

EDUCATIONAL EMPLOYEES CREDIT UNION

ELECTRONIC FUNDS TRANSFER DISCLOSURE and AGREEMENT

Terms Applicable to all EFTs

Introduction and Scope of Services

This Electronic Funds Transfer Disclosure and Agreement ("EFT Agreement") outlines the terms and conditions that apply to the use of Educational Employees Credit Union's "Electronic Funds Transfer" (EFT) services. EFT refers to any deposit or withdrawal transaction to an account if it is initiated through an electronic terminal, telephone or computer. This includes transactions at an ATM, at a merchant using your ATM Card or Visa Debit Card, by Personal Telephone Access (PTA), by Online Access Home Banking, Online BillPayer, by checks converted to electronic transactions by a merchant and via the Automated Clearing Hour (ACH) network. Excluded from EFTs are transactions initiated by wire transfer, check or other paper instrument and electronically represented checks. This Agreement replaces any prior Agreement or disclosure regarding the use of EFT services.

General Agreements

By retaining, using or allowing others to use any EFT service or device we offer, you consent to the terms and conditions of this EFT Agreement and any other separate agreement that governs the terms of the specific service being used. "Access device" includes plastic cards, Personal Identification Numbers (PINs) and any combination of these devices. The terms of this EFT Agreement may be amended by us by providing you notice required by law. You agree to comply with rules and as amended by us, by our electronic switch providers and by legislative or regulatory bodies with jurisdiction.

We and our electronic switch providers may follow electronic instructions submitted by you and authorized users of your accounts. Any access device we issue to you, such as an ATM or Debit Card, is our property and you agree to return it to us upon our request.

Other sections of the Master Account Disclosure governing accounts accessed via EFT, the Truth in Savings Disclosure and the Schedule of Fees also apply. The Schedule of Fees discloses fees for EFTs.

Credit Union EFT services cannot be used for any illegal transaction such as unlawful gambling. To the extent that a service is used for an illegal purpose, we do not assume any responsibility for the transaction and are held harmless from any damages. We reserve the right to decline illegal transactions and, if we become aware, cancel your use of the service. The display of a Visa logo on an internet site does not necessarily mean that the service or product offered is legal in the state in which you reside.

We may report you to consumer reporting agencies that report account abuses or loan delinquencies if you fail to meet the terms of this or other agreements governing your accounts or loans with us.

Non-cash items you deposit to your accounts may not be available for immediate withdrawal. Refer to the Funds Availability Schedule.

The credit union's EFT services, including Online Access and Online BillPayer, are designed and intended to be used for personal, family and household purposes. The services are not designed for commercial use.

California law and applicable federal law, including but not limited to Federal Reserve Regulation E, govern this Agreement. If any provision of this Agreement is found unenforceable, the remaining provisions will remain in full force and effect.

Eligibility

To obtain EFT services you must be an EECU member and have a credit union savings account. Your account and membership must be in good standing.

Personal Identification Numbers

To use most EFT services you need to key in a PIN. The only exceptions are use of debit cards for signature transactions and some ACH transactions. Keeping your PIN secret will help prevent unauthorized persons from taking money out of your Credit Union accounts.

- Memorize your PIN and shred or destroy the notice that provided you with the number.
- Do not write it on your ATM or Debit Card or anywhere someone could find it and use it to access your account.
- Do not tell anyone your PIN or let anyone watch you key in your PIN. Do not let anyone use your ATM or Debit Card. Shield the ATM keyboard so that others cannot see you enter your PIN.
- No Member Service Representative will ever ask you for your ATM or Debit Card number or your PIN. If such information is requested by a person purporting to represent the Credit Union, do not provide the information. Be cautious about giving out account information over the phone.
- Change your PIN or call the Credit Union immediately if you believe an unauthorized person may be able to use your PIN or your card. We can block its use and issue a new access device.

Authorized Users of Your Card, PIN or Access Device

We recommend that you keep your card and PIN secure and not share them with anyone. However, if you do, you are responsible for all transactions and charges initiated by your use of your ATM or Debit Card or other access device, or use by anyone you authorized. If you give someone your card or PIN, that person can complete any transaction that you can complete yourself. Transactions made by a person to whom you have voluntarily given your card or PIN are considered authorized, regardless of whether they stay within the limits you set on that person's permission to access your accounts. We are not a party to agreements you make with other people regarding use of your access devices. The only way you can stop a person to whom you have given an access device from making further use of the device is to ask us to cancel the device.

Documentation of Transactions

Your paper or electronic statement will show all EFT debits and credits. You will receive a statement monthly, if you have a checking account or in any month in which you have EFT activity. All members receive statements at least quarterly. You can use Online Access, Personal Telephone Access (PTA) or call our Member Service Center to find out whether or not an expected EFT debit or credit has occurred. Additional information about documentation can be found in the section of this disclosure that relates to each specific service.

Your Liability for Unauthorized Transactions

Tell us AT ONCE if you believe your card, PIN or other access device has been lost, stolen or otherwise made available to an unauthorized person. Also tell us if you believe someone has transferred or may transfer money out of your accounts without your permission using information from your check. See HOW TO CONTACT US at the end of this Agreement. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft protection line of credit). If you tell us within TWO business days after you learn of the loss or theft of your card, PIN or access device you can lose no more than \$50 if the access device was used without your permission.

If you DO NOT tell us within 2 business days after you learn of the loss or theft of your card, PIN or access device, and we can prove that we could have stopped the unauthorized use if you had told us, you could lose as much as \$500.

Also, if your STATEMENT shows transactions that you did not make, including those made by card, code or other means, tell us AT ONCE. If you do not tell us within SIXTY days after the statement was mailed to you or after we notified you that it was available for electronic pick-up, 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. You could lose all the money in your account (plus your maximum overdraft line of credit). If a good reason, such as a hospital stay, kept you from telling us, we may extend the time periods.

If you gave someone else permission to use your Card and/or PIN or other access device you are responsible for all transactions made by that person at any time, regardless of whether they stay within the limits you set on their access to your accounts.

Special Visa Debit Card Rules: You agree to notify us at once of the loss, theft or other actual or potential unauthorized use of your Visa Debit Card and/or PIN. Under Visa Operating Rules, you will generally have zero liability for unauthorized use of your Visa Debit Card. The zero liability rule does not apply to ATM cash withdrawals or non-Visa debit transactions. Additionally, your liability for unauthorized transactions may be greater if we reasonably determine that you were grossly negligent or fraudulent in handling your card or PIN. In any case, if your statement shows any transaction you did not make, and you do not report the unauthorized use to us within SIXTY days after we sent you the FIRST statement on which the unauthorized transactions appeared, you will be responsible for any unauthorized use that occurs after the sixty day period.

Error Resolution

If you think an EFT shown on your statement or receipt is wrong or if you need more information about an EFT, call us at the telephone number listed under HOW TO CONTACT US at the end of this Agreement. Give us all the information requested under WHAT TO TELL US IN CASE OF ERROR OR INQUIRY. We must hear from you no later than SIXTY days after we sent you the FIRST statement on which the error or problem appeared.

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 10 business days (20 days for new accounts) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days for transactions involving new accounts, POSs or foreign countries) to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within 10 business days (20 days for new accounts) 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 your complaint or question involves unauthorized use of your Visa Debit Card and your account is not new, we will provisionally credit your account within 5 business days. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not provisionally credit your account.

We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You can ask for copies of the documents that we used in our investigation.

If we determine that there was an error, we will post any credit to which you are entitled to your account, or change a previously-posted provisional credit to a permanent credit. If we determine there was no error entitling you to a credit, we will reverse any provisional credit and pay any overdrafts without charging an overdraft fee for 5 days after we sent you written notice that the credit has been reversed, but only to the extent the overdrafts are equal to or less than the provisional credit amount; overdrafts exceeding the provisional credit amount will be subject to our normal fees. You agree to immediately restore any negative account balance.

Disclosure of Info to Third Parties

With respect to EFTs, we will disclose information to third parties about your accounts or transfers you make only:

- When necessary to complete a transfer; or,
- To verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or,
- To comply with government agency, court orders or other valid legal process; or,
- As needed to investigate claims of error, unauthorized use or to handle merchant disputes; or,
- If you give us your written permission.

Refer to our Privacy Policy for additional information about how we maintain the security of your personal and financial information.

Your Responsibility for Your Equipment

You have sole responsibility for equipment, systems and services you use to access EFT services or conduct EFT activity, such as your telephone equipment, telephone service and computer hardware, software, internet service, virus protection and firewalls.

Limit on Number of Non-Personal Transfers

There is no limit to the number of withdrawals or transfers you can make from your savings account by ATM or at our teller windows. There is no limit on the number of deposits into your share accounts. There is no limit on the number of withdrawals or transfers out of your checking account by any authorized means, provided you have available funds.

However, government regulations limit the number of withdrawals and transfers out of your savings account to a total of six per month when the transfers are made by: Personal Telephone Access, Online Access, Online BillPayer, pre-authorized ACH payment, automatic overdraft, telephonic agreement or phone/fax transfer to a third party. Transfers to make payment on your loans at EECU or withdrawals by check are excluded from this limitation.

Electronic Check Conversion

When you provide a check as payment, you authorize us either to use information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check transaction.

Our Liability for Failure to Complete EFTs

If we do not properly complete an EFT to or from your account according to our agreement with you, we will be liable for your direct losses or damages. However, there are some exceptions. We will not be liable if:

- a. Through no fault of ours, you do not have enough money in your account or agreed upon overdraft protection sources; or,
- b. An ATM you are using does not have enough cash;
- c. An ATM, system or EFT device was not working properly and you knew about the breakdown when you started the transaction;
- d. The funds in your account are subject to a hold or legal process or other claim;
- e. Your access device was reported lost or stolen and we blocked its use;
- f. Your access device has expired or is damaged or you entered the PIN incorrectly;
- g. Circumstances beyond our control (such as fire, flood, electrical failure or system malfunction) prevent completion of the transaction despite our reasonable precautions;
- h. The transaction was not completed to protect the security of your account.

There may be other exceptions not mentioned above. In no event will we be liable for consequential, indirect or punitive damages due to our failure to complete EFTs.

Business Days

For purposes of these disclosures, our business days are Monday through Friday. Hours are posted at each branch lobby and on our website at www.myEECU.org. Holidays that fall on weekdays are not considered business days.

E-mail Limitations

E-mail communication allows you to send and receive electronic mail messages to and from the Credit Union. The Credit Union will not immediately receive and review e-mail messages that you send and will NOT process any request for a funds transfer via e-mail.

Further, the Credit Union may not act upon requests where written notification or your authorizing signature would normally be required without first confirming the authenticity of the e-mail request. These may include stop payment requests, PIN replacement requests, reports of lost/stolen ATM or Visa cards, address change requests and lost/stolen PIN or unauthorized transaction reports (refer to the "Your Responsibility for Unauthorized Transactions" section).

In some instances, written confirmation reflecting your authorizing signature may still be required. The Credit Union will not take action based on other e-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act.

Termination

We can terminate your EFT privileges at any time with or without notice consistent with applicable law. Among the reasons we can terminate services without notice to you are:

- You or any authorized user of your EFT services breach this or any other agreement with us;
- We have reason to believe there has been or may be unauthorized use of your EFT services;
- We have actual notice of conflicting claims to funds in your accounts;
- You or any authorized person asks us to terminate an EFT service;
- You repeatedly use EFT services for debits against insufficient funds;
- You permit use of EFT services for illegal transactions or fraudulent activity.

Overdraft Protection for EFTs

From Savings or Line of Credit: All EFT debits and loan advances require sufficient available funds/credit to complete the requested transaction. If you attempt an ATM, Debit Card POS, Online Bill Payer or ACH debit from checking transaction against insufficient funds, the transaction will be declined unless you have established overdraft protection from your savings account or have established an overdraft protection line of credit and have funds available.

Discretionary Overdraft Protection: If you did not sign up for overdraft protection or do not have funds available, we may, at our option, consider paying your NSF Online BillPayer or ACH debit from checking transaction through our Platinum Overdraft service. Platinum Overdraft means that we may, at our sole discretion, pay an item over the amount available in your checking account with the expectation that you will immediately deposit an amount sufficient to restore your account to a positive balance. Platinum Overdraft is a discretionary service and we are under no obligation to pay items when your account does not have sufficient funds, even if previous NSF transactions were paid. The NSF fee will be charged whether we pay the item or return it as NSF. You may “opt out” of Platinum Overdraft at any time if you prefer that we return NSF items and not consider paying them.

If you have not established overdraft protection or do not have funds available from your agreed upon overdraft sources and we elect not to make discretionary overdraft protection available, your transaction will be declined and our standard NSF fee will apply.

Special Overdraft Rules for POS Transactions: Everyday POS debit card transactions attempted against insufficient funds will not be considered for payment through Platinum Overdraft unless you ask us to do so (“opt in”). If you do not opt in to Platinum Overdraft for POS, these transactions will normally be declined at the terminal location. If you opt in and a transaction is presented against insufficient funds, the standard NSF fee will be charged whether or not we decide to pay it.

General Overdraft Protection Information: Overdraft protection may not be available for all transaction types. Availability of overdraft protection is covered in the discussions of individual services below. For additional information refer to the Schedule of Fees, the Master Account Disclosure sections titled “Overdraft Protection from Savings or Overdraft Loan” and “Platinum Overdraft – Discretionary Overdraft Protection” and the overdraft protection line of credit loan agreement.

Additional Terms for Personal Telephone Access (PTA) Service

PTA lets you access your accounts by touch-tone telephone from anywhere in the United States, toll-free. When you sign up, you will be allowed to select a PIN or we will mail you a randomly selected PIN. We will give you instructions on how to change your PIN and conduct transactions using PTA. PTA does not provide access to Visa Credit Card accounts.

PTA Transaction Types

You can use PTA to:

- Transfer funds between your EECU accounts (except IRA, Holiday Wise and certificate);
- Withdraw funds from your accounts (except IRA, Holiday Wise, and certificate) in the form of a check payable to you and mailed to you at your address in our records;
- Obtain an open-end credit line advance and have it deposited to your checking account, regular savings account or issued in the form of check payable to you and mailed to you at your address in our records;
- Transfer funds from your checking or regular savings accounts to pay loans you have with us;
- Verify account and loan balances, prior year and year-to-date dividends, check clearance status and more.

PTA Documentation & Fees

PTA transactions will be shown on your account statement and will appear in your account history in Online Access. There is no fee to use PTA.

PTA Transaction Limitations

Overdraft protection is not available for PTA. PTA will decline any debit that would cause you to overdraw your checking account at no charge.

You cannot stop payment on a PTA transfer once it has been initiated by you and accepted by the system. If you make a transfer in error, you must reverse the transaction by initiating a correcting transfer. Loan payment transfers and withdrawals issued by check to you cannot be corrected.

PTA withdrawals out of your savings account count toward the six-per-month limit on non-personal withdrawals you may make from non-transaction accounts. See the "Limit on Number of Non-Personal Transfers" section of this EFT Agreement.

Additional Terms for ATM & Visa Debit Card Service

You can use your EECU ATM Card or Visa Debit Card at EECU owned ATMs and at any ATM or merchant that displays a logo shown on your card. When you sign up, you will be allowed to select a PIN or we will mail you a randomly selected PIN. We will give you instructions on how to change your PIN or, it can be changed at any branch location.

ATM/Debit Card Transaction Types

You can use your ATM or Visa Debit Card to:

- Withdraw cash from your checking, savings or line of credit account at an ATM;
- Make deposits to your checking or savings account at an ATM;
- Transfer funds between your checking, savings, line of credit or overdraft loan under the same primary account number;
- Obtain your account balance.
- Purchase goods or services, like groceries and gas, at merchants by using the PIN at a POS terminal or by signing the receipt when the card is used at a merchant that displays the Visa logo.
- Withdraw cash from your checking account at financial institutions that accept Visa cards.

ATM/Debit Card Documentation & Fees

ATMs you use will provide transaction receipts unless you elect not to get one or you are notified that receipts are unavailable when you initiate your transaction. Merchants that accept your ATM or Debit Card are required to provide you with transaction receipts, unless the transaction is \$15 or less. Transactions will be shown on your account statement and will appear in your account history in Online Access.

If a merchant, ATM operator or POS terminal that honors your Card charges a transaction or other fee, that fee will be passed on to you. ATM operators must notify you of any fees associated with your transaction and provide you with an opportunity to cancel the transaction before they impose a fee. The Credit Union may impose fees for some ATM and debit card transactions. Refer to the Schedule of Fees.

ATM/Debit Card Transaction Limitations

For security reasons, there are limits on the amount and number of transactions you can perform with your ATM or Debit Card. These limits vary based on your relationship with the Credit Union and other factors. Limits may change without notice to you.

Recurring payments you authorized using your debit card number (such as a gym membership fee) will be covered by overdraft protection you set up from savings or a line of credit, if funds are available. Or, recurring payments may be covered by our discretionary Platinum Overdraft service if we choose.

Your POS everyday debit card transactions attempted against insufficient funds will be covered by overdraft protection from savings or a line of credit, if funds are available. They will not be considered for payment through Platinum Overdraft unless you ask us to do so ("opt in"). If you do not opt in to Platinum Overdraft for POS, these transactions will normally be declined at the terminal location. If you opt in and a transaction is presented against insufficient funds and we decide not to pay it, our standard NSF fee will apply.

You cannot stop payment on any POS transfer or ATM or Debit Card transaction once you have completed that transaction with the merchant.

Foreign Transactions

ATM and Debit Card transactions made in foreign countries and foreign currencies will be billed to you in U.S. Dollars. The exchange rate between the transaction currency and the billing currency (U.S. Dollars) will be (a) a rate selected by Visa from the range of rates available in the wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or (b) the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by EECU. Debit card transactions initiated in foreign countries or foreign currencies will be subject to international transaction fees. See the Schedule of Fees.

Visa Debit Card Merchant Disputes

The Operating Rules of Visa USA provide Visa Debit Card holders with certain rights to dispute merchant transactions similar to those available to Visa Credit Card holders. These debit card merchant dispute rights are limited to those provided under Visa Operating Rules, are not provided under state or federal law or regulation, and do not apply to ATM card transactions or PIN-based debit card transactions, only to signature debit card transactions.

To exercise merchant dispute rights concerning goods or services, you must first make a good faith effort to resolve the dispute directly with the merchant. If you cannot resolve the dispute with the merchant, notify us within SIXTY (60) days of the date we sent you the FIRST statement on which the transaction appeared. See HOW TO CONTACT US at the end of this

Agreement. Include copies of any documents reflecting your effort to resolve the dispute with the merchant. We will arrange to have the dispute investigated to determine whether you are entitled to a credit. If required, we will provisionally credit your account for the disputed amount within 10 business days (thirty days if you are a new member) so you have use of the funds during the investigation.

If you do not submit your dispute in writing within 10 business days after our request, we need not provisionally credit your account during the investigation. It may take up to 45 days (90 days for foreign or point-of-sale transactions) to make a determination. If it is determined that you are entitled to a credit, we will post the credit, or change a provisional credit to a permanent credit, within 1 business day of the determination. If Visa Operating Rules do not allow a credit, the provisional credit will be deducted from your account. We will notify you if this happens and pay any items that overdraw your account within 5 business days after we send you the notice without imposing an overdraft fee, but only to the extent the overdrafts are equal to or less than the provisional credit amount; overdrafts exceeding the provisional credit amount will be subject to our normal fees. You agree to immediately restore any negative account balance. Furthermore, you agree to indemnify the Credit Union and hold it harmless from any and all claims, damages or liability related to merchant disputes.

Additional ATM/Debit Card Information

All ATM and debit card transactions withdraw funds from your account as soon as the transaction posts. There is no deferred payment as there would be if you used a Visa Credit Card.

There may be a delay between the time a merchant obtains authorization for a debit card transaction and the time the transaction posts to your checking account. An authorization will result in a hold on the transaction amount for a limited time, generally not more than three business days. If the transaction does not post before the hold expires, the hold will be released and the funds will be available to pay other debit transactions presented on your account.

If a merchant or ATM is unable to determine your account balance, they may not honor a debit transaction you initiate. We will have no liability to you if this occurs.

Merchants and others who honor a Debit Card may give credit for returns or other adjustments. We will credit your account when we receive the credit from the merchant or other payee.

We can debit withdrawals on checking accounts in any order we select consistent with applicable law. If funds are not sufficient to cover all debits, we may pay debit card withdrawals and decline or use available overdraft protection to cover other debit transactions, or we may pay other transactions and decline or use available overdraft protection to cover debit card transactions.

ATM Safety

Exercise good judgment in using ATMs. We may arrange for the availability of ATMs at various locations with access during non-business hours for your convenience. ATM sites are not subject to our control. You assume the risk of using them. We do not warrant the safety or security of any ATM location. We are not responsible for wrongful acts committed by anyone who is not our authorized agent regarding your use of ATMs.

- Treat your VISA Debit Card like cash. The card carries the VISA logo but is not a credit card. This card withdraws funds from your checking account with a PIN or signature and can be used at ATMs and merchants displaying the Visa logo.
- Do not use ATMs alone at night or at sites that could, because of location or other circumstances, be susceptible to assault or robbery.
- Be prepared. Have your card and any other documents ready before approaching the ATM.
- When you have completed your transaction, put your money away quickly and leave the area.
- Cancel the transaction and put away your card if a suspicious situation develops.
- If you are followed after leaving an ATM, go to a heavily populated, well-lit area and call the police.
- Notify law enforcement immediately of any criminal activity you observe at ATMs.

Additional Terms for ACH Transactions

Automated Clearing House (ACH) Transactions are electronic third party credits and debits into and out of your accounts via the ACH system. ACH deposits or withdrawals must be arranged by you with the person or company making the deposit or withdrawal.

ACH Transaction Types

You can use the ACH system to complete the following transactions:

- Deposit your paycheck or other benefits payment such as social security.
- Pay regular bills from your account, such as insurance premiums.
- Make loan payments.
- Make a single or one-time electronic payment to a merchant or payee using information from your check, after being authorized by you over the telephone or via the Internet.

Merchants and creditors may use the ACH system to:

- Convert checks you write to electronic payments at the point of purchase. They must notify you of the conversion, request your signature and return the check to you marked "Void".

- Convert checks you write to pay bills, such as utilities and credit card companies, to ACH debit entries. The payee must notify you of the conversion.
- Convert a NSF check you wrote to an electronic debit and re-present it for payment. The payee must notify you of the conversion.
- Set-up a single or recurring ACH payment after being authorized by you over the telephone or via the Internet (not using Online Access or BillPayer).

ACH Documentation & Fees

The entity originating the transaction will give you required documentation and will tell you when they send or receive the money. ACH debits and credits will be shown on your account statement. To confirm whether an ACH transfer has occurred, you may use Online Access or PTA. You may also telephone us. See "How to Contact Us" at the end of the Agreement.

There are no fees for ACH credit or debit entries, unless the entry is returned unpaid for insufficient funds. Refer to the Schedule of Fees.

ACH Transaction Limitations

Overdraft protection from savings or an overdraft line of credit will cover NSF ACH transactions from your checking account if you have sufficient funds available. If you do not have funds available from your agreed upon overdraft sources the transaction will be declined and our standard NSF fee will apply. We may, at our option, elect to make discretionary overdraft protection available and pay the item. If we choose to do this the standard NSF fee will still apply. See "Overdraft Protection for EFTs" in this disclosure and the EECU Schedule of Fees.

ACH withdrawals out of your regular savings account count toward the six-per-month limit on non-personal withdrawals you may make from non-transaction accounts. See the "Limit on Number of Non-Personal Transfers" section of this EFT Agreement.

Stop Payment on an ACH

If you have authorized ACH debit entries, you can stop individual payments or revoke authorization for all future payments by notifying us in writing as stated in the "HOW TO CONTACT US" section. We can require you to put an oral stop payment request in writing and if you do not do so within 14 days, your stop payment request will lapse. There is a fee for stop payment requests; refer to the Schedule of Fees. Your request must reach us at least 3 business days before the payment is scheduled to occur or we may not implement it. If you have authorized a merchant or other payee to initiate ACH debit entries to your Credit Union accounts and wish to cancel all future payments, you must also notify the payee in writing. If we fail to stop a payment following your timely request, we will be liable for your direct losses or damages, limited to the amount of the payment.

Payments cannot be stopped on certain merchant initiated ACH transactions, but you can obtain refunds for improper ACH entries of these types. In addition, if a merchant or other payee has continued to initiate ACH debit entries after you have given them a written revocation of your authorization, the debit entry is considered improper. To obtain a refund, you must execute a written affidavit and provide reasonable cooperation with our investigation. For example, if an RCK entry has been initiated on a check on which your signature was forged, notify us and we will give you the affidavit to complete. We cannot provide a refund without a written affidavit.

Additional ACH Information

If you receive an erroneous ACH credit (for example, your employer inadvertently makes a duplicate direct deposit of your net pay), you agree that we can reverse the erroneous credit without advance notice to you. We will, however, tell you when a correction has been made. If the correction results in a negative balance, you must immediately restore your account to a positive balance. If you do not do so, you agree that our Right of Offset applies. If we cannot recover what you owe by exercising our Right of Offset, you agree that our right to recover collection costs applies.

If you authorize ACH debits in varying amounts (for example, utility bill payments), the payee is required to give you advance notice required by law of your payment amount.

Additional Terms for Online Access and Online BillPayer Services

Online Access lets you access your accounts via computer 24 hours a day. When you sign up, you will select a PIN. You may be asked to change/customize the PIN the first time you log into your account.

Online BillPayer lets you conveniently set up electronic bill payments from any personal computer. To use this service you must have a checking account and must be enrolled in EECU's Online Access service.

Equipment Requirements

To access these services, you must have a personal computer with Internet access. The minimum system requirements are:

- Web browser with 128-bit security encryption, such as Netscape 4.74 or higher, Internet Explorer 5.5 or higher, or America Online 5.0 or higher. Your browser must have cookies and Java enabled to access our secure site.
- Optional personal financial management software such as Intuit Quicken version 2000 or higher or Intuit Quicken for Mac version 2001 or higher may be used to access your account information.

Online Access Transaction Types

You can use Online Access to:

- Transfer funds between your savings, checking and loan accounts.
- Obtain savings, checking and loan balance and transaction information.
- Obtain Visa account balance, payment information and account history (Online Visa statement).
- Obtain loan payment and payoff amounts.
- Verify that checks have cleared and view images of checks that have cleared your account.
- Stop payment on a check you have written or on a range of checks.
- Reorder checks.
- Transfer funds between your account and the account of another member upon completion of required forms (Cross Account Transfers).
- Change your PIN and/or e-mail address.
- Obtain loan advances from your signature line of credit, overdraft protection loan, or home equity line of credit in the form of a transfer to a share account that you designate, or by a cashier's check payable to the primary member and mailed to the address in file on your account.
- Withdraw funds from savings or checking account in the form of a check payable to the primary member and mailed to the member's address on file with EECU.
- Obtain tax information including interest paid on loans and/or dividends earned.
- Sign up for e-Mail Services to receive e-mail alerts about your account balance and other events.
- Sign up for eStatements which will provide you with electronic instead of paper account statements.

Online BillPayer Transaction Types

You can use Online BillPayer to:

- Set-up recurring payments to pay bills from your checking account(s) to pay most bills on-line.
- Set-up one time payments to pay merchants from your checking account.

Online Access & BillPayer Documentation & Fees

Online Access and Online BillPayer transactions will be shown on your account statement and will appear in your account history in Online Access. You will get a statement monthly if you have a checking account or in any month in which you have EFT activity. All members receive statements at least quarterly. Upon completion of a transaction using Online Access you will receive a confirmation number. No receipt will be mailed.

There is no fee to use Online Access or Online BillPayer, although there may be fees for certain types of transactions, like a stop payment on a check or a NSF bill payment. See the EECU Schedule of Fees.

Online Access Transaction Limitations

Overdraft Protection. Overdraft protection is not available for Online Access transfers. Online Access will decline any debit that would cause you to overdraw your account at no charge.

Time Limit on Transfers to Pay EECU Loans. If you use Online Access to make payments on loans you have with EECU, you must complete the transfer before the close of business on the payment due date. If the payment due date falls on a weekend or holiday, you must complete the transfer on the business day before the due date. Paying more than the minimum amount may not extend your next payment due date.

Stop Payment. You cannot stop payment on an Online Access transfer once it has been initiated by you and accepted by the system. If you make a transfer in error, you must reverse the transaction by initiating a correcting transfer. Loan payment transfers and withdrawals issued by check to you cannot be corrected.

Limit on Number of Transfers from Savings. Online Access withdrawals out of your savings account count toward the six-per-month limit on non-personal withdrawals you may make from non-transaction accounts. See the "Limit on Number of Non-Personal Transfers" section of this EFT Agreement.

Limit on Transfers to EECU Visa Card. Online Access transfers from your savings or checking account to your EECU Visa will not post immediately. Payments transferred using Online Access will be applied to your Visa account within two business days. Cash advances or transfers from your Visa credit card are not available online.

Online BillPayer Transaction Limitations

Overdraft Protection. Overdraft protection from savings or an overdraft line of credit will cover NSF BillPayer transactions from your checking account if you have sufficient funds available. If you do not have funds available from your agreed upon overdraft sources the transaction will be declined and our standard NSF fee will apply. We may, at our option, elect to make discretionary overdraft protection available and pay the item. If we choose to do this the standard NSF fee will still apply. See "Overdraft Protection for EFTs" in this disclosure and the EECU Schedule of Fees.

Insufficient Funds for Bill Payments. If a bill payment is not processed because there are insufficient funds available in your account, you will be notified by mail at the last address shown on our records. A NSF fee will be charged to your account as listed in the current Schedule of Fees. In all cases, you are responsible for either making alternate arrangements for the payment, or rescheduling the payment through Online BillPayer. In no case will we automatically resubmit a payment for you after funds have become available.

Stop Payment on Bill Payments. Bill Payments submitted by electronic transfer cannot be stopped once they have been deducted from your account. However, it may be possible to place a stop payment on a bill payment made by check. Contact our Member Service Center with your request to place a stop payment on a bill payment sent by check. Our bill payment

processor will, if possible, place this stop payment, and the fee assessed by them will be deducted from your account. If we are unable to stop a bill payment, you must resolve any disputes directly with the payee.

Limit on Amount of Transfers. There is a dollar limit of \$9,999.99 (or the available balance, whichever is less) on any Bill Payment initiated through BillPayer. Transfers between your EECU accounts are limited to the dollar amount available in the account the funds are being transferred from.

Limit on Transfers to EECU Visa Card. Visa payments made electronically using Online BillPayer will be applied to your Visa account within four business days.

Online BillPayer Instructions

Account Designation and Payees. Bill Payments you make through Online BillPayer will be deducted from your checking account. Each payee you wish to pay through the Service must appear on the payee list you create. All payees must be payable in U.S. dollars and be located in the United States. You may not make payments pursuant to a court order, to a federal, state or local governmental or tax unit, collection agencies, or to other payee categories that we may establish from time to time. You may set up a maximum of 99 payees.

Processing. Funds will be taken out of your checking account on the Payment Date entered by you, or the following business day. In many cases, your bill payments are electronically delivered to the payee within two business days of the Payment Date. However, you should allow four business days from the day the funds are withdrawn from your EECU checking account, to the day your payment is applied to your account at the payee, when the payment method is Electronic. Some payees are not set up to accept electronic payments. In these cases, a check will be sent by mail. Allow at least seven business days for a check to be delivered to the payee. The Payment Method of Electronic or Check shows on your Payee List for each payee in Online BillPayer.

Your Responsibility. You must allow sufficient time for Online BillPayer to receive and process your payment request so that funds can be delivered to the payee before the payment due date. Your due date is the due date shown on your billing statement or invoice, or the due date established in your agreement with the payee, and does not take in consideration any grace period provided by the payee. As an exception, mortgage payments may be scheduled on or before the due date. If you do not allow sufficient time for a payment to be delivered, you will assume full responsibility for all late fees, finance charges, or other action taken by the payee.

Our Liability. In no event will we be liable for consequential, indirect, or punitive damages. The Credit Union will carry out written instructions from you and authorized users of your accounts. We will not incur liability for carrying out written instructions in a reasonable manner. You agree to indemnify the Credit Union and hold us harmless from any and all liability we incur as a result of following your written instructions in a reasonable manner. EECU is responsible only for exercising ordinary care in making payment upon your authorization and for mailing or sending a payment to the designated payee. EECU is not liable in any way for damages you incur if you do not have sufficient funds in your account to make the payment on the processing date, if the estimate of time to allow for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to account correctly for or credit the payment in a timely manner or for any other circumstances beyond

Online Access and BillPayer Security Procedures

Information about our security procedures for Online Access and Online BillPayer is provided when you access the system. If you believe that the security procedures are insufficient, you can decline to activate or deactivate Online Access and/or Online BillPayer.

Authorization to Charge Accounts

You authorize us to charge your designated account(s) for any transactions completed through Online Access or Online BillPayer, including the amount of any Bill Payment or Transfer that you make, and any associated fees. You authorize us to process bill payments and to transfer funds according to the instructions we receive, if you provide the instructions through Online Access or Online BillPayer. You authorize us to initiate any reversing entry or reversing file and to debit your accounts at EECU or elsewhere, in order to correct any mistaken credit entry. You understand that if a Bill Payment request describes the beneficiary inconsistently by name and account number, execution of the request will occur on the basis of the account number, even if it identifies a person different from the named beneficiary.

You agree that we can terminate this Agreement and your use of Online Access and Online BillPayer if:

- You or any authorized user of your Online Access or Online BillPayer service breach this or any other agreement between us,
- We have reason to believe that there has been or may be unauthorized use of your Online Access or Online BillPayer Service,
- There are conflicting claims to funds in your accounts,
- You or any authorized signer asks us to do so,
- You attempt transfers when you do not have available funds or overdraft protection available to cover them, or
- You do not use the service for 90 days.

Enforcement

If an authorized Online Access or Online BillPayer transaction results in a negative balance in any of your accounts, you agree to restore the negative balance immediately upon our demand. If you do not do so, you agree that we can take funds from any Credit Union account in which any owner of the negative balance account has an interest to recover all or part of what you owe us. Our exercise of this right in the event of a negative balance is not an election of remedies and will not waive our right to pursue all other legal means of collecting what you owe us. You agree to pay all of our reasonable collection costs before we take legal action to collect what you owe us. If we do take legal action to collect what you owe us, you agree to pay our

reasonable attorney's fees and costs of suit in addition to any other remedy the court finds proper. "Legal action" includes but is not limited to a collection lawsuit, an action to protect our interests if you become a debtor in bankruptcy, an appeal, or any other type of legal proceeding.

CHANGES IN TERMS; CANCELLATION

The policies and procedures outlined in this disclosure were in effect on the date of publication. The Board of Directors reserves the right to change Credit Union policy at any time without prior notice. Please contact us if you wish to determine if any changes have been made. You will receive at least 21 days advance written notice of any change, deletion from, or addition to this Agreement that will adversely affect you. Your continued use of an EFT service after the effective date of the change will constitute your agreement to the changed terms. If you do not want a new or changed term to apply to your use of Online Access, Online BillPayer or another EFT service, please notify us in writing to discontinue your service.

WHAT TO TELL US IN CASE OF ERROR OR INQUIRY

- Your name and account number.
- The date of the questioned transaction.
- Any transaction number associated with the transaction, such as a check number.
- The dollar amount of the suspected error.
- A description of the error or transaction you are not sure about.
- Your explanation, as clearly as possible, of why you believe there is an error or why you need more information.

HOW TO CONTACT US

If you believe your card, PIN or access device has been lost or stolen, contact us by phone or write to us as shown below. You should also contact us if you believe a transfer has been made using the information from your check without your permission.

By Phone

Call us at 559-437-7700 or
Toll free at 800-538-EECU (3328)

Member Service Center Hours

7 a.m. - 7 p.m. Monday - Friday; Saturday 9 a.m. to 1 p.m.
(excluding legal holidays)

Evening or Weekends

For lost, stolen or unauthorized use of an ATM or Visa Debit Card
800-449-7728
Outside U.S. 410-581-9994 (collect call)
For lost, stolen or unauthorized use of a Visa Credit Card
800-Visa-911
Outside U.S. 410-581-9994 (collect call)

Write us

Educational Employees Credit Union
P.O. Box 5242
Fresno, CA 93755-5242

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