

HFS FEDERAL CREDIT UNION CHANGE IN TERMS NOTICE
ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

Publication Date: July 1, 2019

Effective Date: September 1, 2019

PLEASE READ CAREFULLY

The following changes to the Electronic Fund Transfers Agreement and Disclosure (the "EFT") are effective as of September 1, 2019. The EFT continues in full force and effect, subject to the following amendments:

1. EFT SERVICES – If approved, you may conduct any one (1) or more of the EFT services offered by the Credit Union.

c. Phone Banking (Audio Response). If we approve Phone Banking for your accounts, you will enroll using your account number and the last 4-digits of your social security number (SSN). You will be required to select a separate personal identification number (PIN). You must use your PIN along with your account number to access your accounts.

You may use Phone Banking to:

- Transfer funds from your share, share draft, special shares, money manager, Personal Line of Credit and Home Equity Line of Credit accounts.
- Obtain balance information for your share, share draft, loan, individual retirement account, share certificate, special shares, money manager, Personal Line of Credit and Home Equity Line of Credit accounts.
- Make loan payments from your share, share draft and money manager accounts.
- Access your Personal Line of Credit and Home Equity Line of Credit accounts.
- Determine if a particular item has cleared.
- Obtain tax information on amounts earned on share, share draft, special shares, money manager and share certificate accounts or interest paid on loan accounts.
- Verify recent transactions or search for a specific transaction by amount or draft check number.
- Change your Phone Banking Authorization (PIN) Code.

Your accounts can be accessed under Phone Banking via a touch-tone telephone only. Phone Banking service will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing.

The following limitations on Phone Banking transactions may apply:

- There is no limit to the number of inquiries, transfers or withdrawal requests you may make in any one (1) day.
- Transactions are limited to the available funds in your account.
- See Section 2 for transfer limitations that may apply to these transactions.

The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. The Credit Union may set other limits on the amount of any transaction, and you will be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each telephone call.

d. Preauthorized EFTs.

- **Direct Deposit.** Upon instruction of (i) your employer, (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or federal recurring payments, such as Social Security, to your share and/or share draft account.
- **Preauthorized Debits.** Upon instruction, we will pay certain recurring transactions from your share and/or share draft account.
- See Section 2 for transfer limitations that may apply to these transactions.
- **Stop Payment Rights.** If you have arranged in advance to make electronic fund transfers out of your account(s) for money you owe others, you may stop payment on preauthorized transfers from your account. You must notify us orally or in writing at any time at least three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within 14 days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding 14 days after it has been made. A stop payment request may apply to a single transfer, multiple transfers, or all future transfers as directed by you, and will remain in effect unless you withdraw your request or all transfers subject to the request have been returned.
- **Notice of Varying Amounts.** If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set.
- **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled and we do not do so, we will be liable for your losses or damages.

f. Online Banking. If Online Banking is activated for your account(s), you will be required to create a password within the characteristic and length requirements. You must use your password, along with your user identification (ID) to access your account(s).

You may use Online Banking to transfer funds as follows:

- Transfer funds to and from your share, share draft, special shares, money manager, Personal Line of Credit and Home Equity Line of Credit accounts.
- Transfer funds from your HFS account to other HFS member accounts. Other members can also initiate transfers into your account from their HFS account.
- Send a one-time transfer of funds from your HFS account to a Recipient with an account at a U.S. financial institution using our Send Money service.

You may also use Online Banking to:

- Obtain balance information for your share, share draft, loan, individual retirement account, share certificate, special shares, money manager, Personal Line of Credit, Home Equity Line of Credit and credit card accounts.
- Obtain advances from our eligible line of credit accounts and deposit them into your share, share draft, special shares or money manager accounts.
- Make check deposits to your share, share draft, special shares or money manager accounts using the camera on your mobile phone and/or tablet using the HFS Application (HFS App).
- Make loan and credit card payments from your share, share draft, special shares and money manager accounts.
- Determine if a share draft/check or electronic payment has cleared.
- Request a stop payment for a share draft you wrote on your HFS share draft account.
- Reorder checks (share drafts).
- Verify account history on shares and loan accounts.
- Utilize bill payment services to pay bills, change or cancel payments and add or change payees.
- View your account statements and images of cleared HFS share drafts.
- Set up to receive alerts and notifications regarding your accounts.

Your accounts can be accessed under Online Banking through a computer, mobile device, mobile application, or via text alert or text message (referred collectively as the "Devices"). Online Banking will be available for your convenience 24 hours per day. This service may be interrupted for a short time each day for data processing. We reserve the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit or lower an account below a required balance. We may set other limits on the amount of any transaction, and you will be notified of those limits. We may refuse to honor any transaction for which you do not have sufficient available verified funds. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction and there may be limits on the duration of each access.

The following limitations on Online Banking transactions may apply:

- There is no limit to the number of inquiries.
- Transactions are limited to the available funds in your account.
- See Section 2 for transfer limitations that may apply to these transactions.

Transaction limitations regarding the following products/services:

1. **Remote Deposit Capture:**
 - Maximum check amount allowed: \$5,000.00
2. **Send Money:**
 - Per transaction limit: \$1,000.00
 - Daily limit: \$5,000.00
 - Monthly limit: \$15,000.00
 - Limit of number of transactions per day: ten (10)

g. Online Bill Pay. We will process bill payment transfer requests only to those creditors the Credit Union has designated in the User Instructions and such creditors as you authorize and for whom the Credit Union has the proper vendor code number. We will not process any bill payment transfer if the required transaction information is incomplete.

We will withdraw the designated funds from your share draft account for bill payment transfer by the designated cutoff time on the date your schedule for payment. We will process your bill payment transfer within a designated number of days before the date you have scheduled for payment. You must allow sufficient time for vendors to process your payment after they receive a transfer from us. Please leave as much time as though you were sending your payment by mail. We cannot guarantee the time that any payment will be credited to your account by the vendor.

The following limitations on Online Bill Pay transactions may apply:

- There is no limit on the number of bill payments per day.
- Payments are limited to the available funds in your account with a:
 - Maximum transaction amount: \$25,000.00
 - Maximum amount per month: \$50,000.00
- Payments to billers outside of the United States or its territories are prohibited through the service.

2. TRANSFER LIMITATIONS – For all share, special share, money manager account and line of credit accounts, you may make no more than six (6) transfers and withdrawals from your account to another account of yours, from your account to another HFS member account or from your account to a third party in any month by means of a preauthorized, automatic, or Internet transfer, by telephonic order or instruction, or by check, draft, debit card or similar order. If you exceed these limitations, your account may be subject to a fee or be closed. See separate terms and conditions contained in the Bill Pay Agreement and Person to Person (P2P) Service, E-Signature and Electronic Disclosures Agreement for more information on transfer limitations for the online bill pay and person to person payment transfers.

3. CONDITIONS OF EFT SERVICES –

f. Access to Family of Accounts. Your primary share account may have multiple subaccounts attached to it, such as draft (checking) accounts, share certificates, credit cards, loans, lines of credit and mortgages. Your primary share account and all subaccounts attached to it are referred to as a "family of accounts." Any person with access to the account or any subaccount has access to all information in the entire "family of accounts," even if that person does not have authority to make transactions in those other account or subaccounts. The information may include, for example, transactions, account history, balances, delinquencies, loans, applications, disbursements of funds, deposits, withdrawals, debits, draws, charges, transfers, payments, security, account statements, payable on death (POD) payees, and any other information concerning any account or subaccounts in the "family of accounts."

g. Authentication Code. If you or any other authorized person permits a third party to use an account authentication code (such as a user ID, password, passcode, personal identification number (PIN), or other access code) you and all other owners of the Account are responsible for all transactions that the third party authorizes or conducts, even if the third party exceeds the permission given to the third party. This means that the third party may make transactions in all accounts and subaccounts that can be accessed with the authentication code, whether or not the third party would otherwise have authority to make transactions in those accounts and subaccounts. Access includes all accounts and subaccounts, whether or not they are in the same "family of accounts." See section 3(f) for definition of Family of Accounts. By giving the third party the authentication code, the third party is authorized to conduct any transaction (and receive any information) that the Account Owner could conduct (or receive) with the authentication code. If you do not want this to occur, change your authentication code and do not give your authentication code to others.

You agree to indemnify, defend, and hold HFS Federal Credit Union harmless against all claims regarding information given to any joint owner or any third party to whom you or any other Authorized Person has given access. The Credit Union may require you to execute a separate form of consent and indemnification as a condition of providing access.

10. NOTICES –

d. Notify Us of Any Change in Your Information. You agree to notify us of any change in your current contact information including your e-mail address, post office address, physical address and phone number, by visiting any of our branch offices, calling us at (808) 930-1400 for the Island of Hawaii, (800) 216-2666 for Neighbor Islands and Continental USA, sending us an e-mail at hfs_operations@hfsfcu.org or by writing to us at: HFS Federal Credit Union, 632 Kinoole Street, Hilo HI 96720-3894. You may update your e-mail address at any time by logging onto online banking and clicking on the menu option labeled "Manage Contact Info". If you need information on how to update your e-mail address, request a paper copy or any other questions, please contact us during regular business hours.

If you have any questions about the foregoing changes or would like to discuss other account options, you may contact us by visiting any of our branch offices, calling us at (808) 930-1400 for the Island of Hawaii, (800) 216-2666 for Neighbor Islands and Continental USA, sending us an e-mail at hfs_operations@hfsfcu.org or by writing to us at: HFS Federal Credit Union, 632 Kinoole Street, Hilo HI 96720-3894.