

NOTICE: Effective 4/1/2020, Leaders' member and business member agreements will include an Arbitration and Class Action Waiver (ACAW) provision substantively the same as the attached version. **Until 5/15/2020**, you may Opt-Out of the ACAW provision by sending written notice, which includes your name, phone number, last four digits of your member number, and that you are opting-out of the ACAW provision, to us at P.O. Box 10008, Jackson, TN 38308, Attn: Legal or at Opt_out@leaderscu.com.

Binding Arbitration and Class Action Waiver



P.O. Box 10008, Jackson, TN 38308
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PLEASE REVIEW THIS PROVISION CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS.

EITHER YOU OR WE MAY ELECT, WITHOUT THE OTHER'S CONSENT, TO REQUIRE ANY CLAIM OR DISPUTE, WHICH IS NOT SPECIFICALLY EXCLUDED IN THIS PROVISION, BE RESOLVED THROUGH BINDING ARBITRATION RATHER THAN IN COURT.

BINDING ARBITRATION OF A CLAIM OR DISPUTE RESULTS IN THE LOSS OF ANY RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR LAWSUIT RELATED TO THE CLAIMS OR DISPUTES ARBITRATED AND IN THE LOSS OF ANY RIGHT TO A JURY TRIAL. IN ARBITRATION, THE CLAIM OR DISPUTE IS SUBMITTED TO A NEUTRAL PARTY, AN ARBITRATOR, INSTEAD OF A JUDGE OR JURY AND THE PROCEDURES MAY BE MORE LIMITED THAN RULES APPLICABLE IN COURT.

a. Applicability

Pursuant to the Military Lending Act (MLA), this Provision will not apply to your accounts, products, or services while you are an active duty Service Member or dependent of such covered service member as defined in the MLA.

b. Claims and Disputes Covered by Arbitration

You and we agree that any claims or disputes arising out of or relating in any way to any accounts, products, or services with us are subject to arbitration unless specifically excluded in this Provision. You and we also agree that any claims or disputes arising from or relating in any way to the MSA; any prior account agreement between you and us; or the advertising of, application for, approval of, or establishment of your accounts, products, or services are subject to arbitration unless specifically excluded in this Provision. All such claims and disputes are referred to in this Provision as "Claims".

Claims are subject to arbitration regardless of whether the Claim arises under contract, tort, statute, or any other basis or whether the Claim seeks legal or equitable remedies. Arbitration applies to any and all Claims regardless of whether the Claim arose in the past, may currently exist, or may arise in the future.

c. Excluded Claims

You and we agree that any Claim subject to the jurisdiction of a small claims court may be pursued in such court, provided the Claim proceeds on an individual basis.

You and we agree that any Claim arising from your status as a borrower under any loan agreement, whether or not secured by collateral and regardless of the type of collateral, that was entered into between you and us or that was assigned to us are also excluded from this Provision. For avoidance of any doubt, such loan agreements do include credit card agreements, but do not include agreements for overdraft protection or similar products and services.

d. No Class Action or Joinder of Parties

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 further agree that if a class action lawsuit is initiated against us and if this Provision applies to such action and we require the Claims to be arbitrated, then you will withdraw from or agree to dismissal of the class action lawsuit and allow your claim to be arbitrated on an individual basis pursuant to this Provision.

e. Governing Law and Hearing Location

This Provision and any arbitration conducted under it are governed by the Federal Arbitration Act (9 U.S.C. § 1 et seq.) (FAA) and are not subject to any state law related to arbitration. Any arbitration hearing shall take place in a location mutually agreeable to you and us including, without limitation, the federal district in which you reside or in which we are located.

f. Arbitration Proceedings

The arbitration must be filed with and conducted through one of the following neutral arbitration organizations, pursuant to such organization's applicable rules and procedures in effect at the time the Claim is filed: American Arbitration Association (AAA) or JAMS. You may get a copy of the rules and procedures of an arbitration organization by contacting the organization or visiting its website. If there is a conflict between that organization's rules and/or procedures and the MSA or this Provision in particular, then the MSA and this Provision will control. If JAMS or the AAA is unable to handle the claim for any reason, then the matter shall be arbitrated by one (1) neutral arbitrator, who is an attorney or retired judge, selected and agreed upon by you and us (or, if you and we cannot agree, then as selected by a court in accordance with the FAA).

g. Costs

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 initial filing fee. All other fees and costs will be allocated in accordance with the rules of the arbitration organization. However, we will advance and/or reimburse other fees and costs of the arbitration organization (including, without limitation, the arbitrator's fee) 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 be responsible for their own attorney, expert, witness, and other fees and expenses not previously addressed in this Provision, regardless of who prevails. However, you or we may be required by the arbitrator's decision/award, in applying applicable law, to reimburse the other, in whole or in part, for any or all fees, costs, and expenses of the arbitration.

h. Right to Resort to Provisional Remedies Preserved

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, 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.

i. Severability, Survival

If any portion of this Provision is deemed invalid or unenforceable, then the remainder of this Provision shall remain in force. This Provision shall survive 1) termination or changes to your accounts or any related products or services; 2) the bankruptcy of any party; and 3) the transfer or assignment of your accounts or any related products or services.