

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

This Electronic Funds Transfer Agreement is the contract which covers the responsibilities concerning the electronic funds transfer (“EFT”) services offered to you by Taunton Federal Credit Union on all consumer accounts used for personal, family or household purposes. 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 savings and checking (share draft) 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 service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered. If approved, you may conduct any one or more of the EFT services offered by the Credit Union.

- a. **ATM Card:** You may use your Card and PIN (Personal Identification Number) in automated teller machines of the Credit Union, SUM®, Cirrus®, NYCE®, 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 savings and checking accounts.
 - Transfer funds from your savings and checking accounts.
 - Obtain balance information for your savings and checking accounts. The following limitations on the frequency and amount of ATM transactions may apply:
 - There is no limit to the number of cash withdrawals you may make in any one day however you may not make more than five per hour. Maximum cash withdrawal per day is \$500.00 if there are sufficient funds in the account.
 - You may transfer up to the available balance in your accounts at the time of the transfer.
 - See Terms and Conditions for account related transfer limitations that may apply.

- b. **Visa Check Card “Debit Card”:** You may use your Card to purchase goods and services from participating merchants. 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 checking account. If the balance in your account is not sufficient to pay the transaction amount, the credit union will 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 related 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, SUM, NYCE, Cirrus, Networks, and such other machines or facilities as the Credit Union may designate. At the present time, you may also use your Card to:
 - Withdraw funds from your savings and checking accounts.
 - Transfer funds from your savings and checking accounts.
 - Obtain balance information for your savings and share draft accounts.
 - Order goods or services in person over the internet, by mail, or telephone from places that accept Visa.
 - The following limitations on the frequency and amount of Visa Check Card transactions may apply:
 - There is no limit on the number of POS purchases you make per day however you may not make more than eight per hour. Purchase amounts are limited to the amount in your account not to exceed \$1,500.00 per day.
 - There is no limit to the number of cash withdrawals or pin-based POS transactions you may make in any one day however you may not make more than five per hour. Maximum cash withdrawal or pin-based POS transactions per day is \$500.00 if there are sufficient funds in the account.
 - You may transfer up to the available balance in your accounts at the time of the transfer.
 - See Terms and Conditions for account related transfer limitations that may apply to these transactions.

- c. **Telephone Transfers (ARU – Telephone Banking):** If we approve ARU 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. You may access your account by telephone 24 hours a day by calling our Toll Free number at 1-855-379-5423 to:
 - Transfer funds from and to your savings, share draft, club and money market accounts and to other Member Accounts for which you are authorized;
 - Obtain balance information for your savings, share draft, club accounts, loans and line of credit accounts.
 - Make loan payments from your savings, share draft and money market accounts.
 - Determine if a particular item has cleared and information on recent deposits.

Your accounts can be accessed on the ARU via a touch-tone telephone only. ARU 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 day.
- See Terms and Conditions for account related transfer limitations that may apply.

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 or mail stop 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 unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

d. Preauthorized EFTs:

- 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 of federal recurring payments, such as Social Security, to your savings and checking account.
- Preauthorized Debits. Upon instruction, we will pay certain recurring transactions from your checking or savings account.
- ACH debit and credit origination to and from your account at another financial institution for transfers out of or into your Savings or Share Draft accounts
- Internal transfers are only transmitted on the first and fifteenth of the month (1st and 15th), if applicable.
- See Terms and Conditions for account related transfer limitations that may apply.

e. Online Banking:

- There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day.
- See Terms and Conditions for account related transfer limitations that may apply.

Account Access: Once you enroll for Taunton Federal Credit Union's Online Banking service, you may use a personal computer to access your accounts. The first time you log in, you must use your Personal Identification Number (PIN) that you chose or that was assigned to you by the Credit Union to access your accounts using the Telephone Banking (ARU) system. You may then be required to change your PIN to a complex Password of your choice. Changing your Online Banking password will not also change your Telephone Banking (ARU) PIN. Online Banking is normally available seven (7) days a week, twenty-four (24) hours a day with the exception of short periods for scheduled maintenance and/or upgrades. You will need a personal computer and access to the Internet (World Wide Web). You are responsible for installation, maintenance and operation of any software and your computer. Taunton Federal Credit Union is not responsible for any errors or failures involving any telephone service, Internet service, software installation on your computer. If available, and you are not enrolled in our Bill Payer Service, you may enroll by submitting the separate Bill Pay Electronic Registration Form. Access to your accounts through Online Banking will be based upon the identification of users specified by you, provided that we shall have no responsibility or obligations whatever to monitor transactions through Online Banking to determine that they are on the behalf of the account holder.

Types of Transactions: At the present time, you may use Online Banking to:

- Transfer funds between your share draft account, savings, club and loan accounts.
- Transfer funds to other Member Accounts for which you are authorized.
- Obtain balance information for your savings, share draft, club, loans, line of credit, certificates, and IRA accounts.
- Download your account information to financial management software programs like MS Money or Quicken if applicable.
- Pay bills from your Taunton Federal Credit Union Primary Share Draft account in the amounts and on the dates you request, if you have requested and been approved for the Bill Payer service.
- Conduct other transactions as permitted by Taunton Federal Credit Union including processing loan and mortgage applications, transferring funds to and from your accounts and obtaining check copies.
- Transactions will be subject to the terms of your account agreement.

- f. **Electronic Check Conversion/Electronic Returned Check Fees:** If you pay for something 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 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 posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

Account Information: The account balance and transaction history information may be limited to recent account information involving your accounts. Also, the availability of funds for transfer or withdrawal may be limited due to our Funds Availability Policy. You agree to promptly notify us of any change in address in writing.

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 to act 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 Visa Transactions:** If you effect a transaction with your Visa card in a currency other than U.S. dollars, Visa International Incorporated will convert the charge into a U.S. dollar amount. Visa International will use its currency conversion procedure, which is disclosed to institutions that issue Visa cards. Currently the currency conversion rate used by Visa International to determine the transaction amount in U.S. dollars for such transactions is generally either a government mandated rate or a wholesale rate determined by Visa International for the processing cycle in which the transaction is processed, increased by one percentage point. The currency conversion rate used by Visa International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.
- d. **Security of Access Code:** You may use one 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 the Card or account number. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes 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 such 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 access 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 and, alone and together, shall be responsible for all EFT transactions to or from any savings and checking or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.
- f. **Stop Payment of EFTs:** Unless otherwise provided in this Agreement, you may not stop payment of electronic funds transfers, therefore you should not employ electronic access for purchases and services unless you are satisfied that you will not need to stop payment.
- g. **Account Rates:** The dividend rates on accounts on which electronic funds transactions may be made are set forth on the Credit Union's Investment and Loan Rates.
- h. **Fees and Charges:** There may be certain fees and charges for electronic funds transfer services. For a current listing of all applicable fees, see our current Fee Schedule that was provided to you at the time you applied for or requested these electronic services. From time to time, the charges may be changed. We will notify you of any changes 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.
- i. **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 has used your Card or access code or otherwise accessed your accounts without your permission. Telephoning is the best way of keeping your possible losses down. You are not liable for an unauthorized Visa 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 (2) or more incidents of unauthorized use in the past twelve (12) months, and your account is in good standing. For all other unauthorized use of a Card or an access device, including ATM transactions and transactions using your Personal Identification Number, you may be liable up to \$50. Also, if your statement shows transfers that you did not make, 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 lost after the sixty (60) days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods. This paragraph does not apply to unauthorized use of a Visa Debit Card, an ATM Card, or other access device. If you believe your Card or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call 508-824-6466 immediately; or write to: Taunton Federal Credit Union, Operations Department, 14 Church Green, Taunton, MA 02780.

Right to Receive Documentation: Any documentation we provide to you which indicates that an electronic funds transfer was made to another person shall be admissible as evidence of such transfer and shall constitute proof of the transaction which it records.

Periodic Statements: Transfers and withdrawals made through any ATM or POS terminal, 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.

Terminal Receipt: You can get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM, POS terminal, or Debit Card transaction with a participating merchant.

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 using TFCU's Online Banking system, the ARU Telephone Banking System, or by calling our Call Center at 508-824-6466.

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 merchant;
- To comply with a proper government agency summons or request, lawful subpoena or court order;
- To any Credit Union employee, attorney, auditor, or collection agency for the Credit Union;
- To communicate the terms and history of your account to a consumer reporting agency; and
- To other third parties if you give us your written permission.

BUSINESS DAYS AND HOURS

Business Days: Monday through Friday Business Hours: 8:30 A.M. to 5:00 P.M. Excluding Federal Holidays Please call for the most current banking hours

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 losses or damages proximately caused by our error. 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 accounts necessary to complete the transaction are pledged or held as uncollected funds pursuant to our Funds Availability Policy; or if the transaction involves a loan request exceeding your credit limit.
- If you used 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 any act of God (such as fire, flood, or power failure) prevents the transaction.
- If the money in your account is subject to legal process or other claim restricting such transfer.
- If any circumstances beyond our control (such as your willful or negligent use of your Card, access code, or any EFT facility for making such transfers) prevent the transaction.
- 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.
- If you have bill payment services, we can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of a participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- Any other exceptions as established by the Credit Union.

PREAUTHORIZED PAYMENTS

- a. **Stop Payment Rights:** If you have arranged in advance to make regular 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 verbally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within fourteen (14) days of any verbal notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- b. **Notice of Varying Amounts:** If these regular payments may 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 amount would fall outside certain limits that you set.

- c. **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 your losses or damages.

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 a 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.

Billing Errors: In case of errors or questions about electronic funds transfers from your savings and share draft accounts, 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.

- o Call TFCU at: 508-824-6466 or write us at: Taunton Federal Credit Union, 14 Church Green, Taunton, MA 02780.
- o Tell us your name and account number.
- o 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.
- o Tell us the dollar amount of the suspected error.

If you tell us verbally, we may require that you send us your complaint or question in writing within ten (10) calendar days. We will tell you the results of our investigation within ten (10) calendar days or, for debit card POS transactions, five (5) business days after we hear from you and will promptly correct any error including the crediting of earnings, if applicable. 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 re-credit your account within ten (10) calendar days or, for debit card POS transactions, five (5) 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) calendar days, we may not re-credit your account. For errors involving new accounts, point of sale, or foreign initiated transactions, we may take up to ninety (90) 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 of completing our investigation. If we decide that an error did not occur, we will deliver or mail to you an explanation of our findings. If you request, you may inspect or ask for copies of the documents that we used in our investigation as long as it will not violate someone's privacy. If there was no error, we may ask you to pay to reproduce those documents. You may inspect the documents at our office at no charge.

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 and 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 that 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 for any EFTs made prior to termination.

Governing Law: This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the Commonwealth of Massachusetts and local clearinghouse 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. You are liable to us for any loss, cost or 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.

PROTECTED CONSUMER USE

Chapter 167B of the Massachusetts General Laws was enacted to provide a means for financial institutions, businesses, and consumers to conduct their business relations more conveniently. Transferring funds electronically will supplement the use of checks, credit and cash and will not replace these present methods of doing business. As a consumer, you should be aware of your rights if you choose to utilize this system.

- o No person may require you to use a preauthorized funds transfer as a condition of the extension of credit unless the credit is being extended in connection with an overdraft checking plan, or is being extended to maintain a specified balance in your account; or
- o Require you either to accept a transfer service or to establish an account which is accessed electronically as conditions of employment or receipt of government benefits; or
- o Require you to pay electronically for the purchase of goods or services. If your account is to be credited by a preauthorized transfer you may choose the financial institution to which the transfer may be made, if the institution is technically capable of receiving such preauthorized transfer.
- o No writing or agreement signed by you can waive the rights conferred to you by Chapter
- o 167B of the Massachusetts General Laws unless you decide to waive these rights in settlement of a dispute or action.

- If it is the policy of a store or retail business to give cash refunds for items purchased by cash, then this policy must also cover refunds for items purchased by electronic fund transfer unless it is clearly disclosed at the time the transaction is consummated that no cash or credit refunds are given for payments made by electronic fund transfers.
- If a person agrees to accept payment by means of an electronic fund transfer and the system malfunctions preventing such a transfer, then the consumer's obligation is suspended until the transfer can be completed, unless that person, in writing, demands payment by other means.
- Your Social Security number cannot be used as a primary identification number although it can be used as a secondary aid to identify you.
- Procuring or using a card, code or other means of electronic access to an account with the intent to defraud is a basis for criminal liability.