



First Source Federal Credit Union
4451 Commercial Drive
New Hartford, NY 13413
(315) 735-8571

ELECTRONIC FUNDS TRANSFER AGREEMENT and DISCLOSURE - REG E

(800) 735-8571

This Electronic Funds Transfer Agreement and Disclosure, ("Agreement") is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer (EFT) services offered to you by First Source 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.

Suspension of electronic services and access to share or deposit accounts. Subject to applicable law, we may suspend some or all electronic services and access to your checking or other account(s) if you become delinquent on any of your loan or deposit obligations to us or you cause a loss to us. We shall not be liable to you in any regard in connection with such suspension of services.

1. TYPES OF ELECTRONIC FUND TRANSFER SERVICES. The following describes the services, if approved, that are available, and some limitations that apply:

a. Debit Card. You may use your card and PIN (Personal Identification Number), when required, at automated teller machines (ATMs) or interactive ATMs (ITMs) of the Credit Union, Sharenet, PLUS, NYCE, Co-Op, Visa networks, and such other network, machines or facilities as the Credit Union may designate. At the present time, you may use your card to:

- Withdraw funds from your share accounts.
- Make deposits to your share accounts.
- Make loan payments.
- Transfer funds between your share accounts.
- Obtain balance information on your share accounts.
- Make Point of Sale (POS) transactions to purchase goods or services at POS terminals.
- Make purchases through merchants who have agreed to accept Visa branded cards.
- Complete transactions, including a cash withdrawal, in foreign countries in foreign currency.

Limitations. The following limitations will apply to your Card:

- Sufficient funds must be available to make any withdrawal.
- For security reasons, there are other limitations to the frequency and number and amounts of transfers you may make.
- Daily withdrawal limitations of up to \$1,500.00 per day may apply.
- The maximum purchase amount for any one transaction at a POS terminal is \$3,500.00.
- Your available balance may be reduced for any preauthorization for 3 business days or until the transaction clears.
- Cards linked to savings shares only are supported at select merchants.
- Some services may not be available at all terminals.

Non-Visa PIN-less transactions will not be processed as Visa transactions and therefore will not include Visa's zero liability or chargeback and dispute resolution benefits. Additionally, provisions of this agreement relating only to Visa transactions are not applicable to non-Visa and PIN-less debit transactions.

b. Electronic Check Conversion. If you pay for something with a check, 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: (1) pay for purchases or (2) pay your bills. When your check is used to initiate an electronic funds transfer in this way, you authorize

the funds to be debited from your account as soon as the same day, and your check may not be returned to you. You also authorize a one-time electronic funds transfer to pay a Non-sufficient Funds fee if you have insufficient funds.

- c. Preauthorized Electronic Funds Transfers.** You may authorize periodic or recurring automatic payments from, and deposits into, your designated account(s). Examples of such transfers include direct deposit of your paycheck or Social Security check into your designated Credit Union account; automatic payment(s) from your designated Credit Union account to third parties; and automatic payment from your designated Credit Union account for loan payments or other amounts you owe us.

The frequency and amounts of these preauthorized transfers will be subject to and in accordance with the authorization that you sign, and any separate agreement you have with the originator of the transfer.

- d. Automated Banking Service** You may access your accounts via our touch-tone access telephone system. You will be asked to select an access code to use this service. You may use telephone access to:

- Withdraw funds from your savings, checking, money market, and Home Equity Line of Credit accounts;
- Transfer funds between your savings, checking, money market, and Home Equity Line of Credit accounts;
- Obtain balance, account activity, and other information on your savings, checking, money market, loan accounts, and term share certificate accounts;
- Verify whether a check or other item has cleared your account;
- Make loan or credit card payments from your savings, checking and money market accounts;

The telephone access service is available twenty-four (24) hours a day, but may be inaccessible for a short period each day for data processing.

- e. Online/Mobile Banking.** We offer a Home Banking service that you may access from a personal computer and mobile banking service where you may access your account remotely using a mobile device via Internet access. On joint membership accounts, each owner will need their own user name and password. You will need your assigned User ID and password to access your accounts, as instructed when you log on. You may use this service for the following:

- Make Deposits to your savings and checking accounts;
- Make transfers between your savings, money market, checking, money market, and loan accounts;
- Make transfers to other persons with First Source Federal Credit Union Accounts;
- Make transfers to your accounts at other institutions;
- Obtain balance information on your savings, checking, money market, loan accounts, and term share certificate accounts;
- Make payments on your Credit Union loans and credit cards from your savings, checking and money market accounts;
- Access internet bill pay services to make payments to various creditors;
- Verify whether a check or other item has cleared your account;
- Take an advance from a Home Equity Line of Credit account;
- Obtain tax information on amounts earned on applicable accounts;
- Obtain information on interest paid on loan accounts;
- Place stop payment orders on drafts.
- Manage debit and credit cards by blocking or unblocking and reporting as lost or stolen.
- Access e-check Deposit to remotely deposit funds to your savings and checking account;

Our Online/Mobile Banking service will be available to you 24 hours a day, but may be interrupted for a short period of time each day for data processing. Security protocols will be in place, such as electronic lock-out if there are numerous unsuccessful attempts to enter a transaction, and limits on the duration of access.

- 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 minimum bill pay transfer amount is \$1.00 and the maximum is \$10,000.

g. Transfers to other financial institutions. If we approve transfers to other financial institutions for your account, this service will allow you to initiate or authorize funds transfers between First Source and accounts you have at other financial institutions. By agreeing to the Terms of Service for this product, you authorize the Credit Union to accomplish the transfer through the Automated Clearing House ("ACH") and to use a Service Provider as our agent for this purpose. Also by agreeing to the "Online Bank to Bank Transfers Terms of Agreement" for this product, you agree to all other terms designated within that agreement.

h. e-check Deposit. Please see the separate "E-Check Deposit Terms & Conditions" for disclosures, limitations, and terms and conditions.

i. Send Money with Zelle. You will be able to initiate sending money to others via your mobile device or online using your checking account. These transfers will be sent via text or email to a recipient who will access the funds by clicking on a link to direct where funds will be deposited. Recipient will have 14 days to accept the transfer. After 14 days the transaction will expire and funds will be deposited back to the sender's account. Please see the separate "Zelle Agreement and Disclosure" for disclosure, limitations, and terms and conditions.

See the Transfer Limitations provision for transfer limitations that apply to Online/Mobile Banking transactions. Other EFT Disclosures contained in this document apply to Online/Mobile Banking services as well. You will also be required to comply with instructions and agreements provided on-line when you log onto the Online/Mobile Banking services.

j. Same Day Self Pay. You will be able to initiate sending money from another financial institution or credit/debit card to make a loan payment or cure a negative balance on any Credit Union loan/line of credit, credit card, or deposit account via a link offered through our texting collection service.

k. Same Day Assisted Pay. You will be able to call a Credit Union associate to assist you in sending money from another financial institution or credit/debit card to make a loan payment or cure a negative balance on any Credit Union loan/line of credit, credit card, or deposit account. Please refer to our Fee Schedule for fees associated with this Service.

2. FEES. There are certain fees and charges for using electronic funds transfer services. For a current list of the types and amounts of these fees, please see your Fee Schedule that was provided to you. ATM Fees: Additionally, when you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used, and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer. The amount of this fee will be disclosed to you by the owner of the ATM prior to completion of your transaction.

3. USE OF EFT CARDS AND SERVICES.

a. Ownership: any card or other access device that we provide you remains our property and must be returned to us, our agent, or to any person who is authorized to honor the card according to our instructions. We may repossess the card at any time in our sole discretion without demand or notice to you. You cannot transfer the card, access code, or account to another person, and you will be liable for any transfers made by anyone to whom you give your card or access codes.

b. Honoring the Card(s); Refunds: Neither we nor the merchants authorized to honor the card will be liable for failure or refusal to honor your card, access device, or code. If a merchant agrees to provide a refund or adjustment to you, you agree to accept a credit to your account instead of a cash refund.

c. Illegal Transactions: You shall not use your card to make any illegal transaction as determined by applicable law. We may decline any transaction that we believe to be illegal, including but not limited to any transaction involving or relating to any gambling activity. We will have no liability or responsibility for any such use or for declining any such transaction. You further agree to indemnify and hold us harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

d. Foreign Transactions; Currency Conversion: Visa purchases and cash withdrawals transacted 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. 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 percent of the amount of the transaction, calculated in U.S. dollars, will be imposed on all single or multiple currency 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 United States, with the exception of U.S. military bases, U.S. territories, U.S. embassies or U.S. consulates. Also, a foreign transaction fee will be charged for any card transaction made in a foreign country or involving a merchant located in a foreign country, even if you are located in the United States while making the transaction.

- e. Security of Card and Access Codes. The access codes issued to you are for security purposes and any codes issued to you are confidential and should not be disclosed to anyone else or recorded on or with the card. You agree to safeguard the codes and agree not to disclose or otherwise make available your cards or codes to anyone not authorized to sign on your accounts. If you authorize someone to use your access codes, that authority shall remain in place until you specifically revoke that authority by notifying the Credit Union.
- f. 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 the terms and conditions of this Agreement. You understand and agree that any joint owner you authorize to use an access code may withdraw or transfer funds from any one of your accounts without your prior notice or permission, and we will not be liable to you in any way. Each of you jointly and severally shall be responsible for any and all transactions under this Agreement regardless of which owner accessed the accounts or used the services. Each joint account holder is authorized to act for the others, and we may accept orders and instructions regarding any transaction on any account from any owner. We can refuse to follow conflicting instructions.
- g. Reversal of Transactions. You may not reverse any transaction when using your card to pay for goods or services by transferring funds through a terminal.
- h. No Right to Stop-Payment for Terminal Transactions. Transfers made by terminal may be executed immediately. This means that a cash withdrawal or other debit transaction is immediately deducted from your account; there is no "float" time and therefore there is no effective way of stopping the transaction.

4. **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.

TELL US AT ONCE if you believe your card or access code 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 a Visa transaction, you will have no liability for the transaction, unless you were fraudulent or negligent in the handling of your account or card.

For all other EFT transactions involving your card or access code, including if you were 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 after you learn of the loss or theft of your card or access code, you can lose no more than \$50.00 if someone used your card or access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or access code and we can prove we could have stopped someone from using your card or access code without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make including those made by card, access code or other means, TELL US AT ONCE. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money lost after the 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 or PIN has been lost or stolen, call:

By Telephone: (315) 735-8571 or (800) 735-7358571

By U.S. Mail: First Source Federal Credit Union, ATTN: Deposit Operations, 4451 Commercial Drive, New Hartford, NY 13413.

You may also report your card lost or stolen by logging into online or mobile banking.

You should also call this number or write to this address if you believe a transfer has been made using the information from your check without your permission.

BUSINESS DAYS. For purposes of these disclosures, our business days are Monday through Saturday. Holidays are not included.

DISCLOSURE OF YOUR INFORMATION. We will disclose information to third parties about your account or the transfers you make:

1. Where it is necessary for completing transfers;
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; or
4. If you give us your written permission.

RIGHT TO RECEIVE DOCUMENTATION

Periodic Statements. Transfer and withdrawal transactions made through any card, Home Banking, Mobile Banking, and Bill Pay service, telephone access system, or preauthorized transfer will be reflected on your periodic statement. You will receive a monthly statement unless there are no transfers in a particular month. In any case you will get a statement at least quarterly.

Terminal Receipts. You can get a receipt at the time you make any transaction (except inquiries) to or from your account using an ATM or IATM, Point-of-Sale terminal, or card transaction with a participating merchant. However, we are not required to provide you with terminal receipts for transactions of \$15.00 or less. You should keep your statements and receipts, as they may be admissible evidence in legal proceedings if a dispute should arise and shall constitute prima facie proof that such transfer was made.

Preauthorized EFTs. If you have arranged to have a direct deposit or preauthorized debit or credit made to your account at least once every 60 days from the same person or company, you can call us at (315) 735-8571 or (800) 735-8571 or use telephone access or Home Banking to find out whether or not the deposit has been made. This does not apply to transactions occurring outside the United States.

5. RIGHTS REGARDING PREAUTHORIZED PAYMENTS

- a. Right to Stop Payment and Procedure for Doing So. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here's how:

Call us at (315) 735-8571 or (800) 735-8571, or write us at First Source Federal Credit Union, ATTN: Deposit Operations, 4451 Commercial Drive, New Hartford, NY 13413, in time for us to receive your request 3 business days or more before the payment is scheduled to be made. (If you want to stop a payment being made through Bill Pay, you should follow the instructions within Bill Pay). If you call, we may also require you to put your request in writing and get it to us within 14 days after you call. If such written communication isn't received, we may remove the stop payment order after 14 days. Please see the Fee Schedule for any fees charged for stopping payments.

- b. Notice of Varying Amounts. If preauthorized recurring payments may 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 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 Transfer. If you order us to stop one of these payments 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.

6. OUR 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:

- If, through no fault of ours, you do not have enough available funds in your account to make the transfer.
- If the funds in your account are pledged as collateral for a loan or frozen because of a delinquent loan or other reason.
- If the transfer would go over the credit limit on your overdraft line.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the withdrawal does not have enough cash.
- If the error was caused by a system of any participating ATM network.

- If the ATM, POS terminal, telephone access system, Online Banking, Mobile Banking or Bill Pay system or other electronic service was not working properly and you knew about the breakdown when you started the transfer.
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
- Any other exceptions stated in any of our agreements with you or which may be amended in the future.

7. **BILLING ERROR RESOLUTION** *(does not apply to international remittance transfers):*

In case of errors or questions about your electronic transfers, contact us at the number or address listed below as soon as you can and include the information listed below. We must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

By Telephone: (315) 735-8571 or (800) 735-8571

By U.S. Mail: First Source Federal Credit Union, ATTN: Deposit Operations, 4451 Commercial Drive, New Hartford, NY 13413

- Tell us your name, telephone number where we may contact you and account number (if any).
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- 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 10 business days. So that we may fully investigate your complaint, we may ask you to provide additional information to the extent allowed by applicable law. We will determine whether an error occurred 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 credit 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 not credit your account.

If a notice of error involves an unauthorized transaction on your Visa debit card, other than a cash disbursement at an ATM, we will provide provisional credit to your account within 5 business days of your notification so you will have use of the money during the time it takes us to complete our investigation. However, we may delay providing provisional credit if the circumstances or account history warrants the delay, in which case we will provide provisional credit within ten (10) business days. We will tell you the results within three business days after completing our investigation. If we decide that there was no error, we will reverse the provisional credit to your account and send you a written explanation. You may ask for copies of the documents that we used in our investigation. See the Fee Schedule for any fees associated with such copies.

* 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.

8. **Termination.** You may terminate this agreement by (1) notifying us in writing; and (2) destroying or returning your Card(s). We may terminate this agreement by notifying you in writing. Termination does not affect any party's rights under this agreement regarding any transactions made before termination.

9. **IMPORTANT SAFETY TIPS REGARDING THE USE OF ATM MACHINES.** The following is a list of safety precautions that you should follow when using an ATM machine or night depository:

- Be aware of your surroundings, particularly at night;
- Consider having someone accompany you when using an ATM or Night Depository after dark;
- If the ATM facility is equipped with a door, close it tightly before beginning your transaction, and do not allow anyone you don't know into the facility with you;
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction;
- Refrain from displaying your cash - place it in your pocket or purse as soon as the transaction is completed. Count your cash in the safety of a locked enclosure such as a car or home;

- Use a different ATM or return at a later time if you notice anything suspicious while using or approaching the ATM. If you are in the middle of your transaction, cancel the transaction, take your card, and leave;
 - If you are followed after completing your transaction, go to the nearest public area where people are present;
 - Do not write your personal identification number or code on your ATM card;
 - Do not share your First Source account number and any other personal identifying information with others; and
 - Report all crimes immediately to the operator of the automated teller machine or to local law enforcement officials. If emergency assistance is needed, call the police. If you have complaints or concerns about the security of the ATM, contact the operator of the ATM, or the state banking department.
10. **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 main branch of the Credit Union is located.
11. **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, as permitted by applicable law. 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.