

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

This Electronic Funds Transfer agreement covers you and our rights and responsibilities concerning the electronic funds transfer (EFT) services offered to you by Advanced Financial Federal Credit Union (Credit Union). It applies whenever you use Advanced Financial FCU's electronic banking services. 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 shares, and share draft accounts you have with the credit union. The word "access device" means a card, code, or other means of access to the member's account, or any combination thereof, that may be used by the member to initiate electronic funds transfers.

The term Electronic funds transfer means any transfers of funds that is initiated through an electronic terminal, telephone, computer or magnetic tape for the purpose of ordering, instructing or authorizing the credit union to debit or credit your account. By using an Advanced Financial FCU's Visa check card, Home Banking, DATA 1 service or by initiating a pre-authorized transaction each of you, jointly and severally, agree to be bound by this disclosure and by any amendments made now and in the future by us to this disclosure.

An EFT transaction is made by electronic means when, for example, it is made at an automated teller machine (ATM), through a store's Point-of-sale (POS) terminal, using our 24-hour telephone teller (DATA 1) or Home Banking.

Issuance of Card, PIN, Password The Advanced Financial Visa Check card and related PIN, Home Banking related password and Data one related PIN provides you access to your accounts at the Credit Union. You acknowledge that your Card, PIN and passwords are identifications codes that are personal and confidential and that the use of the PIN with the card is a security method by which the Credit Union helps to maintain the security of your account(s). Therefore you agree to take all reasonable precautions that no one else learns your PIN and/or password. You understand that reasonable includes, but are not limited to: a) you agree not to tell or disclose your PIN and/or password to any other person. b) You agree not to write your PIN on your card. c) You agree not to keep a written record of your PIN number near your card. This means that you will not keep the PIN in the same wallet, cardholder, envelope or place where you keep your card.

Responsibility for Transactions. You are responsible for any and all transactions you make with the Card and/or transactions that you authorize another person to make with the Card. If the Account is a joint account, all transactions involving the Account are binding on all Account holders.

Use of the Card. You may use the Card and PIN to do the following:

- (a) withdraw cash from your Account at ATM's
- (b) point-of-sale (POS) terminals and/or financial institutions that accept VISA cards.

You may use the Card without the PIN to do the following:

- (a) purchase goods and/or services at places that accept VISA cards (these are point-of-sale terminals or POS Transactions).
- (b) order goods or services by mail, fax and/or telephone from places that accept VISA cards.
- (c) make automatic payments from your Account to pay bills and/or

other charges provided that the payee agrees to accept payments in this manner. Some of these services may not be available at all ATM locations and/or POS terminals. For POS Transactions processed as VISA Check/Debit Card Transactions, you must press the "Credit" button on the available keypad. Use of the Card, the Account number on the Card, the PIN or any combination of the three for automatic payments, purchases, 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. Each Transaction with the Card will be charged to your Account on the date the Transaction is posted to your Account. Use of the Card is subject to the terms and conditions of your Account and any future changes to your Account may affect your use of the card.

Limits on Dollar Amounts and Frequency of Transactions.

- Maximum withdrawal of \$500.00 each day. The day for withdrawal limits begins at 3:00am each day and ends at 3:00am the next day.
- Purchase limit of \$ 2500.00 per day. You will be denied use of the Visa check card if you exceed the daily withdrawal or purchase limit; if you don't have adequate funds available in your account; if you do not enter the correct PIN or if you exceed the frequency of usage limitations. The receipt provided by the terminal will notify you of the denial. There is a limit on the number of such denials permitted. Attempts to exceed the limit will result in machine retention of your Visa check card at the Terminal. The number of attempts that result in machine retention are not revealed for security reasons.

Charges for Electronic Funds Transfer. No fee will be imposed for Advanced Financial FCU's card transactions made at Credit Union-owned ATMs. Advanced Financial FCU's card transactions made at ATMs owned by other financial institutions are subject to the following policy: No fee will be imposed on any withdrawal, transfer or inquiry up to a total of eight (8) per month. Any withdrawal, transfer or inquiry beyond this limit each month will be subject to a \$ 1.50 fee.

An unlimited amount of deposit transactions are available each month at no fee.

The amount of any charges will be deducted automatically from your account. You will be subject to other fee services as follow.

Overdraft - \$35.00
Deposit of Un-presentable item - \$35.00
Monthly Service Fee - \$1.00
Replacement of Card - \$5.00
Replacement of PIN - \$3.00
Replacement of Lost or Stolen Card \$15.00
Return fee \$ 35.00
ACH stop payment \$ 25.00

Overdrafts. You promise to pay the Credit Union immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. You will have to pay the amount overdrawn promptly. You also will be subject to an overdraft fee. If you do not have overdraft privileges, the Credit Union may deduct the amount of the overdraft on your Account from any other account you have with the Credit Union. Furthermore, you agree that any collateral that you pledged as security for any other credit union loan will also secure any negative balance arising in your account.

does not complete a Transaction to or from your Account on time or in the correct amount according to the agreement, the Credit Union will be liable for your losses or damages. The Credit Union will NOT be liable for the following:

- a) If through no fault of the Credit Union, you do not have enough

money in your account to make the transaction

- b) If you have overdraft protection with the Credit Union and the Transaction would exceed your overdraft protection limit.
- c) If the ATM where you are making the Transaction does not have enough cash
- d) If the terminal or system was not working properly and you knew about the breakdown when you started the Transaction.
- e) If circumstances beyond control (such as fire or flood) prevent the Transaction, despite reasonable precautions taken by the Credit Union.
- f) If your Account is subject to legal process or other claim
- g) If you use a damaged or expired access device or an access device that has been reported lost or stolen
- h) If the Credit Union believes that something is wrong; for example, that your Card has been stolen
- i) If through no fault of the Credit Union, the payment information for a preauthorized Transaction is not received.
- (j) Any consequential damages.

Refusal to Honor Card. The Credit Union is not liable for the refusal or inability of any electronic terminal to honor the Card or to complete a withdrawal from your Account or for the retention of the Card. The Credit Union is also not responsible for the refusal of any merchant or financial institution to honor the Card or for the retention of the Card.

Foreign Transactions. Transactions that are initiated in foreign countries in foreign currencies will be charged to your Account in U.S. Dollars. The conversion rate to dollars will be at the

Business Days. Our business days are Monday to Friday (8:00 AM to 4:00 PM EST) Holidays are not included.

Right to Receive Documentation of Transactions.

- (a) you will receive a receipt at the time you make any Transaction involving your account using an ATM or Point of sale POS terminal.
- (b) you will be sent a monthly Account statement showing the status of your account (s), transactions made during the past month, and any charges we may impose for such transactions, unless there are no Transactions in a particular month. In any case, you will be sent a statement at least quarterly.

If you pre-authorized regular transfers from your account(s), we will not send you any special notice that the transfer has been made other than to include it in your monthly statement. If you are concerned that a transfer has not been made, you can call for verification of the transaction at the telephone number listed.

Disclosure of Account Information to Third Parties. The Credit Union will disclose information to third parties about your Account or the Transactions you make:

- (a) when it is necessary for completing Transactions
- (b) in order to verify the existence and/or condition of your Account for a third party such as a credit bureau or merchant (c) in order to comply with a government agency or court orders (d) if you give us your written permission.

Liability for Unauthorized Transactions. Telephone the Credit Union AT ONCE if you believe your Card has been lost or stolen, if you believe someone has used your card or PIN 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.

Failure to inform the Credit Union immediately could result in the loss of money in your Account. If you notify us of the loss your liability will be as follows:

- If you notify us within two (2) business days, you can lose no more than \$ 50.00 if someone use your card, PIN, password, and/or Online Banking ID without your permission.

If you do NOT notify us within two (2) business days after you learn of the loss or theft of your Card, PIN, password and/or Online Banking ID and we can prove that we could have stopped someone from using your PIN, password, and/or Online Banking ID without your permission if you had told us, you could lose as much as \$500.00. The Credit Union will assess a \$15.00 charge for deactivation of your lost or stolen card, regardless of when you report its loss or theft.

Also, if your monthly statement shows transfers that you did not make including those made by card, PIN, password or other means, TELL US AT ONCE, If you do NOT notify 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 notifying us, we may extend the time periods.

You should also call if you believe a transfer has been made using the information from your check without your permission.

How to Notify the Credit Union in the Event of an Unauthorized Transaction. If you believe the Card or PIN has been lost or stolen or that someone has transferred or may transfer

money from your Account without your permission, call 1-800-237-5626, or fax (908) 771-9349 during business hours. After Hours Telephone#: 1-800-554-8969 for a lost or stolen card during the weekends or night time.

Or write: Advanced Financial Federal Credit Union
785 Central Avenue New Providence, NJ 07974

Provisional Payment. Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

Notice. Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Choice of Law.

We may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of [New York] as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

Preauthorized Transfers. You may arrange to have third parties make regular deposits or withdrawals to or from your account(s) by electronic means.

If you are scheduled to receive deposits on this basis at least once every 60 days, you can call us at 1-800-237-5626 to find out whether the deposit has been made. No additional charges are imposed on your account because you have this service.

Right to stop Payment of Pre-authorized Transfers. You do not have the right to stop payment on any point-of-sale Transaction and/or ATM Transaction.

If you have made arrangements with us to make a regular payment or withdrawal out of your account(s), you can stop these payments by following these directions: notify the company crediting/debiting your account(s) in writing of the stop payment; b) send a copy of that letter to Advanced Financial Federal Credit Union, 785 Central Avenue, New Providence, NJ 07974, Attention: Customer Service Department, in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. We will charge you \$ 25.00 for each stop payment order you give.

Liability for Failure to Make Transactions. If the Credit Union

wholesale market rate or the government-mandated rate, whichever is applicable, in effect one (1) day prior to the processing date increased by one percent (1%).

Rules of Account. All Transactions covered by this Agreement are also subject to all rules and agreements that govern the Account(s) being debited or credited in connection with a Transaction, except as modified by this Agreement.

Effect of Agreement. Even though the sales, cash advance and/or other slips that you sign or receive when using the Card and/or the Account number on the Card may contain different terms, this Agreement is the sole Agreement that applies to all Transactions involving the Card.

Additional Benefits/Card Enhancements. The Credit Union may from time to time offer additional services to your Account. Some may be at no additional cost to you and others may involve a specific fee. You understand that the Credit Union is not obligated to offer such services and may withdraw or change them at any time.

Change in Terms. The Credit Union may change this Agreement from time to time by giving you written notice. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least twenty-one (21) days notice of the change.

Termination of Account. The Credit Union reserves the right to cancel your Card at any time. You may cancel your Card at any time. The Card remains the property of the Credit Union. If either you or the Credit Union cancels your Card, you agree to return the Card to the Credit Union or destroy it upon the Credit Union's request.

No Waiver. The Credit Union can delay enforcing any of its rights under this Agreement and the law any number of times without losing them.

Statements and Notices. Statements and notices will be mailed to your most recent address. In the case of joint accounts, notice sent to any one Account holder will be considered notice to all.

General. To the extent permitted by law, you agree to pay reasonable costs, including attorney's fees, in the event the Credit Union sues you to enforce this Agreement. This Agreement is binding upon your heirs, personal representatives and successors and if more than one, jointly and severally.

Signatures. By signing the Signature area of the application when you received it, you agree to the terms of this Agreement. Use of the Card also acknowledges receipt and agreement to the terms. Retain this Agreement for your records.

ERROR RESOLUTION NOTICE

In case of errors or questions about your EFT transactions, telephone the Credit Union at 800-237-5626 or write us at Advanced Financial Federal Credit Union, 785 Central Avenue, New Providence, NJ 07974. Contact us as soon as you can if you think your statement or receipt is wrong or if you need more information about a Transaction listed on the statement or receipt, you are required to contact the Credit Union no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared. You must provide us with the following:

Tell us your name and Account number or Visa check card number.

2. Describe the Error or the Transaction you are unsure about and explain as clearly as possible why you believe it is an error or why you need more information.

3. Tell us the dollar amount of the suspected error.

If you tell us orally, we require that you send us your complaint or question in writing within ten (10) business days of an oral notice. We will tell you the results of our investigation within ten (10) business days for PIN transactions or 20 days for POS Transactions and Transactions that were initiated outside of the United States after we hear from you and will correct any errors promptly. If we need more time, we may take up to forty-five (45) days or more for PIN or ninety (90) days for POS Transactions or Transactions that were initiated outside of the United States to investigate your complaint or question. If we decide to do this, we will re-credit your Account within ten (10) business days if it is a PIN transaction or twenty (20) business days if it is a POS Transaction or a Transaction that was initiated outside of the United States for the amount that you think is in error so that you will have the use of the money during the time it takes for us to complete our investigation. If we ask you to put your complaint in writing and we do not receive it within ten (10) business days, we may not re-credit your Account. If we find there was no error, we will send you a written explanation within three (3) business days upon completion of our investigation. You may request copies of the documents used in our investigation. If we have credited your account with funds while we were investigating an error we will charge you account for those funds if no error has occurred.

Change of Name and Address. You must notify us promptly and in writing of any change in your name and/or address