

account, then such overdraft will be paid to us as provided in the first sentence of this section.

Illegal Use of a Card or Other EFT Service. You understand and agree that electronic fund transfer services, including but not limited to use of a Card, may not be used for any illegal transaction. You further understand and agree that illegal use of an electronic fund transfer service will be deemed an action of default and/or breach of contract, and as a result your account and other related services may be terminated at the discretion of the Credit Union. You further agree, should illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it, and, additionally, to indemnify and hold the Credit Union harmless from any suits or other legal action or liability directly or indirectly resulting from such illegal use.

Internet gambling may be illegal in the jurisdiction in which a member is located, including the United States and elsewhere. Display of a payment card logo by an online merchant does not mean that Internet gambling transactions are legal in the jurisdiction in which the member is located. The Credit Union may decline to authorize any transaction the Credit Union believes poses an undue risk of illegality or unlawfulness.

Warranty. Except where expressly contained herein, the Credit Union makes no warranties, expressed or implied, pertaining to the use of any electronic fund transfer services.

Right to stop payments 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 or write us at the phone number or address below in time for us to receive your request 3 business days or more before the payment is scheduled to be made. 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. The phone number and address for this purpose is:

(989) 892-6088

Send written requests to:

**FinancialEdge Community Credit Union
PO Box 446
Bay City, MI 48707-0446**

If these regular 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.)

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. In Section 15 of this disclosure, we tell you what our "business days" are.



ATM Card, AudioEdge, Debit Card and ElectronicEdge Agreement Regulation E Disclosures on Electronic Funds Transfers

The Credit Union provides the ATM Card as an extra convenience for you to make deposits, transfer funds between accounts and withdraw from accounts. The Credit Union provides the AudioEdge audio response system as an extra convenience for you to transfer funds between accounts, make loan payments, obtain account balances and transaction information, and request advances on your Home Equity Line of Credit and your Revolving Credit Contract. The Credit Union provides the Debit Card as an extra convenience for you to withdraw funds from your Checking Account and to make purchases from approved merchants. The Credit Union provides ElectronicEdge as an extra convenience for you to transfer funds electronically, obtain information about your accounts, change your mailing address, make loan payments, obtain account balances and transaction information, and request advances on your Home Equity Line of Credit and your Revolving Credit Contract.

The use of the ATM Card is subject to the ATM CARD Agreement, to the terms and conditions contained in this section, to the terms and conditions applicable to any account for which it is used, and to the rules and regulations of the Credit Union governing all or any such accounts. The use of the AudioEdge system is subject to the AudioEdge Agreement, the terms and conditions contained in this section, to the terms and conditions applicable to any account or loan agreement for which it is used, and to the rules and regulations of the Credit Union governing all or any such accounts. The use of the Debit Card is subject to the Debit Card Agreement, to the terms and conditions contained in this section, to the terms and conditions applicable to any account for which it is used, and to the rules and regulations of the Credit Union governing all or any such accounts. The use of ElectronicEdge is subject to the ElectronicEdge Agreement, to the terms and conditions contained in this section, to the terms and conditions applicable to any account for which it is used, and to the rules and regulations of the Credit Union governing all or any such accounts. The ElectronicEdge service can be accessed through our web page on the Internet at www.financialedgeccu.org. You are required to acquire the necessary equipment in order to use ElectronicEdge.

The ATM Card and personal identification number ("ATM Card PIN"), and the Debit Card and personal identification number ("Debit Card PIN"), remain the property of the Credit Union, and the Credit Union may terminate your right to use the ATM Card and ATM Card PIN, or the Debit Card and the Debit Card PIN, at any time. Upon demand of the Credit Union, you will return the ATM Card and ATM Card PIN and/or the Debit Card and Debit Card PIN to the Credit Union. All privileges available through the use of the ATM Card and/or the Debit Card shall terminate upon the expiration date to be determined by the Credit Union. After you apply for AudioEdge privileges, the Credit Union will

provide you with a corresponding personal identification number (the "AudioEdge PIN"). The Credit Union may terminate your right to use the AudioEdge system at any time. After you apply for ElectronicEdge privileges, the Credit Union will provide you with a corresponding personal identification number (the "ElectronicEdge PIN") and password (the "ElectronicEdge Password"). The Credit Union may terminate your right to use the ElectronicEdge system at any time.

ATM Card and Debit Card Transactions and Verifications.

Your ATM CARD and Debit Cards and the FinancialEdge Community Credit Union ATM Machines (the "Machines") may be used for, but not limited to, the following transactions, depending upon the accounts you have designated:

- Withdraw funds from Savings or Checking.
- Deposit funds to Savings or Checking.
- Transfer funds from Checking to Savings or from Savings to Checking.
- Account Balance Inquiry for Savings or Checking.
- Point of Sale Purchase from Checking Only, from participating merchants.

AudioEdge and ElectronicEdge Transactions and Verifications.

The AudioEdge system shall be operated according to the instructions furnished to you, and may be used for a variety of transactions, including, but not limited to, the following:

- Transfer funds between Savings, Checking, High Yield.
- Advances on Loan Accounts to Savings or Checking.
- Loan payments from Savings, Checking or High Yield.

ElectronicEdge Security Procedure. If you are approved to use ElectronicEdge, a personal identification number ("ElectronicEdge PIN") and a password ("ElectronicEdge Password") will be issued to you for security purposes. The ElectronicEdge PIN and ElectronicEdge Password is confidential and should not be disclosed to third parties. You will be responsible for the safekeeping of the ElectronicEdge PIN and ElectronicEdge Password, and agree not to disclose or otherwise make the ElectronicEdge PIN and ElectronicEdge Password available to anyone not authorized to sign on your accounts. You represent that you have considered the security procedures of the ElectronicEdge Service and find that they are commercially reasonable for verifying that a transfer or other communication purporting to have been issued by you is, in fact, yours. In reaching this determination, you have considered the size, type and frequency of transfers or other communications that you anticipate issuing to the Credit Union through the ElectronicEdge Service. If, in your judgment, the ElectronicEdge security procedures are not commercially reasonable, or if the size, type and frequency of your transfers change, and the result is that the ElectronicEdge security procedures cease to be commercially reasonable, you must inform us within 30 days.

Available Transactions. The Credit Union may change the transactions available from time to time. You will be given advance notice of any adverse changes if required by applicable law or regulations.

Transaction Acknowledgment. You will get an acknowledgment at the time you make any transfer to or from your account using one of the Machines. In addition, you will get a monthly statement for each account accessible with your ATM Card, your Debit Card, the AudioEdge system, or the ElectronicEdge system, unless there are no transactions for a particular month. A statement of activity for ElectronicEdge can be obtained on the ElectronicEdge service. In any case, you will get a statement at least quarterly. Your acknowledgment and periodic statements will be admissible as evidence of the withdrawal, deposit or other transaction they represent in any action in a court of law.

Line of Credit Additional Terms. By applying for ElectronicEdge or the AudioEdge system: (1) I am requesting that ElectronicEdge and/or AudioEdge service be added to my Home Equity Line of Credit and/or my Revolving Credit Contract (if applicable); (2) I understand that the terms and conditions of the Home Equity Line of Credit and/or the Revolving Credit Contract will govern any transactions made using the ElectronicEdge and/or AudioEdge services; (3) I understand that only I, as the primary borrower and account owner on the Home Equity Line of Credit and/or the Revolving Credit Contract, will be able to use ElectronicEdge or the AudioEdge service with those credit lines; and (4) I hereby acknowledge that all borrowers who are named on the Home Equity Line of Credit and/or the Revolving Credit Contract retain the ability to use prior access devices to take loan advances on the original terms and conditions of each credit line.

Service Charges. The Credit Union imposes no separate charges for use of your ATM Card, Debit Card, ElectronicEdge, the AudioEdge system, or the Machines other than the service charges for maintenance of the particular account or accounts for which you use your ATM Card, Debit Card, ElectronicEdge service, or AudioEdge system, if any. Any such service charges are described in the terms and conditions furnished to you in connection with the account or accounts involved.

Limitations on Use. Any number of transactions may be affected through the use of your ATM Card, Debit Card, Machines, ElectronicEdge, or the AudioEdge system; however, you may not make more than six withdrawals from your Savings Account by means of a preauthorized or automatic transfer or telephonic order, including through ElectronicEdge or the AudioEdge system, in any month.

There are no limitations on the number or dollar amount of deposits or payment transactions you may make at any ATM during its 24-hour operating cycle. However, to protect against possible losses, your card will not allow you to withdraw more than \$500 cash from an ATM during such a 24-hour cycle while our system is on-line — of course, not in excess of the verified balance of the account(s) — and \$100 while our system is off-line, reduced by the amount of any cash withdrawn during the "on-line" part of the cycle. Different ATMs dispense cash in differing multiples and minimum amounts depending on the brand of the machine. We reserve the right to change these limitations, and we will give you written notice of any such change at least 21 days in advance.

You have the right to require us to program our system so that no more than \$50.00 cash can be obtained by use of your ATM Card during a single day. Please contact us if you want this option.

When using the Debit Card, the one-day transaction limit is a maximum of \$3,000.00, or possibly an amount of your choice. However, you cannot use your ATM Card to access your savings account to make point of sale purchases of goods or services at merchant locations. Only the accounts listed on this Agreement shall be subject to access through the Machines. All accounts you are an owner on shall be subject to the AudioEdge and ElectronicEdge systems.

Errors or Questions. In Case of Error or Questions About your “Electronic Fund Transfers”:

Telephone us or write us at the number or address listed below as soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent 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 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.

(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. Elsewhere in this agreement, we list our 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 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 we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

* If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days.

** If you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have 90 days instead of 45 days to investigate.

Liability and Notice of Loss. Contact the Credit Union AT ONCE at (989) 892-6088, or write to the FinancialEdge Community Credit Union, PO Box 446, Bay City, Michigan 48707-0446, if you believe your Debit Card, ATM Card, ATM Pin, or AudioEdge PIN has been lost or stolen, or if you believe that your ElectronicEdge PIN and/or ElectronicEdge Password has become known to an unauthorized person, or if you believe that someone has transferred or may transfer money from your account without your permission. Telephoning is the best way of keeping your possible losses down. If you notify the Credit Union within two business days, you can lose no more than \$50.00 if someone: used your ATM Card, ATM PIN, or AudioEdge PIN without permission (special liability protection for the unauthorized use of your Debit Card is discussed below). You will not be responsible for any unauthorized transfers occurring after you notify the Credit Union.

If you DO NOT contact the Credit Union within two business days after you learn of the loss or theft of your ATM card, ATM PIN, or AudioEdge PIN, and the Credit Union can prove that someone using your ATM card, ATM PIN, or AudioEdge PIN without your permission could have been stopped if you had notified the Credit Union, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, contact the Credit Union at once. If you do not contact the Credit Union within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days, if it can be proved someone could have been stopped from taking the money if you had notified the Credit Union on time.

If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

Special Liability Protection Rules for Debit Card . Unless you have failed to use reasonable care to safeguard your Debit Card from risk of loss or theft, or you have reported two or more incidents of unauthorized use to us in the 12 months immediately preceding any report of unauthorized use, or your account is not in good standing, you will not be liable for any unauthorized transactions made with your lost or stolen Debit Card, when used for point-of-sale transactions (excluding transactions performed at an ATM). If your card was lost because you failed to use reasonable care to safeguard the card from the risk of loss or theft, or if you have reported two or more incidents of unauthorized use to us in the 12 months immediately preceding any report of unauthorized use, or if your account is not in good standing, these special rules do not apply, and your liability for the unauthorized use of your Debit Card is addressed below in section 25.

Liability of Credit Union. If we do not complete an “electronic fund transfer” as described above, to or from your accounts, on time, and in the correct amount according to our agreements with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable for loss of a card that is retained or destroyed by an ATM or for the failure to complete a transfer under any of the following circumstances:

- If, through no fault of ours, you do not have enough money in your account to make the transfer;

- If there is not enough money in your account, in excess of amounts you have pledged to us as collateral for a loan, to make the transfer;
- If funds in your account are subject to garnishment or other legal process;
- If we have, because of your default on a loan, exercised our rights against the funds on deposit in an account;
- If the automated teller machine where you made the transfer did not have enough cash;
- If the automated teller machine where you are making the transfer 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 we have taken;
- If you operate the machine improperly;
- If your line of credit or any other obligation owing to us is delinquent;

We will also be excused from such liability if you fail to observe the terms of this agreement, or our account agreements with you, which relate to such “electronic fund transfers”.

Disclosure of Account Information. The Credit Union will disclose information to third parties about your account or the transfers you make: (1) where it is necessary to complete transfers or transactions, or to send notice of dishonor or nonpayment; (2) in order to verify the existence of your account for a third party; (3) in order to comply with government agency or court orders; (4) if you give your written permission; (5) to furnish credit information under the federal “Fair Credit Reporting Act”; (6) as provided by law; (7) to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; (8) to our accountants, attorneys, or other professional advisors; (9) to Credit Union or financial institution regulators; (10) to advise third parties of accounts closed for misuse; (11) to furnish information to the appropriate law enforcement authorities when we believe we have been a victim of a crime; or (12) when we are attempting to collect an obligation owed to us.

Business days. Our “business days” are as follows:
Monday - Friday

Regulatory Authority. This agreement and the EFT services provided hereunder are governed in part by federal and Michigan law. You may notify the Federal Trade Commission or the Financial Institutions Bureau of the State of Michigan of any violation of law at:

Federal Trade Commission
Electronic Funds Transfers
Box 30224
Washington, D.C. 20219

State of Michigan
Office of Financial and Insurance Services
Lansing, MI 48909

Deposits at Automated Teller Machines. Funds from any deposits (cash or checks) made at automated teller machines (ATMs) may

not be available until the second business day after the day of your deposit. If you make a deposit at an ATM after 12 noon or on a day FinancialEdge Community Credit Union offices are not open, we may consider the deposit made on the next business day we are open. Deposits made at non-affiliated ATMs may take longer.

Minimum Balance. You must always maintain a minimum of \$5.00 in your Savings Account to be entitled to make, by use of ATM Card, Debit Card, AudioEdge system, or ElectronicEdge system, “electronic fund transfers” affecting your account(s). PINs and/or Passwords for use with electronic access devices will not be issued to members whose loan payments to us are more than 30 days delinquent. We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least 21 days advance written notice.

Reversing “Electronic Fund Transfers.” If an “electronic fund transfer” was a payment of \$50.00 or more for goods or services, you have the right to require us to reverse such transfer and to re-credit your account with the full amount of the transfer if (1) you tell us, within 4 calendar days after the date of the transfer, to make such a reversal, (2) you notify us that you have made a good faith attempt to resolve your dispute with the third party involved, and (3) you assure us that any returnable goods involved in the dispute will be returned.

If you do these things in writing, you MUST send the letter to the address listed above. If you phone us, you MUST call at the number listed above.

If you tell us orally that you want such a transfer reversed, you must send us a letter to confirm your reversal request, your notice of attempted resolution of the dispute, and your assurance to return any returnable goods involved. You are required to get this letter back to us within 14 calendar days after the date of your oral request for reversal. We reserve the right to impose a reasonable charge for handling such reversal requests, and to increase such charges thereafter.

Responsibility for overdraft. If you obtain cash from an ATM or make a POS Purchase which creates a shortage in any account other than your Checking Account, the overdrawn amount is due and payable the moment you receive your money, and you agree to pay the full amount of it to us, together with an overdrawn account charge as set forth in the Rates and Fees Schedule. You also authorize us, in such a case, to apply from any other savings or deposits you may have in the credit union any amount necessary to pay such overdraft and fees. If the overdraft is created in your Checking Account, (1) a transfer will be made from your other account(s) to cover the overdraft, in accordance with your checking account agreement with us, or (2) if you have an overdraft line of credit, an advance on your line of credit will be made to cover the overdraft, and you will pay that advance in accordance with the conditions of your line of credit plan, depending upon which form of overdraft protection you have selected. If there are not sufficient funds to make a transfer according to (1) or (2) of this paragraph, or if you have no overdraft protection for your checking