners will not be removed from the account without the signature of all account owners.

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- IX. Teen Club Share Account members may vote at meetings of the members as permitted per the credit union bylaws. Joint owners will not be permitted to vote, obtain loans, or hold office, unless he/she is within the field of membership and is a qualified member in his/her own right.
 - i. Each joint owner is jointly and severally liable to the credit union for the amount of any returned item, overdraft, or unpaid amount and any charges, regardless of who created the overdraft, deposited or cashed the item or benefited from the transactions. If any account owner is indebted to the credit union, the credit union may enforce its rights against any or all funds in the joint account regardless of who contributed the funds to the account.
- X. If a member or joint owner of a Teen Club Share Account causes a financial loss to the credit union, all credit union services will be denied to the individual with the exception of maintaining the account and the minimum balance of one share.
- XI. The account must be opened with a minimum deposit equal to the value of one share and maintain a minimum balance equal to one share. There shall be no restrictions in the amount of share savings a member may deposit or the total amount they may have in their share account, other than as noted or as limited per the credit union bylaws.
- XII. Teen Club Share Account holders are permitted all credit union services as permitted by law and/or per credit union policy.
- XIII. Dividends will be calculated using the daily balance method (the application of a daily periodic rate to the full amount of principal in the account each day) and paid monthly. The Board of Directors will declare dividends monthly. A minimum \$5.00 balance is required to earn any stated annual percentage yields.
- XIV. Teen Club Share Accounts will be classified as non-transaction accounts for the purpose of Federal Reserve Regulation D and all transactions will be limited as per regulation.
- XV. Periodic statements will be provided at least quarterly.

Approved at the February 24, 2016 meeting of Beach Municipal Federal Credit Union's Board of Directors.