

# LOCKHEED FEDERAL CREDIT UNION

## Online Banking Agreement and Electronic Funds Transfer Disclosure

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**I. INTRODUCTION:** This Agreement and Disclosure specifically governs the Lockheed Federal Credit Union Online Banking Electronic Funds Transfer Service (Online Banking) and contains your and our rights and responsibilities and the terms and conditions under which this service is provided. **Please read this Agreement and Disclosure carefully and retain it for your records.**

In this Agreement and Disclosure, the words "you", "your" and "yours" mean each and every one of you who utilizes the Online Banking service. The words "we", "us", "our", "LFCU" and "Credit Union" each mean Lockheed Federal Credit Union. By initiating inquiries and/or funds transfers through the Lockheed Federal Credit Union Online Banking service, or by permitting another to use Online Banking on your behalf, you acknowledge receipt of this Agreement and Disclosure and agree to be bound by all terms and conditions contained herein, and all applicable terms and conditions contained in our other agreements with you governing your checking, savings, and loan accounts accessible in connection with this service. You further agree to follow all instructions provided by Online Banking as reflected on your computer monitor or other system access screen.

The terms and conditions of this Agreement and Disclosure are in addition to the terms and conditions of any and all other deposit account and credit agreements, including all such disclosures made pursuant to such agreements you have with the Credit Union. By accepting this agreement, accessing your Deposit Accounts and/or Loan Accounts and making use of other services via Online Banking and Web BillPay and/or by CU By Phone and/or authorizing others to do so on your behalf, you agree to be bound by the terms of this Agreement, Web BillPay Agreement, MoneyMover via Online Banking including all such agreements you have with the Credit Union. LFCU may amend these terms from time to time without notice, except as may be required by Law. We may modify or cancel your Services at any time without notice, at our discretion, except as may be required by Law. LFCU may offer additional Products and Services in the future and such Products and Services will be governed by this Agreement. If you access your Deposit and /or Loan through this Service, such continue to be governed by the applicable terms and conditions governing the Deposit and/or Loan Account, including applicable Account Disclosures and Regulations Relating to Deposit Accounts and Other Services and Electronic Fund Transfer Agreement and Disclosures and the applicable Schedule of Service Charges and Fees. The Services hereunder with respect to such Deposit Accounts are also subject to the Account Disclosures. When you access your Loan Accounts through Online Banking, you do so under the terms and conditions we gave you in the agreement and disclosure for the Loan Account(s). You should review those agreements for any applicable fees, for limitations on the number of transfers you can make, and for other restrictions which might impact your use of a Loan Account with the Online Banking service.

## II. DEFINITION OF TERMS

As used in this Agreement, the following words have the meanings given below:

- **ACH** means a transaction processed through the Automated Clearing House.
- **Business Day** means Monday through Friday, except federal holidays.
- **Consumer Account** means a Deposit Account or a Loan Account owned by one or more individuals and used for personal, family or household purposes. Other accounts, including business and other non-natural person accounts are considered Non-Consumer Accounts.
- **Deposit Account** means an eligible checking, savings, share certificate or money market type Deposit Account owned by you.
- **Law** means Federal Law applicable to the Service, to the extent not superseded by Federal Law, and the Laws of the State of California.

- **Loan Account** means an eligible personal loan, line of credit, home equity loans, home equity line of credit, Visa credit card, or residential mortgage loan. As other loan types become eligible, they will be subject to the terms of this Agreement.
- **Main Savings Account** is the membership account established with the \$5.00 par value share for membership qualification.
- **Money Mover Online Banking ACH Service** means through the Online Banking Service, you can establish ACH credits or debits from your account. You can schedule payments, modify payments and stop payments all via the Online Banking System. You can transfer funds to and from your LFCU account.
- **Money Mover (paper based)** are automatic payments (as an ACH or a demand draft) established by you to debit your account on a recurring basis. If established in person at an LFCU Branch, by telephone with a Member Service Representative, or as a written request sent by mail, these transactions cannot be stopped through the Online Banking System. Money Mover (paper based) must be stopped or modified either in person, by telephone, or by mail.

**III. SERVICES:** You can access your Credit Union accounts and process transactions 24 hours a day, seven days a week through the Online Banking System. The following services are available via Online Banking:

#### **Account Summary**

- View all account balances
  - Look at account history
  - Search for a particular item
  - View account detail
  - View pending transactions
  - View paid checks (check images)
  - Give your accounts a personalized name
  - Export your data to Quicken/Money
- Open a new Share Account
- Open a new Share Certificate Account
- Apply for a loan or a line of credit
  - Visa Credit Card
  - Auto Loan
  - Home Equity Line of Credit
  - Home Equity Loan
  - Mortgage Loan
  - Other type of loans

#### **Statements**

- Access to your member account statements online
  - Review your earnings for the month and for the year
- Access to your Visa statement online
- Review previous statements up to one year or from the first time you sign-up for e-statements, whichever is more recent.

#### **Transfers**

- Make transfers between your savings and checking accounts
- Perform Cross Account transfers to your other membership accounts and to other LFCU member accounts, such as your spouse or your children's accounts
- Obtain cash advances from your LFCU VISA, ReadyLine of Credit, and Home Equity line of credit accounts, and transfer the funds to your other accounts;
- Schedule one time transfers

- Schedule recurring transfers
- Review scheduled transfers
- Edit your scheduled transfers
- Delete your scheduled transfers

### **MoneyMover Via Online Banking (not paper-based)**

- Add MoneyMover Accounts for transferring funds to and from your LFCU account via ACH
- Schedule MoneyMover Transfers (must be performed before 10:30 A.M. Pacific Time for same day service)
- Review MoneyMover Transfer History
- Edit or Delete MoneyMover scheduled transfers

### **Loan Payments**

- LFCU VISA
- Home Equity Loan or Line of Credit
- Mortgage Loan
- ReadyLine of Credit
- Auto Loans
- Other Consumer Loans

### **Other Consumer Services**

- Quicken/Money downloads
- Email Alerts
- My Profile
- Service Center
- What's New
- What's Coming
- Live Chat and Co Browsing with LFCU Member Service Officer

**BUSINESS AND PROCESSING DAYS:** Our business days are Monday through Friday, excluding holidays. The Business Day Cut-off time is approximately 10:30 P.M. Pacific Time (PT), after which transactions will reflect an effective date of the calendar day you initiated the transaction, but a posting date of the next business day. For example, transactions initiated by you each business day before 10:30 P.M. (PT) are processed with that calendar day's date. Transactions initiated after 10:30 P.M. (PT) will reflect a posting date (transaction date) of the next business day, but will reflect the date of the calendar day on which you initiated the transaction as the effective date for purposes of dividend accrual and finance charge calculation. Similarly, transactions that you initiate on non-business days (Saturday, Sunday and Holidays) are effective dated the date the transaction was initiated by you, but will reflect a posting date of the next business day. Online Banking service may be interrupted for a short time each day for data processing. Dividends on accounts and finance charges on loans will be calculated utilizing the effective date of the transaction. (Please note: The cut-off time for the MoneyMover Service ACH Origination Through Online Banking is 1:00 P.M. Pacific Time on business days.)

**LIMITS ON TRANSFERS AND TRANSACTIONS:** There are no limits on the number or value of transactions you may initiate through Online Banking except as stated below (e-Deposits and Web BillPay products have their individualized Agreement and Disclosure and are not included), provided collected funds are available in your account or sufficient credit is available on your line of credit. You cannot initiate transfers using Online Banking to or from Certificate or IRA accounts, or any restricted accounts. Overdraft protection (if any) is NOT automatically triggered to cover "insufficient funds" transactions. We reserve the right to limit the frequency and dollar amount of any transactions at any time for security reasons.

**TRANSACTION LIMITATIONS ON SAVINGS AND MONEY MARKET ACCOUNTS:** During any calendar month you may not make more than six (6) transfers from any **Savings or Money Market Checking Account** to your other Credit Union accounts or to a third party by means of an Online Banking transfer or other preauthorized electronic funds transfer, automatic transfer, overdraft protection transfer, telephone order or instruction, request transmitted via facsimile machine, or transfer initiated through our audio response service (CU By Phone).

These transfer and withdrawal limitations **do not apply** to transactions conducted at ATMs, in person, or by mail. Also, internal transfers to make payments to your Credit Union loans and requests for withdrawals by check **made payable to you** are excluded from this limitation.

If you exceed the limitations set forth above, we reserve the right to discontinue your Online Banking service.

**FINANCE CHARGES ON LOAN TRANSFERS:** Each transfer made from your LFCU VISA account, ReadyLine of Credit account, Home Equity line of credit account, or any other revolving line of credit account you may have with us, is considered a cash advance. Finance charges begin to accrue from the effective date of each loan transfer in accordance with the terms of your credit agreement(s).

**FUNDS AVAILABILITY AND ACCRUAL OF DIVIDENDS:** Funds from electronic funds transfer credits/deposits will be available on the effective date of the transfer in accordance with our "Funds Availability Policy." Dividends begin to accrue on the effective date of the transfer.

**VISA PAYMENTS AND CREDIT AVAILABILITY:** When you initiate a transfer to make a payment on your LFCU VISA Credit Card the system will update your account records, and when applicable, reflect an increase in the availability of credit. While Online Banking may immediately reflect credit availability following payment on your VISA, this information is NOT automatically transferred/updated for purchase authorizations at merchant locations. Please allow two (2) business days for this information to be updated with the VISA network.

**ISSUANCE AND CONFIDENTIALITY OF YOUR PERSONAL IDENTIFICATION NUMBER (PIN):** For purposes of this section, the words Personal Identification Number ("PIN") shall also mean "Password". You are required to select a PIN for use with the Online Banking service. The PIN is required for security purposes in connection with the authentication of transfers and payments you initiate through the Online Banking service. Your PIN is confidential and should NOT be disclosed to others or recorded on documentation or records located on or around your personal computer. You are responsible for the proper safekeeping of your PIN. You agree not to disclose or otherwise make your PIN available to anyone not authorized to sign on your accounts. If you authorize anyone to use your PIN, that authority shall continue until you specifically revoke such authority by changing the PIN or by notifying the Credit Union and obtaining a replacement PIN. You understand that if you reveal your PIN to anyone, or request that the Credit Union issue a PIN to anyone else, you have authorized that individual to transfer and withdraw funds from any of your accounts which can be accessed by the PIN, regardless of whether that person is authorized to transfer or withdraw funds from the account(s) by any means other than by use of Online Banking.

If you fail to maintain security of your PIN and the Credit Union suffers a loss, we reserve the right to terminate Online Banking services to you under this Agreement and Disclosure as well as other Credit Union deposit and loan services. Users of the Online Banking service should utilize such other PIN protection precautions as may be appropriate under any particular set of circumstances to ensure proper security over system access and access to account and transaction information and funds transfer capabilities. Online Banking provides the capability for you to change your PIN. To help safeguard your security, you should change your PIN frequently. **If you forget your PIN or your system access is disabled due to the use of an incorrect PIN, you must contact a Credit Union Service Coordinator to have a temporary PIN issued to you. Contact the Credit Union at (818) 565-2000, or Toll Free at (800) 328-LFCU. We reserve the right to require written re-application for a new/ replacement PIN.**

**ACCESS BY JOINT OWNER TO INDIVIDUALLY-HELD LOANS AND LINES:** If the account(s) accessible via Online Banking is a joint account and the joint account owner has been provided access to the account by applying for Online Banking or you have provided the joint account owner with your PIN, you understand and agree that the joint account owner will have access to funds and information on loans and lines of credit established under the joint account structure for which they may not be a joint borrower or obligor. You understand that you will be liable for any transfers or advances against your individually-held loans and lines of credit requested by any joint account owner.

**VIEW YOUR PAID CHECKS ONLINE:** You can view copies of your paid checks online when accessing your checking account history, or accessing your Online Banking Member e-statement. Simply "click" on the check number to view the front and back of paid checks.

**CROSS ACCOUNT TRANSFERS:** Cross account transfer capabilities are divided into three types: (1) transfers between your membership accounts which have different account numbers, but in which the primary accountholder and social security number are the same on both accounts; (2) transfers to your other membership accounts of which you are a legal owner, but which have different primary accountholder names and social security numbers; and (3) transfers to another LFCU member's account of which you are not a legal owner (Transfers to Third Parties). **In order to transfer available funds from one account to another, you must log on to Online Banking using the membership account number from which you wish to transfer the funds.** You can only log on to, access account information, and transfer funds from those accounts in which you are a legal owner. Cross account transfers from one membership account to another allow you to transfer funds to any sub-account (unless otherwise restricted) established within the membership account structure. The Credit Union reserves the right at any time to restrict or prohibit Cross Account Transfer capabilities on specific types of accounts.

**Type (1) - Transfers between your membership accounts which have different account numbers, but in which the primary accountholder name and social security number are the same on both accounts:** In addition to identifying on your Online Banking Application the primary account number(s) of each membership account you wish to access and in which you will be provided cross account transfer capabilities, the credit union will periodically review its membership account database and add cross account transfer capabilities to your new membership accounts which meet the above criteria. When we do this, you will have the capability to transfer funds TO these newly added accounts from your previously established accounts. However, in order for you to be able to access and initiate cross account transfers FROM these newly added membership accounts to your other accounts you must complete and submit a Online Banking Application identifying the new membership account(s) and the PIN you wish to use to access the added account(s).

**Type (2) - Transfers to your other membership accounts on which you are a legal owner, but which have different primary accountholder names and social security numbers:** To obtain cross account transfer capabilities to transfer funds from one account to another, you must complete and submit a Cross Account Transfer Authorization form. You must be a legal owner on all accounts identified. We will verify legal ownership on all accounts before cross account transfer capabilities are permitted. To access and initiate funds transfers on your accounts you must have also provided us with an Online Banking Application identifying each account.

**Type (3) - Transfers to another LFCU member's account of which you are not a legal owner (Transfers to Third-Parties):** To transfer funds from your account to the account of another LFCU member (a third party) you must complete a Third-Party Cross Account Transfer Request form, which must also be signed by the member/owner of the account to which the funds will be transferred. We will verify all signatures on the Request form before transfer capabilities will be granted. You will be permitted to transfer funds from your account(s) to the account of another member; however, you will not have access to, or the capability to review account balances or activity, or to perform other transactions on third party account(s). Transfers of funds made by you to third party accounts are non-revocable and can not be reversed without the third party's written consent, even if you have made an error in the amount transferred or the account to which the funds were transferred. You are limited to a total of three transfers to third parties from your savings or money market account during any calendar

month (refer to "Transaction Limitations on Savings and Money Market Accounts" for further information).

**MONEYMOVER SERVICE ACH ORIGINATION THROUGH ONLINE BANKING:** You can transfer funds to and from your LFCU accounts to your accounts at other financial institutions. By agreeing to the Money Mover Service ACH Agreement via the Online Banking System, you authorize LFCU to initiate individual and/or recurring debit/credit entries to your Account(s) as indicated. For security purposes, you must set-up an account prior to transferring funds via ACH. Account set-up takes approximately three business days prior to your ability to initiate fund transfers to and from your account at another financial institution.

The authorization remains in full force and effect until the Credit Union has received written notification from you of its termination in such time and in such manner as to afford the Credit Union and your other financial institution a reasonable opportunity to act. When adding a new ACH account the Credit Union will use a verification process that will also take approximately 3 days. If you have any questions contact the Credit Union at **(800) 328-LFCU** or use LFCU's Live Chat at [www.lockheedfcu.org](http://www.lockheedfcu.org).

**MONEYMOVER (paper based):** You can transfer funds to your LFCU accounts from your accounts at other financial institutions. By completing the MoneyMover Service ACH Debit Origination Authorization Application, you authorize the Credit Union to initiate recurring debit entries to your Account(s) as indicated. MoneyMover Services initiate by completing a paper form at an LFCU Branch or through the mail will not be accessible through Online Banking. The authorization remains in full force and effect until the Credit Union has received written notification from you of its termination in such time and in such manner as to afford the Credit Union and your other financial institution a reasonable opportunity to act.

**ONLINE STATEMENTS:** When you request Online Statements you understand and agree that your member account statement(s) and VISA credit card statements (if applicable) will be provided to you electronically, on an ongoing basis (subject to the terms and conditions of the Membership and Accounts Agreement Disclosure, applicable loan agreements and the VISA Platinum Credit Card and Visa Classic Credit Card Agreement and Disclosure).

Your member account statement includes activity and balance information on savings, checking and other share accounts as well as loans, and lines of credit (excluding VISA credit card account). Your VISA credit card account statement contains account transactions on your VISA credit card. Your account statements are made available to you when you access Online Banking using your PIN and select *Statements*, and are provided in readable, printable and downloadable format from this site. You agree that in addition to your regular member account statement and VISA credit card statement, we may also send you important notices and disclosures as required by law or regulation regarding your LFCU membership accounts, and VISA credit card. These notices and disclosures may be sent separately or incorporated into the Credit Flyer Newsletter or other marketing articles that are located on the web page where you retrieve your statement.

**To access and retain your Statements**, you can use a PC running any current version of Windows at or above Windows 98 (for added security, Windows 2000 and up are recommended), with Microsoft Internet Explorer 5.5 or higher, Netscape Navigator 6.1 or higher, or Firefox 1.0 or higher. Other browsers may be used but are not supported.

Apple Macintosh computers running OS versions 8.6 or higher (OS X and newer recommended). Supported browsers include: Safari 1.2 or higher, Netscape Navigator version 6.1 or higher, and Firefox 1.0 or higher. Other browsers may be used but are not supported.

You have the **right to receive a paper version** of your member account statement by accessing the User Options, Statement Waiver section and selecting "Receive your monthly paper statement". You have the right to withdraw your consent to receive your statements in electronic form by de-selecting

"e-Statements" under the User Options and electing "Paper Statement". Or by telephoning us at **800-328-LFCU** and requesting withdrawal from the Online Banking electronic Online e-Statement service.

**CREDIT UNION'S 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 and damages. However, there are some exceptions. We will NOT be liable, for example, if: **(1)** Through no fault of ours, you do not have enough available funds in your account to make the transfer; **(2)** The transfer would exceed any permitted overdraft line you have with us; **(3)** Circumstances beyond our control (such as fire, flood, power failure, labor dispute, computer breakdown, telephone line disruption or a natural disaster) prevent or delay the transfer despite reasonable precaution taken by us; **(4)** The funds in your account are subject to legal process, an uncollected funds hold, or are otherwise not available for withdrawal; **(5)** The PIN or transaction information or other information you have provided is incorrect, incomplete, ambiguous or untimely; **(6)** The system was not working properly and you knew about the breakdown when you started the transfer; or **(7)** You are in default on an account to which you are attempting a transfer. (There may be other exceptions stated in our agreement with you.)

In addition, **the Credit Union will also have no liability whatsoever** for failure to complete a payment or transfer you initiate or attempt to initiate through Online Banking under any of the following circumstances: **(1)** If you did not properly follow software or Online Banking instructions on how to make the transfer or payment; **(2)** If you did not give the Credit Union complete, correct and current instructions or information to process your transaction request; **(3)** If you did not authorize a payment soon enough for the payment to be made, transmitted, received and credited by the payee/vendor; **(4)** If the Credit Union made a timely payment but the payee/vendor did not promptly credit your payment after receipt; **(5)** If your personal computer and/or software malfunctioned for any reason; **(6)** If the transfer or payment could not be completed due to system unavailability or a telecommunication or Internet Service Provider service failure; or **(7)** We blocked the transfer to protect the integrity or security of the system.

**YOUR RESPONSIBILITY & LIABILITY FOR UNAUTHORIZED TRANSFERS:** You are responsible for all transfers and payments you initiate and authorize using Online Banking. If you permit other persons to use Online Banking and your PIN, you are responsible for any transactions they authorize from any of your accounts. Notify us **IMMEDIATELY** if you believe that your PIN has been lost or stolen or that someone has used it or may use it to access your accounts and transfer money without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus any available credit on your line(s) of credit. **The Credit Union Telephone Number is: (800) 328-LFCU (Toll-Free) or (818) 565-2000. Our Address is: Lockheed Federal Credit Union, 2340 Hollywood Way, P.O. Box 6999, Burbank, CA 91510.**

If you notify us within two (2) business days after learning or suspecting that your PIN was lost, stolen, or used by someone without your permission, you can lose no more than \$50.00. If you do NOT notify us within two (2) business days after you learn of the loss or theft of your PIN, and we can prove we could have stopped someone from using your PIN without your permission had you told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, 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 you lost after the 60 days if we can prove that we could have prevented someone from taking the money had you told us in 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.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS; CONSUMER LIABILITY:** Call us or write us **IMMEDIATELY** at the telephone number or address described in the preceding section if you think your statement is wrong (or shows transfers and transactions that you did not authorize) or if you need more information about a transfer. We must hear from you no later than 60 days after we sent the **FIRST** statement on which the problem or error appeared. If you do not tell us within 60 days after the statement was mailed to you, you may not recover funds lost after the 60-day period if we can prove that the loss could have been prevented had you told us in time. Tell us your name and account number. Tell us the dollar amount of the suspected

error and the date it occurred. 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.

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 check without your permission.

If you notify us verbally, we may require you to send us your complaint or question in writing within ten (10) business days. We will tell you the results of our investigation 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 forty-five (45) calendar days to investigate your complaint or question. If we decide to do this, we will 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 request in writing and we do not receive it within ten (10) business days, we may not recredit your account. If we determine there was no error, we will send you written explanation within three (3) business days after we complete our investigation. You may ask for copies of the documents that we used in our investigation and which we relied upon to conclude that the error did not occur (to the extent possible without violating any other member's right to privacy).

**RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS:** Your completed Online Banking transactions will appear on your periodic account statements. You will get a monthly account statement on the electronic funds transfer activity on your accounts unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly. Be sure to review and verify all statement information thoroughly. You may also obtain information on transfers and payments by inquiry of your transactional account history using Online Banking.

**ELECTRONIC CHECK CONVERSION:** In some cases when you write a check to a merchant in payment of goods or services, the merchant may present that check electronically for payment instead of sending us the paper check. Also, if your check is returned unpaid to a merchant due to non-sufficient funds, the merchant may re-present the check to us electronically. Generally, merchants who make use of electronic presentation of checks will inform you of their intention to do so at the time you give them your check. When we receive these items in electronic form, we will debit them against your account the same as if we had received the actual paper check.

When you provide information on your personal check (such as the MICR encoded routing, account and serial numbers) to a merchant or other payee, regardless of whether the check is in blank, partially completed, or fully completed and signed, and regardless of whether the check is presented in person or mailed to the merchant or other payee or sent to a lockbox or whether the check is retained by the merchant or other payee or returned to you, if the information from that check is converted to an electronic funds transfer (or "EFT") to debit the funds from your account, that electronic fund transfer is covered under the provisions and protection of the Electronic Fund Transfers Act. Check re-presentments (such as check returned NSF and subsequently re-presented for payment) wherein the original check was processed in paper form are NOT covered under the Electronic Fund Transfers Act.

**OVERDRAFT PROTECTION TRANSFER FEE FOR ITEMS PAID:** If we advance funds from your LFCU VISA Credit Card or ReadyLine of Credit or transfer funds from your savings account, to cover or pay a check, electronic debit, or other item for which there are non-sufficient or unavailable funds in your checking account, we will assess an Overdraft Protection Transfer Fee.

The Overdraft Protection Transfer Fee is charged to your Checking Account. This Fee is assessed only once per day for negotiable instruments (checks and demand drafts) and once per day for electronic funds transfers (ACH transfers) per "transfer source", regardless of the number of checks or ACH items which have been received and that are paid as a result. (For example, the Fee will be assessed once per day for one or more transfers from one or more savings or other share account, and once per day for one or more advances from your VISA Credit Card and/or one or more per day for one or more advances from your ReadyLine of Credit account for checks, demand drafts and ACH items only.) The Overdraft Transfer Fee for point of sale purchases and ATM withdrawals will be assessed per occurrence.

Please refer to our current Schedule of Service Charges and Fees for the amount of the Overdraft Protection Transfer Fee. Negotiable instruments are generally processed from the highest dollar amount to the lowest dollar amount during a processing day.

**ITEMS RETURNED UNPAID AND PAID ITEMS (COURTESY PAY):** If, at our option, we do not transfer funds from your savings account to cover a check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking account, or if you do not have sufficient funds in your savings account to cover the item, or if you do not have an LFCU VISA Credit Card or ReadyLine of Credit or there is not sufficient credit available on your LFCU VISA Credit Card or ReadyLine of Credit to cover the item, we will either:

(1) Not pay the check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking account even though we may have previously established a pattern of honoring such items. We are not obligated to notify you before we decide to either pay an item that creates an overdraft or to return an item or deny a transaction drawn against insufficient available funds. We will return the check, debit, or item, unpaid to the payee, and assess a Non-Sufficient Funds (NSF) Fee for each item; OR

(2) Pay the check, electronic debit, or other item drawn against non-sufficient or unavailable funds in your checking Account and charge you a "Courtesy Pay" fee (this may result in an overdraft/negative balance in your checking account). When an item is paid and creates an overdraft you agree and authorize LFCU to pay the item from funds from another of your accounts or from funds subsequently deposited in the account including direct deposits of governmental benefits including but not limited to Social Security and Supplemental Security Income. Any negative balance on your account is immediately due and payable unless we agree otherwise in writing. We may place a hold on balances in any other account you may have with us until the overdraft is paid.

Refer to our Schedule of Service Charges and Fees for NSF and Courtesy Pay Fee amounts. If you do not want LFCU to review your account for the LFCU discretionary Courtesy Pay Option, please contact LFCU at **(800) 328-LFCU**.

**ACCOUNT OVERDRAFTS:** If at any time the balance in any of your LFCU accounts is overdrawn) you will be responsible to cover the negative balance on your account, which becomes due and payable immediately, unless we agree otherwise in writing. Accounts overdrawn in excess of seven calendar days are subject to statutory lien (see "The Credit Union's Statutory Lien Rights" section) collection, and/or other legal remedy.

**FEES AND CHARGES:** There is no fee for the LFCU Online Banking service. However, you are solely responsible for the payment of any Internet Service Provider and telephone and utility company charges incurred in connection with accessing the LFCU Online Banking service. There are fees and charges related to the Web Bill Pay Service feature of Online Banking if used by you. Refer to the Web Bill Pay Service Agreement "Fees and Charges" section.

**ACCOUNT TRANSACTION HISTORY:** Each time you inquire and download account transactional information, you will receive information for at least the last 60 calendar days. This means that you may need to download transactional information at least once every 60 days if you wish to have all of your account information on your personal computer.

**RIGHT TO STOP PAYMENT ON ELECTRONIC TRANSFERS:** A Stop Payment order cannot be placed once an Online Banking transfer has been initiated by you and accepted by the system, or a bill payment transfer has been made and your account has been debited on the scheduled payment date. If you have made a transfer in error, you must reverse the transaction by initiating a correcting transfer. (Note: Transfers cannot be corrected via Online Banking when made as transfer/payments to loan accounts. Contact the Credit Union if you require reversal of these transactions or need additional assistance.) If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

If you have told us in advance (not through the Online Banking System) to make regular payments out of your account, you can stop any of these payments, Here's how: Call us at **(800) 328-LFCU**

For further information on placing stop payments on bill payment transfers before payment is made, refer to the Web Bill Pay Service Agreement.

**E-MAIL CAPABILITIES AND LIMITATIONS:** The Online Banking service includes E-Mail capabilities allowing you to send and receive electronic E-Mail messages to and from the Credit Union. The Credit Union will not immediately receive and review E-Mail messages that you send and will NOT process any request for a funds transfer received via E-Mail. Further, the Credit Union may not act upon requests for Stop Payments, requests for replacement PINs, reports of lost or stolen PINs or unauthorized transactions (refer to "Member's Responsibility and Liability for Unauthorized Transfers" above for appropriate action), reports of lost or stolen ATM or VISA Cards, or on any other request in which the Credit Union would normally require written notification or your authorizing signature, without first confirming the authenticity of the E-Mail request/notification via telephone. In some instances, written confirmation reflecting your authorizing signature may still be required. The Credit Union will not take action based on your E-Mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. **If your request requires immediate attention**, contact the Credit Union directly at **(818) 565-2000, or Toll Free at (800) 328-LFCU**.

**DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES:** We will disclose information to third parties about your account or the transfers you make: (a) Where it is necessary for completing transfers; or (b) In order to comply with government agency or court orders; or (c) In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or (d) If you give us your written permission.

**SYSTEM UNAVAILABILITY:** Access to Online Banking may be unavailable at times for the following reasons: (1) Scheduled Maintenance - There will be necessary periods when systems require maintenance or upgrades; (2) Unscheduled Maintenance - Online Banking may be unavailable when unforeseen maintenance is necessary; (3) System Outages - Major unforeseen events, such as, but not limited to, earthquakes, fires, floods, computer failures, interruptions in telephone service, or electrical outages, may cause system unavailability; or, (4) Internet Service Provider - Failure by or unavailability of an Internet Service Provider. We will make all reasonable efforts to ensure the availability of Online Banking, however, we are in no way liable for system unavailability or any consequential damages that may result.

**NOTIFICATION AND CHANGES IN TERMS AND CONDITIONS:** Any notification, required or appropriate, will be mailed to you and will be considered given when placed in the United States mail, postage prepaid, and addressed to you at your current address as it appears on our records. We may change or amend any part of this Agreement and Disclosure at any time, including changes in terms, conditions, and fees, as long as we give you advance notice as required by law. If you receive e-statements we will deliver a written notice

**Consent to Electronic Communications**, transactions and/or Account Information changes performed on any Account indicated above by electronic means where my Password is utilized and/or where the security procedure described below is utilized shall be considered authorized by me when I elect e-statements and waive paper statements. I understand and agree that any and all notices, change in terms, disclosures, and communications regarding my Account Statements, including this Agreement may be made electronically. My ongoing consent to receive electronic delivery of Account Statements only is voluntary, and may be withdrawn at anytime. I may withdraw consent at any time by clicking on the "Statement preferences" link with Online Statements and changing my selection to the "Paper" option, and clicking on the Submit button. I understand that it may take up to 3 business days to enact the change to resume paper statements.

**OTHER LIMITATIONS OF LIABILITY:** You are solely responsible for the selection, installation, maintenance, and operation of your personal computer and software. The Credit Union expressly disclaims any and all liability as relates to the improper use of your personal computer and the transmission of data except as provided by statute. The Credit Union is not responsible for any errors or failures due to any malfunction of your personal computer or the software, or unsuitability of your personal computer or software, or any virus, or any problems that may be associated with the use of an on-line service.

**CHANGE IN TERMS:** For consumer accounts, we will mail or deliver a written notice to you before the effective date of any change in term or condition disclosed in this Agreement if the change would result in increased fees or charges, increased liabilities for you, fewer types of available electronic fund transfers or stricter limitations on the frequency or dollar amounts of transfers, unless prior notice is excused by Law. Otherwise, we may modify the Agreement at any time without notice, except as may be required by Law. As a requirement of being an Online Banking member, if you created a User ID as an Online Banking Member or otherwise, you agree that we may send such notice to you either via the secure message system, e-mail or regular mail unless otherwise required by law.

**TERMINATION AND AUTOMATIC DEACTIVATION OF SERVICE:** You may terminate your Online Banking service at any time by providing written notice to the Credit Union and immediately discontinuing use of the service, or by discontinuing use of the service (by not logging on to the service) for a three-consecutive-month period. You are solely responsible for notifying any participating merchants (when applicable) that you have terminated your bill payment transfer capabilities. If you do not utilize the Online Banking Service (by not logging on to the service) for a three-consecutive-month period, your access to the Service may automatically be deactivated. If this occurs and you wish to reactivate your Online Banking service, you must contact the Credit Union by telephone or in person. We reserve the right to require written reapplication before we reactivate your Online Banking system access. The Credit Union may also terminate the Online Banking service and this Agreement and Disclosure at any time by giving you advance notification, either orally or in writing. Whether you or the Credit Union terminates your Online Banking service and this Agreement and Disclosure, the termination shall not affect your obligations under this Agreement and Disclosure for any transfers or payments made prior to termination.

**ENFORCEMENT:** You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce this Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to California law, to payment by the other party of its reasonable attorneys' fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision may be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable, and any such modification shall not affect any other provision of this Agreement.

**ENTIRE AGREEMENT:** This Agreement, as it may be amended from time to time, together with any other disclosures or other documents incorporated herein by reference (including but not limited to the Account Disclosures), contain the entire agreement between you and the Credit union and supersedes all oral conversations, other communications, and previous agreements, if any with regard to the Services.

**GOVERNING LAW:** This Agreement is made in California and shall be governed by the laws of the State of California to the extent that California Law is not inconsistent with controlling Federal Law. You also understand that California's "Choice of Law Rules" will not be applied if they would result in the application of non-California law.

