

ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

This Electronic Fund Transfers Agreement and Disclosure is the contract which covers your and our rights and responsibilities concerning the electronic fund transfers (EFT) services offered to you by The Summit Federal Credit Union ("Credit Union"). In this Agreement, the words "you," "your," and "yours" mean those who sign the application or 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 (1) or more savings and checking accounts you have with the Credit Union. Electronic fund transfers are electronically initiated transfers of money to or from your account through the EFT services described below. By signing an application or card for EFT services, signing your card or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

1. **EFT SERVICES** – If approved, you may conduct any one (1) or more of the EFT services offered by the Credit Union.

- a. **ATM Card**

If eligible for an ATM card, you may use your card and personal identification number (PIN) in automated teller machines (ATMs) and such other machines or facilities as the Credit Union may designate. Your ATM card will allow you to access available funds in your Share 1 savings account and your checking account. If you are eligible and you have opted into Courtesy Pay Select, we may pay ATM transactions that exceed the available balance in your checking account and charge you a fee as listed on the Rate and Fee Schedule. For more information on Courtesy Pay and Courtesy Pay Select, as well as the Credit Union's definition of available balance, refer to the Membership and Account Agreement.

At the present time, you may use your card to:

- Make deposits to your savings and checking accounts at Summit-owned ATMs only.
- Withdraw funds from your savings and checking accounts.
- Transfer funds between your savings and checking accounts.
- Obtain balance information for your savings and checking accounts.

The following limitations on the frequency and amount of The Summit's ATM Card transactions may apply:

- You may withdraw up to a maximum of \$300.00 in any one (1) day, if there are sufficient available funds in your account.
- Cash withdrawals made from your Summit checking account using your ATM Card are limited to the available balance in your checking account, line of credit (if you have a line of credit) and primary savings account, up to a maximum limit of \$300.00 per day.
- You may transfer up to the available balance in your accounts at the time of the transfer.

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

Because of the servicing schedule and processing time required in ATM operations, there may be a delay between the time a deposit (either cash or check) is made and when it will be available for withdrawal. Refer to the Funds Availability Policy for more information.

b. Visa® Debit Card

If eligible for a debit card, you may use your card to purchase goods and services from participating merchants. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your card for any transaction that is illegal under applicable federal, state or local law. Funds to cover your card purchases will be deducted from your checking account. For more information on our payment of debit card transactions (including both PIN based and Signature Based) and the impact on your available balance, please refer to the Membership and Account Agreement.

You may use your card and personal identification number (PIN) in ATMs and such other machines or facilities as the Credit Union may designate. In addition, you may use your card without a PIN for certain transactions on the Visa and NYCE networks. However, provisions of this Agreement relating to Visa transactions do not apply to transactions processed through non-Visa networks. If you are eligible and you have opted into Courtesy Pay Select, we may pay ATM and one-time debit card transactions that exceed the available balance in your checking account and charge you a fee as listed on the Rate and Fee Schedule. For more information on Courtesy Pay and Courtesy Pay Select, as well as the Credit Union's definition of available balance, refer to the Membership and Account Agreement.

At the present time, you may also use your card to:

- Make deposits to your savings and checking accounts at Summit-owned ATMs only.
- Withdraw funds from your savings and checking accounts.
- Transfer funds between your savings and checking accounts.
- Obtain balance information for your savings and checking accounts.
- Make purchases at any retail establishment that displays the Visa symbol.
- Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at POS terminals.
- Order goods or services from places that accept Visa.

The following limitations on the frequency and amount of Visa Debit Card transactions may apply:

- We may limit the number of Visa Debit Card purchases you make per day.
- Visa Debit Card purchases and ATM withdrawals are limited to the available balance in your checking account, line of credit (if you have a line of credit) and primary savings account. The maximum limit for ATM withdrawals is \$500.00 per day.
- See Section 2 of this Agreement for transfer limitations that may apply to these transactions.

c. Quik Tran (Touch Tone Banking)

If your account is eligible for Quik Tran (Touch Tone Banking), upon calling, you will be prompted to enter authentication information to access your accounts.

At the present time, you may use Quik Tran (Touch Tone Banking) to:

- Obtain balance information.
- Verify recent transactions.
- Withdraw funds.
- Transfer funds.
- Make loan payments.
- Access lines of credit.

Your accounts can be accessed under Quik Tran (Touch Tone Banking) via a touch-tone capable telephone. Quik Tran (Touch Tone Banking) service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing or routine maintenance and may be interrupted due to equipment failure or circumstances beyond our control.

The following limitations on Quik Tran (Touch Tone Banking) transactions may apply:

- There is no limit to the number of inquiries you can make in a single day.
- See Section 2 of this Agreement for transfer limitations that may apply to these transactions.

The Credit Union reserves the right to refuse any transaction which would draw upon an insufficient available balance, exceed a credit limit, lower an account below a required balance or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds.

d. Preauthorized EFTs

- **Direct Deposit.** Upon instruction to (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or federal recurring payments, such as Social Security, to your savings and/or checking account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your savings and/or checking accounts.
- See Section 2 of this Agreement for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make electronic fund transfers out of your account(s) for money you owe others, you may make a one-time stop payment request on preauthorized transfers from your account. You must notify us orally or in writing at least three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within 14 days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding 14 days after it has been made. A stop payment request for

preauthorized Electronic Fund Transfers will apply to one subsequent transfer, unless you withdraw the request.

- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you request us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

e. Summit Online Access

If your accounts are eligible for Summit Online Access, initially a separate single use PIN will be assigned to you. The first time the assigned PIN is used you must select a password along with a username that you will use to access your accounts in the future. At the present time, you may use Summit Online Access to, but not limited to:

- Transfer funds.
- Obtain balance information.
- Make loan payments.
- Access lines of credit.
- Make bill payments to preauthorized creditors.
- Apply for Summit loans, request stop payment of your personal checks or get information about the Credit Union's product and services.

Your accounts can be accessed under Summit Online Access via personal computer or mobile. Summit Online Access will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon an insufficient available balance, exceed a credit limit, lower an account below a required balance or otherwise require us to increase our required reserve on the account. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds.

f. Text Message Banking

You may sign up for the Text Message Banking service through your online account. Text Message Banking provides users mobile access to their account information. Text Message Banking information is provided on the Credit Union website.

g. Online Bill Payment (Bill Payments)

After enrolling in the service, we will process bill payment transfer requests only to such creditors as you authorize. 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 cutoff 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 schedule 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.

The following limitations on Online Bill Payment (Bill Payments) transactions may apply:

- There is no limit on the number of bill payments per day. Monetary limits may apply.
- Refer to our Bill Pay Disclosure located on our website at www.summitfcu.org for further details.

h. Electronic Check Conversion/Electronic Returned Check Fees

If you pay for purchases or bills with a check or draft, it may be converted to an electronic fund transfer by the merchant.

i. Mobile Check Deposit

If eligible for Mobile Check Deposit services, you may utilize such services to deposit checks into your account electronically by image. In order to use this service, you must agree to the Terms of the Mobile Check Deposit Disclosure and Agreement, which is provided on the Credit Union's website.

2. TRANSFER LIMITATIONS — Except as stated elsewhere in this Agreement, there are no limits on transfers to and from your checking account, primary savings, regular savings, club savings accounts, Money Market and Money Max accounts. As stated in the Membership and Account Agreement and the Truth-in-Savings Account Disclosures, we reserve the right to require advance notice before withdrawals.

3. CONDITIONS OF EFT SERVICES —

a. Ownership of Cards

Any card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the card, immediately according to instructions. The card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your card or account to another person.

b. Honoring the Card

We will not be responsible for the failure or refusal to honor the card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

c. Foreign Transactions

Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives or the government-mandated rate in effect for the applicable central processing date. 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 will be imposed on all single and multiple currency foreign transactions, including purchases, cash withdrawals and credits to your account. The current fee, which is a percentage of the amount of the transaction, calculated in U.S. dollars, is disclosed on our Rate and Fee Schedule. 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. You understand and agree the foreign transactions include internet transactions (and other transactions) initiated in the United States with a merchant who processes the transaction in a foreign country and you acknowledge that foreign transaction fees may be charged in such situations.

d. Security of Access Code or Additional Authentication Information

You may use one (1) or more access codes (such as personal identification number (PIN) or password) with your electronic fund transfers. The access codes issued to you are for your security purposes. Any access codes or any other authentication information process used (such as fingerprint-sensor technology) to access your accounts ("Authentication Information") issued to you or created by you are confidential and should not be disclosed to third parties. Access codes should not be recorded on or with your card. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes or authentication information available to anyone not authorized to sign on your accounts and authentication information. If you authorize anyone to use your access codes or authentication information that authority shall continue until you specifically revoke such authority by notifying the Credit Union or otherwise alter your authentication information. You understand that any joint owner you authorize to use an access code or authentication information may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes or authentication information and the Credit Union suffers a loss, we may terminate your EFT services immediately.

e. Joint Accounts

If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any savings and checking or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and is hereby authorized by every other joint account owner, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

4. FEES AND CHARGES —

There are certain fees and charges for EFT services. Refer to the Rate and Fee Schedule for details. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law.

If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any international, national, regional or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry. You understand and agree that the ATM operator may charge multiple fees for multiple transactions (for example, a fee for a balance inquiry and a fee for a withdrawal) during the same ATM session.

5. 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, access code or authentication information, you are responsible for any transactions they authorize or conduct on any of your accounts.

Notify us immediately if you believe your card, access code or authentication information has been lost or stolen, if you believe someone has used your card, access code or authentication information or otherwise accessed your accounts without your authority, or if you believe that an electronic fund transfer has been made without your permission using your account information.. The best way to keep your possible losses down is to contact us by phone. 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 have engaged in fraud or were negligent in the handling of your account, card or access code. For all other EFT transactions, 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, access code, or authentication information, you can lose no more than \$50.00 if someone used your card, access code, or authentication information 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, access code, or authentication information, and we can prove we could have stopped someone from using your card, access code or authentication information 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, authentication information, or other means, notify us immediately. If you do not tell us within 60 days after the statement was mailed or provided to you (including electronic delivery), you may not get back any money lost after this 60-day period 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 may extend the time periods.

If you believe your card, access code or authentication information has been lost or stolen, or that someone has transferred or may transfer money from your account(s) without your permission, call (585) 453-7000 or (800) 836-7328 or write to:

The Summit Federal Credit Union
Canal Ponds Business Park

100 Marina Drive
Rochester, NY 14626

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

6. RIGHT TO RECEIVE DOCUMENTATION —

a. Periodic Statements

Transfers and withdrawals made through any ATM or POS terminal, Visa Debit Card transactions, audio response transactions, preauthorized EFTs, online/PC transactions, mobile access device transactions or bill payments initiated by you will be recorded on your periodic statement.

Members with only a savings type share account will only receive their periodic statements quarterly.

Members with checking share accounts, will receive a statement monthly unless there are no transactions in a particular month. Otherwise, you will receive a statement at least quarterly.

Saving and checking account information is available through online and mobile services approximately 24/7/365.

b. Terminal Receipt

You can get a receipt at the time you make any transaction involving your account using an ATM and/or point-of-sale (POS) terminal.

c. Direct Deposit

If you have arranged to have a direct deposit made to your account at least once every 60 days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling (800) 836-7328 or by accessing your account via online or mobile.

7. ACCOUNT INFORMATION DISCLOSURE — We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient available funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- If your account is eligible for emergency cash and/or emergency card replacement services and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s);
- To comply with government agency or court orders;
- As explained in our Privacy Notice; or
- If you give us your written permission.

8. CARD INFORMATION UPDATES AND AUTHORIZATIONS — If you have authorized a merchant to bill charges to your card on a recurring basis, it is your responsibility to notify the

merchant in the event your card is replaced, your card information (such as card number and expiration date) changes, or the account associated with your card is closed. However, if your card is replaced or card information changes, you authorize us, without obligation on our part, to provide the updated card information to the merchant in order to permit the merchant to bill recurring charges to the card. You authorize us to apply such recurring charges to the card until you notify us that you have revoked authorization for the charges to your card.

Your card is automatically enrolled in an information updating service. Through this service, your updated card information (such as card number and expiration date) may be shared with participating merchants to facilitate continued recurring charges. Updates are not guaranteed before your next payment to a merchant is due. You are responsible for making direct payment until recurring charges resume. To revoke your authorization allowing us to provide updated card information to a merchant, please contact us.

9. BUSINESS DAYS — Our business days are Monday through Friday, excluding holidays.

10. CREDIT UNION LIABILITY FOR FAILURE TO MAKE TRANSFERS — If we do not complete a transfer to or from your account on time or in the correct amount according to our Agreement with you, we may be liable for your losses or damages.

However, we will not be liable for direct or consequential damages in the following events:

- If, through no fault of ours, the available balance in your accounts is insufficient to complete the transaction, if any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy Disclosure, or if the transaction involves a loan request exceeding your credit limit.
- If you used your card, access code or authentication information in an incorrect manner.
- If the ATM was not working properly and you knew about the problem when you started the transaction.
- If circumstances beyond our control (such as fire, flood or power failure) prevent the transaction.
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your card, access code or any EFT facility for making such transfers.
- If the telephone or computer equipment you use to conduct audio response, online/PC, or mobile banking transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- If you have bill payment services, we can only confirm the amount, the participating merchant and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- Any other exceptions as established by the Credit Union.

11. NOTICES — All notices from us will be effective when we have mailed them, provided them or delivered them to the appropriate address (including e-mail address) in the Credit Union's records. Notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which

this service is offered. We will mail notice to you in accordance with the applicable law before the effective date of any change. The content of the notice shall be governed by the applicable law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

The following information is a list of safety precautions regarding the use of ATMs and night deposit facilities:

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- Close the entry door of any ATM facility equipped with a door. Note that activity within an ATM is recorded by a surveillance camera.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction. If it is after the regular hours of the financial institution and you are using an ATM, do not permit entrance to any person you do not know.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your card or deposit and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number (PIN) or access code on your ATM/Debit card.
- Report all crimes to law enforcement officials immediately. If emergency assistance is needed, call the police.
- Please direct any comments or complaints regarding ATM security to the Credit Union at (800) 836-7328 or the New York State Department of Financial Services at (800) 342-3736.

12. BILLING ERRORS — In case of errors or questions about electronic fund transfers from your savings and checking accounts or if you need more information about a transfer on the statement or receipt, call us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than 60 days after we sent the first statement on which the problem appears. Call us at (585) 453-7000 or (800) 836-7328 or write to:

The Summit Federal Credit Union
Canal Ponds Business Park
100 Marina Drive
Rochester, NY 14626

- Tell us your name and account number.
- Describe the electronic transfer you are unsure about and explain, as clearly as you can, why you believe the Credit Union has made an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will determine whether an error has occurred within ten (10)* business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45** days to investigate your complaint or question. If we decide to do this, we may provisionally credit your account within ten (10)* business days for the amount you think is in error so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not provisionally credit your account.

We will tell you the results within three (3) business days after completing our investigation. If we determine that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

*If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of ten (10) business days to initially investigate the error before determining whether we need more time and deciding to provide you with provisional credit while we continue our investigation.

**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 (POS) 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 the error.

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

13. TERMINATION OF EFT SERVICES — You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your card and any access code. You must return all cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our system not to accept your card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any electronic transactions made prior to termination.

14. GOVERNING LAW — This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of New York, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

15. ENFORCEMENT — You are liable to us for any losses, costs or expenses we incur resulting from your failure to comply with this Agreement. You authorize us to deduct any such

losses, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings and any post-judgment collection actions.