

# ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURES

## **AGREEMENT**

**1. Issuance of Card or Personal Identification Number.** In this Agreement and Disclosures (“Agreement”), the words “you,” “your,” and “Party” mean any person to whom a 1<sup>st</sup> Community Federal Credit Union MasterCard® MasterMoney ATM/Debit Card (“Card” or “Check Card”) is issued, any person to whom a Personal Identification Number (“PIN”) is issued in connection with any such Card or any other electronic fund transfer service, any person authorized to use or given access to use to any such Card or PIN, and any Owner on any Credit Union Account which may be accessed by the Card or the PIN. The words “we,” “us,” “our,” and “Credit Union” mean 1<sup>st</sup> Community Federal Credit Union. Capitalized terms used in this Agreement but not defined herein shall have the same meaning as in the Membership and Account Agreement. You agree that any use of a Card or PIN by you shall be governed by the terms and conditions set forth in this Agreement, as well as the terms of the Membership and Account Agreement, which is incorporated into this Agreement by reference.

**2. Overdrafts.** You agree that you will not use your Card or PIN to withdraw or transfer funds from your Account in amounts exceeding the available balance in your Account at the time of any such transfer. Unless we have agreed otherwise in a separate agreement, you agree that we will be under no obligation to make a withdrawal or transfer if there are insufficient funds in your Account. If your Account has sufficient funds to cover one or more but not all checks, withdrawal orders, or electronic fund transfers during any given business day, we may honor those items, allow those withdrawals, or make any such electronic fund transfers in any order we choose in our sole discretion including honoring, first, any such checks, orders, or transfers payable to us, and dishonoring or refusing any item, order, or transfer for which there are insufficient funds available thereafter. If you have applied and been approved for overdraft protection with us, you agree that your use of a Card or PIN shall be subject to the Overdrafts and Overdraft Protection section of the Membership and Account Agreement and any line of credit agreement you may have with us. If you qualify for our Courtesy Pay service and wish to have

Courtesy Pay consideration extended to your ATM and one-time Debit Card transactions, you must complete a separate opt-in authorization. We will not consider paying ATM and one-time Debit Card transactions using the Courtesy Pay service unless you have separately opted-in. Please contact the Credit Union to receive an opt-in authorization form.

**3. Card and PIN Security.** You agree to keep your Card and PIN in a place of safekeeping, to refrain from disclosing your PIN to any third party, to refrain from writing your PIN on your Card, and to refrain from recording or displaying your PIN in such a manner that it will be accessible by third parties. You agree that the use of the Card or PIN by (i) you, (ii) any other applicant, (iii) any party to any of your Accounts that may be accessed by the Card, (iv) anyone you permit or authorize to use your Card or PIN, and (v) anyone to whom you disclose your PIN or give access to your Card or PIN shall be deemed an authorized use for which you shall be liable. You are responsible for reporting the loss or theft of your Card or PIN to us as soon as possible after the loss or theft.

**4. Surrender, Cancellation, and Amendment.** You agree to surrender your Card to us upon demand. You agree, further, that the Card shall at all times remain our property and that we may terminate any one or more electronic fund transfer services or cancel this Agreement at any time, subject to such notification as may be required by applicable law. You also agree that we may amend, supplement, or add to this Agreement and Disclosures from time to time, subject to such notification as may be required by applicable law.

**5. MasterCard Check Card Preauthorization Holds.** When you use your Check Card at certain merchants such as pay-at-the-pump gas stations, restaurants, hotels, airlines, and rental car companies, the merchant may request a preauthorization hold to cover the amount of the transaction. The preauthorization hold may be greater than the actual purchase amount. We will place up to a three day hold on your Account for the amount of a preauthorization hold. This hold may remain on your Account for up to three days, not including weekends and banking

holidays, even after the transaction has been paid. Preauthorization holds may affect the availability of funds in your Account to pay for checks and other withdrawal orders presented on your Account. You acknowledge and agree that we may place merchant preauthorization holds on your Account in connection with Card transactions you request, and we are not liable for any damages or fees you may incur for dishonor of items or otherwise because of such holds.

**6. Confidentiality.** Certain services such as the Texas Teller Audio Response and the CU Easy Internet Banking services may allow any user to obtain certain information about the Primary Member and the Primary Member's Credit Union accounts, including all of the Primary Member's deposit and loan account information, even if the user is not an owner or otherwise authorized on the accounts. You acknowledge and agree that any user authorized to use your PIN to access the Texas Teller, the CU Easy Internet Banking, and any additional services we may specify in the future will have full access to the Primary Member's Account information available through those services, and we are not responsible for access to your information by such persons.

## **DISCLOSURES**

**Note to Business and Non-Profit Organization Account Holders.** The following disclosures are provided for the benefit of consumers pursuant to the Electronic Fund Transfer Act and Federal Reserve Board Regulation E. The Act and Regulation do not apply to business, organization, or other non-consumer Accounts. If you are a business, organization or non-consumer Account holder, the disclosures below relating to member liability, credit union liability, and billing errors do not apply to you. The remainder of the disclosures are provided for informational purposes only and are not intended to expand the scope or coverage of the Electronic Fund Transfers Act or Regulation E to business, organization, and other non-consumer Accounts.

1. **Transfer Types.** The following electronic fund transfer services are available:

**MasterCard® MasterMoney ATM/Debit Card** -- You may use your ATM/Debit Card and PIN to:

- Withdraw cash from your Checking and Savings Accounts
- Transfer funds between your Checking and Savings Accounts

- Obtain an advance from your Line of Credit account
- Check the balance in your Checking and Savings Accounts
- Pay for purchases from your Checking Account at places that have agreed to accept the Card
- Additional services may also be available

Signature-based transactions do not require a PIN but may require positive identification.

*Some of these services may not be available at all terminals or for all Accounts.*

**Transfer Limitations** – You generally may transfer or withdraw funds up to the available balance in your Account. Certain transfer limitations may be imposed from time to time when fund transfer systems are unavailable. Merchants and fund transfer systems also may impose transfer limits.

See Section 2 below for additional transfer limitations that apply to ATM/Debit Card transactions.

### **Texas Teller Audio Response System**

You may use your Texas Teller Audio Response PIN to:

- Transfer funds between your Checking, Savings, Club, and Money Market Accounts
- Request a withdrawal from your Checking or Savings Accounts by way of a check mailed to your address on file
- Obtain recent Account history and balance information
- Make payments on your loan accounts with us
- Other services may also be available

*Some of these services may not be available for all Accounts.*

**Transfer Limitations** – Transfers and withdrawals generally may be made up to the available balance in your Account. See Section 2 below for transfer limitations that apply to Texas Teller Audio Response transactions.

### **CU Easy Internet Banking and Bill Payment Service**

You may use your CU Easy Internet Banking PIN to:

- Transfer funds between your Checking, Savings, Club, and Money Market Accounts
- Obtain recent Account history and balance information
- Make payments on your loan accounts with us
- Make bill payments to approved merchants and other approved parties from your Checking Account

*Some of these services may not be available for all Accounts.*

Your contractual arrangement for the CU Easy Internet Banking and Bill Payment Service may provide for additional terms, conditions, disclosures, and limitations.

**Transfer Limitations** – Any single bill payment may not exceed \$9,999.99. See Section 2 below for additional transfer limitations that apply to CU Easy Internet Banking transactions.

#### **Direct Deposit and Preauthorized Withdrawal Transfers**

You may make arrangements for certain direct deposits to be accepted into your Checking, Savings, and Money Market Accounts or to pay certain recurring bills from your Checking, Savings, or Money Market Accounts.

*Some of these services may not be available for all Accounts.*

**Transfer Limitations** – See Section 2 below for transfer limitations that apply to Direct Deposit and Preauthorized Withdrawal transfers.

#### **Electronic Check Conversion**

If you pay for something by check and the merchant or payee permits, you may authorize the merchant or payee to make a one-time electronic payment from your Checking Account using information from your check to pay for the purchase or to pay a bill. You may also authorize a merchant or payee to electronically debit your Checking Account for returned check fees. You are deemed to have authorized these transfers if you sign an authorization or if you engage in the transaction after receiving notice that the transfer will be treated as an electronic fund transfer.

2. **Transfer Limitations for Money Market Accounts.** Under government regulations that apply to your Money Market Accounts (including Mega Money Market Accounts), you may not make more than six transfers and withdrawals, or a combination of such transfers and withdrawals from a Money Market Account, per calendar month, to another Account of yours at the Credit Union or to a third party by means of a pre-authorized or automatic transfer, telephonic agreement, order, or instruction (including transfers by personal computer or other data transmission), or by way of a check, draft, Check Card, or similar payment order made payable to a third party. Withdrawals by mail, messenger, ATM, or in person, and transfers to make payments on your loans with us are not included in this limitation. However, automatic or preauthorized transfers from a Money Market Account to make payments on loans that your family members or others have with us are counted against this transaction limitation. If you exceed the number of transfers permitted, your Account may be charged a fee or closed.
3. **Fees.** Please refer to our Fee Schedule accompanying this Agreement for disclosures of fees and charges that apply in connection with your use of electronic fund transfers services. In addition to the fees disclosed on our Fee Schedule, when you use an ATM not owned by us, you may be charged an additional fee by the ATM operator or any network used. And you may be charged an additional fee for a balance inquiry even if you do not complete a fund transfer.
4. **Business Days.** Our business days are Monday through Friday, excluding federal holidays.
5. **Documentation.**
  - (a) **Terminal Transfers.** You can get a receipt at the time you make any transfer of \$15 or more to or from your Account using an ATM or a point-of-sale terminal.
  - (b) **Periodic Statements.** You will receive a monthly Account statement from us for your Checking and Savings Accounts if there is electronic fund transfer activity on the Account during the month. In any event, you will receive a statement for your Accounts at least quarterly.

(c) **Direct Deposits.** If you have arranged to have direct deposits made to your Account at least once every 60 days from the same person or company, you can call us at (325) 653-1465 or (800) 749-1465 to find out whether or not the deposit has been made.

## 6. **Preauthorized Payments.**

(a) **Right to Stop Payment of Preauthorized Transfers and Procedure for Doing So.** If you have arranged in advance to make regular payments from your Account, you can stop any of these payments. Here's how:

Call us or write to us at the telephone number or address listed in these disclosures in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. We will charge a fee as set forth in our Fee Schedule for each stop payment order you give.

(b) **Notice of Varying Amounts.** If these regular payments may vary in amount, the person or company you are going to pay will tell you, ten days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.

(c) **Liability for Failure to Stop Payment of Preauthorized Transfer.** If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we may be liable for your losses or damages.

## 7. **Contact in Event of Unauthorized Transfer.** If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call us immediately at:

(325) 653-1465 or (800) 749-1465

or write to:

1<sup>st</sup> Community Federal Credit Union  
Attn: Member Services Department  
3505 Wildewood Dr.  
San Angelo, TX 76904-6433

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission. Calling us immediately is the best way to keep your possible losses to a minimum.

You may report a lost or stolen MasterCard MasterMoney ATM/Debit Card 24 hours a day/7 days a week by calling our Debit Card Services Department at 1-855-578-2637.

## 8. **Confidentiality.** We will disclose information to third parties about your Account or transfers you make:

(a) Where it is necessary for completing transfers, or

(b) In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant, or

(c) In order to comply with government agency or court orders, or

(d) If you give us your written permission.

## 9. **Your Liability for Unauthorized Transfers and Advisability of Prompt Reporting.** Tell us AT ONCE if you believe your Card or PIN has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses to a minimum. You could lose all the money in your Account (plus your maximum overdraft line of credit, if any).

(a) **For Signature-based, Point-of-Sale Transactions Using Your MasterCard Master Money ATM/Debit Card.** If you believe your Card or PIN has been lost or stolen, you will not be liable once you notify us that someone may use or has used your Card or PIN without your permission. The foregoing liability limitation does not apply unless (a) you have exercised reasonable care in safeguarding the Card from risk of loss or theft, (b) you have not reported two or more incidents of unauthorized use on your Account within the preceding 12 months, and (c) your Account is in good standing. If you do not meet these conditions, your liability for unauthorized use will not exceed \$50.

- (b) **For All Other Transactions.** If you tell us within two business days, you can lose no more than \$50 if someone used your Card or PIN without your permission.

If you do NOT tell us within two business days after you learn of the loss or theft of your Card or PIN, and we can prove we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, including those made by Card, PIN, or other means, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

10. **Credit Union's Liability.** If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, there are some exceptions. We will NOT be liable, for instance:

- If, through no fault of ours, you do not have enough money in your Account to make the transfer.
- If the terminal or system where you are making the transfer does not have enough cash.
- If the ATM or system was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- If the funds in your Account are subject to an administrative hold, legal process, or other claim.
- If the failure to properly complete the transaction is caused by erroneous information supplied by you or your agent.

- If you have closed the Account from which you have preauthorized electronic fund transfers.
- There may be other exceptions stated in our agreement with you.

11. **In Case of Errors or Questions about Your Electronic Transfers.** Call or write us at the telephone number or address listed in these disclosures as soon as you can if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and Account number.
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten business days.

We will determine whether an error occurred within ten business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will provisionally credit your Account within ten business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten business days, we may not credit your Account.

For errors involving new Accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new Accounts, we may take up to 20 business days to credit your Account for the amount you think is in error.

We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

12. **ATM/Debit Card International Transactions.** If you effect an international transaction with your ATM/Debit Card, MasterCard International, Inc. will convert the charge into a U.S. dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. dollars for such transactions is generally either a government-mandated rate or a wholesale rate determined by MasterCard International for the processing cycle in which the transaction is processed. The currency conversion rate used by MasterCard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. We will charge an International Currency Conversion Fee and/or a Cross Border Fee of up to 1% on all international purchase, cash advance, and account credit transaction amounts. The Cross Border Fee may apply to international transactions even if there is no currency conversion.
13. **Illegal Transactions.** You agree that you will not cause or allow your Card or PIN to be used in any manner or for any transaction that we believe poses an undue risk of illegality, and we may refuse to authorize any such use or transaction. If you use your Card or PIN for a transaction that is determined to be illegal, you will be liable for the transaction. You also waive any right to take legal action against the Credit Union for your illegal use of your Card or PIN and agree to indemnify and hold harmless the

Credit Union and MasterCard International, Inc. from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

14. **ATM Safety Precautions.** Exercise discretion when using an ATM or night deposit facility. Observe basic safety precautions. Prepare for any ATM transactions prior to approaching the ATM or night deposit facility. Retain your receipts, and do not leave them at the ATM or night deposit facility. Do not lend your Card to anyone, and do not leave your Card or any other documents at the ATM or any night deposit facility. Keep your PIN secret and memorize it. Do not give anyone information regarding your Card or PIN over the telephone. When using an ATM, place your body in a position so that you will prevent others from observing your PIN when entered. Never enter your PIN in any terminal that does not look genuine, has been modified, has a suspicious device attached, or is operating in a suspicious manner. At any ATM or night deposit facility, keep a lookout for any suspicious activity near the facility and assure yourself that the facility and all approaches to the facility are well lighted. Conceal cash received from an ATM to the best of your ability and count it after you have left the ATM. If anyone offers assistance while you are operating an ATM, do not accept it. If you have begun a transaction, consider canceling the transaction and leaving the ATM location. Finally, compare your receipts against the statements you receive and notify us immediately if you suspect that an error or unauthorized transaction has occurred.

