

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

This Electronic Funds Transfer Agreement and Disclosure is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer (EFT) services offered to you by Syracuse Fire Department Employees 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 or more savings and checking accounts you have with the credit union. Electronic funds transfers are electronically initiated transfers of money from your account through the EFT 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.

1. EFT SERVICES — If approved, you may conduct any one or more of the EFT services offered by the credit union.

a. Visa Debit Card. If approved, use of the Card, the account number on the Card, the PIN or any combination of the three for purchases, payments, or to obtain cash from merchants, financial institutions or others who honor VISA cards is an order by you for the withdrawal of the amount of the transaction from your account. However, you may not use your card to initiate any type of gambling transaction. 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 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 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 personal identification number (PIN) in ATMs of the credit union, NYCE, ACCEL, PLUS, Allpoint, the Exchange networks, and such other machines or facilities as the credit union may designate. At the present time, you may also use your card to:

- Make deposits to your savings and checking accounts.
 - 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.
 - Access your Line of Credit account.
 - Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at merchants that accept Visa.
 - Order goods or services by mail, telephone or internet from places that accept Visa.
- The following limitations on the frequency and amount of Visa Debit Card transactions may apply:
- Purchase amounts are limited to the amount in your account.
 - You may purchase up to a maximum of \$2,500 per day.
 - You may withdraw up to a maximum of \$500 in any one day from an ATM machine, if there are sufficient funds in your account.
 - For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.
 - You may transfer up to the available balance in your accounts at the time of the transfer.
 - See Section 2 for transfer limitations that may apply to these transactions.

b. Audio Response. If we approve Audio Response for your accounts, a separate personal identification number (PIN) will be assigned to you. You must use your personal identification number (PIN) along with your account number to access your accounts. At the present time, you may use Audio Response to:

- Transfer funds from your savings, checking, and Club accounts.
- Obtain balance information for your checking, loan, Club, and certificate accounts.
- Make loan payments from your savings, checking, and Club accounts.
- Determine if a particular item has cleared.
- Obtain tax information on amounts earned on savings and checking accounts or interest paid on loan accounts.
- Verify the last date and amount of your payroll deposit.

Your accounts can be accessed under Audio Response via a touch-tone telephone only. Audio Response 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 Section 2 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 unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

c. 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 federal recurring payments, such as Social Security, to your savings and/or checking account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your savings and/or 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 regular electronic funds 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 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 oral 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.
- **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.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you notify us in writing 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.

d. Electronic Check Conversion/Electronic Returned Check Fees. If you pay for purchases or bills with a check or share draft, you may authorize your check or share draft to be converted to an electronic funds 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 posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

e. Virtual Branch On-Line Banking. If we approve Virtual Branch On-Line Banking for your accounts, a separate personal identification number (PIN) will be assigned to you. You must use your logon ID and security code along with your account number to access your accounts. At the present time, you may use Virtual Branch to:

- Withdraw funds from your savings and checking accounts.
- Transfer funds from your savings, checking, and Club accounts.
- Obtain balance information for your savings, checking, loan, Club, and certificate accounts.
- Make loan payments from your savings, checking, and Club accounts.
- Determine if a particular item has cleared.
- Obtain tax information on amounts earned on savings and checking accounts or interest paid on loan accounts.
- Verify the last date and amount of your payroll deposit.
- Make bill payments to preauthorized creditors.

Your accounts can be accessed under Virtual Branch via personal computer. Virtual Branch 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. We reserve 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. We may set other limits on the amount of any transaction, and you will be notified of those limits. We 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 access.

- See Section 2 for transfer limitations that may apply to these transactions.

f. Bill Pay. We will process bill payment transfer requests only to those creditors the credit union has designated in the User Instructions and such creditors as you authorize and for whom the credit union has the proper vendor code number. We will not process any bill payment transfer if the required transaction information is incomplete.

We will withdraw the designated funds from your checking account for bill payment transfer by the designated cut-off time on the date you schedule for payment. We will process your bill payment transfer within a designated number of days before the date you are scheduled for payment. You must allow sufficient time for vendors to process your payment after they receive a transfer from us. Please leave as much time as though you were sending your payment by mail. We cannot guarantee the time that any payment will be credited to your account by the vendor.

- There is no limit on the number of bill payments per day.
- The maximum amount of bill payments each day is \$10,000, if there are sufficient funds in your account.

2. TRANSFER LIMITATIONS — For all savings and Club accounts, no more than six (6) preauthorized, automatic, telephone, or Internet transfers and withdrawals may be made from each account to another account of yours or to a third party in any month, and no more than three (3) of these six (6) may be made by check, draft, or access card to a third party. 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 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 Transactions. Visa. Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date, in each instance plus an additional 1%. The exchange rate used 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. 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 is hereby authorized by every other joint account owner, 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.

4. FEES AND CHARGES — There are certain fees and charges for EFT 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 funds transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

5. MEMBER LIABILITY — You are responsible for all EFT transactions you authorize. 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.

TELL US AT ONCE if you believe your card has been lost or stolen, if you believe someone has used your card or access code or otherwise accessed your accounts without your authority, or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If a transaction was made with your card or card number without your permission, and was either a Visa or Interlink transaction, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or card. For all other EFT transactions, including ATM transactions or if you were grossly negligent in the handling of your account or card, your liability for an unauthorized transaction is determined as follows.

If you tell us within two (2) business days you can lose no more than \$50 if someone used your card 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, and we can prove we could have stopped someone from using your card without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make including those made by card, 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 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. 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:

(315) 471-4621
Visa Debit Card: (800) 543-5073

or write to:

Syracuse Fire Department Employees Federal Credit Union
211 Wilkinson Street
Syracuse, NY 13204
Fax: (315) 476-7204

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, preauthorized EFTs, online/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.

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 (315) 471-4621. 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 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 your 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 accounts necessary 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 used your card or access code in an incorrect manner.
- 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 online/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 the 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.

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 ATMs 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.
- Close the entry door of any ATM facility equipped with a door. Note that activity within an ATM is recorded by a surveillance camera.
- 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. If it is after the regular hours of the financial institution and you are using an ATM, do not permit entrance to any person you do not know.
- 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 personal identification number (PIN) or access code on your ATM card.
- Report all crimes to law enforcement officials. If emergency assistance is needed immediately, call the police.
- Please direct any comments or complaints regarding ATM security to the credit union or the New York State Banking Department at 212-618-6642.

11. BILLING ERRORS — In case of errors or questions about electronic funds transfers from your savings and 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:

(315) 471-4621

or write to:

Syracuse Fire Department Employees Federal Credit Union
211 Wilkinson Street
Syracuse, NY 13204
Fax: (315) 476-7204

- 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 tell you the results of our investigation 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 that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

* 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 to investigate the error.

** If you give notice of an error within thirty (30) days after you make the first deposit to your account, notice of an error involving a POS 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) days to investigate the error.

NOTE: If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.

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 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 electronic transactions 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 New York, 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.

14. ENFORCEMENT — You are liable to us for any losses, costs or expenses we incur resulting from your failure to follow this agreement. You authorize us to deduct any such losses, 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.