

ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

The Electronic Fund Transfers Agreement is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer (“EFT”) services offered to you by Priority Federal Credit Union (“Credit Union”). 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 (1) or more share (savings) and share draft (checking) accounts you have with the Credit Union. Electronic funds transfers are electronically initiated transfers of money from your account through the electronic funds transfer services described below. By signing an application or account card for EFT services, signing your Card, or using any services, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

1. EFT SERVICES - If approved you may conduct any one (1) or more of the EFT services offered by the Credit Union.

a. ATM Card. If approved, you may use your CARD and PIN (Personal Identification Number) in automated teller machines of the Credit Union and such other machines or facilities as the Credit Union may designate. For ATM transactions, you may consent to the Credit Union’s overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from this type of transaction. Services and fees for ATM overdrafts are shown in the document the Credit Union uses to capture the member’s opt-in choice for overdraft protection and the Schedule of Fees and Charges. At the present time, you may use your Card to:

- Make deposits to your share (savings) and share draft (checking) accounts.
- Withdraw funds from your share (savings) and share draft (checking) accounts.
- Transfer funds from your share (savings and share draft (checking) accounts.
- Obtain balance information for your share (savings) and share draft (checking) accounts.
- Make POS (Point-of-Sale) transactions with your card and PIN (Personal Identification Number) to purchase goods or services at POS terminals that the Credit Union designates.

The following limitations on the frequency and amount of ATM transactions may apply:

- The daily limit for ATM withdrawals is \$500 and for POS transactions the daily limit is \$10000, for a total of \$1500 per day.
- You may transfer up to the available balance in your account at the time of the transfer.
- See Section 2 for transfer limitations that may apply to these transactions.

Because of the servicing schedule and processing time required in ATM operations, there may be a delay between the time a deposit (either cash or check) is made and when it is available for withdrawal.

b. MasterMoney Card. You may use your Card to purchase goods and services from participating merchants. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your Card purchases will be deducted from your share draft (checking) account. For one-time debit transactions, you must consent to the Credit Union's overdraft protection plan in order for the transaction amount to be covered under the plan. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft protection and the Schedule of Fees and Charges.

For other types of transactions, if the balance in your account is not sufficient to pay the transaction amount, the Credit Union may pay the amount and treat the transaction as a request to transfer funds from other deposit accounts, approved overdraft protection accounts, or loan accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union< MAC, Jeanie, PLUS, Cirrus, Discover, American Express, VISA, MasterCard, and Novus networks, and such other machines or facilities as the Credit Union may designate. At the present time you may use your card to:

- Withdraw funds from your share (savings) and share draft (checking) accounts.
- Make POS (Point-of-Sale) transactions with your Card and PIN (Personal Identification Number) to purchase goods or services at merchants that accept MasterCard.
- Order goods or services by mail or telephone from places that accept MasterCard.

The following limitations on the frequency and amount of MasterMoney Card transactions may apply:

- Purchase amounts are limited to the amount in your account.
- See section 2 for transfer limitations that may apply to these transactions.

c. MATT (Member Automated Telephone Teller) (Audio Response). If we approve the MATT (Member Automated Telephone Teller) audio response access service for your accounts, a separate PIN (Personal Identification Number) will be assigned to you. You must use your PIN (Personal Identification Number) along with your account number to access your accounts. At the present time you may use the audio response access service to:

- Withdraw funds from your share (savings) and share draft (checking) accounts.
- Transfer funds from your share (savings) and share draft (checking) accounts.
- Obtain balance information for your share (savings) and share draft (checking) accounts.

- Make loan payments from your share (savings) and share draft (checking) accounts
- Determine if a particular item has cleared.
- Obtain tax information on amounts earned on share (savings) and share draft (checking) accounts or interest paid on loan accounts.
- Verify the last date and amount of your payroll deposit.
- Verify the last five (5) share drafts that have cleared your account.
- Verify the last five (5) deposits to your account.

Your accounts can be accessed under the MATT (Member Automated Telephone Teller) audio response service via touch tone telephone only. MATT (Member Automated Telephone Teller) service will be available for your convenience twenty-four (24) hours per day. This service may be interrupted for a short time each day for data processing.

- There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day.
- See Section for transfer limitations that may apply to these transactions.

The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous attempts to enter a transaction, and there may be limits on the duration of each telephone call.

d. Preauthorized EFT's.

- **Direct Deposit.** Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or federal recurring payments, such as Social Security, to your share (savings) and share draft (checking) account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your share (savings) or share draft (checking) account.
- See Section 2 for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify us orally or in writing any time up to three (3) business days before the date of the transfer. We may require written notification of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written notification, the oral stop payment shall cease to be binding fourteen (14) days after it has been

made. A stop payment request for preauthorized Electronic Fund Transfers will apply to all subsequent transfers, unless you withdraw the request.

- **Notice of Varying Amounts.** If these regular payments vary in amount, the person you are going to pay is required to tell you, ten (10) 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 payment would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for loss or damages.

e. Electronic Check Conversion/Electronic Returned Check Fees. If you pay for purchase or bills with a check or share draft you may authorize your check or share draft to be converted to an electronic fund transfer. You may also authorize merchants or other payees to electronically debit your account for returned check fees. You are considered to have authorized these electronic funds transfers if you complete the transaction after being told (orally or by a notice being posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

2. TRANSFER LIMITATIONS - For all share (savings) accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed.

3. CONDITIONS OF EFT SERVICES –

a. Ownership of Cards. Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your Card or account to another person.

b. Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

c. Foreign Transactions.

MasterCard. Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate used to convert foreign currency transactions to U.S. dollars is either a government-mandated exchange rate or a wholesale exchange rate is selected by MasterCard. The rate MasterCard uses for a particular transaction is the rate MasterCard selects for the applicable currency on the day the transaction is processed. This rate may differ from the rate applicable on the date the transaction occurred or was posted to your account.

A fee of up to 1.00% will be charged on all transactions completed outside of the United States where the cardholder's country code differs from the merchant's country code. In addition, a fee of up to 1.00% will be charged on all transactions completed in a foreign currency. All fees are calculated based on the transaction amount after it is converted to U.S. dollars. These fees are charged except where excluded.

d. Security of Access Code. You may use one (1) or more access codes with your electronic funds transfers. The access codes issued to you are for your security purposes. Any codes issued to you are confidential and should not be disclosed to third parties or recorded on or with your Card. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes that authority shall continue until you specifically revoke that authority by notifying the Credit Union. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

e. Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement, alone and together, shall be responsible for all EFT transactions to or from any share (savings) or share draft (checking) or loan accounts as provided in this Agreement. Each joint owner, without the consent of any other account owner, may, and is hereby authorized by every other joint owner to, make any transaction permitted under this Agreement. Each joint owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction or any account from any joint account owner.

4. FEES AND CHARGES – There are certain fees and charges for electronic funds transfer services. From time to time, the charges may be changed. We will notify you as required by applicable law.

If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

a. ATM Card Fees.

- \$0.75 charge for ATM inquiries at ATM machines we do not own
- \$0.75 charge for ATM withdrawals at ATM machines we do not own (nonproprietary) after six (6) per month
- We do not charge for any POS transactions at the present time.
- Replacement card fee of \$5.00 per card.

b. MasterMoney Card Fees.

- We do not charge for any POS transactions at the present time.
- Replacement card fee of \$5.00 per card.

c. Preauthorized EFT Fees.

- Nonsufficient funds fee of \$25.00 for recurring EFT's

5. MEMBER LIABILITY – You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit someone else to use an EFT service, your Card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, TELL US AT ONCE if you believe your card and/or access code has been lost or stolen or if you believe someone else has used your Card or access code or otherwise accessed your accounts without your permission, 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 line of credit).

You are not liable for an unauthorized MasterCard debit card transaction that was not conducted at an ATM if you can demonstrate that you exercised reasonable care in protecting your Card from loss or theft, you have not reported two or more incidents of unauthorized use in the past twelve (12) months, and your account is in good standing. Otherwise your liability for an unauthorized MasterCard debit card transaction that was not conducted at an ATM will be no more than \$50.00.

For all other EFT transactions involving access devices, including transactions conducted at ATM's, your liability for unauthorized transactions is determined as follows. If you tell us within two (2) business days after you learn of the loss or theft of your Card or code, you can lose no more than \$50.00 if someone used your Card or code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card or code, and we can prove that we could have stopped someone from using your Card or code without your permission had you 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, code 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 after the sixty (60) days if we can prove that we could have stopped someone from making the transfers had you told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods. If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call:

(814) 371-4817 Or (800) 368-0739

Or write to:

Priority First Federal Credit Union
364 Midway Drive
11/2016

DuBois, PA 15801
Fax: (814) 371-7462

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.

6. RIGHT TO RECEIVE DOCUMENTATION –

a. Periodic Statements. Transfers and withdrawals made through any ATM or POS terminal, Debit Card transactions, audio response transactions or preauthorized EFT's 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.

b. Terminal Receipt. You can get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM and/or point-of-sale (POS) terminal.

c. Direct Deposit. If you have arranged to have a direct deposit 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 (814) 371-4817 or (800) 368-0739. This does not apply to transactions occurring outside the United States.

7. ACCOUNT INFORMATION DISCLOSURE – We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or a merchant;
- If your account is eligible for emergency cash and/or emergency card replacement services, and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s);
- To comply with government agency or court orders; or
- If you give us written permission.

8. BUSINESS DAYS – Our business days are Monday through Friday – excluding holidays.

9. 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:

- If, through no fault of ours, there is not enough money in your accounts to complete the transaction, if any funds in your account needed to complete the transaction are held as

uncollected funds pursuant to our Funds Availability Policy, or if the transaction involves a loan request exceeding your credit limit.

- If you use your Card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the ATM was not working properly and you knew about the problem when you started the transaction.
- If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction.
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your Card, access code, or any EFT facility for making such transfers.
- If the telephone or computer equipment you use to conduct audio response or electronic/PC transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- Any other exceptions as established by the Credit Union.

10. NOTICES – All notices from us will be effective when we have mailed them or delivered them to your last known address in the Credit Union’s records. Notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

The following information is a list of safety precautions regarding the use of Automated Teller Machines (ATM’s) and night deposit facilities:

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your Card or deposit envelope, and leave.

- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your PIN (Personal Identification Number) or code on your ATM card.
- Report all crimes to law enforcement officials immediately.

11. BILLING ERRORS – In case of errors or questions about electronic funds transfers from your share (savings) or share draft (checking) accounts or if you need more information about a transfer on the statement or receipt, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than sixty (60) days after we sent the first statement on which the problem appears. Call us at:

(814) 371-4817 or (800) 368-0739

Or write to:

Priority First Federal Credit Union
364 Midway Drive
DuBois, PA 15801
Fax: (814) 371-7462.

- Tell us your name and account number.
- Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union has made 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 (10) business days.

We will determine whether an error has 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.

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

*If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days.

**If you give us notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have ninety (90) days instead of forty-five (45) to investigate.

12. TERMINATION OF EFT SERVICES – You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card or any access code. You must return all Cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your Card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement or any EFT's made prior to termination.

13. GOVERNING LAW – This agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of Pennsylvania and local clearing house rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

14. ENFORCEMENT – You are liable to us for any loss, cost of expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.