

ELECTRONIC FUND TRANSFERS AGREEMENT AND DISCLOSURE

This Electronic Fund Transfers Agreement and Disclosure is the contract which covers your and our rights and responsibilities concerning the electronic fund transfers (EFT) services offered to you by HFS Federal Credit Union ("Credit Union"). In this Agreement, the words "you," "your," and "yours" mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words "we," "us," and "our" mean the Credit Union. The word "account" means any one (1) or more share and share draft accounts you have with the Credit Union. Electronic fund transfers are electronically initiated transfers of money from your account through the EFT services described below. By signing an application or account card for EFT services, signing your card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered. Furthermore, electronic fund transfers that meet the definition of remittance transfers are governed by 12 C.F.R. part 1005, subpart B—Requirements for remittance transfers, and consequently, terms of this agreement may vary for those types of transactions. A "remittance transfer" is an electronic transfer of funds of more than \$15.00 which is requested by a sender and sent to a designated recipient in a foreign country by a remittance transfer provider. Terms applicable to such transactions may vary from those disclosed herein and will be disclosed to you at the time such services are requested and rendered in accordance with applicable law.

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

a. ATM Card. If approved, you may use your card and personal identification number (PIN) in automated teller machines (ATMs) of the Credit Union, PULSE and PLUS networks, and such other machines or facilities as the Credit Union may designate. At the present time, you may use your card to:

- Withdraw funds from your designated share accounts.
- Obtain balance information for your designated share accounts.

The following limitations on ATM Card transactions may apply:

- There is no limit on the number of cash withdrawals you may make in any one (1) day.
- You may withdraw up to a maximum of \$500.00 in any one (1) day, if there are available funds in your account.
- For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.
- See Section 2 for transfer limitations that may apply to these transactions.

b. Debit Card. If approved, you may use your Visa® card to purchase goods and services from participating merchants. However, you may not use your card to initiate any type of electronic gambling transactions through the Internet. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law. Funds to cover your card purchases will be deducted from your share draft account. For one-time debit card transactions, you must consent to the Credit Union's Overdraft Service in order for the transaction amount to be covered under the service. Without your consent, the Credit Union may not authorize and pay an overdraft resulting from these types of transactions. Services and fees for overdrafts are shown in the document the Credit Union uses to capture the member's opt-in choice for overdraft services and the Schedule of Fees and Charges.

For other types of transactions, if the balance in your account is not sufficient to pay the transaction amount, the Credit Union may pay the amount and treat the transaction as a request to transfer funds from other deposit accounts, approved overdraft protection accounts, or loan accounts that you have established with the Credit Union. If you initiate a transaction that overdraws your account, you agree to make immediate payment of any overdrafts together with any service charges to the Credit Union. In the event of repeated overdrafts, the Credit Union may terminate all services under this Agreement. You may use your card and personal identification number (PIN) in ATMs of the Credit Union, PULSE and PLUS networks, and such other machines or facilities as the Credit Union may designate.

At the present time, you may also use your card to:

- Withdraw funds from your share and share draft accounts.
- Transfer funds between your share and share draft accounts.
- Obtain balance information for your share and share draft accounts.
- Access your Line of Credit account through your established Overdraft Protection Plan.
- Make point-of-sale (POS) transactions with your card and personal identification number (PIN) to purchase goods or services at merchants that accept Visa Debit Card or at POS terminals that display PULSE and PLUS network logo(s).
- Order goods or services by mail, internet or telephone from places that accept Visa Debit Cards.

The following limitations on Debit Card transactions may apply:

- There is no limit on the number of Debit Card purchases you make per day.
- Purchase amounts are limited to the amount in your account.
- There is no limit to the number of cash withdrawals you may make in any one (1) day from an ATM machine.
- You may withdraw up to a maximum of \$500.00 in any one (1) day from an ATM machine, if there are sufficient funds in your account.
- There is no limit on the number of POS transactions you may make in any one (1) day.
- You may purchase up to a maximum of \$5,000.00 from POS terminals per day, if there are sufficient funds in your account.
- For security purposes, there are other limits on the frequency and amount of transfers available at ATMs.

- You may transfer up to the available balance in your accounts at the time of the transfer.
- See Section 2 for transfer limitations that may apply to these transactions.

Card Information Updates and Authorizations. If you have authorized a merchant to bill charges to your card on a recurring basis, it is your responsibility to notify the merchant in the event your card is replaced, your card information (such as card number and expiration date) changes, or the account associated with your card is closed. However, if your card is replaced or card information changes, you authorize us, without obligation on our part, to provide the updated card information to the merchant in order to permit the merchant to bill recurring charges to the card. You authorize us to apply such recurring charges to the card until you notify us that you have revoked authorization for the charges to your card.

Your card is automatically enrolled in an information updating service. Through this service, your updated card information (such as card number and expiration date) may be shared with participating merchants to facilitate continued recurring charges. Updates are not guaranteed before your next payment to a merchant is due. You are responsible for making direct payment until recurring charges resume. To revoke your authorization allowing us to provide updated card information to a merchant, please contact us.

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.

e. Electronic Check Conversion/Electronic Returned Check Fees. If you pay for purchases or bills with a check or share draft, you may authorize your check or share draft to be converted to an electronic fund transfer. You may also authorize merchants or other payees to electronically debit your account for returned check fees. You are considered to have authorized these electronic fund transfers if you

complete the transaction after being told (orally or by a notice posted or sent to you) that the transfer may be processed electronically or if you sign a written authorization.

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.

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 your 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 online banking 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.
- Organize, consolidate, manage and track financial information through the personal financial management solution provided through MX.

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. Mobile Deposit:

- Maximum check amount allowed: \$5,000.00.

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 you 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.
- Pay a Person. For payments to an individual such as a friend or relative:
 - Maximum transaction amount per item: \$1,000.00.
 - Maximum transaction amount per day: \$5,000.00.
- Pay a Company. For payments to a company such as a financial institution or utility company:
 - Maximum transaction amount: \$25,000.00.
 - Maximum transaction amount per day: \$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.
- See Section 2 for transfer limitations that may apply to these transactions.

h. Biller Direct. We provide a card enabled bill payment service (Service) via Biller Direct that allows you to make bill payments to certain third-party service providers by accessing your accounts on such Service Providers websites and online via the Credit Union's Online Banking service. The Service allows you to make bill payments using funds from your HFS Debit or Credit Card and from any other debit or credit card you choose as your Funding Account(s).

In order to use the Service, you will need to link your accounts on the Payee sites to the Service by providing us with the information necessary to access such accounts (such as usernames and passwords). Some Payees may not allow us to access your account on Payee Sites on your behalf.

By initiating a bill payment through the Service, you authorize us to charge the Funding Account(s) that you designate to pay such bill. You must allow sufficient time for the third-party service provider to process your payment after they receive a transfer from us. Payments may be processed immediately or they may take 1 to 3 business days to post to your Funding Account(s) depending on the provider and payment method used to pay the bill. There may also be delays on weekends and holidays. Your bill will be paid by the end of the day on your desired payment date. However, in some cases it may take up to 24 hours for the bill to be paid based on the third-party service provider. Payees may make changes to Payee Sites and/or other services, with or without notice to us, that may affect overall performance of the Payment Service and prevent or delay payment to such Payees. Certain Payees may not accept payment from all types of funding sources (for example, not all Payee Sites may accept credit cards).

With Biller Direct:

- You may change your Funding Accounts through our *CardSwap online service*.
- A dashboard is available for you to view and control all of your third-party service providers, billers and merchants in one place.

The following Limitations on Biller Direct transactions may apply:

- Payments are limited to the available funds in your debit or credit card account(s).
- We may, in Our sole discretion, impose limits on the number and amount of payments, in aggregate, that you can send using the Payment Service.
- See Section 2 for transfer limitations that may apply to these transactions.

i. Terms and Conditions for Services. Your use of EFT services is subject to the Terms and Conditions for each service. Links to the Terms and Conditions for the respective EFT services appear when you log on to the service. If you do not agree to the Terms and Conditions, log out of the service without making a transaction or using the service. You may contact the Credit Union to turn off the service.

2. TRANSFER LIMITATIONS — For all share, special share, and money manager 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 Online Banking Agreement, Bill Pay Service Agreement, Biller Direct Payment Service Agreement, CardSwap Service Agreement, and Mobile Deposit Service Agreement for more information on transfer limitations for online services.

3. CONDITIONS OF EFT SERVICES —

a. Ownership of Cards. Any card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the card, immediately according to instructions. The card may be repossessed at any time at our sole discretion without demand or notice. You cannot transfer your card or account to another person.

b. Honoring the Card. Neither we nor merchants authorized to honor the card will be responsible for the failure or refusal to honor the card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your account in lieu of a cash refund.

c. Foreign Transactions.

Visa. Purchases, cash advances and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable transaction date, which rate may vary from the rate Visa itself receives, or the rate mandated by the government or governing body in effect for the applicable transaction date. The exchange rate used on the transaction date may differ from the rate that would have been used on the processing date or cardholder statement posting date.

Transactions completed by merchants outside of the United States are considered foreign transactions, regardless of whether you are located inside or outside the United States at the time of the transaction. A fee will be charged on all transactions completed outside of the United States, where the cardholder's country code differs from the merchant's country code. In addition, a fee will be charged on all transactions completed in a foreign currency. All fees are calculated based on the transaction amount after it is converted to U.S. dollars. These fees are charged except where excluded. Please see our current Schedule of Fees and Charges to determine the service fees.

d. Security of Access Code. You may use one (1) or more access codes with your electronic fund transfers. The access codes issued to you are for your security purposes. Any access codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the card. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes, that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that any joint owner you

authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

e. Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any share and share draft or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and is hereby authorized by every other joint account owner, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner.

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.

4. FEES AND CHARGES — We assess certain fees and charges for EFT services. For a current listing of all applicable fees and charges, see our current Schedule of Fees and Charges that was provided to you at the time you applied for or requested these EFT services. From time to time, the fees and charges may be changed, and we will notify you as required by applicable law.

Additionally, if you use an ATM not operated by us, you may be charged a fee(s) by the ATM operator and by any international, national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). The ATM fee(s), or surcharge(s), will be debited from your account if you elect to complete the transaction and/or continue with the balance inquiry.

You understand and agree that we and/or the ATM operator may charge you multiple fees for multiple transactions during the same ATM session (for example, fees for both a balance inquiry and a cash withdrawal).

5. MEMBER LIABILITY — You are responsible for all transactions you authorize using your EFT services under this Agreement. If you permit someone else to use an EFT service, your card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts.

TELL US AT ONCE if you believe your card or access code has been lost or stolen, if you believe someone has used your card or access code or otherwise accessed your accounts without your authority, or if you believe that an electronic fund transfer has been made without your permission using information from your check. 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 a transaction was made with your card or card number without your permission and was a Visa transaction, you will have no liability for the transaction, unless you were fraudulent or negligent in the handling of your account or card.

For all other EFT transactions involving your card or access code, including if you were negligent in the handling of your account or card, your liability for an unauthorized transaction is determined as follows. If you tell us within two (2) business days after you learn of the loss or theft of your card or access code, you can lose no more than \$50.00 if someone used your card or access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card or access code and we can prove we could have stopped someone from using your card or access code 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 including those made by card, access code or other means, 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 lost after the 60 days if we can prove that we could have stopped someone from making the transfers if you had told us in time. If a good reason (such as a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your card or access code has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, call:

Card Services Customer Service Toll-Free at 1-866-652-7214, seven days a week, 24 hours a day to report a lost or stolen card or contact the Credit Union during business hours at:

(808) 930-1400 - Island of Hawaii or Toll-Free at (800) 216-2666 - Neighbor Islands & Continental U.S.A.

or write to:

HFS Federal Credit Union
Attn: Transaction Services
632 Kinoole Street
Hilo, HI 96720-3894

You should also call the Credit Union 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.

6. RIGHT TO RECEIVE DOCUMENTATION —

a. Periodic Statements. Transfers and withdrawals made through any ATM or POS terminal, debit card transactions, audio response transactions, preauthorized EFTs, Online Banking transactions or bill payments you make will be recorded on your periodic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly.

b. Terminal Receipt. You can get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM and/or point-of-sale (POS) terminal.

c. Direct Deposit. If you have arranged to have a direct deposit made to your account at least once every 60 days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling (808) 930-1400 or (800) 216-2666. This does not apply to transactions occurring outside the United States.

7. ACCOUNT INFORMATION DISCLOSURE — We will disclose information to third parties about your account or the transfers you make:

- As necessary to complete transfers;
- To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- If your account is eligible for emergency cash and/or emergency card replacement services and you request such services, you agree that we may provide personal information about you and your account that is necessary to provide you with the requested service(s);
- To comply with government agency or court orders; or
- If you give us your written permission.

8. BUSINESS DAYS — Our business days are Monday through Friday, excluding holidays.

9. CREDIT UNION 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 or damages. However, we will not be liable for direct or consequential damages in the following events:

- If, through no fault of ours, there is not enough money in your accounts to complete the transaction, if any funds in your accounts necessary to complete the transaction are held as uncollected funds pursuant to our Funds Availability Policy Disclosure, or if the transaction involves a loan request exceeding your credit limit.
- If you used your card or access code in an incorrect manner.
- If the ATM where you are making the transfer does not have enough cash.
- If the ATM was not working properly and you knew about the problem when you started the transaction.
- If circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction.
- If the money in your account is subject to legal process or other claim.
- If funds in your account are pledged as collateral or frozen because of a delinquent loan.
- If the error was caused by a system of any participating ATM network.
- If the electronic transfer is not completed as a result of your willful or negligent use of your card, access code, or any EFT facility for making such transfers.
- If the telephone or computer equipment you use to conduct audio response or Online Banking transactions is not working properly and you know or should have known about the breakdown when you started the transaction.
- If you have bill payment services, we can only confirm the amount, the participating merchant, and date of the bill payment transfer made by the Credit Union. For any other error or question you have involving the billing statement of the participating merchant, you must contact the merchant directly. We are not responsible for investigating such errors.
- Any other exceptions as established by the Credit Union.

10. NOTICES —

a. General. All notices from us will be effective when we have mailed them or delivered them to the last known address in the Credit Union's records. If you have consented to receiving notices electronically, notice to you also will be effective when we notify you in accordance with that agreement. Written notice you provide in accordance with your responsibility to report unauthorized transactions to us will be considered given at the time you mail the notice or deliver it for transmission to us by any other usual means. All other notices from you will be effective when received by the Credit Union at the address specified in this Agreement and we have sufficient time to act upon it. We reserve the right to change the terms and conditions upon which EFT services are offered and will provide notice to you in accordance with applicable law. Use of EFT services is subject to existing regulations governing your Credit Union account and any future changes to those regulations.

b. How to Reach Us Quickly. We may not immediately receive and review e-mail messages that we receive. We will not take action based on e-mail requests until a Credit Union employee actually reviews the message and has a reasonable opportunity to act. If your

request requires immediate attention, you may notify us at (808) 930-1400 for the Island of Hawaii, (800) 216-2666 for Neighbor Islands and Continental USA, or write to us at: HFS Federal Credit Union, 632 Kinoole Street, Hilo HI 96720-3894, or visit any of our branch offices.

c. Protect your Information. Please do not provide confidential information in your e-mail. We will never contact you by e-mail, telephone, mail or other type of correspondence and request your user ID, password, passcode, personal identification number (PIN) or other access code. If you are contacted by anyone asking for your user ID, password, passcode, PIN or other access code, you should refuse and immediately contact us. You may be the target of identity theft.

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.

e. ATM and Night Deposit Safety. The following information is a list of safety precautions regarding the use of ATMs and night deposit facilities:

- Be aware of your surroundings, particularly at night.
- Consider having someone accompany you when the ATM or night deposit facility is used after dark.
- Close the entry door of any ATM facility equipped with a door.
- If another person is uncomfortably close to you at the time of your transaction, ask the person to step back before you complete your transaction. If it is after the regular hours of the financial institution and you are using an ATM, do not permit entrance to any person you do not know.
- Refrain from displaying your cash at the ATM or night deposit facility. As soon as your transaction is completed, place your money in your purse or wallet. Count the cash later in the safety of your car or home.
- If you notice anything suspicious at the ATM or night deposit facility, consider using another ATM or night deposit facility or coming back later. If you are in the middle of a transaction and you notice something suspicious, cancel the transaction, take your card or deposit envelope, and leave.
- If you are followed after making a transaction, go to the nearest public area where people are located.
- Do not write your personal identification number (PIN) or access code on your ATM card.
- Report all crimes to law enforcement officials immediately. If emergency assistance is needed, call the police from the nearest available public telephone.

11. BILLING ERRORS — In case of errors or questions about electronic fund transfers from your share and share draft accounts or if you need more information about a transfer on the statement or receipt, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem appears. Call us at:

During Credit Union Hours

(808) 930-1400 – Island of Hawaii

(800) 216-2666 (Toll Free) – Neighbor Islands & Continental U.S.A.

or write to:

HFS Federal Credit Union
Attn: Transaction Services
632 Kinoole Street
Hilo, HI 96720-3894

- Tell us your name and account number.
- Describe the electronic transfer you are unsure about and explain, as clearly as you can, why you believe the Credit Union has made an error or why you need more information.
- 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 ten (10) business days.

We will determine whether an error has occurred 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 45** days to investigate your complaint or question. If we decide to do this, we will 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 question in writing and we do not receive it within ten (10) business days, we may not credit your account.

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

* If you give notice of an error occurring within 30 days after you make the first deposit to your account, we may take up to 20 business days instead of ten (10) business days to investigate the error.

** If you give notice of an error occurring within 30 days after you make the first deposit to your account, notice of an error involving a point-of-sale (POS) transaction, or notice of an error involving a transaction initiated outside the U.S., its possessions and territories, we

may take up to 90 days instead of 45 days to investigate the error. Additionally, for errors occurring within 30 days after you make the first deposit to your account, we may take up to 20 business days instead of ten (10) business days to credit your account.

NOTE: If the error you assert is an unauthorized Visa transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit as described above.

12. TERMINATION OF EFT SERVICES — You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your card and any access code. You must return all cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your card or access code for any EFT service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any electronic transactions made prior to termination.

13. GOVERNING LAW — This Agreement is governed by the bylaws of the Credit Union, federal laws and regulations, the laws and regulations of the state of Hawaii, and local clearinghouse rules, as amended from time to time. Any disputes regarding this Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

14. ENFORCEMENT — You are liable to us for any losses, costs or expenses we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such losses, costs or expenses from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any postjudgment collection actions.

15. APPLICABILITY — This agreement covers accounts established for consumer purposes. This agreement does not cover accounts established for business purposes.