



## Electronic Funds Transfer – Agreement Effective January 1, 2014

### **ELECTRONIC FUNDS TRANSFER DISCLOSURE STATEMENT**

This Electronic Funds Transfer Agreement is the contract which covers your and our rights and responsibilities concerning consumer electronic funds transfer (EFT) services as defined by the Electronic Fund Transfer Act (15 U.S.C. 1693, et seq) and Regulation E (12 CFR 205 et seq). Electronic Fund Transfers include all transfers resulting from automated teller machine (ATM) cards, point of sale (POS) debit cards, preauthorized transfers, telephone transfers, electronic check transactions, online banking and bill pay. By signing an application or account card for EFT services, signing your Card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered. In this Agreement, the words “you” and “yours” mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words “we”, “us”, and “our” mean the Credit Union. The word “account” means any one or more share and checking accounts you have with the Credit Union.

### **Consumer Member Liability**

Tell us AT ONCE if you believe your Card, Password or Personal Identification Number (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 down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within two (2) business days after you learn or had reason to know of the loss or theft of your card and/or PIN, you can lose no more than \$50.00 if someone used your Card and/or code without your permission. If you do NOT tell us within two (2) business days after you learn or have reason to know of the loss or theft of your Card and/or PIN, and we can prove that we could have stopped someone from using your Card or code without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transfers that you did not make, including those made by card, password and/or PIN or other means, tell us at once.

If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (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.

### **Notification of Lost or Stolen Card, Password or PIN**

If you believe your Card, Password and/or PIN has been lost or stolen, call us at: 269.382.9845 or toll-free at 1-866-993-2328.

Or write to us at: Advia Credit Union, ATTN: Member Services

550 South Riverview Drive; Parchment, Michigan 49004

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.

### **Types of Available Transfers**

*ATM Transactions:* You, or someone you have authorized by giving them your Card, Password and/or PIN may use your Card, Password and/or PIN to: a) deposit funds to your checking or savings account; b) withdraw cash from your checking or savings account; c) transfer funds between your checking and savings account; d) make payments from your checking or savings account on certain indebtedness to the Credit Union; e) obtain advances from certain open-end loan accounts; f) pay for purchases or services at places that have agreed to accept your card; g) obtain balance information or inquires on your accounts. Some of these services may not be available at all terminals.

*Debit Card Transactions:* You may access your Checking account to purchase goods (in person or by phone), pay for services (in person or by phone), and get cash from a merchant, if the merchant permits, or from a participating financial institution.

*Electronic Check Conversion (“E-Check”):* You may also authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills. This authorization may occur when you provide a check to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at the point of sale or is mailed to a merchant or other payee or lockbox and later converted to an “electronic fund transfer,” or whether the check is retained by the consumer, the merchant or other payee, or the payee’s financial institution. This may include your authorization of electronic payment of charges for checks returned for non-payment. Your authorization to make such types of “electronic fund transfers” may be expressed in writing or implied, for example, by the merchant or other payee posting a sign.

*Preauthorized Deposits and Transfers:* You may arrange for certain direct deposits to be accepted into your accounts, including payroll deposits from employer(s) and deposits of various government benefits. Subject to certain limitations and requirements, you can preauthorize transfers from the account(s) you specify.

*Online Banking:* You may access your account via personal computer with internet access 24 hours a day at our website. The types of electronic fund transfers available through Home Banking include: a) transfer funds between your checking and savings account; b) payments from your checking or savings account on certain indebtedness to the Credit Union; c) transfer funds to another member account with the Credit Union (requires previous authorization form completion).

*Online Bill Pay:* Online bill pay service is available to you through our Home Banking. This service allows you to pay bills from your designated account (checking or savings).

*24 Hour Telephone Transactions:* You may make access by telephone 24 hours a day by calling 269.382.9866 (888.898.2672), using your Personal Identification Number (“PIN”) and a touch tone telephone to conduct the following EFTs: a) transfer funds to other account types within your own account; b) make loan payments; c) transfer

funds to another member account with the Credit Union (requires previous authorization form completion).

#### **Limitations on the Frequency and Amount of Transfers**

Certain limits exist on the dollar amounts which may be withdrawn from different ATM or POS terminals each day. All transfers are charged to your account (and your overdraft line of credit, if any). We may charge your account even though an overdraft may be created. During any interruption of an electronic fund transfer service the dollar amount and frequency may be reduced. All deposits made through an ATM are accepted conditionally, subject to verification of the contents of deposit envelopes, and are available for withdrawal only in accordance with our current Funds Availability Policy. We may restrict, and you have the right to request that we program our system so that no more than \$50.00 can be withdrawn from your account(s) by use of your Check Card/ATM Card during a single day. There may be other limitations on the types, frequency, timing and amount of electronic fund transfers established by us from time to time, without notice, for security purposes.

#### **Right to Receive Documentation of Transfers**

*Terminal Receipts:* You can get a receipt at the time you make any transfer to or from your account using an ATM or POS terminal. Exception for receipts in small value transfers - A financial institution is not subject to the requirement to make available a receipt at an electronic terminal if the amount of the transfer is \$15 or less.

*Periodic Statements:* Transfers and withdrawals made through any Debit Card transactions, audio response transactions, preauthorized EFTs, electronic/PC transactions or bill payments you make will be recorded on your periodic statement.

You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

*Direct Deposits / Preauthorized Credits:* If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling us at 269.382.9845. If the only possible transfer to or from your account are direct deposits, you will receive a quarterly statement from us.

#### **Excluded Transactions**

Our data processing system makes it possible to offer you many electronic services, however, some of these services do not constitute "electronic fund transfers" for the purpose of this disclosure, such as, for example, transactions on business accounts, deposits of payroll deduction from certain employers, payment of premiums for individual or family group life insurance by deduction from your account(s) in the Credit Union, automatic transfers from your account(s) to pay your loan(s) owing to us, automatic transfers between your own "asset account(s)" in the Credit Union, and transfers received via Fedwire or through a similar wire transfer system, such as "A2A" Money Transfer System, that is used primarily for transfers between financial institutions or between businesses. The terms and conditions of this Agreement apply only to those services and transfers, which are "electronic fund transfers" as described above; they do not apply to other transactions which, although electronic in nature, do not constitute "electronic fund transfers" described above.

#### **Rules for Business Member Electronic Fund Transfers:**

*Liability:* You agree that any electronic fund transfers on a business account will not be considered a consumer transaction, regardless of the nature of the specific transaction, under the provisions of state and federal law. You will not have the benefit of any limitation of liability with respect to the unauthorized electronic fund transfers. You accept and agree to undertake the additional risk associated with the use of business purpose accounts and agree to assume the greater measure of liability described in this agreement.

*Limitation of Liability:* We will be liable only for our own gross negligence or willful misconduct and will not be responsible for any loss or damage arising from or in connections with (1) any inaccuracy, act or failure to act on the part of any person not within our reasonable control or (2) any error, failure or delay in execution of any Transfer resulting from circumstances beyond our reasonable control, including, but not limited to any inoperability of communications facilities or other technological failure. Provided we have complied with our obligations under this Agreement, you agree to indemnify, defend, and hold us harmless against any claim of a third party arising from or in connections with this Agreement or the service we provide hereunder. In no event will be liable for any consequential, incidental, special or indirect losses, damages, including dishonor of checks or other items, or expenses (including counsel fees), which you may incur or suffer by reason

*Error Resolution Procedure:* If you notify us of an error or discrepancy in your periodic account statement with the time limitation described above, we will investigate the matter and notify you of the results of our investigation as soon as we have been able to obtain and verify all relevant information in accordance with the prevailing operating rules of applicable rulemaking bodies. We will have no obligation to credit your account for the amount of any erroneous or unauthorized transaction unless caused by our negligence.

#### **Disclosure of Account Information**

We may disclose information to third parties about your account or the transfer you make: a) where it is necessary for completing transfers; b) to verify the existence and condition of your account for a third party such as a credit bureau or merchant; c) to comply with government agency or court orders; d) if you give us your written permission.

#### **Fees and Charges for Electronic Fund Transfers**

There are certain fees and charges for electronic funds transfer services. The fees and charges are disclosed on our current Fee and Pricing Schedule. From time to time, the charges may be changed. We will notify you as required by applicable law. If you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used to complete the transfer (and you may be charged a fee for a balance inquiry). The fee will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

#### **Credit Union Liability for Failure to Make Transfers**

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, we will not be liable for direct or consequential damages in the following events: a) if, through no fault of ours, you do not have enough money in your account to make the transfer; b) if the transfer would go over the credit limit on your overdraft line; c) if the ATM where you are making the transfer does not have sufficient cash; d) if the terminal or system was not working properly and you knew about the breakdown when you started the transfer; e) if circumstances

beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken; f) if you used your Card, Password and/or PIN in an incorrect manner; g) if the error was caused by a system of any participating ATM network; h) any other exceptions as established by the Credit Union.

### **Preauthorized Transfers**

*Stop Payment Rights:* If you have arranged in advance to make regular transfers from your account(s), you can stop any of these transfers by calling us at 269.382.9845, or writing us at: Advia Credit Union, 550 S. Riverview Drive, Parchment, MI 49004. We must receive this request at least three (3) business days before the scheduled date of the transfer. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. We will charge your account our normal service for each stop payment.

*Liability for Failure to Stop Payment of Preauthorized Transfers:* If you notify us to stop a preauthorized transfer at least three (3) business days before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

*Notice of Varying Amounts:* If these regular transfers vary in amount, the person you are going to pay will tell you, 10 days before each transfer, when it will be made and how much it will be. You may choose instead to get this notice only when the transfer would differ by more than a certain amount from the previous transfer, or when the amount would fall outside certain limits that you set.

*Withdrawal Limitations for Savings Accounts:* For Savings Accounts there are no limitations on the number of in person or ATM withdrawals by you, but preauthorized or automatic transfers including transfers to third parties or to another account by telephone or pursuant to a preauthorized agreement with us are limited by regulation to six (6) per month. The posting date of a preauthorized or automatic transmission by us will determine the month in which that transaction will be counted. We may charge penalties for exceeding this regulatory limitation and may close the account if you continue to exceed this limitation.

*Foreign Transactions:* For transactions initiated in foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be (a) a rate selected by MasterCard within the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard itself receives; or (b) the government-mandated rate in effect for the applicable central processing date.

### **Error Resolution**

In case of errors or questions about your Electronic Transfers, call us at: 269.382.9845 or write to us at: Advia Credit Union, ATTN: Member Services, 550 S. Riverview Dr., Parchment, MI 49004, as soon as you can, if you think your statement or receipt is wrong, or if you need more information about a transfer on the account statement or receipt. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the error or problem appeared.

1. Tell us your name and account number.
2. 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.
3. Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us a confirmation of your complaint or question in writing within ten (10) Business Days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have the 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 (10) 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 ninety (90) calendar days to investigate your complaint or question. For new accounts, we may take up to twenty (20) business days to credit your account for the amount you think is in error.

We will tell you the results within three (3) 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.

### **Confidentiality**

In the ordinary course of business we will only disclose information to non-affiliated third parties concerning your account(s) or "electronic fund transfers" described in Section E under the following circumstances:

- As necessary to complete "electronic fund transfers" or other transactions you have authorized; or
- With your oral or written consent; or
- To verify the existence of your account(s), or sufficient funds necessary to complete "electronic fund transfers" you have authorized through a third party; or
- To furnish information under the federal "Fair Credit Reporting Act;" or
- As provided by law, by court order, or governmental agency inquiry or order; or
- To investigate possible unauthorized "electronic fund transfers," or to combat fraud; or
- If the information relates to improper use of your account(s) or access devices.

### **Illegal Use**

You understand and agree that "electronic fund transfer" services, including but not limited to use of a Card, may not be used for any illegal transaction. You further understand and agree that illegal use of an "electronic fund transfer" service will be deemed an action of default and/or breach of contract, and as a result your account and other related services may be terminated at the discretion of the Credit Union. You further agree, should illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it, and, additionally, to indemnify and hold the Credit Union harmless from any suits or other legal action or liability directly or indirectly resulting from such illegal use. Internet gambling may be illegal in the jurisdiction in which a member is located, including the United States and elsewhere. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are legal in the jurisdiction in which the member is located. The Credit Union may decline to authorize any transaction the Credit Union believes poses an undue risk of illegality or unlawfulness. The Credit Union will immediately report and comply fully with law enforcement agencies seeking to investigate illegal use of a Credit Union Card or other "electronic fund transfer" service.

**Personal Identification Number (PIN) Secrecy and Member Responsibility**

If we have issued PINs for use in conjunction with your ATM Card, Online Banking, and/or 24 Hour Automated Telephone Transactions, you agree to keep the PIN(s) secret and you also agree that you will not write the PIN(s) on your card(s) nor on any item you keep with your card(s) or other account information, or store your PIN on your personal computer. Unless you provide evidence to the contrary, the Credit Union will attribute all PIN-based transactions made on your accounts to your own activities.

**Regulatory Authority**

If you believe that we may have violated the federal Electronic Funds Transfers Act or its implementing regulation, Regulation E, you may contact: Division of Consumer Affairs - National Credit Union Administration: 1775 Duke Street; Alexandria, Virginia 22314-3428. If you believe that we may have violated the Michigan Electronic Funds Transfers Act (Michigan Public Act No. 322 of 1978), you may contact: State of Michigan - Department of Labor and Economic Growth; Office of Financial and Insurance Services: P.O. Box 30224; Lansing, Michigan 48909