

# Electronic Funds Transfer Service Disclosure

This disclosure is furnished to you as a member of Saginaw Medical Federal Credit Union to meet the requirements of federal and Michigan statutes relating to “electronic fund transfers” and the requirements of Regulation E issued by the Federal Reserve Board.

This disclosure is a contract. The terms and conditions set out here are binding on you and on us as to the account(s) you have with us that are affected by electronic fund transfers and the use of the MasterMoney™ Debit Card (ATM/Debit Card) and personal identification numbers (PINs).

Your use of a Debit Card (and PIN) or the account(s) covered by this agreement after receipt of this disclosure will constitute your acceptance of this agreement.

All ATM/Debit Cards and Personal Identification Numbers (PINs) are the property of the credit union and can be revoked or canceled at any time without prior notification. If you terminate this agreement, you agree to surrender the card to us.

This will not affect any of your accounts that do not use EFT (Electronic Funds Transfer) services in any form, nor will it affect non-EFT or over-the-counter transactions.

The original terms and conditions of your account agreement with us remains in effect, but may be modified by this disclosure.

In this disclosure, “you” and “your” includes the plural in cases where two or more persons have an interest in a single account affected by an “electronic fund transfer” service. “We” and “us” refers to Saginaw Medical Federal Credit Union.

The following provisions govern the use of “Electronic Fund Transfers” herein referred to as “EFTs” whether made by using an ATM/Debit Card or other form of EFT.

You may discontinue or start any EFT service at any time. We may make additional types of EFTs available or delete one or more services in the future. We will give you at least 21 days advance written notice before discontinuing an EFT service.

**Accounts Affected** - Any share or checking account can be subject to an EFT. You have previously told us which of your account(s) you want to be subject to any particular type of EFT service. You may change your instructions in the future, and we will follow your new wishes to the extent our EFT programs permit.

**Minimum Balance** - You must maintain a minimum balance of \$5.00 in your regular share account to be entitled to EFT services. We reserve the right to increase this minimum balance or to impose other restrictions in the future. If we do so, we will give you at least 21 days advance written notice.

**Transaction Types** - At the present time, you can authorize the following types of EFTs to and from your “asset” account. These lists are examples and may not be inclusive to all transactions possible.

Transfers TO your account (credits): direct deposit of a Social Security, disability, or insurance survivorship check; or any deposit made from a third party (including payrolls) through the facilities of The Payments Authority (of which we are a member).

Transfers FROM your account (debits): insurance premiums, utility bill payments, as well as any other type of payments made to third parties through the facilities of MACHA.

**Excluded Transactions** - Some services although made electronically, do not constitute “electronic fund transfers” or EFTs for purpose of this disclosure. For example, automatic transfers from your account(s) to make your loan payment(s) at the credit union and transfers between your “asset accounts” at the credit union are not covered by the terms and conditions of this disclosure. This disclosure applies to, but is not limited to, the above mentioned transactions.

**Charges and Fees** - In most cases we do not charge for making EFTs. We may charge when you don't have funds to cover a transaction and we transfer funds from another account; when we return an item due to non-sufficient funds; and in the case of ATMs, when you make more than the allowed number of withdrawals in a month. See the Fee Schedule for current charges and fees.

**Limitations** - Aside from ATM transactions, there are no limitations to the frequency or amount of any EFTs affecting your checking account. We do have a determined dollar amount that may be withdrawn within a 24 hour period. We do reserve the right to change such restrictions at any time and we will give you at least 21 days advance written notice before doing so.

**Records** - You will get a receipt each time you use an automatic teller machine and a monthly statement on each account that has EFT activity. These statements and receipts are legal admissible evidence.

**Stop Payments** - If you need to stop an EFT, you must contact the party who is making the withdrawal (debit) or deposit (credit) from or into your account.

**Reversals** - If an EFT was a payment of \$50.00 or more for goods or services, you have the right to have us reverse the transfer and to ask for immediate credit for the full amount. You must notify us within 4 calendar days after the date of the transfer and tell us you have made a good faith attempt to resolve your dispute with the third party involved. You must assure us that any returnable goods involved in the dispute will be returned. You can contact us in writing or by phone using the address or phone number on this disclosure. If you orally

tell us to reverse the transfer, you must then send us a written letter stating your confirmation of reversal request, your notice of attempted resolution of the dispute, and your assurance to return any returnable goods involved. This letter must be in our office within 14 calendar days from the date of your initial request. We reserve the right to impose a reasonable charge for handling such reversal requests and to increase such charges at any time.

**Disclosing Account Information** - In the ordinary course of business, we will only disclose information concerning your account(s) as provided by law, with your consent, to furnish credit information under the federal “Fair Credit Reporting Act” if necessary to verify or complete an EFT, to verify the existence of your account(s), or if the information relates to improper use of your account(s).

**Errors or Questions** - In case of errors or questions about your EFTs, call or write us at the phone number and address on this disclosure. We must hear from you within 60 days after you receive the first statement on which the problem or error appeared. You must tell us your name, account number and the dollar amount of the transaction in question. You will need to describe the error or EFT in question and tell us why you feel it is incorrect or why you need additional information. If your request is oral, you will be required to fill out a form within 14 calendar days listing your complaint or question.

We will tell you the results of our finding within 10 business days of your request and correct any error promptly. We can take up to 45 calendar days, if in depth investigation is necessary. If we do need this time, we will credit your account for the amount in question.

If we determine there was no error, we reserve the right to charge the amount of the transaction back to your account within 60 days of your original request and we will send you a written explanation no later than the third business day after we finish our investigation. You may ask for copies of the documents that we used to make our conclusion. There may be a nominal fee for these copies.

**Our Liability** - If we do not complete an EFT on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. There are some exceptions: If through no fault of ours, you do not have enough funds available in your account to make the transfer, for whatever reason, or if circumstances beyond our control prevent the transfer despite reasonable precautions that we have taken.

**ATM and other Electronic Transactions** - Your ATM/Debit Card can be used at automatic teller machines that display Networks designated by the Credit Union. You may contact us for a listing of ATM locations which is subject to change at any time. The ATM networks are subject to change at any time. If we do so, we will give you at least 21 days advance written notice.

There are no limits to the number or dollar amount of deposits you can make at the ATMs during the 24-hour operating cycle. However, to protect against possible losses, your card will not allow you to obtain more than your approved dollar amount at ATMs within a 24-hour period.

Transactions through ATMs will be posted within two business days. If you feel the checks will clear before the deposit is posted, call the credit union with your account number, the machine number, the dollar amount and the time of the transaction. If you fail to contact us, and checks are returned due to lack of funds, you may incur a fee.

If you obtain cash from an ATM and it creates an overdraft in your regular share or checking account, the overdraft amount is due and payable to us the moment you get it. In such a case, you authorize us to transfer funds to cover the overdraft from any other share accounts, checking accounts or line of credit you may have at the credit union. There may be a fee for the transfer and you will be notified by mail. We honor overdrafts of electronic transaction types such as but not limited to debit card, ATM, ACH, or POS.

**Unauthorized Use** - If we have issued you a PIN, you agree to keep the number secret and you also agree that you will not write the PIN on your ATM/Debit Card or on any item you keep with your card. You may be responsible for money taken from your account through an unauthorized EFT if you write your PIN on your ATM/Debit Card, if you keep your PIN with your ATM/Debit Card, or if you voluntarily give your ATM card and PIN to someone who then takes money out of your account without your permission. If you discover that your ATM/Debit Card has been lost or stolen, contact us immediately at the number on this disclosure.

**Consumer Liability** - You should notify the credit union at once if you believe your ATM/Debit Card has been lost or stolen or if your PIN is compromised or otherwise revealed. If you tell us within two business days, you can lose no more than \$50.00 if someone uses your ATM/Debit Card without your permission. If you do not tell the Credit union within two business days after you learn of the loss or theft of your ATM/Debit Card and/or PIN and we can prove we could have stopped someone from accessing your accounts without your permission if you had given us notice, you could lose as much as \$500.00. Additionally, you will lose all the money that is taken from your account before you notify us that another person no longer has authority to use your ATM/Debit Card and/or PIN.

**Statements** - If your statement shows transactions that you did not make, let us know at once. If you do not notify us within 60 days after we have mailed the statement, you may be responsible for money taken from your account after that 60 day period if we can prove we could have stopped the transaction if you had notified us within the 60 day period.

**Point of Sale Transactions** - If you have been issued an ATM/Debit Card for which we have issued a PIN, you may use it to pay for purchases at places that have agreed to accept cards with NYCE access. These places will display the NYCE logo in their business locations. Payment may only be made from funds in your checking account. Access to other accounts is not permitted for point of sale transactions.

**MasterCard® (Debit) Transactions** - If you have been issued a ATM/Debit Card, you may use it to pay for purchases at places that agree to accept MasterCard®. These places will display the MasterCard logo in their business locations. You will be required to sign a receipt for the purchases made. Payment may only be made from funds in your checking account. Access to other accounts is not permitted for debit transactions. A 1% international service fee will be added to and listed separately on all transactions completed outside the United States.

Upon receipt hereof, this disclosure terminates and takes the place of any previous "Saginaw Medical Federal Credit Union ATM Card/EFT agreement" that may have been furnished to you.

We reserve the right to amend this disclosure in any manner at any time. If we do so, we will notify you in advance of the change within a reasonable amount of time. In the specific cases mentioned, we will give you at least 21 days advance written notice. We also reserve the right to terminate this disclosure by sending a notice to your last known address on our records. The notice shall be effective when mailed. The effective date of this disclosure is April 1, 2006.

Saginaw Medical Federal Credit Union  
Post Office Box 6160  
Saginaw, MI 48608-6160  
(989) 791-7070

If you believe that the we may have violated the law regulating EFTs, you may contact:

NCUA (National Credit Union Administration)  
4225 Naperville Road  
Suite 125  
Lisle, Illinois 60532

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