

## DISCLOSURE FOR ELECTRONIC FUND TRANSACTIONS

This disclosure is furnished to you as a member of Montcalm Public Employees Credit Union ("Credit Union"). It meets the requirements of both the federal and Michigan statutes relating to "electronic fund transfers". It also meets the requirements of the regulation (Reg. E) issued by the Federal Reserve Board pursuant to the federal statute. This disclosure is also a contract. The terms and conditions set out here are binding on you and on us as to the making of such "electronic fund transfers" in the following case:

A transfer through an automated clearing house when you provide a share draft to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the share draft is blank, partially completed, or fully completed and signed; whether the share draft is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an electronic fund transfer, or whether the share draft is retained by the consumer, the merchant or other payee, or the payee's financial institution. Your authorization to make such types of electronic funds transfers may be expressed in writing or implied, for example, by the posting of a sign.

In any such cases, your use of the account(s) or your making of such transactions constitutes your acceptance of the terms and conditions set out in this disclosure.

Although your account(s) may be subject to "electronic fund transfers", and in that regard are subject to the terms and conditions of this disclosure, you may continue to use those account(s) to the same extent and in the same manner that you have in the past, insofar as "over-the-counter" and other non-electronic transactions are concerned.

In this disclosure, "you" and "your" include the plural in cases where two or more persons have an interest in a single account affected by an "electronic fund transfers" service. "We" or "us" refer to Montcalm Public Employees Credit Union.

### **THE FOLLOWING SECTIONS RELATE TO ALL "ELECTRONIC FUND TRANSFERS" AFFECTING YOUR ACCOUNT(S)**

1. Accounts Affected: Share-draft accounts.

The affected accounts are sometimes referred to in this disclosure as "asset account(s)," "designated accounts" or simply as your "account(s)".

You may notify us if you do not want your accounts to be subject to any particular type of "electronic transfer" service, and you may change those instructions in the future. We will, in all cases, follow your instructions to the extent our "electronic funds transfers" programs permit at that time.

2. Account Agreements: The terms and conditions of the account agreements relating to your accounts with us remain in effect except to the extent modified by this disclosure.
3. Minimum Balance: You must always maintain any minimum balance requirements to be entitled to make "electronic fund transfers" affecting your account(s). We reserve the right to increase minimum balance requirements or to impose other restrictions in the future, but if we do so, we will give you at least 21 days advance written notice.
4. "Electronic Fund Transfer" Services: At the present time, you can authorize the following types of "electronic fund transfers" at the Credit Union:

Transfers FROM your account(s) (debits):

A transfer through an automated clearing house when you provide a share draft to certain merchants or other payees that enables the merchant or other payee to capture the routing, account, and serial numbers to initiate the transfer, whether the share draft is blank, partially completed, or fully completed and signed; whether the share draft is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an electronic fund transfer, or whether the share draft is retained by the consumer, the merchant or other payee, or the payee's financial institution. Your authorization to make such types of electronic funds transfers may be expressed in writing or implied, for example, by the posting of a sign.

5. Excluded Transactions: Some electronic services we offer do not constitute "electronic fund transfers" for purposes of this disclosure. For example, automatic transfers from your account(s) to pay your loan(s) owing to us and automatic transfers between your own asset accounts at the Credit Union, or preauthorized credits such as direct deposit. The terms and conditions of this disclosure only apply to those services and transfers which are "electronic fund transfers" as described in Section 4; they do not apply to other transactions which, although electronic in nature, do not constitute "electronic fund transfers" described in that section.
6. Fees: We reserve the right to impose fees, and to thereafter increase them, if we deem it necessary. We will give you at least 21 days advance written notice before imposing or increasing any such fees.
7. Limitations on "Electronic Fund Transfers": We described the types of electronic funds transfers you can make in Section 4 above. There are no limitations as to how often you can make "electronic fund transfers" described in Section 4. Nor are there any restrictions as to the dollar amount of any one "electronic fund transfer". We reserve the right to impose any such restrictions in the future as we deem reasonable, but we will give you at least 21 days advance written notice before doing so.
8. Documentation of Electronic Fund Transfers:
  - A. If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, the person or company making the deposit will tell you every time they send us the money. You can call us at (800) 759-8652 to find out whether or not the deposit has been made.
  - B. You will get a statement every month of each asset account to which an "electronic fund transfer" was processed.
9. Reversing "Electronic Fund Transfers": if an "electronic fund transfer" described in Section 4 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:

**Montcalm Public Employees Credit Union**  
**PO Box 469**  
**Edmore, MI 48829**

If you phone us, you **MUST** call at:

**(800) 759-8652**

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.

10. Confidentiality. 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 verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
  - C. In order to comply with government agency or court orders, or
  - D. If you give us written permission.
11. Errors or Questions. In Case of Error or Questions About your "Electronic Fund Transfers" as described in Section 4:

Telephone us at the number set forth above in Section 9, or write us at the address set forth above in Section 9, 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.

- (1) Tell us your name and account number, (if any).
- (2) 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.
- (3) 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 tell you the results of our investigation within 10 business days\* after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days\*\* to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days\* for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

If we decide that there was no error, we will send you a written explanation within three business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation

*\* If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days.*

*\*\* If you give notice of an error within 30 days after you make the first deposit to your account, notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we will have 90 days instead of 45 days to investigate.*

12. Our Liability for Failure to Make "Electronic Fund Transfers": If we do not complete an "electronic fund transfer" as described in Section 4, from your accounts on time or in the correct amount according to our agreements 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 enough money in your account to make the transfer.

If there is not enough money in your account, in excess of amounts you have pledged to us as collateral for a loan to make the transfer.

If funds in your account are subject to garnishment or other legal process.

If we have, because of your default on a loan, exercised our rights against the funds in a pledged account.

If the transfer would take the balance on your overdraft loan (if applicable) over the credit limit.

If circumstances beyond our control prevent the transfer, despite reasonable precautions we have taken.

We will also be excused from such liability if you fail to observe the terms of this agreement, or our account agreements with you, which relate to such "electronic fund transfers":

13. Business Days: Our "business days" are as follows:

**8:30 a.m. to 4:30 p.m.**

We are not open for business on Martin Luther King's Birthday, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day and the day following, Christmas Day or New Years eve and day. We reserve the right to change our "business days" and hours.

14. Regulatory Agency: If you believe that we may have violated the the Michigan Electronic Funds Transfers Act (Michigan Public Act No. 322 of 1978), you may contact the following regulatory authority:

State of Michigan  
Department of Consumer and Industry Services  
Office of Financial and Insurance Services  
P.O. Box 30224  
Lansing, Michigan 48909

15. Amendments/Termination: We reserve the right to amend this disclosure (agreement) at any time. If we do so, we will give you such advance notice thereof as we deem to be

reasonable under the circumstances. However, in the specific cases mentioned earlier, we will give you at least 21 days advance written notice. We also reserve the right to terminate this disclosure (agreement) by sending a notice of such termination by first class mail to your last known address on our records, which notice shall be effective when mailed.

16. The effective date of this disclosure (agreement) is March 1, 2002.
17. Limitations on "Electronic Fund Transfers": There are no limitations on the number or dollar amounts of electronic fund transfers as described in Section 4.

You have the right to require us to program our system so that no more than \$50.00 cash can be obtained by use of a share draft converted into an electronic funds transfer during a single day. Please contact us if you want this option.

18. Responsibility for overdraft: If you overdraw an account through use of an electronic funds transfer the overdrawn amount is due and payable the moment you receive your money, or make the transfer. You agree to pay the full amount of it to us, together with an overdrawn account charge of \$25.00 plus a \$2.00 transfer fee per occurrence.
19. Consumer Liability: Tell us **AT ONCE** if you believe any share drafts we have provided to you have been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If you tell us within 2 business days, you can lose no more than \$50.00 if someone presented your share draft which is converted into an electronic funds transfer without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your share drafts and we can prove we could have stopped someone from using your share drafts 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, 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 stopped someone from taking the money if you had 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.

If you believe your share drafts 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 the phone number set forth above in Section 8 of this agreement, or WRITE the credit union at the address set forth above in Section 8 of this agreement.

IMMEDIATELY !!!