

## CHIEF FINANCIAL CREDIT UNION

200 DIVERSION ST  
ROCHESTER HILLS, MI 48307  
800-844-5440

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### Electronic Fund Transfers Disclosure

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Chief Financial Credit Union offers a number of services to its customers, which involve electronic funds transfers. These include transactions initiated with a transaction card (ATM card or Debit MasterCard), telephone transfers initiated by using a personal identification number, Personal Computer (PC) using Online Banking on the Internet, bill payments by Personal Computer using Online Banking on the Internet, Mobile Banking via Online Banking, direct deposit of payroll, pre-authorized bill payments, transfers between financial institutions and telephone initiated requests for advances under certain programs. You may access your account(s) to purchase goods, pay for services, or get cash where a check is presented at a Point of Sale terminal or is mailed to a merchant or other payee or lockbox and later converted to an Electronic Funds Transfer, and electronic returned check charges. As a member of the Credit Union you may make use of one or more of these services.

#### Electronic Funds Transfers Initiated by Third Parties

You may authorize a third party to initiate electronic funds transfers between your account and the third party's account. These transfers to make or receive payment may be one-time occurrences or may recur as directed by you. These transfers may use the Automated Clearinghouse (ACH) or other payments network. Your authorization to the third party to make these transfers can occur in a number of ways. In some cases, your authorization can occur when the merchant post a sign informing you of their policy. In all cases, the transaction will require you to provide the third party with your account number and credit union information. This information can be found on your check or draft as well as on a deposit or withdrawal slip. Thus, you should only provide your credit union and account information (whether over the phone, the internet, or via some other method) to trusted third parties whom you have authorized to initiate these electronic funds transfers. Examples of these transfers include but are not limited to:

- \* Preauthorized credits. You may make arrangements for certain direct deposits to be accepted into your share draft checking or regular share savings account.
- \* Preauthorized payments. You may make arrangements to pay certain recurring bills from your share draft checking or regular share savings account(s).
- \* Electronic Check or Draft Conversion. You may provide your check or draft to a merchant or service provider who will scan the check or draft for the encoded credit union and account information. The merchant or service provider will then use this information to convert the transaction into an electronic funds transfer. This may occur at the point of purchase, or when you provide your check or draft by other means such as by mail or drop box.
- \* Electronic returned check or draft charge. Some merchants or service providers will initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

#### CU\*Talk (Phone)

Types of Transactions – You may access your account by telephone at (248)253-7900 option 2, or 1-844-257-0604 (out of local calling area), using your personal identification number, a touchtone phone and your account number, to:

- \* make payments from share savings to loan accounts with us.
- \* make payments from share draft checking to loan accounts with us.
- \* get information about:
  - the account balance of share draft accounts
  - the account balance of share savings accounts
  - the last 20 transactions on these accounts
- \* transfer funds from regular share savings to share draft checking account(s)
- \* transfer funds from share draft checking account(s) to regular share savings account(s)
- \* transfer funds from share draft checking account(s) to money market account(s)
- \* transfer funds from share savings to share savings account(s)
- \* transfer funds from share savings to money market account(s)

There are no limits on frequency of transactions per day.

### **ATM – types of transfers and dollar limitations**

You may access your account(s) by ATM using your ATM card and personal identification number to:

- \* make deposits to share draft checking account(s)
- \* make deposits to regular share savings account(s)
- \* get cash withdrawals from share draft checking account(s)
  - you may withdraw no more than \$500.00 per day
- \* get cash withdrawals from regular share savings account(s)
  - you may withdraw no more than \$500.00 per day
- \* transfer funds from regular share savings to share draft checking account(s)
- \* transfer funds from share draft checking account(s) to regular share savings account(s)
- \* get information about:
  - the account balance of share draft accounts
  - the account balance of share savings accounts

Some of these services may not be available at all terminals.

### **ATM Fees**

When you use an ATM not owned by us, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

### **Debit Card – types of transfers and dollar limitations**

You may access your account(s) by ATM with your Debit MasterCard and personal identification number (PIN), to:

- \* make deposits to share draft checking account(s)
- \* make deposits to regular share savings account(s)
- \* get cash withdrawals from share draft checking account(s)
  - you may withdraw no more than \$1000.00 per day
- \* get cash withdrawals from regular share savings account(s)
  - you may withdraw no more than \$1000.00 per day
- \* transfer funds from regular share savings to share draft checking account(s)
- \* transfer funds from share draft checking account(s) to regular share savings account(s)
- \* get information about:
  - the account balance of share draft accounts
  - the account balance of share savings accounts

Some of these services may not be available at all terminals.

### **Point-of-Sale Transactions (Debit MasterCard)**

You may access your share draft account(s) to purchase goods (in person, online, or by phone), pay for services (in person, online, or by phone), get cash from a merchant, if the merchant permits, or from a participating financial institution, and do anything that a participating merchant will accept.

- \* Point-of-Sale Transactions – dollar limitations – if there are sufficient funds:
  - you may purchase up to \$2500.00 worth of goods or services using your card as credit. (signature)
  - you may purchase up to \$1000.00 worth of goods or services using your card as debit. (pin)

If you exceed your available balance or overdraft protection, you agree to pay any overdraft.

If you have opted in to overdraft service, you agree to pay overdraft and any related charges.

### **Home Banking or Mobile Banking**

Types of transfers – You may access your account by computer <http://www.chiefonline.com> or approved mobile device and using your access ID and passcode to:

- \* transfer funds from share draft to share draft
- \* transfer funds from share draft to share savings
- \* transfer funds from share savings to share draft
- \* transfer funds from share savings to share savings
- \* transfer funds from share savings to money market
- \* transfer funds from share draft to money market
- \* make payments from share draft to loan accounts with us.
- \* make payments from share savings to loan accounts with us.
- \* make payments from money market to loan accounts with us.
- \* make payments from share draft to third party.
- \* get balance information about share, share draft, certificate, money market, or loan accounts
- \* get withdrawal history about share or share draft

- \*get deposit history about share or share draft
- \* get transaction history about share, share draft, or loans

### **Bill Payment Service**

You may access this service by computer by computer <http://www.chiefonline.com> or approved mobile device app and using your access ID and Passcode. You may access this service to:

- \*make payments from share draft account(s) to third party.

### **UCC 4A Disclosures**

*RDFI*

#### **Provisional Payment**

Credit given by Chief Financial to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement, you are hereby notified and agree that Chief Financial is entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e., the originator of the entry) shall not be deemed to have paid you the amount of such entry.

Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

Chief Financial may accept on your behalf payments to your account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the state of Michigan as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account.

#### **Advisory Against Illegal Use**

You agree not to use your card(s) for illegal purposes. Display of a payment card logo by, for example, an online merchant does not necessarily mean that the transactions are lawful in all jurisdictions in which the cardholder may be located.

#### **Currency Conversion and International Transactions**

When you use your Debit MasterCard at a merchant that settles currency other than US Dollars, the charge will be converted to US dollar amount. The Currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by MasterCard from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the MasterCard rate itself receives, or the government mandated rate in effect for the applicable central posting date, plus 1%. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction date or posting date. MasterCard will impose a 0.8% fee on foreign transactions where a currency conversion is not performed. We pass the international transaction fee to you. An international transaction is a transaction where the country of the merchant is outside of the USA.

#### **Consumer Liability**

Tell us AT ONCE if you believe your card and/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your share draft. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft). If you tell us within 2 business days after you learn of the loss or theft of your ATM or Debit MasterCard, you can lose no more than \$50.00 if someone used your card and/or code without permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your ATM or Debit MasterCard, and we can prove we could have stopped someone from using your ATM or Debit MasterCard 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, 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 you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay), kept you from telling us, we will extend the time periods. Contact in the event of Unauthorized Transfer. If you believe your card and/or code has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call or write us at the telephone number or address listed in this brochure.

## **Business Day**

For the purposes of these disclosures, our business days are Monday through Friday, excluding holidays.

## **Fees**

\*We do not charge for direct deposit to any type of account.

\* We do not charge for preauthorized payments from any type of account.

Except where indicated elsewhere, we do not charge for these electronic fund transfers.

ATM Operator/Network Fees. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used (and you may be charged a fee for balance inquiry even if you do not complete a funds transfer).

## **Confidentiality**

We will disclose information to third parties about your account or the transfers you make:

- (1) Where it is necessary for completing transfers; or
- (2) In order to verify the existence and condition of your account for a third party, such as credit bureau or merchant; or
- (3) In order to comply with government agency or court orders; or
- (4) As explained in the separate Privacy Disclosure.

## **Documentation**

\*Terminal transfers. You can get a receipt at the time you make any transfer to or from your account using one of our automated teller machines or point-of-sale terminals

\*Preauthorized credits. If you have arranged to have direct deposits made to your account at least once every sixty (60) days from the same person or company, you can call CU Talk (844)254-0604 to find out whether or not the deposit has been made.

\*Periodic statements. You will get a monthly statement from us for your share draft checking account(s).

You will get a monthly statement from us for your share savings accounts, unless there are not transfers in a particular month. In any case, you will get a statement at least quarterly.

## **Preauthorized Payments**

\*Right to stop payment and procedure for doing so. If you have told us in advance to make regular payments out of your account, you can stop any of these payments. Here is how:

Call or write us at the telephone number or address listed in this brochure in time for us to receive your request 3 business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within 14 days after you call.

Please refer to our separate fee schedule for the amount we will charge you for each stop payment order you give.

## **Financial Institution's Liability**

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 will be liable for your losses and damages. However, there are some exceptions. We will not be liable, for instance:

1. If, through no fault of ours, you do not have enough money in your account to make the transfer.
2. If you have an overdraft line of credit and the transfer would go over the credit limit.
3. If the automated teller machine where you are making the transfer does not have enough cash.
4. If the terminal or system was not working properly and you knew about the breakdown when you started the transfer.
5. If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken.
6. There may be other exceptions stated in our agreement with you.

## **Error Resolution Notice**

In case of errors or questions about your electronic transfers, call or write us at the telephone number or address listed in this brochure. As soon as you can, if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number (if any)
- (2) Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will

have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. For errors involving new accounts, point of sale or foreign initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

We will tell you the results within three 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.

### **Chief Financial Credit Union**

200 Diversion St  
Rochester Hills, MI 48307  
(248)253-7900 or (800)844-5440

### **Regulatory Authority**

If you believe that any provision of the Michigan Electronic Funds Transfer Act has been violated you should notify the National Credit Union Administration, 1775 Duke Street, Alexandria VA 22314-3428.

### **Notice of Change to MasterCard Rules for Cardholder Liability for Unauthorized Users**

MasterCard has announced changes to its rules limiting cardholder liability for unauthorized transfers. The MasterCard limitations on liability for unauthorized transfers are in addition to limitations on liability established by federal law. The MasterCard changes became in effect on October 17, 2014. As a result of these changes:

- \*the MasterCard limitations will apply to all transactions conducted by MasterCard branded cards, including PIN-based transactions
- \* it is no longer a condition for \$0 liability that you have not reported two or more incidents of unauthorized use in the preceding twelve months or that the account to which the unauthorized transaction is posted is in good standing.
- \* if you do not exercise reasonable care to safeguard your card from the risk of loss or theft or you do not promptly notify us of a loss or theft, the MasterCard limitations liability will not apply 0 limitations established by law may still apply.
- \* the MasterCard rule that defines "unauthorized use" has been removed (Note: "Unauthorized Transfer" is defined by federal law to be : an electronic fund transfer from a consumers account initiated by a person other than the consumer without actually authority to initiate the transfer and from which the consumer receives no benefit. The term does not include an electronic fund transfer initiated:
  - (1) By a person who was furnished the access device to the consumer's account by the consumer, unless the consumer has notified the financial institution that transfers by that person are no longer authorized.
  - (2) With fraudulent intent by the consumer or any person acting in concert with the consumer or any person acting in concert with eh consumer; or
  - (3) By the financial institution or its employee.)

For your convenience, the following is a disclosure of limitations established by law and by MasterCard that will be effective on October 17, 2014.

### **Unauthorized Transfers - Consumer Liability**

Tell us AT ONCE if you believe your card ad/or code has been lost or stolen, or if you believe that an electronic fund transfer has been made without your permission using information from your share draft. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft). If you tell us within 2 business days after you learn the of the loss or theft of your ATM or Debit MasterCard, you can lose no more than \$50.00 if someone used your card and/or code without permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your ATM or Debit MasterCard, and we can prove we could have stopped someone from using your ATM or Debit MasterCard 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, 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 you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time.

### **MasterCard Debit Card**

Additional Limits on Liability. You will not be liable for any unauthorized transactions using your MasterCard debit card if:  
(i) you can demonstrate hat you have exercised reasonable care in safeguarding your card from the risk of loss or theft,

and

(ii) upon becoming aware of a loss or theft, you promptly report the loss of theft to us. MasterCard is a registered trademark of MasterCard International Incorporated.