

ELECTRONIC FUND TRANSFERS



Effective 4/4/11

YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it defines your responsibilities and the responsibilities of Bank-Fund Staff Federal Credit Union® (BFSFCU®) with respect to certain electronic fund transactions. You should keep this notice for future reference.

As used throughout this Agreement, the terms "you" and "your" mean each person who applies for and uses an electronic service or access device and all account owners if the accounts are held as joint accounts, jointly and severally. The words "our," "us," "we," "BFSFCU," or "Credit Union" mean Bank-Fund Staff Federal Credit Union. The word "card" means the ATM or Debit Card access device issued to you by us, which permits you to conduct Transactions at automated teller machines (ATMs) owned and operated by us; at ATMs and point of sale (POS) terminals that are part of a network that accepts our card; and, if you have a Visa® Debit Card, at any place that honors Visa cards for Transactions. The word "PIN" means your personal identification number for your Card. The word "PIN" also means your personal identification number for accessing BFSFCU's Audio Response System (ARS). The terms "user ID" and "password" refer to your access codes used for accessing BFSFCU's Online Banking. The word "Transaction" means an electronic fund transaction. These Transactions are performed through the use of ATMs, POS terminals, the Audio Response System, Online Banking, the Automated Clearing House system and other electronic means.

You understand that the agreements, rules and regulations applicable to your accounts remain in effect and continue to be applicable, except as specifically modified by this Electronic Fund Transfers Agreement and Disclosure. If you have signed another agreement with us governing specific types of transactions, that other agreement will control if there is a conflict between that agreement and this Agreement. By requesting, receiving, signing, using and/or authorizing another person to use your card, PIN or access codes to conduct Transactions, you agree to the terms of this Agreement.

Electronic Funds Transfers Initiated By Third Parties—

You may authorize a third party to initiate electronic fund transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearing House (ACH) or other payment networks. Your authorization to the third party to make these transfers can occur in a number of ways. For example, your

authorization to convert a check or draft to an electronic funds transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third party transfers will require you to provide the third party with your account number and Credit Union information. This information can be found on your check or draft. Thus, you should only provide your Credit Union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic fund transfers. Examples of these transfers include, but are not limited to:

- **Preauthorized credits.** You may make arrangements for certain direct deposits (such as World Bank Group, International Monetary Fund, U.S. Treasury, Social Security) or some employers (payroll) to be accepted into your checking or savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your checking or savings account(s). Payments to third parties from savings accounts are subject to certain limitations which are addressed later in this document.
- **Electronic check conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to pay for purchases or pay bills.
- **Electronic returned check or draft fee.** You may authorize a merchant or other payee to initiate an electronic fund transfer to collect a fee in the event a check is returned for insufficient funds.

Audio Response System (ARS) Telephone Transfers—types of transactions—You may access your account by telephone 24 hours a day by calling 1 800 799 1555 or 202 212 6420 using your member number and personal identification number. You agree that use of your member number and PIN shall constitute sufficient verification of your identity to us as well as your authorization to us to process transactions to:

- transfer funds between your BFSFCU checking and savings accounts
- advance funds from Overdraft Protection to checking or savings
- make payments to certain loan accounts with us from checking or savings
- make balance inquiries on checking and savings accounts
- make deposit and withdrawal inquiries on checking and savings accounts

BFSFCU, in accordance with Federal Reserve Board Regulation D, permits a total of only six telephone or preauthorized transfers (which includes automatic transfers to cover check overdrafts) per month from any savings account (including Money Management Savings). There are no such limits on transfers

from a checking account. For security reasons, there may be other limits on the number or dollar amount of transactions you make through the Audio Response System. For more information regarding Transaction Limitations, refer to the Truth-in-Savings Disclosure provided to you.

ATM and Debit Cards—An ATM card, together with a PIN, permits transactions at ATMs and merchant Point of Sale (POS) terminals; a Visa® Debit Card permits transactions at ATMs, merchant POS terminals and any place that honors Visa Cards (collectively, "card"). Debit cards allow you to access the available funds, with or without a PIN, within the limits described below to purchase goods and services and to receive cash advances from your checking account. **Debit cards are not credit cards.** You agree that the card is our property, and that it may be revoked without notice to you and must be surrendered upon request.

ATM Transfers—types of transactions and dollar limitations—If approved by us, you may access your account(s) by ATM using your BFSFCU ATM card and personal identification number (PIN) or BFSFCU Visa® Debit Card and personal identification number (PIN), to:

- make deposits to checking and savings accounts at designated BFSFCU ATMs
- withdraw cash from checking and/or savings account(s) up to the lesser of your available balance or \$1,000 per 24 hour period, per card
- make payments from checking and savings account(s) to certain loan accounts, only at ATMs we own and operate
- make balance inquiries on checking and savings accounts
- transfer funds between checking and savings accounts

Some of these services may not be available at all terminals.

BFSFCU ATM and Debit Card Point-of-Sale Transactions—You may use your card and PIN to access your checking account(s) to purchase goods (in person), pay for services (in person), and get cash from a merchant, if the merchant permits, or from a participating financial institution, not to exceed \$1,000 in a 24 hour period. When you use your Debit Card for a Visa Purchase, without the entry of a PIN, the transaction limit is the lesser of your available checking account balance or \$6,000 in a 24 hour period. Signature-based Visa cash advances made using your Debit Card are limited to \$1,000 per day.

BFSFCU reserves the right to adjust daily limits without advance notice to you. Please consult the Fee Schedule for fees associated with the BFSFCU ATM and BFSFCU Visa Debit Card.

Currency Conversion—When you use your BFSFCU ATM card for purchases and cash withdrawals or your BFSFCU Visa Debit Card for purchases and cash withdrawals made in foreign currencies, those transactions 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 for the BFSFCU Visa Debit Card and by MasterCard®/Cirrus® for the BFSFCU ATM card from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa or MasterCard/Cirrus itself receives or the government-mandated rate in effect for the applicable central processing date. 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.

A fee of 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash withdrawals and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the U.S., Puerto Rico or the U.S. Virgin Islands.

Advisory Against Illegal Use—You agree that the use of the card to obtain goods or services or effect a transaction that is illegal under the law of any jurisdiction where originated, affected or accomplished will be a default and breach of this Agreement. We may terminate access to this service or withdraw your right to use the card and/or demand the return of the card or other access device issued to you. If illegal use of your card occurs, you waive the right to sue us, and agree to indemnify and hold us harmless from any suits or other legal action or liability which may be asserted directly or indirectly against us arising out of or resulting from the illegal use of the card.

Please see your cardholder agreement for additional information relating to the use of your BFSFCU Visa Debit Card.

Online Banking—types of transactions—If approved, you may access your account(s) through the Internet through BFSFCU.org, choosing the Online Banking link and logging in using your access codes to:

- transfer funds between checking, savings and line of credit account(s)
- transfer funds internally from one member account to another member account
- make payments from checking or savings accounts to certain loan account(s) with us
- transfer funds from one member account to an external third party
- make payments from checking to third parties with Online Bill-payer
- make balance inquiries
- make deposit and withdrawal inquiries on your checking and savings accounts

Please consult the Fee Schedule for any fees associated with Online Banking.

Except as provided in the next sentence, you may make any number of transactions between your accounts or from your accounts through Online Banking up to the available balance for the account. BFSFCU, in accordance with Federal Reserve Board Regulation D, permits a total of only six telephone or preauthorized transfers (which includes automatic transfers to cover check overdrafts) per month from any savings account (including Money Management Savings). There are no such limits on transfers from a checking account. For security reasons, there may be other limits on the number or dollar amount of transactions you make through the Online Banking.

Card, PIN, Access Code Protection—You agree to hold in strict confidence your card, PIN, access code and any other code that may be required to use our electronic services. You will not write your PIN on your card or on any paper you carry with your card or on any paper with your account number. This invites misuse of your card and account if these items are lost or stolen. You should protect your card, PIN and access code as you would cash, credit cards or checks. Your card, PIN and access code are the “keys” with which someone can access your accounts.

Loss or Theft—If you believe your card, PIN, or any other access codes have been lost, stolen, or compromised, call the telephone number or write to the address listed at the end of this disclosure. Telephoning us immediately is the best way to report a suspected loss, theft or compromise of your card, PIN or access code. You must contact us to request a replacement card. You understand that upon notification of loss, theft or compromise of your card, PIN or access code, it will be deactivated. If you recover your card, PIN or access code after you have notified us, you agree to not resume using it.

Verification—Visa purchase receipts, and ATM/POS terminal receipts issued by an ATM or merchant POS terminal not owned by us, are binding on us only after verification by us.

Deposits—All deposits will be credited to your accounts provisionally, subject to our verification and receipt of good funds. Funds from deposits may not be available for immediate withdrawal. Please refer to BFSFCU’s Funds Availability Disclosure for details. You agree that our verifications of deposit will be final.

Fees—Transactions are subject to charges as indicated herein and on our current Fee Schedule.

ATM Operator/Network Fees—When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network.

DOCUMENTATION

Terminal transfers—You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals, except that merchants are not required to provide receipts on POS transactions of \$25.00 or less.

Preauthorized credits—If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money. You can also call us at 202 212 6400, use our Audio Response System or log on to Online Banking to find out if the deposit has been made.

Periodic Statements—You will get a monthly checking account statement. You will get a monthly account statement from us for your savings accounts, unless there are no transactions in a particular month. In any case, you will get a statement at least quarterly.

PREAUTHORIZED PAYMENTS

Right to stop payment and procedure for doing so—If you have **told us in advance to make regular payments to third parties or authorized a third party** to debit your account (“pre-authorized payments”) you may stop any of these payments as provided below. Your payments from your accounts to us are governed by the terms of the automatic payment authorization form and not this Electronic Fund Transfer Agreement and Disclosure.

Stop payment on preauthorized payments originated by us—If you have authorized us in writing and in advance to debit your account to make payments to a third party and you wish to stop these preauthorized payments, you must call us at 202 212 6400 or write to us at the address at the end of this disclosure before the next payment is scheduled to be made and in time for us to have a reasonable opportunity to act upon it. We will not charge you for a stop payment on a pre-authorized payment to a third party initiated and originated by us.

Your oral or written stop payment notice to us will stop all future payments in the same amount to the same third party. If you provide us with an oral stop payment order, you must send us a written confirmation of the stop payment order within 14 days of your initial oral request to us.

Stop payment on preauthorized payments originated by third party—If you have authorized a third party to make pre-authorized payments from your account, and wish to stop these preauthorized payments **you must revoke that authorization with the third party and send us a copy of your written revocation.** If you do not give us a copy of your revocation notice within 14 days of your initial oral request to us, we may honor subsequent debits from the person or company against your account.

To stop your pre-authorized payments initiated and originated by a third party from your account with the Credit Union you must call us at 202 212 6400 or write to us at the address at the end of this disclosure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. The charge for each stop payment order you give us is listed in our Fee Schedule provided to you and available on our website. Your oral or written stop payment notice to us will stop all future payments in the same amount, to the same third party. If you provide us with an oral stop payment order, you must send us a written confirmation of the stop payment order within 14 days of your initial oral request to us.

Liability for failure to stop payment of preauthorized transfer—If you order us to stop a pre-authorized payment initiated by us before the transfer is scheduled and in time to give us a reasonable opportunity to act, or order us to stop a pre-authorized payment initiated by a third party at least 3 business days before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

Business Days—For purposes of this disclosure, our business days are Monday through Friday. Holidays are not included.

Notice of varying amounts—If these regular payments vary in amount, the person you are going to pay will tell you 10 days before each payment, when it will be made and how much it will be. (You may arrange instead with the person or company receiving the payment that you will 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.)

No Stop Payment on Card Transactions—**You do not have the right to stop payment on any sales draft or cash withdrawal slip originated by the use of your card; the use of your card to make purchases or obtain cash results in an immediate withdrawal of funds from your account in the case of ATM transactions, and generally within 1–3 days from the date of purchase in the case of POS and signature based transactions.**

FINANCIAL INSTITUTION'S LIABILITY

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 will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transaction;
2. If the transaction would go over the available credit limit on your Overdraft Protection;
3. If the automated teller machine where you are making the transaction does not have enough cash;
4. If the terminal or system was not working properly and you knew about the breakdown when you started the transaction;
5. If circumstances beyond our control (such as fire or flood) prevent the transaction, despite reasonable precautions that we have taken;
6. If you have not properly followed instructions for operation of the terminal or system;
7. If the funds in your account are subject to legal process or similar encumbrance;
8. If the transaction would exceed one of the established limits contained in our agreement with you;
9. There may be other exceptions stated in our agreement with you.

CONFIDENTIALITY

We will disclose information to third parties about your account or the transactions you make:

1. where it is necessary for completing transactions;
2. in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
3. in order to comply with government agency or court orders;
4. as required by applicable state and federal law, including the Right to Financial Privacy Act and the Fair Credit Reporting Act;
5. as explained in BFSFCU's Privacy Policy Notice that we provide to you from time to time; and
6. when you authorize us to do so.

UNAUTHORIZED TRANSFERS

Consumer Liability—*Generally.* Tell us AT ONCE if you believe your BFSFCU ATM or Visa Debit Card, your ARS, ATM or Visa Debit Card PINs, Online Banking access codes, or any other access code has been lost, stolen, or compromised or if you believe that an electronic fund transfer has been made without your permission using information from your check or draft, or if your account statement shows transfers that you did not authorize. **Telephoning is the best way of keeping your possi-**

ble losses down. You could lose all the money in your account plus your maximum Overdraft Protection limit. If you tell us within 2 business days after you learn of the loss, theft or compromise of your card, PIN and/or access code, you can lose no more than \$50 if someone used your card, PIN and/or access codes without your permission.

If you do NOT tell us within 2 business days after you learn of the loss, theft, or compromise of your card, PIN and/or access code, and we can prove we could have stopped someone from using your card, PIN and/or access code without your permission if you had told us, you could lose as much as \$500.

If your statement shows transfers that you did not make, including those made by card, PIN, access code or other means, tell us at once. If you do not tell us within 60 days after the FIRST statement was mailed or made available to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

Account holders must regularly review their monthly statements for any errors and if you are an Online Banking user, whenever you access Online Banking and review your transaction history, you should review for transaction accuracy.

Additional Limit on Liability for BFSFCU Visa Debit Card—Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen BFSFCU Visa Debit Card. This additional limit on liability does not apply to ATM transactions or to transactions using your personal identification number (PIN) which are not processed by Visa.

Contact in event of unauthorized transfer—CALL 202 212 6400 OR WRITE TO US AT THE ADDRESS FOUND AT THE END OF THIS DISCLOSURE:

- if you believe your card, PIN or access codes have been lost, stolen or compromised, and/or
- if you believe a transaction has been made using the information from your check without your permission.

ERROR RESOLUTION NOTICE

In Case of Errors or Questions About Your Electronic Transfers—Call 202 212 6400 or write us at the address found at the end of this disclosure 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. We must hear from you no later than 60 days after we sent or made available to you the FIRST statement on which the problem or error appeared.

1. Tell us your name and account number (if any).
2. Describe the error or the transaction you are unsure about, and explain as clearly as you can 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 may require that you send us your complaint or question in writing within 10 business days.

We will tell you the results of our investigation within 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 45 days to investigate your complaint or question. If we decide to do this, we will recredit your account within 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 10 business days, we may choose not to recredit your account.

For errors involving transactions at POS terminals, foreign initiated transactions, or on accounts opened within the past 30 days, the periods referred to above are 20 business days instead of 10 business days, and 90 calendar days instead of 45 calendar days.

If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. If we find that there was no error or the error was for a different amount, we may reverse the provisional credit or debit your account(s) for additional funds. You may ask for copies of the documents we used in our investigation.

BANK-FUND STAFF FEDERAL CREDIT UNION
MEMBER RELATIONS
1725 I STREET NW, SUITE 150
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CREDIT UNION

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BFSFCU.org

These terms and conditions are subject to change.

02/11 SC/MP



Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency