



2441 N. SIERRA WAY, SAN BERNARDINO, CA 92405
 MAILING ADDRESS: P.O. BOX 2007,
 SAN BERNARDINO, CA 92406
 Office (909) 882-2911 • Fax (909) 881-4162
 MTS (909) 882-6471 or 1(888) 413-4981
www.sbsefcu.org

***ELECTRONIC
SERVICES
DISCLOSURE AND
AGREEMENT***

*PLEASE KEEP
FOR YOUR RECORD*

THIS DISCLOSURE SUPERSEDES
ALL DISCLOSURES PRIOR TO THE
EFFECTIVE DATE SHOWN BELOW.

EFFECTIVE JANUARY 1, 2010

**ELECTRONIC SERVICES
DISCLOSURE AND AGREEMENT**

Automated Teller Machine Electronic Services1
 In Case of Errors or Questions About
 Your Electronic Funds Transfers.....1
 Safety Tips for Using the ATM3
 Additional Disclosures Applicable to:
 Pre-authorized Deposit4
 Pre-authorized Payment Services.....4
 VISA Debit Card When Used as a Point-of-Sale Device5
 Electronic Check transactions5
 Member Telephone Services6
 All Electronic Fund Transfers6
 Additional Services Applicable to ACH and Wire Transfers6



ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

In the following agreement(s), the words "You", "Your", and "Yours" mean each and all of those (whether one or more persons) who are subject to this Agreement(s). The words "We", "Us", "Our", SBSEFCU and Credit Union mean SAN BERNARDINO SCHOOL EMPLOYEES FEDERAL CREDIT UNION.

At the present time, San Bernardino School Employees Federal 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); Member Telephone Services (Audio Response); Online Banking; Bill Payment; Automated Teller Machine ("ATM") electronic fund transfer services; transactions at a point of sale (POS) terminal whether or not an access device is used. Disclosure information applicable to all electronic services offered by San Bernardino School Employees Federal Credit Union is given below, with certain specific disclosure information for each service following in separate sections. You understand that the agreements, rules and regulations applicable to your Regular Share Account, Share Draft 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. Children between the ages of 0-15 will be able to receive an ATM Card with unlimited deposit privileges. Children between the ages of 16-17 will be able to receive an ATM/Debit Card (VISA Logo) with a \$60 ATM withdrawal limit and a \$150 POS limit. At age 18 ATM and POS limits will automatically change to the normal limits set forth in the disclosure. Youth account limits will no longer apply. All children will have access to online banking. Parent must sign ATM application at the time of applying for an ATM/Debit Card.

AUTOMATED TELLER MACHINE ELECTRONIC SERVICES

ATM SERVICE: The San Bernardino School Employees Federal Credit Union service is available 24 hours a day, seven days a week. Anything processed before we run our end of day the next business morning will post with the same day effective date until we begin a new business day. Everything that occurs on Friday, Saturday and Sunday, will post with effective dates of Friday's computer date until the end of day is processed on Monday morning. The Credit Union's business days are Monday through Friday, except Holidays.

OWNERSHIP OF CARD: The term "Card" includes both the VISA Debit Card and the ATM Card subject to this Agreement as disclosed. The 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.

CONFIDENTIALITY OF PIN: You agree to hold your Personal Identification Number (PIN) in strict confidence, and you will notify the Credit Union immediately if the Card or PIN is lost or stolen. If the wrong PIN is entered three (3) times in a 24 hour period, the ATM may retain your 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 Credit Union policies as permitted by law, and you should refer to the Credit Union's Delayed Availability of Deposited Funds Policy for details.

ACCESS TO ACCOUNTS: Any person who receives a duplicate Card (as requested by you), or is permitted to use your Card would be able to withdraw ALL MONEY in your account or request advances under any credit line 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 or make loan advance requests with the Card regardless of whether that individual is authorized to withdraw funds from your accounts by means other than the use of the Card.

TRANSACTION AUTHORIZATION: By using your Card in conjunction with your PIN at an ATM you authorize the Credit Union to provide the services listed below.

TRANSACTIONS AVAILABLE: You may use your Card to:

- Make deposits to your Regular Share or Share Draft Account and loan account;
- Withdraw cash from your Regular Share or Share Draft Account;
- Transfer funds between your Regular Share or Share Draft Account and loan account;
- Make point-of-sale payments for goods and services to others from your Share Draft Account; and
- Get account balance inquiries.

LIMITATION ON TRANSACTIONS: Subject to an available balance in your account, you may withdraw up to \$300.00 per transaction with a \$500.00 limit per business day. Weekends, starting at 3:00 p.m. on Friday, Saturday, Sunday and Holidays constitute one business day. Maximum number of ATM/POS transactions with a PIN number per business day is 10. (Note: ATM and POS terminal owners, merchants, and retailers may restrict cash withdrawals and purchases to lower limits and charge proprietary fees).

You may make an unlimited amount of signature based POS transactions, up to your available funds, per business day.

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. is 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, or 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 EFT activity during the month.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS

In case of errors or questions about your transactions, you should, as soon as possible, notify us:

FOR BILL PAYMENT SERVICES:

- Telephone the Bill Payment Service at (877) 370-1783 during customer service hours; or
- Write to:
San Bernardino School Employees Federal Credit Union
c/o CheckFree
P.O. Box 182477
Columbus, OH 43128-2477

FOR ALL OTHER SERVICES:

- Telephone us at (909) 882-2911 or
- Write to:
San Bernardino School Employees Federal Credit Union
P.O. Box 2007
San Bernardino, CA 92406

Notify us if 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 member number.
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 complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may instead take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will provisionally re-credit your account within ten (10) business days for the amount you think is in error so that you will have 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 recredit your account.

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.

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. a 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.

VISA DEBIT CARD EXCEPTION: If the error you assert is an unauthorized VISA transaction, other than a cash disbursement at an ATM, we will credit your account within 5 business days unless we determine that the circumstances of your account history, warrant a delay, in which case you will receive credit within 10 business days. You may ask for copies of the documents that we used in our investigation.

PRIVACY: We will disclose information to third parties about your account or a transaction only:

1. Where it is necessary for completing a transaction;
2. To verify the existence and condition of your account for a third party, such as credit bureau or a merchant;
3. In order to comply with a government agency or a court order, subpoena or other legal document; or
4. If you give us your written permission.
5. As permitted or required by law and in accordance with our written PRIVACY POLICY.

YOUR LIABILITY FOR UNAUTHORIZED TRANSACTIONS: Tell us AT ONCE if you believe your Card or PIN or Member Telephone Service or Online Banking PIN has been lost, stolen or discovered by an unauthorized person or if you believe that an electronic fund transfer has been made without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum line of credit). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card and PIN or Member Telephone Service or Online Banking 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 Card or PIN or Member Telephone Service or Online Banking PIN, and we can prove that we could have stopped someone from using your Card or PIN or Member Telephone Service or Online Banking PIN without your permission if you had told us, you can lose as much as \$500.00.

Also, if your statement shows transfers that you did not make or authorize, including those made by card, code or other means, tell us at once. If you do not tell or authorize 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. You should also call the number or write to the address listed on the cover of this brochure if you believe a transfer has been made using the information from your check without your permission.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods. If you authorize someone else to use your Card or PIN or Member Telephone Service or Online Banking PIN, you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction exceeds what you authorize.

NOTICE REGARDING NON-VISA PINLESS DEBIT CARD TRANSACTIONS: We allow non-Visa debit transaction processing. This means you may use your Visa® Debit Card on a PIN-Debit Network* (a non-Visa network) without using a PIN to authenticate your transactions.

The non-Visa debit network for which such transactions are allowed is the Star® and CO-OP Networks.

Examples of the types of actions that you may be required to make to initiate a Visa transaction on your Visa Debit Card include a Visa transaction on your Visa Debit Card, signing a receipt, providing a Debit Card number over the phone or via the Internet, or swiping the debit card through a point-of-sale terminal.

Examples of the types of actions you may be required to make to initiate a transaction on a Pin-Debit Network include initiating a payment directly with the biller (possibly via telephone, Internet, or kiosk locations), responding to a logo displayed at a payment site and choosing to direct payment through that network, and having your identity verified using known information derived from an existing relationship with you instead of through the use of a PIN.

Please be advised that the terms and conditions of your agreement with us relating to Visa debit transactions do not apply to non-Visa debit transactions. For example, the additional limits on liability (sometimes referred to as Visa's zero-liability program) and the streamlined error resolution procedures offered on Visa Debit Card transactions are not applicable to transactions processed on a PIN-Debit Network.

If you have any questions about non-Visa debit transactions, please give us a call at (909) 882-2911

*Visa rules generally define PIN-Debit Network as a non-Visa debit network that typically authenticates transactions by use of a personal identification number (PIN) but that is not generally known for having a card program.

If you authorize someone else to use your ATM Card, Visa Debit Card or PIN, you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction exceeds what you authorize.

EXCEPTION FOR VISA DEBIT CARD POINT-OF-SALE TRANSACTIONS: Notwithstanding the above, you will have no liability for unauthorized transactions with your VISA Debit Card that are processed through VISA. If a transaction at an ATM is not processed through VISA (such as a cash withdrawal from your Share Draft Account) this exception will not apply. This exception will not apply to VISA Debit Cards issued outside the U.S. You must provide a written statement regarding any claim of unauthorized VISA Transactions.

If you authorize someone else to use your VISA Debit Card or PIN you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction exceeds what you authorize.

MERCHANT DISPUTES: The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you or (b) your purchase cost more than \$50 and was made in your state or within 100 miles of your home.

LOST OR STOLEN CARD OR PIN: If you believe your Card or PIN or Member Telephone Service or Online Banking PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: (909) 882-2911, or (1-888-413-4981) or write us at San Bernardino School Employees Federal Credit Union, P.O. Box 2007, San Bernardino, CA 92406.

BUSINESS DAYS: Our business days are Monday thru Friday. Holidays are not included. Contact us at (909) 882-2911 for specific branch hours.

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:

1. If through no fault of ours, your account does not contain enough money (or sufficient collected funds) to complete the transaction;
2. If the transaction requested would exceed an unused credit limit;
3. If the automated teller machine where you are making the transfer does not have enough cash;
4. If the automated teller machine was not working properly and you knew about the breakdown when you started the transaction;
5. If circumstances beyond our control (such as fire or flood or electrical failure) prevent the transfer, despite reasonable precautions that we have taken;
6. If your Card or PIN has been lost or stolen and we have blocked the account;
7. If the funds in your account are subject to an uncollected funds hold, legal process, or other circumstances restricting such transaction or payment;
8. If the transaction information supplied to us by you or by third parties (e.g., terminal owners, affiliated networks, etc.) is incorrect or untimely;
9. If your Card has expired or is damaged so that the terminal cannot read the encoding slip or is inactive or because your PIN has been entered incorrectly;
10. 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.

CHARGES FOR ELECTRONIC FUNDS TRANSFER SERVICES: All charges for use of our Electronic Funds Transfer are disclosed in our Schedule of Fees and Charges, which is provided with this Disclosure and Agreement. Additional copies can be obtained from the Credit Union.

ATM FEES: ATM transactions at ATMs not owned by us are subject to a Credit Union Network Transaction Fee. In addition, 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 a balance inquiry even if you do not complete a fund transfer).

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 ATM Card service after notice is given to you as required by law.

SAFETY TIPS FOR USING THE ATM

The automatic teller machine provides you quick, convenient access to your money. By following these important safety tips, you can safely use the ATM whenever you need cash:

- Always use a Deposit Slip from your Share Draft Account when making a deposit at an ATM.
- Memorize your Personal Identification Number (PIN). Do not write your PIN on your Card or leave it in your wallet. Your card can only be used with your PIN. If your card is lost or stolen, it cannot be used unless the PIN is provided.
- Keep your PIN a secret. It is for your protection. Someone you trust today may not be trustworthy tomorrow. If you suspect unauthorized use of your card, notify SBSEFCU.
- Keep your Card in a safe place. Protect it as you would cash or credit cards. If it is lost or stolen, notify SBSEFCU immediately.
- When using the ATM at night, be sure you are in a well-lit area. If someone in the area looks suspicious, choose another ATM in a safer location.

- Have your transactions ready before going to the ATM. Fill out your deposit slip and place your checks or cash in an envelope and seal it before you arrive at the ATM location.
- Have your Card ready to insert into the machine before arriving at the ATM so you don't have to reach into your purse or wallet while standing in front of the ATM.
- Don't fall for "con" games. If anyone asks you to withdraw money for any reason, leave the area, at once. Notify SBSEFCU as soon as possible.
- Stand between the ATM and people waiting to use the machine, so others can't see you enter your PIN and perform your transaction.
- Put your money and receipts away before leaving the ATM.
- Never give information about your ATM account to strangers or inquirers on the telephone. Communicate this information only to SBSEFCU in person or if you initiate the call.
- Consider having another person accompany you to the ATM.
- Immediately report all crimes to the ATM operator and to local law enforcement officials.

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

If you have arranged to have pre-authorized electronic deposits of your net paycheck, payroll deductions, 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 (909) 882-2911, 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 if your pre-authorized deposit is made to any deposit account.

ADDITIONAL DISCLOSURES APPLICABLE TO PRE-AUTHORIZED PAYMENT SERVICES

If you have requested a pre-authorized payment of insurance premiums, mortgage payments, etc., allowed only from your Credit Union Share Draft Account, the following information applies to you.

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, here's how:

Call us at (909) 882-2911, or write us at San Bernardino School Employees Federal Credit Union, P.O. Box 2007, San Bernardino, CA 92406, in time for us to receive your stop request three (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. You are not revoking authorization for the company to receive payments from your account. The stop payment order remains in effect until the earliest of the following occurs: a lapse of six (6) months from the date of the stop payment order, payment has been stopped, or you withdraw the stop payment order. We will charge you a Stop Payment Fee as established in our Schedule of Fees and Charges.

RIGHT TO REVOKE AUTHORIZATION OF A PRE-AUTHORIZED PAYMENT: If you revoke the authorization for a company to make pre-authorized payments from your account, you must sign a written statement under penalty of perjury 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. This must be done within 60 days after the payment has been made from your account. 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 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.

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 will be charged a Non Sufficient Funds fee as established in our Schedule of Fees and Charges.

LIABILITY FOR UNAUTHORIZED ELECTRONIC PAYMENTS: You will be liable for unauthorized transfers made from your account by a third party. If you believe such a transfer has occurred, follow the procedures outlined in "In Case of Errors or Questions About Your Electronic Fund Transfers" on page 2.

ADDITIONAL DISCLOSURES APPLICABLE TO VISA DEBIT CARD WHEN USED AS A POINT OF SALE DEVICE

TYPES OF AVAILABLE TRANSACTIONS AND LIMITS ON TRANSACTIONS: By use of your VISA Debit Card with your PIN or sometimes just your Card or Card number at a participating Point of Sale terminal, you authorize us to make withdrawals from your Share Draft Account for cash or to pay for goods and services. When you do so, you use your Card as a debit card and your Card works much like a check you write on your account. Your Card is not a credit card, which means you may not defer payments of VISA Debit Card transactions. When you use the VISA Debit Card, you must follow the procedures established by the merchant or financial institution. You may be asked to sign a sales slip, withdrawal slip, or other document or just provide your Card number. Some merchants may impose a fee for a VISA Debit Card transaction. We are not liable if a merchant or financial institution does not accept your Card or Card number.

We may debit or place a hold on your account for a transaction either on the day it is presented to us for payment, by electronic or other means, or on the day we receive notice of the transaction, whichever is earlier.

If a merchant or other financial institution requests an authorization for a transaction you want to conduct, we may place a hold on your account. As a result you will not have access to the funds on hold other than for the transaction authorized for the period of the hold. If the transaction posts to your account before the hold expires, the balance available to you in your account may be reduced by the amount of the hold and the amount of the transaction.

You may not stop payment on a VISA Debit Card transaction. Furthermore, in the event of a dispute with a merchant, you may have to settle directly with that merchant. If a merchant misrepresents the quality, price, or warranty of goods or services you pay for using your Card, you indemnify us for all damages and liability which results from the misrepresentation. If you breach or don't fulfill any of the terms of this agreement, you also indemnify us for all resulting damages and liability.

ACCOUNT ACCESS:

You may use the Card and PIN to:

- Withdraw cash from your Share Draft Account at ATMs, merchants, or financial institutions that accept VISA Debit Cards.

You may use the Card without the PIN to:

- Purchase goods or services at places that accept VISA Debit Cards (these are point-of-sale or POS transactions);
- Order goods or services by mail or telephone from places that accept VISA Debit Cards; and
- Make automatic payments from your account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

LIMITATIONS ON TRANSACTIONS: You may make cash advances and purchases only to the extent that you have available funds in your Share Draft Account, as disclosed on page 1 "Limitation on Transactions".

For security reasons, there may be limits on the number of those transactions that may be authorized.

FOREIGN TRANSACTIONS: 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 and 1% if there was a transaction negotiated in a non-US currency exchange.

RIGHT TO RECEIVE DOCUMENTATION: You can receive a receipt from the merchant or financial institution at the time you make a purchase or obtain a cash advance or at the time you make a transfer from your Share Draft Account. You should retain this receipt to compare with your statement from us.

You will receive a monthly statement (unless there are no transfers in a particular month) for the account(s) which you have accessed using the VISA Debit Card, which will show the effective date that you initiated the transfer, the type of transfer, and the amount of transfers occurring in that statement. You will receive a statement at least quarterly.

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

ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS

If funds from your account have been transferred via ACH where you have provided a paper check or check information to a merchant or other payee to capture the routing, Account, and serial numbers to electronically initiate the transfer (an "Electronic Check Transaction") the following applies to you:

TYPES OF AVAILABLE TRANSACTIONS: We may make transfers via ACH where you have provided a paper check to enable the merchant or other payee to capture the routing, Account, and serial numbers to initiate the transfer, whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; or whether the check is retained by the consumer, the merchant or other payee, or the payee's financial institution.

ACCOUNT ACCESS: Electronic Check Transactions may be made from your Checking Account only.

LIMITATIONS ON DOLLAR AMOUNTS OF TRANSACTIONS: You may make Electronic Check Transactions only to the extent that you have available clear funds in your Share Draft Account or available funds in your designated overdraft sources.

OVERDRAFT TO LINE OF CREDIT: You understand that if you have an overdraft line of credit account in conjunction with your Share Draft Account, then you may use that line of credit to fund any overdraft on your Share Draft Account including overdrafts caused by any Electronic Check Transactions. You understand that you may not otherwise initiate an Electronic Check Transaction to overdraw your Share Draft Account, your line of credit, if applicable. However, if you do overdraw, you authorize us to cover the overdraft on your Share Draft Account by making a cash advance from your line of credit account, if any.

Overdrafts which cannot be honored are payable on demand and may result in termination of your account(s).

ADDITIONAL DISCLOSURES APPLICABLE TO MEMBER TELEPHONE SERVICES

If you requested SBSEFCU Member Telephone Services the following information applies to you:

MEMBER TELEPHONE SERVICE: Service is available for your convenience 24 hours a day, seven days a week, with minor interruptions for regularly scheduled maintenance.

CONFIDENTIALITY OF PIN: You agree to hold your PIN in strict confidence, and you will notify the Credit Union immediately if the PIN is lost or stolen. If you disclose your PIN to anyone, you understand that you have given them access to your accounts via Member Telephone Services, and that you are responsible for any such transaction. You further understand that your PIN is not transferable.

If the wrong PIN is entered three (3) times consecutively, Member Telephone Services will hang-up as a security measure.

TRANSACTIONS AVAILABLE: You may use Member Telephone Services to:

- Obtain account and loan balances;
- Obtain loan payment due date and pay off information;
- Obtain last dividend date and amount;
- Obtain clearance of specific checks;
- Request a check withdrawal from your Share or Share Draft Account;
- Transfer funds between your Share and Share Draft Account; and
- Make loan payments.

All payments and deposits are subject to later verification by us.

TRANSACTION LIMITATIONS: The maximum amount you may withdraw by check is \$10,000 from your Share Draft Account.

Transactions made through Member Telephone Services are binding only after verification by the Credit Union.

The total dollar amount of each transaction via Member Telephone Services is subject to limits set by the Credit Union, and sufficient verified funds must be available to satisfy your transaction instructions.

FEES AND CHARGES: Your Member Telephone Services service is subject to the fees and charges as disclosed on the Schedule of Fees and Charges.

PERIODIC STATEMENT: You will receive a periodic statement at least quarterly and will receive a monthly statement for any account which has Member Telephone Services 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.

ONLINE BANKING AND BILL PAYMENT SERVICE are additional services offered to San Bernardino School Employees Federal Credit Union members. The disclosure outlining the terms and conditions of these services will be provided for you to review, accept and print for your records at the time you agree to use these services.

ADDITIONAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC FUND TRANSFERS

COLLECTIONS: You agree that the Credit Union or its agents shall be entitled to recover any money owed by you as a result of your use of the ATM Card, VISA Debit Card, Member Telephone Service, Online Banking or Bill Payment and you agree to repay any withdrawals which create an overdrawn balance upon demand. The Credit Union has a security interest in your present and future shares or deposits and has the right to apply shares or deposits to any money you owe. 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, terminate any of the electronic services provided for in this Disclosure and Agreement. We may terminate your right to make electronic fund transfers at any time upon written notice, provided you are a member in good standing. However, we reserve the right to terminate electronic services immediately, and without notice, if the terms and conditions of any account agreement have been breached by you or you become a member not in good standing.

VERIFICATION: All transactions affected by use of the ATM Card or VISA Debit 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 or VISA Debit Card and PIN. Deposits at an ATM are subject to verification by us and are subject to our "Delayed Availability of Deposited Funds Policy." 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 Share Draft Account, the deposit slip should be included.

ADDITIONAL SERVICES APPLICABLE TO 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 or a beneficiary, we and every receiving or beneficiary 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.

PROVISIONAL PAYMENT DISCLOSURE: Credit given by us 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 we are 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 in the amount of such entry.

NOTICE DISCLOSURE: 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.

CHOICE OF LAW DISCLOSURE: We 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 California as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your account.

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.

REGULATION D RESTRICTIONS ON ELECTRONIC FUNDS TRANSFERS: During any month, you may not make more than six withdrawals or transfers from your Regular Share Accounts to another Credit Union Account of yours or to a third party by means of a preauthorized or automatic transfer or telephonic (such as Member Telephone Services or Home Banking) order or instruction. You may make an unlimited number of withdrawals from, or transfers among, your Regular Share Accounts by mail, messenger or in person at the Credit Union or at an ATM. You may also make an unlimited number of withdrawals from your Regular Share Accounts through Member Telephone Services or Home Banking, if you request that we send you a check.

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, DESTROY YOUR ATM OR SBSEFCU VISA DEBIT CARD IMMEDIATELY BY CUTTING IT IN HALF AND RETURNING IT TO SAN BERNARDINO SCHOOL EMPLOYEES FEDERAL CREDIT UNION, P.O. BOX 2007, SAN BERNARDINO, CA 92406.