

SCHOFIELD FEDERAL CREDIT UNION ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

This Electronic Fund Transfers Agreement and Disclosure covers your and our rights and responsibilities concerning the electronic fund transfers (EFT) services offered to you by Schofield Federal Credit Union ("Credit Union"). Electronic fund 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, you agree to the terms and conditions in this Agreement and any amendments for the EFT services offered. Terms applicable to such transactions may vary from those disclosed herein and will be disclosed to you at the time such services are requested.

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 approved, you may use your card and personal identification number (PIN) in automated teller machines (ATMs) of the Credit Union and other machines or facilities as the Credit Union may designate. Services and fees for ATM transactions are shown in the Schedule of Fees and Charges.

The following limitations on ATM Card transactions may apply:

- You may transfer up to the available balance in your accounts at the time of the transfer.
- There are daily withdrawal and purchase limits that you will be notified of before you receive your card.
- See Section 2 for transfer limitations that may apply to these transactions.

b. Debit Card. If approved, you may use your card to purchase goods and services from participating merchants. However, you may not use your card to initiate any type of electronic gambling transactions through the Internet. If you wish to pay for goods and services over the Internet, you may be required to provide card 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. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may pay the amount and treat the transaction as a request to transfer funds from other deposit accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your card and personal identification number (PIN) in ATMs of the Credit Union, Cirrus, Jeanie, and STAR networks, and such other machines or facilities as the Credit Union may designate.

The following limitations on Debit Card transactions may apply:

- You may purchase up to a maximum of \$5,000 per debit card purchase.
- You may withdraw up to a maximum of \$1,000 in any one day from an ATM, if there are sufficient funds in your account.
- For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.
- You may transfer up to the available balance in your accounts at the time of transfer
- See Section 2 for transfer limitations that may apply to these transactions.

c. Telephone Banking. If we approve Telephone Banking for your accounts, we will notify you of your ID and password. You must use your ID and password to access your accounts. Your accounts can be accessed under Telephone Banking via a touchtone telephone only. Telephone 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.

There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day. See Section 2 for transfer limitations that may apply to these transactions.

The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The service will be suspended if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each telephone call.

d. Preauthorized EFTs.

- Direct Deposit. Upon instruction of (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.
- Preauthorized Debits. Upon instruction, we will pay certain recurring transactions from your checking account.
- See Section 2 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 stop payment on preauthorized transfers from your account. You must notify us orally or in writing at any time up to 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 may apply to a single transfer, multiple transfers, or all future transfers as directed by you, and will remain in effect unless you withdraw your request or all transfers subject to the request have been returned. If you order 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.

- 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.

e. Electronic Check Conversion/Electronic Returned Check Fees. If you pay for purchases or bills with a check or draft, you may authorize your check or draft to be converted to an electronic fund transfer including returned check fees. You are considered to have authorized these electronic fund transfers if you complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

f. Online Banking. If Online Banking is activated for your account(s), you will be required to use secure login information to access the account(s).

Your accounts can be accessed under Online Banking via personal computer. Online Banking 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 insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. The service will be suspended if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day. See Section 2 for transfer limitations that may apply to these transactions.

g. Mobile Banking. If Mobile Banking is activated for your account(s), you will be required to use secure login information to access the account(s).

Your accounts can be accessed under Mobile Banking via mobile device or other approved access device(s). Mobile Banking 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 insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. All checks are payable to you as a primary member and will be mailed to your address of record. We may set other limits on the amount of any transaction, and you will be notified of those limits. The service will be suspended if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

There is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one (1) day. See Section 2 for transfer limitations that may apply to these transactions.

h. Bill Pay. We will process bill payment transfer requests only to those creditors that you authorize and for whom the Credit Union has the proper payment information. 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. 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.

2. TRANSFER LIMITATIONS — For all savings accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours or to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed.

3. EFT SERVICE CONDITIONS —

a. Ownership of Cards. 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. Neither we nor merchants authorized to honor the card will 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. Security of Access Code. Any access codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the card. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts.

d. 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 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 may make any transaction independently as 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 —For a current listing of all applicable fees, see our current Schedule of Fees and Charges that was provided to you at the time you applied for or requested these electronic services. 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 network used in processing the transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

5. MEMBER LIABILITY — TELL US AT ONCE if you believe your card or any access code has been lost or stolen 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. 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 uses 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 that 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 access code has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, call (808) 624-9884:

or write to:

Schofield Federal Credit Union
P.O. Box 860669
Wahiawa, HI 96786
Fax: (808) 624-7774

6. RIGHT TO RECEIVE DOCUMENTATION —

a. Periodic Statements. All transactions you make will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

b. Terminal Receipt. You can get a receipt at the time you make any transaction (except inquiries) 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 (808) 624-9884. This does not apply to transactions occurring outside the United States.

7. ACCOUNT INFORMATION DISCLOSURE — We will disclose information to third parties about your account or the transfers you make: 1) As necessary to complete transfers; 2) To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant; 3) 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); 4) To comply with government agency or court orders; or 5) If you give us your written permission.

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

9. 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: 1) If, through no fault of ours, there is not enough money in your accounts 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; 2) If you used your card or access code in an incorrect manner; 3) If the ATM where you are making the transfer does not have enough cash; 4) If the ATM was not working properly and you knew about the problem when you started the transaction; 5) If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction; 6) If the money in your account is subject to legal process or other claim; 7) If funds in your account are pledged as collateral or frozen because of a delinquent loan; 8) If the error was caused by a system of any participating ATM network; 9) If the electronic transfer is not completed as a result of your negligent use of your card, access code, or any EFT facility for making such transfers; 10) If the telephone or computer equipment you use is not working properly and you know or should have known about the breakdown when you started the transaction; 11) We are not responsible for errors with the use of bill payment services; 12) Any other exceptions as established by the Credit Union.

10. NOTICES — All notices from us will be effective when we have mailed them or delivered them to the appropriate 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 at least 21 days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

11. 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 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. 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.

12. 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 Hawaii, 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.