

# ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

EFFECTIVE DATE

March 1, 2008

This Disclosure Supersedes All  
Disclosures Prior to the Effective  
Date Shown Here

Important Document  
Please Read and Retain For Your Records



*Adding Value to the Neighborhood*

# ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

This Agreement and Disclosure ("Disclosure") sets forth the terms and conditions for Electronic Fund Transfer Services which are or may be made available by LBS Financial Credit Union ("Credit Union"). It defines your rights and responsibilities and those of the Credit Union with respect to any Electronic Fund Transfers. Please read it carefully.

At the present time the Credit Union participates in several types of services that may be accomplished by electronic transfer:

- Pre-authorized deposits of net paycheck;
- Payroll deduction;
- Pre-authorized deposit of pension checks and Federal Recurring Payments (for example, Social Security payments);
- Pre-authorized payments (for example, insurance premiums and mortgage payments);
- HomeTeller Audio Response Service;
- CU OnLine and Bill Payer Service;
- Automated Teller Machine ("ATM") deposits, transfers and withdrawals;
- Electronic Check Conversions;
- Other electronic fund transfer services.

Specific disclosure for each service is given below, followed by disclosure information applicable to all electronic services offered by LBS Financial Credit Union. You understand that the agreements, rules and regulations applicable to your Regular Share account, Share Draft/Checking account, Money Market account and any other applicable account, remain in full force and effect and continue to be applicable except as specifically modified by this Disclosure and Agreement.

**DEFINITIONS:** In this Disclosure, the words "you," "your" and "yours" refer to the member and each and all of those who apply for and/or use any of the Credit Union's electronic fund transfer services. The words "we," "us," "our," "Credit Union" and "LBS Financial" refer to LBS Financial Credit Union. The word "ATM" means Automated Teller Machine. The word "EFT" means any Electronic Transfer of Funds other than by check or other paper instrument that was initiated through an electronic terminal, telephone, computer, magnetic tape or other communication device for the purpose of providing cash, debiting, crediting, transferring or inquiring on an account. The word "POS" means "Point-of-Sale" and "POP" means "Point-of-Purchase" which represents transactions that directly debit (withdraw funds from) your designated account. By requesting, signing or using (or authorizing another person or persons to sign or use) your Card or Personal Identification Number ("PIN"), you agree to use the Card and PIN in accordance with the following terms and conditions.

**BUSINESS DAYS:** Our business days are Monday through Friday 8:30 a.m. to 5:30 p.m. P.S.T. (Pacific Standard Time), Holidays are not included.

## AUTOMATED TELLER MACHINE ELECTRONIC SERVICES

**ATM SERVICE:** The LBS Financial Credit Union service is available 24 hours a day, seven days a week.

**OWNERSHIP OF CARD:** The term "ATM Card" or card refers to the ATM Card or VISA Debit Card subject to this Agreement as disclosed. The ATM Card is the property of the Credit Union and you agree to surrender the Card to the Credit Union promptly upon demand. We may revoke the Card any time without notice or liability. Only owners of the account may be issued ATM cards.

**CONFIDENTIALITY OF PIN:** You agree to hold your Personal Identification Number (PIN) in strict confidence, and you will notify the Credit Union immediately if either your Card or ATM PIN is lost or stolen. If the wrong PIN is entered three (3) times in a 24 hour period, the ATM may retain your ATM Card as a security measure.

**DEPOSITS:** You understand and agree that we accept funds deposited at an ATM subject to verification and collection, and receipts issued by an ATM are binding only after verification. Funds deposited by cash or check may be unavailable for withdrawal until verified and collected by the Credit Union. The delay will depend upon the Credit Union's policies as permitted by law, and you should refer to the Disclosure of Delayed Availability of Deposited Funds section of LBS Financial's Truth-In-Savings Disclosure of Membership Agreement & Account Terms.

**ACCESS TO ACCOUNTS:** Any person who receives a duplicate ATM Card (as requested by you), or who is permitted to use your ATM Card, is able to withdraw ALL MONEY in your account that you now have or may have in the future. We refer to such person as an authorized user, and you agree that an authorized user may withdraw funds from your accounts with the ATM Card regardless of whether that individual is authorized to withdraw funds from your accounts by means other than the use of the ATM Card.

**TRANSACTION AUTHORIZATION:** By using your ATM Card in conjunction with your PIN at any ATM, you authorize the Credit Union to provide account balance information, to make deposits, to make withdrawals and transfers into or from your accounts with the Credit Union, in accordance with the instructions given to the automated teller.

**TRANSACTIONS AVAILABLE:** The LBS Financial Credit Union ATM Card may be used: to withdraw cash from Checking or Savings, make account balance inquiries, transfer funds among sub-accounts of the same account number, make deposits to Checking or Savings, and make loan payments; and at Point-Of-Sale (POS) terminals to make electronic payment for purchases. **But not all services are available at all locations.** The specific details regarding the available services are as follows:

You may withdraw cash from or check the balance of your Regular Savings or Checking account at any LBS Financial, CO-OP® Network, STAR®, PLUS® Network or Farmers & Merchants Bankette® ATM.

You may transfer funds within the same account number at any of the LBS Financial, CO-OP® Network, STAR®, PLUS® Network or Farmers & Merchants Bankette® ATM.

Deposits to your Regular Savings or Checking account can be made only at LBS Financial ATMs and some of the CO-OP® Network and STAR® network ATMs. Payments on loans can be made only at LBS Financial ATMs.

Withdrawals, deposits, transfers and balance inquiries to your Money Market account can be made only at LBS Financial ATMs and some of the CO-OP® Network ATMs.

Purchases can be completed from your Checking account using your ATM Card at STAR® POS Network terminals.

You may get a receipt at the time you make any ATM Card transaction and you should retain this receipt to compare it with your LBS Financial statement.

**NOTICE:** For security reasons and for your protection, there are limits on the use of the ATM Card within specific time periods. If the security systems have been triggered, the Automated Teller Machine may retrieve and keep your card. These systems are created for the protection of you and us.

**ELECTRONIC CHECK CONVERSIONS:** You may authorize a merchant or other payee to make a one-time electronic payment from your LBS Financial Checking account using information from your check to:

- Pay for purchases
- Pay bills

**OVERDRAFTS:** Overdrafts resulting from EFT transactions may be covered by transferring funds from any and all Share (including Regular, Special, Checking and Money Market) accounts or VISA loans held at the Credit Union by any and all owners on the overdrawn account. Overdraft protection for your Checking account is available from all of the above referenced sources. Unless otherwise designated by you in writing, overdraft protection will come from your regular Share Savings account, then your LBS Financial VISA account (if applicable). Transfers from shares are for the amount needed to cover the overdraft, while transfers from loans are in \$50 increments.

Protection from any of the sources (listed above) may be set up for you by us to cover an overdraft, or requested by you at any time. Overdraft transfers from Regular or Special Savings and Money Market accounts are subject to Federal Reserve Bank Regulation D limitations and an overdraft fee of \$2.00 per transfer.

**LIMITATION ON TRANSACTIONS:** Subject to an available balance in your account, you may use your ATM Card to withdraw up to \$200.00 within any 24-hour period. ATM Card POS purchase transactions are limited to a maximum of \$350.00 within any 24-hour period.

**DOCUMENTATION OF TRANSFERS:** You may receive a receipt at the time you make any transaction at an ATM. Any new balance shown on the receipt:

1. If your balance after the transaction has been completed;
2. May not include deposits still subject to verification or collection (funds placed on hold) by us;

3. May differ from your records because of deposits in progress, outstanding checks, other withdrawals, payments or charges.

Also, you will receive periodic statements at least quarterly, and you will receive a monthly statement for any account which had Electronic Funds Transfer activity during the month.

**CARD RENEWAL:** For your protection, your ATM Card is issued with an expiration date. If your account is active and in good standing upon expiration of your ATM Card, we may issue you a renewal Card. We may not issue a renewal Card if your Account is not in good standing.

**ILLEGAL TRANSACTIONS:** You are prohibited from using your ATM Card, your card number or ATM PIN for illegal transactions including, but not limited to internet gambling. You agree to indemnify the Credit Union for illegal transactions you conduct using your ATM Card, Card numbers or ATM PIN.

**RIGHT TO RECEIVE DOCUMENTATION:** You may receive a receipt from the merchant or financial institution at the time you make a purchase, obtain a cash advance or at the time you make a transfer from your Checking account. You should retain this receipt to compare with your statement from us.

You will receive a monthly statement (unless there are no Electronic Funds Transfers in a particular month) for the account(s) which you have accessed using the ATM Card, which will show the effective date that you initiated the transaction, the type of transaction, and the amount of transactions occurring in that statement.

**VERIFICATION:** All transactions affected by use of the ATM Card or which would otherwise require your signature, or other authorized signature, shall be valid and effective as if signed by you when accomplished by use of the ATM Card and PIN. Deposits at an ATM are subject to verification and collection by us and are subject to our Disclosure of Delayed Availability, of Deposited Funds section of LBS Financial's Truth-In-Savings Disclosure of Membership Agreement & Account Terms. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope. This identification should include your name, the Credit Union name, member number, and the account to which you want the deposit to go. If it is a deposit to your Checking account, the deposit slip should be included. We may impose a fee for the research of ATM deposit adjustments.

**FOREIGN TRANSACTIONS AND CHARGES:** Any transaction done in a foreign country is subject to an International Service Assessment (ISA) fee. If there is no currency exchange, the ISA fee will be .80% of the transaction amount. For transactions negotiated in non-US currency, the exchange rate between the transaction and billing currency will be a rate selected by VISA from a range of rates available in the wholesale currency markets for the applicable processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect on the applicable central processing date, in each instance, plus a 1% adjustment assessed by LBS Financial.

## SAFETY TIPS FOR USING YOUR ATM CARD:

Your ATM Card provides you quick, convenient access to your money. We encourage you to be careful when using your Card. Here are some valuable tips:

- Memorize your PIN. Do not write it on your Card or have it written down on anything in your wallet.
- Keep your PIN a secret. Do not reveal your PIN to anyone. Someone you trust today may not be trustworthy tomorrow. If you suspect unauthorized use, notify the Credit Union immediately.
- Keep your ATM Card in a safe place. Protect it as you would cash or credit cards. If it is lost or stolen, notify the Credit Union immediately.
- Be aware of your surroundings. If someone looks suspicious, or if at night the ATM is not well lit, choose another ATM in a safer location.
- Consider having another person accompany you to the ATM.
- Be prepared. Place your checks or cash in an envelope and seal it before arriving at the ATM. Have your ATM Card ready to insert into the machine so you don't have to reach into your purse or wallet while at the ATM.
- When using an ATM or POS terminal, shield your actions so that people nearby can't see you enter your PIN or perform your transaction.
- Put your money and receipt away before leaving the ATM.
- Never give information about your ATM Card or account to strangers.

- Don't fall for "con" games. Use caution when asked to provide your Card number over the telephone or Internet. Report any suspicious requests to the Credit Union as soon as possible.
- Remember to record all transactions in your account register. Keep your receipts for reconciling with your account statement.

## **ADDITIONAL DISCLOSURES APPLICABLE TO PRE-AUTHORIZED DEPOSIT OF PAYCHECK, PAYROLL DEDUCTIONS, PENSION CHECKS, AND FEDERAL RECURRING PAYMENTS.**

If you have arranged to have pre-authorized electronic deposits of your paycheck, payroll deduction, pension checks, or Federal Recurring Payments, (for example: Social Security payments), the following information applies to you.

**ACCOUNT ACCESS:** Pre-authorized deposits may be made to your account(s).

**NOTIFICATION OF PRE-AUTHORIZED DEPOSITS:** If you have arranged with a third party (for example: the Social Security Administration) to make pre-authorized deposits to your account at least once every sixty (60) days, that third party making pre-authorized deposits may have agreed to notify you every time the party sends us money to deposit to your account. If you have not made such an arrangement you may telephone us at 714.893.5111, 562.598.9007 or 800.527.3328, and we will advise you whether or not the pre-authorized deposit has been made.

**DOCUMENTATION OF PRE-AUTHORIZED DEPOSITS:** You will receive a periodic statement at least quarterly, and will receive a monthly statement when a pre-authorized deposit is made to any account.

## **ADDITIONAL DISCLOSURES APPLICABLE TO PRE-AUTHORIZED PAYMENT SERVICES**

If you have requested a pre-authorized payment of insurance premiums, mortgage payments, etc., the following information applies:

### **RIGHT TO RECEIVE DOCUMENTATION OF PRE-AUTHORIZED PAYMENT:**

**INITIAL AUTHORIZATION:** You can get copies of the pre-authorized payment documentation from the third party being paid at the time you give them the initial authorization.

**NOTICE OF VARYING AMOUNTS:** If your pre-authorized payment may vary in amount, the party who will receive the payment is required to tell you ten (10) days before each payment, when it will be made and how much it will be. You may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

**PERIODIC STATEMENT:** You will receive a monthly statement for each month in which a transfer is made, but at least quarterly if no transfers are made.

**RIGHT TO STOP PRE-AUTHORIZED PAYMENT:** If you want to stop any pre-authorized payment:

Call us at the following numbers 714.893.5111, 562.598.9007 or 800.527.3328 or write us at LBS Financial Credit Union, P.O. Box 4860, Long Beach, CA 90804-0860, in time for us to receive your stop payment request (3) business days or more before the payment is scheduled to be made. You may call but you are required to put your request in writing and get it to us within fourteen (14) days after you call, or the oral stop pay order shall cease to be binding. If you stop payment on a pre-authorized payment from your account and that payment is a recurring debit, the stop only applies to a specific payment on a specific date for a specific amount. Items resubmitted by the payee may require an additional stop payment order or affidavit. We charge a Stop Payment Fee as established in our Schedule of Fees & Services, receipt of which you acknowledge with this Disclosure.

**RIGHT TO REVOKE AUTHORIZATION OF A PRE-AUTHORIZED PAYMENT:** If you revoke the authorization for a company to make pre-authorized

ized debits/payments from your account, you must sign an affidavit with us stating that you have notified the receiving company that you have revoked authorization for the payment to be made in a manner specified by the original authorization you signed with that company. By signing the affidavit, you are authorizing the Credit Union to revoke or cancel the entire pre-authorized third party arrangement to that third party payee.

**OUR LIABILITY FOR FAILURE TO STOP PAYMENT:** If you order us in writing to stop your pre-authorized payments three (3) business days or more before the transaction is scheduled and we do not do so, we will be liable for your losses or damages, to the extent provided by law.

**TRANSACTION LIMITATIONS:** For pre-authorized payments, there is no overdraft protection to your Regular Share account. EFT transactions (pre-authorized debits) may be made from the account you designate when you give authorization to the third party to the extent that funds are available in that designated account.

Pre-authorized debits are subject to limitations as stated in the Regulation D Transaction Limitations section of this Disclosure. Sufficient verified and collected funds must be available to satisfy your transaction instructions.

**NON-SUFFICIENT FUNDS (NSF) CHARGE:** If your account does not have sufficient funds to pay your pre-authorized payment(s), the request(s) for payment will be returned to the third party. Additionally, your account may be charged a Non Sufficient Funds fee as established in our Schedule of Fees & Services. You agree we may apply directly deposited government entitlements or benefits (including Social Security payments) to overdrafts and associated NSF fees.

## **ADDITIONAL DISCLOSURES APPLICABLE TO "CU ONLINE" INTERNET HOME BANKING, "eSTATEMENTS" ELECTRONIC STATEMENTS AND "HOMETELLER SERVICE" AUTOMATED TELEPHONE SERVICE**

The term "Home Banking" applies to both CU OnLine Internet Home Banking and HomeTeller. If you have requested or activated CU OnLine or HomeTeller Service, the following information applies to you.

**HOME BANKING SERVICE:** By requesting or activating Home Banking, you have given the Credit Union permission to enable you with access to your accounts via Home Banking Services (CU OnLine and HomeTeller). Service is available 24 hours a day, seven days a week, with minor interruptions for end-of-day data processing.

**MEMBER ACCESS AND RESPONSIBILITY:** When you instruct us through Home Banking to transfer funds between your accounts or to make a loan payment from your account, you authorize us to withdraw the necessary funds from the account you designate.

You agree to hold your PIN Number in strict confidence, and you will notify the Credit Union immediately if the PIN Number is lost or stolen. If you disclose your PIN Number to anyone, you understand that you have given them access to your accounts via Home Banking and that you are responsible for any transaction they conduct via Home Banking. You further understand that your PIN Number is not transferable.

If the wrong PIN Number is entered three (3) times, as a security measure, Home Banking services will be suspended and you will need to contact the Credit Union to reactivate them.

**TRANSACTIONS AVAILABLE:** Our Home Banking services will allow you to use your computer equipped with a modem, and your Internet Service Provider (CU OnLine) or your telephone (HomeTeller) and your PIN Number to access your accounts.

HomeTeller or CU OnLine may be used to electronically transfer funds from one sub-share account to another or to a sub-loan account or to request a withdrawal check from your Regular Savings, Money Market, Sub-Share, Checking or VISA Open-End Loan using a touchtone telephone or computer. In addition, you may also make balance inquiries on the Regular Savings, Money Market, Sub-Share or Sub-Loan accounts and you may be able to stop the payment of outstanding checks written against your Checking or Money Market account under certain circumstances. However, the Credit Union is not liable to you for any failure by it to affect a stop payment order which is made solely by HomeTeller or CU OnLine and not also made in writing in accordance with its usual requirements.

We may limit services available through Home Banking from time to time, at our discretion, and without prior notice unless advance notice is required by law. We may make changes or modifications to Home Banking including expanding or limiting services or transactions available. If we make changes to Home Banking and you continue to use Home Banking after the changes are made, you confirm your agreement to the changes.

Transactions made through Home Banking are binding only after verification by the Credit Union.

**POSTING:** Transactions occurring after normal day-end processing will be posted to the appropriate account(s) on the next business day after the date of such transaction.

**TRANSACTION LIMITATIONS:** Transfers are subject to limitations as stated in the Regulation D Transaction Limitations section of this Disclosure. Sufficient verified and collected funds must be available to satisfy your transaction instructions.

**PERIODIC STATEMENT:** We do not provide you with a separate written confirmation for transfers conducted through Home Banking. You will receive a periodic statement at least quarterly and will receive a monthly statement for any account which has Home Banking activity during the month, for the following transactions:

1. A withdrawal.
2. A transfer.
3. A loan payment made by a transfer to your Credit Union loan account.
4. In addition, you can confirm transactions via Home Banking by reviewing your account activity online.

**eSTATEMENTS:** You may elect to retrieve all periodic statements on your account(s) and loan(s) electronically in lieu of having us mail you a paper statement.

**BILL PAYER SERVICES AGREEMENT:** All payments you make through Bill Payer Service will be deducted from your designated Share Draft/Checking account. Any payee you wish to pay through Bill Payer must be payable in U.S. Dollars. We may establish from time to time categories of payees that you may not use in the Bill Payer Service (such as, federal, state or local government of tax unit).

There is no monthly fee for using Bill Payer. If you wish to discontinue Bill Payer, simply stop paying bills using the service (also, discontinue recurring payments). To reinstate the service, start paying bills utilizing Bill Payer.

You must allow sufficient time for the payee to receive and process the payment before the payment due date (the due date shown on your invoice or provided in your agreement with the payee, not taking into account any grace period provided by the payee). If you do not allow sufficient time, you will assume full responsibility for all late fees, finance charges, or other actions taken by payee. **IMPORTANT:** Payments may take up to 10 days to reach the vendor (payee), as they are sent either electronically or by check. LBS Financial is not liable for any service or late charges levied against you. You may make arrangements to pay certain recurring bills from your Share Draft/Checking account. The Credit Union is not liable for any damages you incur if you do not have sufficient funds in your account to make the payment on the processing date, if the estimated time allowed for delivery to the payee is inaccurate, or due to delays in mail delivery, changes of merchant address or account number, the failure of any merchant to account correctly for the payment in a timely manner, or for any other circumstances beyond the control of the Credit Union.

A Bill Payer email notice will be sent to you for transactions we are unable to process because of insufficient available funds. In all cases, you are responsible for either making alternate arrangements for the payment or rescheduling the payment through Bill Payer Service. Insufficient available funds will prevent us from making more payments until resolved.

You authorize us, and any third-party acting on our behalf, to choose the most effective method to process your payments. You will receive a transaction confirmation number for each properly instructed payment. Unless you receive a confirmation number, we shall not be liable for any failure to make a payment.

We may charge your Share Draft/Checking account on the day that a check or other transaction is presented to us directly or electronically for payment.

The Credit Union reserves the right to refuse to make any payments, but we will notify you of any such refusal within three (3) business days following receipt of your process date.

Under some circumstances, you may stop or modify some authorized payments. Payments designated as "Today" transactions cannot be stopped, canceled or changed once your Bill Payer Service session is terminated. In order to request a stop payment or change a Bill Payer Service transaction designated, you must contact the Credit Union.

This agreement, any user's manual, and the applicable fees and charges may be amended by us in the future. In the event of amendment, we shall send notice to you either by mail to your last known address or transmit such notice of the amendment over the Bill Payer Service. Your use of the Bill Payer Service following the receipt of such notice constitutes acceptance of such amendment.

**ONLINE EMAIL COMMUNICATIONS:** You can communicate with us via electronic mail (email) by logging on to our website and following the instructions for contacting us. However, you may only email us general questions and not account information questions. We will not respond to account information related questions sent to us via email. Also, you should not send us any confidential account information via email. We will only respond to email sent to us via our website. Account transactions are only performed upon receiving appropriate electronic forms, you cannot perform transactions on your account via email. You cannot request a stop payment or report any unauthorized transactions via email. Since these type of requests require expeditious handling, you must make these requests by calling, mailing a letter to us, or completing a stop payment form in our website. You agree that we may take a reasonable amount of time to act on any email we actually receive from you. Any information you receive from us in response to your email questions is provided on a best-efforts basis and is believed to be reliable but cannot be guaranteed. We are not responsible for any deficiencies in the accuracy, completeness, availability or timeliness of such information or any investment or other decision you make using this information. We will only respond to emails from the email address we have on file for you. If you change your email address you must notify us before your email address changes.

**OUR LIABILITY FOR HOME BANKING AND BILL PAYER SERVICES:** Except as specifically provided in this Agreement or where the law requires a different standard, you agree that the Credit Union shall not be responsible for any loss, property damage or bodily injury, whether caused by the equipment or software. Nor shall the Credit Union be responsible for any direct, indirect, special or consequential, economic or other damages arising in any way out of the use of the Home Banking or Bill Payer Service. The Credit Union is not responsible for computer viruses. Further, we will only be responsible for acting on instructions sent through Home Banking or Bill Payer Service, which are actually received by us. Except as otherwise stated in this Agreement or as required by law, our entire liability and your exclusive remedy with respect to Home Banking or Bill Payer Service, is the replacement of any browser or software, if any was provided by us to you.

**NO WARRANTIES:** The Credit Union makes no express or implied warranties concerning the Home Banking or Bill Payer Service including, but not limited to, any warranties of merchantability, fitness for a particular purpose or non infringement of third party proprietary rights unless disclaiming such warranties is prohibited by law. The Credit Union will provide electronic links to various service providers for your convenience. These services are provided to you via computer or telephonic transmission for use on compatible personal, home or small business computers, including internet appliances with modems, terminals or network computers that can connect to a telecommunications network. The Credit Union makes no warranties on the products or services offered by any electronic link.

**INDEMNIFICATION:** To the extent permitted by law, you agree to indemnify, defend and hold the Credit Union and our directors, officers, employees and agents harmless from and against any damage, loss or liability of any kind which we may incur including, without limitation, our reasonable attorney's fees and court costs that result directly or indirectly, in whole or in part, from your use of the services and performance of transactions via the Home Banking or Bill Payer Service.

**YOUR OBLIGATION TO REVIEW RECORDS AND REPORT DISCREPANCIES:** We do not provide you with a separate written confirmation for individual transfers conducted through the Bill Payer Service or HomeTeller Service. Confirmation is available through online information about your accounts and your periodic account statements.

## ADDITIONAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC TRANSFERS

**FEES:** The HomeTeller Service is offered with no fees, except that when you use it to perform a transaction (such as stopping payment of a check) which would normally be subject to a fee had you not used HomeTeller. You will be assessed the fee set forth on our Schedule of Fees & Services.

The CU OnLine Home Banking service is offered with no fees or charges except that when you use it to perform a transaction (such as stopping payment of a check) which would normally be subject to a fee had you not used CU OnLine. You will be assessed the fee set forth in our Schedule of Fees & Services.

The Bill Payer Service is subject to the fees listed in our Schedule of Fees & Services.

Electronic Pre-authorized Deposits and Payments Services are offered with no fees or charges except in the case of a non-sufficient funds or uncollected funds item, stop payment item or transfer of funds made for overdraft protection. In these cases the normal fees would be assessed as set forth in our Schedule of Fees & Services.

When you use the ATM Card there are no fees or charges for POS transactions at STAR® POS Network terminals and for Automated Teller Machine transactions at LBS Financial ATMs, or the CO-OP® Network or Farmers & Merchants Bank Bankette® ATMs.

All other transactions using your ATM Card (such as withdrawals, deposits, transfers, balance inquiries) at STAR® and PLUS® Network ATMs will be charged at **\$1.00 per transaction**.

A fee of \$5.00 will be charged for reversal or adjustment of any deposit at an ATM (regardless of location) due to a discrepancy in currency or negotiable instruments included in a deposit envelope. The fee will be charged at the time and to the account against which the adjustment is made.

You understand that we may offer additional services in the future. If so, you will be notified. The Credit Union reserves the right to impose other charges for electronic services after notice is given to you, as required by law.

**NOTICE REGARDING ATM FEES BY OTHERS:** If you use an Automated Teller Machine that is not operated by us or for a balance inquiry or electronic transfer (EFT), you may be charged a fee by the operator of the machine and/or by an automated transfer network.

**ACCOUNT ACCESS:** By requesting overdraft protection through funds transfers from a different Credit Union account, a cross-account relationship must be set up. You understand and agree that this cross-account relationship will automatically be activated for CU OnLine and Home Teller, enabling cross-account transfers via any of the Credit Union's electronic services.

**LOST OR STOLEN CARD OR PIN:** If you believe your ATM Card and/or PIN, HomeTeller PIN or CU OnLine/Bill Payer PIN, has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us immediately at 562.598.9007, 714.893.5111 or 800.527.3328 or write to us at the following address:

**LBS Financial Credit Union**  
P.O. Box 4860  
Long Beach, CA 90804-0860

**OVERDRAFTS:** We may transfer funds from your Regular Share account or VISA Line of Credit account(s) to pay overdrafts to your Share Draft account. Transfers from your Share account are limited to six (6) per month. Unless you direct us differently on your credit card application or through another written notice to us, we will first make such transfers from the Regular Share account (if funds are available), then from any VISA Gold account (up to the credit limit), then from any VISA Classic account. Transfers from the Regular Share account will be in exact increments. Transfers from VISA accounts will be in \$50.00 increments and are subject to finance charges as cash advances.

**COLLECTIONS:** You agree that the Credit Union shall be entitled to recover any money owed by you as a result of your use of the ATM Card, CU OnLine or HomeTeller Service and you agree to repay any withdrawals which create an overdrawn balance upon demand or if you are in default or have failed to satisfy your financial obligation to us. The Credit Union

has a security interest in your present and future shares or deposits and has the right to apply shares and/or deposits to any money you owe upon your default without further notice to you. If any legal action is required to enforce any provision of this Disclosure and Agreement or to recover money owed by you, you agree to pay all costs, including collection costs, attorney's fees, court costs, and any other charges incurred.

**TERMINATION OF ELECTRONIC SERVICES:** You may, by written request, and by actually discontinuing use of service, terminate any of the electronic services provided for in this Disclosure and Agreement. We reserve the right to terminate any or all of your electronic services, at any time, for any reason, in our sole and absolute discretion. Termination by any one account owner is binding on all account owners and we are not required to notify other account owners of the termination. Termination of electronic services does not terminate your account or agreements with us and will not affect your authorization for transfers or transactions prior to termination.

**ACH AND WIRE TRANSFERS:** This Agreement and Disclosure is subject to Article 4A of the Uniform Commercial Code – Fund Transfers as adopted in the State of California. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or account other than the one named. You agree to be bound by Automated Clearing House Association rules. These rules provide, among other things, that payment made to you, or originated by you, are provisional until final settlement is made through Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we receive a credit to an account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

**REGULATION D TRANSACTION LIMITATIONS:** During any month, you may not make more than 6 withdrawals or transfers **from your Regular Share or Salary Plan Share account** to another Credit Union Share or Share/Checking Draft account of yours or to a third party by means of a pre-authorized, automatic transfer or telephonic order or instruction. No more than 3 of the 6 may be made by check, draft or similar order to a third party. Transfers via Home Banking are considered to be by telephonic order.

**EFT TRANSACTIONS FOR LAWFUL PURPOSES ONLY:** Any financial service provided by the Credit Union may be used for any transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at the Credit Union's discretion. You further agree, should illegal use occur, to waive the right to sue for such activity directly or indirectly related to it. You also agree to indemnify and hold the Credit Union harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

You will receive periodic statements at least quarterly, and you will receive a monthly statement for any account which had Electronic Funds Transfer activity during the month.

**COPY RECEIVED:** You acknowledge receipt of a copy of this Disclosure and Agreement

**APPLICABLE LAW:** This Disclosure and Agreement shall be construed and governed in accordance with the laws of the State of California.

**SEVERABILITY:** If any part of this Disclosure and Agreement should be held to be unenforceable, the remaining provisions shall remain in full force and effect.

**NOTICE:** IF YOU DO NOT AGREE TO THE TERMS OF THIS DISCLOSURE AND AGREEMENT, DISCONTINUE USE OF LBS FINANCIAL ELECTRONIC SERVICES AND DESTROY YOUR ATM CARD IMMEDIATELY BY CUTTING IT IN HALF AND RETURNING IT TO LBS FINANCIAL CREDIT UNION, P.O. BOX 4860, LONG BEACH CA 90804-0860.

WE MAY AMEND THE TERMS OF THIS DISCLOSURE AND AGREEMENT AT ANY TIME AND WE WILL GIVE YOU WRITTEN NOTICE OF ANY AMENDMENTS AS REQUIRED BY APPLICABLE LAW UNLESS AN IMMEDIATE CHANGE IN TERMS OR CONDITIONS IS NECESSARY TO MAINTAIN OR RESTORE THE SECURITY OF AN ACCOUNT OR AN ELECTRONIC FUND TRANSFER SYSTEM.

## IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS

Telephone us at 562.598.9007, 714.893.5111 or 800.527.3328 or write us at LBS Financial Credit Union, P.O. Box 4860, Long Beach CA 90804-0860, as soon as you think your statement is wrong or if you need more information about a transaction listed on the statement or transaction receipt. You must tell us no later than sixty (60) days after the FIRST statement is sent to you 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 will require that you send us your dispute in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days and will correct any error promptly. If we need more time, however, we may instead take forty-five (45) calendar days to investigate your dispute or question. If we decide to do this, we will recredit your account within ten (10) business days, we may choose not to provisionally credit your account during the additional time that may be required to investigate your dispute or question.

**EXCEPTION:** We have up to twenty (20) business days to provisionally credit your account if the notice of error involves an electronic funds transfer to or from an account within thirty days after the first deposit to the account was made (i.e. new account). For new account transactions, or foreign-initiated transactions, or resulting from point-of-sale debit card transactions (including all debit card transactions, those for cash only, at merchants' POS terminals, and also including mail and telephone orders), we may take up to 90 calendar days to complete our investigation.

If we decide that there was no error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

If an Automated Clearing House (ACH) transaction (preauthorized recurring transfer) takes place that you did not authorize (never authorized, or previously authorized but cancelled, or authorized but for a different amount or different date), we must hear from you as soon as you are aware of the unauthorized transfers, or within sixty (60) days of our sending the periodic statement showing the unauthorized or erroneous entry. If you tell us orally, we will require you to give or send us a signed "ACH Stop Payment or Claim of Unauthorized Transaction" form.

**YOUR LIABILITY FOR UNAUTHORIZED TRANSACTIONS:** Tell us AT ONCE if you believe your ATM Card, PIN, CU OnLine or HomeTeller PIN has been lost, stolen or discovered by an unauthorized person. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account. If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your ATM Card, PIN, CU OnLine or HomeTeller PIN without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your ATM, PIN, CU OnLine or HomeTeller PIN, and we can prove that we could have stopped someone from using your Card or PIN without your permission if you had told us, you can lose as much as \$500.00.

Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may lose up to \$50.00 of the unauthorized transactions, and more importantly, you may not get back any money you lost after the sixty (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 hospital stay) kept you from telling us, we may extend the time periods. If you authorize someone else to use your ATM Card, PIN, CU OnLine or HomeTeller PIN you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction exceeds what you authorized.

**OUR LIABILITY:** If we do not complete a transaction on time or in the correct amount according to this Agreement, 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, your account does not contain enough money (or sufficient collected funds) to complete the transaction;
- If the transaction requested would exceed an unused credit limit;
- If a family member, friend or employee of a member conducts a transaction of which you claim is an unauthorized transaction;
- If the automated teller machine where you are making the transfer does not have enough cash;
- If the automated teller machine or system you are using was not working properly and you knew about the breakdown when you started the transaction;
- If circumstances beyond our control (such as fire or flood or electrical failure) prevent the transfer, despite reasonable precautions that we have taken;
- If your ATM Card, PIN, CU OnLine or HomeTeller PIN has been lost or stolen and we have blocked the account;
- If the funds in your account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;
- If the transaction information supplied to us by you or by third parties (e.g., terminal owners, affiliated networks, etc.) is incorrect or untimely;
- If your ATM Card has expired or is damaged so that the terminal cannot read the encoding strip, is inactive, because your PIN, CU OnLine or HomeTeller PIN has been entered incorrectly;

You fail to properly follow CU OnLine or HomeTeller instructions on how to make a transfer;

There is a malfunction in your personal computer, Internet Service Provider, browser and/or software;

If the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account;

There may be other exceptions stated in state or federal statutes or regulations.

## PRIVACY POLICY

We collect and may disclose non-public personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates, or others; and
- Information we receive from a consumer reporting agency.

We may disclose all of the collected non-public personal information about you to non-affiliated third parties as permitted by law. Examples of such service providers include data processors, check/share draft printers, financial statement printers, mail house and other companies with which we contract to provide products and services to you.

We may disclose all of the information we collect, as described above, to companies that perform marketing services on our behalf or to other financial institutions with whom we have joint marketing agreements.

We restrict access to non-public personal information about you to employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your non-public personal information.

We do not disclose nonpublic information about former members to non-affiliated third parties, except as permitted by law.

Mail: P.O. Box 4860 • Long Beach, CA 90804-0860  
5505 Garden Grove Blvd. • Westminster, CA 92683  
562.598.9007 • 714.893.5111 • 800.527.3328

[www.lbsfcu.org](http://www.lbsfcu.org)

