

ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURES

This Electronic Fund Transfers Agreement and Disclosures contains additional Agreement provisions setting forth your and our rights and responsibilities concerning the electronic funds transfer (“EFT”) services offered to you by Michigan Educational Credit Union. This Electronic Fund Transfers Agreement and Disclosures will be referred to herein as “EFT Disclosure.” By signing an application for EFT services, signing any card we issue to you, otherwise providing us with your authorization and consent, or by using any services covered by this EFT Disclosure, you agree to the terms and conditions in this EFT Disclosure and any amendments for the EFT services offered. The terms and conditions of the Account agreements relating to your Accounts with us remain in effect except to the extent modified by this EFT Disclosure.

EFT SERVICES AVAILABLE

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your Account. Please read this EFT Disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this disclosure for future reference. We **do** require you to maintain a minimum balance in your Share/Savings Account of \$5.00 as a condition of using an access device (card or code) to accomplish a transfer. We do not require you to maintain a minimum balance in any other account as a condition of using an access device.

Electronic Funds Transfers Initiated By Third Parties. You may authorize a third party to initiate electronic funds transfers between your account and the third party’s account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearinghouse (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. In some cases, your authorization can occur when a merchant posts a sign informing you of its policy. In all cases, the transaction will require you to provide the third party with your account number and credit union information. This information can be found on your check or draft as well as on a deposit slip. Thus, you should only provide your credit union and account information (whether over the phone, the Internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic funds transfers. Examples of these transfers include, but are not limited to:

Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your account(s). We reserve the right to reject or return any ACH Direct Deposit that comes into an Account when the name on the deposit does not match the name of the owner or a joint owner of the Account.

Preauthorized payments. You may make arrangements to pay certain recurring bills from your Account. 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.)

Electronic check or draft conversion. You may provide your check or draft to a merchant or service provider who will scan the check or draft for the encoded credit union and account

information. The merchant or service provider will then use this information to convert the transaction into an electronic funds transfer. This may occur at the point of purchase, or when you provide your check or draft by other means such as by mail or drop box.

Note that some merchants or service providers will initiate an electronic funds transfer to collect the amount of a check or draft and a returned check/draft charge in the event a check or draft, even if originally presented in paper form, is returned for insufficient funds.

Telephone Banking. You may access your account by telephone 24 hours a day at 1-800-842-0975 using your personal identification number, a touch tone phone, and your account number to make the following types of transfers:

- Transfer available funds to and from your accounts with us
- Make payments from your deposit accounts with us to loan accounts with us

You may also use telephone banking to obtain information about:

- Actual and available Account balances
- Deposits to your Account(s)
- Withdrawals from your Account(s)

Automated Teller Machine (ATM) Transactions. You may access your Account(s) by ATM using your Debit Card and personal identification number to:

- Make deposits to your accounts
- Get cash withdrawals from your account(s). You may withdraw no more than \$1000 per day (combined with point-of-sale transactions), provided you have sufficient available funds in your Account
- Transfer available funds from your account(s)
- Obtain actual and available balance information on your account(s)

Some of these services may not be available at all terminals. ATM deposit access may not be available during the first 60 days of Account opening or longer for accounts with limited activity.

Mastercard Debit Card Transactions. You may access your account(s) by ATM and such other machines and facilities as we may designate by using your Mastercard Debit Card and personal identification number. You may use your Mastercard Debit Card to

- Get cash withdrawals from your Account(s). You may withdraw no more than \$1,000 per day provided you have sufficient available funds in your account
- Transfer available funds to and from your account(s)
- Obtain actual and available balance information on your account(s)
- Make deposits to your account(s)

You may also use your Card to purchase goods and services (“point-of-sale” or “POS”) at any business establishment where the Card is accepted. Typically, there is a \$5,000.00 signature limit per day. (We may adjust the limit from time to time, please call us at the number located within this agreement for current information)

Digital Banking. You may access your account(s) by computer at www.michedcu.org and using your password and your account username to access these services:

- Transfer available funds between your account(s)
- Check balances
- Apply for a loan and make loan payments
- Confirm cleared checks
- Review of transaction history
- Calculate loan payoffs
- Sign up for electronic statements

Online Bill Pay. If you have signed up for online banking and we approve your use of our online bill payment service, this service will be added to the services available for your accounts and you will be able to schedule withdrawals from your accounts to be sent to third parties. All transactions are limited to available funds in your designated account, which may include any overdraft service you may have. Your use of this service is in addition governed by a separate agreement and disclosure which will be provided to you when you sign up and are approved for the service unless it has been provided to you earlier.

Mobile Banking. You may access your account(s) from your compatible mobile device to access these services:

- Transfer available funds between your account(s)
- Check balances
- Apply for a loan and make loan payments
- Confirm cleared checks
- Review of transaction history
- Calculate loan payoffs
- Sign up for electronic statements

Other Remote Access Agreements. In addition to our online bill pay service, this EFT Disclosure may be supplemented by other agreements for specific electronic services if you request such services, such as mobile or other remote access banking services, or remote deposit services.

Debit Card Transactions. Using your Debit Card, you may access your account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and for any transaction that a participating merchant will accept.

Reversing Electronic Fund Transfers. If an "electronic fund transfer" described in this section 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 our address as set forth at the end of

this EFT Disclosure.

If you phone us, you **MUST** call us at the phone number as set forth at the end of this EFT Disclosure.

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.

CONDITIONS OF EFT SERVICES

Transaction Limitations. For the purposes of Debit Card transactions one day is 6:00 pm to 6:00 pm. Debit card usage may be blocked if any loan account is 60 or more days past due, or for any negative balance in any of your accounts. We reserve the right to impose any limitations on transactions in the future as we deem reasonable, but we will give you at least twenty-one (21) days' notice before doing so.

Merchants. Merchants and others who honor your Debit Card may give credit electronically for returns or adjustments. They will do so by initiating a credit to us, and your account will be credited. We are not responsible or liable for the refusal of any merchant, financial institution, or electronic terminal to honor your card, complete a withdrawal from your account or for its retention of your card even if funds are available.

Additional Charges for Foreign Currency and Cross Border transactions:

Currency Conversion Fee – If you effect or authorize a transaction with your debit card in a currency other than U.S. Dollars, Mastercard will convert the charge into a US Dollar amount. The Mastercard currency conversion procedure includes use of either a government mandated exchange rate, or a wholesale exchange rate selected by Mastercard, as applicable. The exchange rate Mastercard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of the purchase or the date the transaction was posted to your account. A Currency Conversion Fee of up to 2% will be applied to transactions that are converted from foreign currencies to U.S. Dollars.

Cross-Border Transaction Fee – In addition, MasterCard charges us a Cross-Border Assessment up to 2% on each transaction on all Cross-border transactions regardless of whether there is a currency conversion. For purposes of this Section, Cross-border transaction shall include both (a) transactions initiated in a foreign country which are subsequently settled in the United States, and (b) transactions initiated in the United States but which are ultimately settled in a country outside of the United States. The Credit Union will assess these fees to you to reimburse it for the fee it is required to pay for each of your transactions subject to these terms. The Cross-Border transaction fee will be shown separately on your periodic billing statement. The Currency Conversion Fee, if it applies to the transaction, will be included in the transaction amount posted on your statement.

NOTE: foreign transactions include transactions initiated in the United States but processed by a merchant in another country.

Advisory Against Illegal Use. You agree not to use your card(s) for any illegal gambling, or any other illegal purpose. Display of a payment card logo by, for example, an online merchant does not necessarily mean that transactions are lawful in all jurisdictions in which the cardholder may be located.

FEES

We may charge you fees for electronic fund transfers as set forth in this EFT Disclosure or as set forth in our Service Fee Schedule. We reserve the right to amend the fees from time to time upon thirty (30) days prior written notice. In addition, if you use an ATM or other terminal not owned by us to complete a transaction or make a balance inquiry, the owner of that ATM or network may charge you a fee.

DOCUMENTATION

Terminal Transfers. You can get a receipt at the time you make any transfer to or from your Account using automated teller machines (ATMs) or point-of-sale (POS) terminals. Note that receipts may not be available for some small POS transactions.

Preauthorized Credits. If you have arranged to have direct deposits made to your Account at least once every 60 days from the same person or company, you can call us at 734-455-9200 to find out whether or not the deposit has been made.

Periodic Statements. You will get a monthly Account statement from us for your Accounts. You will get a monthly Account statement from us for your Share/Savings Accounts, unless there are no electronic fund transfers in a particular month. In any case, you will get a statement at least quarterly.

PREAUTHORIZED PAYMENTS - RIGHT TO STOP PAYMENT

Procedure. If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this EFT Disclosure 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.

We will charge you a fee as set forth in our Service Fee Schedule for each stop-payment order you give.

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.

CREDIT UNION'S LIABILITY

Liability for failure to make transfers. If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages.

However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have sufficient available funds in your Account or back up Accounts to make the transfer, if any funds in your Accounts necessary to complete the transfer are held as uncollected funds or pursuant to our Funds Availability Policy, or if any funds in your Accounts necessary to complete the transaction are held subject to legal process or other claim.
- If you used your card or access code in an incorrect manner, or after your right to use your card or access code has been cancelled.
- If the automated teller machine (ATM) where you are making the transfer does not have enough cash.
- If the ATM or other terminal or system 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.
- If funds in your Account necessary to complete the transaction are pledged as collateral, are frozen, or offset because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the transfer is not completed as a result of your 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 or electronic/PC transactions is not working properly and you knew or should have known about the breakdown when you started the transaction.
- If a law or regulation prevents us from completing the transaction.
- If any other exception as established by us and communicated to you applies.

CONFIDENTIALITY

- We will disclose information to third parties about your Account or the transfers you make: Where it is necessary for completing transfers; or
- In order to verify the existence and condition of your Account for a third party, such as a credit bureau or merchant; or
- In order to comply with government agency or court orders; or
- If you give us written permission.

NOTICES

All notices from us will be effective when we have mailed them or delivered them to your last known address in our records. Notices from you will be effective when received by us at the address specified in this EFT Disclosure.

AMENDMENTS

We reserve the right to amend this EFT Disclosure in any manner and at any time. If we do so, we will give you such advance notice thereof as we deem to be reasonable under the circumstances. Where required by law, we will give you at least twenty-one (21) days advance written notice. You agree that

we may amend or modify this EFT disclosure without notice if an immediate change is necessary to maintain or restore the security of our Account arrangements or of any Account.

TERMINATION OF ELECTRONIC FUND TRANSFER SERVICES

You may terminate this EFT Disclosure or any EFT service under this EFT Disclosure at any time by notifying us in writing and stopping your use of your card(s) and any access code. Upon termination, you agree to return all cards to the credit union or destroy the cards upon request of the credit union. You also agree to notify any participating merchants that the authority to make bill payment transfers has been revoked. We may also terminate this EFT Disclosure at any time by notifying you orally or in writing at your last known address on file with us. If we terminate this EFT Disclosure, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this EFT Disclosure has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your card(s) or access code for any EFT service. Whether you or the credit union terminate this EFT Disclosure, the termination will not affect your obligations under this EFT Disclosure or any electronic fund transfers made prior to termination. If either you or we terminate this EFT Disclosure, we have the option of terminating all of your accounts with us that may have any sort of electronic access (such as accounts) or restricting such accounts to in office transactions, a written request (such as by mail), or a phone request made directly to a credit union employee only (which generally would be what we will do with your Share/Savings Account). We also may exercise any right described in the "Termination of Account" provisions in the "Other Terms and Conditions" section of the Membership and Account Agreement.

ACCESS DEVICE REVOCATION

Any card or other device which we supply you ("Access Device") may be revoked without notice to you in the event that any of the following conditions occur:

- Overdrafts occur as result of insufficient available funds on an Account.
- Any transaction that occurs on your Account(s) which results in a monetary loss to the Credit Union.
- Account delinquency with the Credit Union, including but not limited to, loans or credit cards.
- Forced closure of a Share or Account at the Credit Union.
- Any other situation in which the Credit Union deems revocation to be in its best interest.

REGULATORY AUTHORITY

Notification of Regulatory Authorities: This EFT Agreement and the EFT services provided in this EFT Agreement are governed by Federal law and Michigan law. You may notify the State agency noted below of any violation of law.

The address of this agency is as follows:

Credit Union Division
Department of Insurance and Financial Services
P.O. Box 30224
Lansing, Michigan 30220

YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS (Consumer Accounts)

Tell us AT ONCE if you believe your card and/or code has been lost or stolen. Calling is the best way of keeping your possible losses down. You could lose all the money in your Account and in any backup Account. If you believe your card and/or code has been lost or stolen and you tell us within 2 business days after you learn of the loss or theft, you will have no liability if someone used your card and/or code without your permission.

If you notify us of the loss, theft, or unauthorized use of your card or other devices which we supply to you, you will not be liable for any unauthorized use for purchases processed through Mastercard provided you were not grossly negligent or fraudulent in handling your card and you provide us with a written statement regarding your unauthorized card claim, otherwise the liability limits set forth below will apply.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your card and/or code, under Regulation E, you could lose up to \$500.00. Also, you may have unlimited liability if the unauthorized transaction is not reported within 60 days of when the unauthorized transaction was reported on a periodic statement.

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

Additional Limits on Liability for MasterCard Debit Card at Point-of-Sale Transactions: You will not be liable for any unauthorized Point of Sale transactions using your MasterCard Debit Card if you report the loss or theft of your MasterCard Debit Card within two (2) business days. If you report such loss or theft after two (2) business days or provide proper notification of other unauthorized MasterCard Debit Card Point of sale transactions, your liability for unauthorized use will not exceed \$50.00. This additional limitation on liability does not apply to transactions originating at an ATM or from your gross negligence and/or fraudulent use of your MasterCard Debit Card.

Contact in event of unauthorized transfer: If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call or write us at the following telephone number or address:

Michigan Educational Credit Union
9200 N. Haggerty Rd
Plymouth, MI 48180
Telephone: 1-734-455-9200
Lost or stolen Debit cards: 1-888-241-2510

YOUR LIABILITY FOR UNAUTHORIZED TRANSFERS (Non-Consumer Accounts)

Your Liability. If you believe your Card, PINs, passwords, user IDs, or other account access credentials have been lost or stolen, or that someone has transferred or may transfer money from your account without your permission, call the Credit Union at 734-455-9200. You should also write to use immediately at:

**Michigan Educational Credit Union
9200 N. Haggerty Rd
Plymouth, MI 48180**

If you have provided the appropriate timely notification described above, then you shall not be liable for unauthorized use of your account through an electronic fund transfer unless we can prove, without benefit of inference or presumption, that your negligence substantially contributed to the unauthorized use and that we exercised reasonable care to prevent the loss. As used in this section your negligence means only the following:

- Writing the PIN on the card or other means of affording access;
- Keeping the PIN with the card or other means of affording access;
- Voluntarily permitting the account accessing device, including the PIN and the card, to come into the possession of a person who makes or causes unauthorized use.
- If you fail to notify us of unauthorized use within 30 days after the receipt of a statement containing an unauthorized use, you will be liable for any subsequent unauthorized use that could have been prevented by timely notification.

You will not be liable for further unauthorized use of your account by electronic fund transfer after you have reported that the means of access to the account has been lost or that the security of the PIN has been violated or otherwise compromised.

Additional Limits on Liability for MasterCard Debit Card at Point-of-Sale Transactions: You will not be liable for any unauthorized Point of Sale transactions using your MasterCard Debit Card if you report the loss or theft of your MasterCard Debit Card within two (2) business days. If you report such loss or theft after two (2) business days or provide proper notification of other unauthorized MasterCard Debit Card Point of sale transactions, your liability for unauthorized use will not exceed \$50.00. This additional limitation on liability does not apply to transactions originating at an ATM or from your gross negligence and/or fraudulent use of your MasterCard Debit Card.

Contact in event of unauthorized transfer: If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the following telephone number or address:

**Michigan Educational Credit Union
9200 N. Haggerty Rd
Plymouth, MI 48180**

**Telephone: 1-734-455-9200
Lost or stolen Debit/ATM cards: 1-888-241-2510**

ERROR RESOLUTION NOTICE (Consumer Accounts)

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this brochure, 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.

- Tell us your name 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 orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days (20 business days if the transfer involved a new Account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new Account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your Account within 10 business days (20 business days if the transfer involved a new Account) 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. Your Account is considered a new Account for the first 30 days after the first deposit is made, unless each of you already has an established Account open at least 30 days with us before the Account is opened.

We will tell you the results within three business days after completing our investigation. If we decide 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 by contacting us at the phone number or address shown on the first page of this disclosure.

ERROR RESOLUTION NOTICE (Non-Consumer Accounts)

If you notify us orally or in writing within 60 days after receipt of a statement that an electronic fund transfer error affecting your account(s) has occurred, we will investigate the alleged error and report the results of the investigation to you within 10 business days. We will have no duty to investigate any such error unless you notify us by calling or writing to us at:

**Michigan Educational Credit Union
9200 N. Haggerty Rd
Plymouth, MI 48180**

**Telephone: 1-734-455-9200
Lost or stolen Debit cards: 1-888-241-2510**

In the event you provide us with oral notification, we will not be required to investigate any such error unless you provide us with written notification of that alleged error within 14 calendar days following oral notification on a form we will provide to you for that purpose.

Our report to you shall do either of the following:

1. Provisionally correct the amount in question and provide you with written notification of the correction and, if the correction is not in the exact amount of the alleged error, provide you with a written explanation of any difference between the alleged error and correction made. In the event we make a provisional correction to your account, we may charge back the corrected amount to your account 15 days after providing notification and an explanation of the charge-back to you. A provisional correction shall become final no later than 60 days after the day it is made. A provisional correction shall be accompanied by a notice explaining to you that the amount of the correction may be charged back to your account within 60 days.

2. Provide you with a written explanation stating the reason we believe the statement is correct.

For purposes of this section, an electronic fund transfer error consists of:

- An unauthorized electronic fund transfer;
- An incorrect electronic fund transfer from or to your deposit account; or
- The omission of an electronic fund transfer affecting your account.

An error does not include any electronic fund transfer made by a person who was furnished an access device or who was otherwise authorized to make electronic fund transfers, unless you notified us that transfers by that person were no longer authorized, nor does an error include any electronic fund transfer made with fraudulent intent by you or any person acting in concert with you. In addition, an error does not include a transfer of funds, though electronic in nature, that is excluded from the definition of “electronic fund transfer” under applicable law.

We are NOT open for business on the following holidays:

New Year’s Day	Columbus Day
Martin Luther King, Jr. Day	Veterans Day
Presidents Day	Thanksgiving Day
Memorial Day	Christmas Eve
Juneteenth	Christmas Day
Independence Day	New Year’s Eve
Labor Day	

We reserve the right to change our Business Days, hours and the days we are closed. Please check our web site at www.michedcu.org or call 1-734-455-9200 to see if any changes have been made since this document was provided to you.