



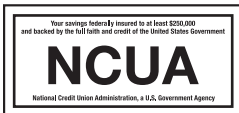
DFCU

**DOWNEY FEDERAL
CREDIT UNION**

ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

PLEASE KEEP FOR YOUR RECORDS

Effective April 1, 2011



ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT INDEX

Disclosure and Agreement	1
Automated Teller Machine	1
Visa Debit Card	2
Safety Tips	3
Pre-Authorized Deposits	3
Pre-Authorized Payment Services	3
24/7 Telephone Banking	4
On-Line E-Mail Communications	5
Questions About Your Fund Transfers	5
Visa PIN-less Debit Transactions	6
Disclosures Applicable to All Electronic Fund Transfers	7

ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

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

At the present time the Credit Union participates in several types of services that may be accomplished by electronic transfer: pre-authorized deposits of net paycheck; payroll deduction; pre-authorized deposit of pension checks and Federal Recurring Payments (for example, Social Security payments); pre-authorized payments (for example, insurance premiums and mortgage payments); 24/7 Telephone Banking; Automated Teller Machine ("ATM"); VISA Debit Card; transactions at a point of sale (POS) terminal whether or not an access device is used; a check conversion to an EFT transaction such as when you provide a check to a merchant for the merchant to capture the routing, account and serial number to initiate a transfer, whether the check is blank, partially or fully completed and signed and regardless of where the check is presented to the merchant or whether you or the merchant or the Credit Union retains the check and other electronic fund transfer services. Specific disclosure for each service is given below, followed by disclosure information applicable to all electronic services offered by Downey Federal Credit Union. 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.

DEFINITIONS: In this Disclosure, the words "you", "your" and "yours" refer to the member and each and all of those who apply for and/or use any of the Credit Union's electronic fund transfer services. The words "we", "us", "our", "Credit Union" and "DFCU" refer to Downey Federal Credit Union. The word "ATM" means Automated Teller Machine. The word "EFT" means any Electronic Transfer of Funds other than by check or other paper instrument that is initiated through an electronic terminal, telephone, computer, magnetic tape or other communication device for the purpose of providing cash, debiting, crediting, transferring or inquiring on an account. The word "POS" means Point-of-Sale which represents transactions that directly debit (withdraw funds from) your designated account.

By requesting, signing or using (or authorizing another person or persons to sign or use) your Card or Personal Identification Number ("PIN"), you agree to use the Card and PIN in accordance with the following terms and conditions.

BUSINESS DAYS: Our "Main Branch" business days are Monday through Friday 9:00AM to 5:30PM PST (Pacific Standard Time), Holidays are not included.

PLEASE READ AND RETAIN FOR YOUR RECORDS

AUTOMATED TELLER MACHINE ELECTRONIC SERVICES

ATM SERVICE: The Downey Federal Credit Union service is available 24 hours a day, seven days a week.

OWNERSHIP OF CARD: The term "Debit Card" refers to the VISA Debit Card and the term "ATM Card" refers to the ATM Card subject to this Agreement as disclosed. The term "Card" includes the Debit Card, ATM Card and CU Succeed Card. The term "Debit Card" refers to the VISA Debit Card and CU Succeed Debit Card. The Debit Card, the ATM Card and CU Succeed Card are 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 either your Card or PIN is lost or stolen. If the wrong PIN is entered three (3) times in a 24 hour period, the ATM will 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 the Credit Union's policies as permitted by law, and you should refer to the Credit Union's "Your Ability to Withdraw Funds" Policy for details.

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

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

TRANSACTIONS AVAILABLE: You may use your VISA Debit Card, ATM Card or CU Succeed Card to:

- Obtain cash withdrawals;
- Point of Sale (POS) transactions may be made at selected merchant terminals displaying the Network logos imprinted on the back of your Debit Card or ATM Card. The amount of the purchases will be automatically deducted from your Share Draft Account only.
- Conduct Point of Sale (POS) Transactions (VISA Debit Card only) which allow you

to directly debit (withdraw) funds to pay for the purchase of goods or services at a merchant or order goods or services by mail or telephone at places that accept VISA Debit Cards (may only be made by a debit from your Share Draft Account);

- Inquire as to your balance in your Share Draft and/or Regular Share Account;
- Withdraw cash from your Share Draft Account;
- Withdraw cash from your Regular Share Account;
- Transfer funds between your Regular Share or Share Draft Accounts;
- Make deposits* to your Share Draft or Regular Share Account associated with your Debit Card, ATM Card or CU Succeed Card.
- Withdraw cash from your account at ATMs, merchants, or financial institutions that accept VISA Debit Cards or display the logo of an ATM Network affiliated with the Credit Union.
- Deposits can be made only at ATMs bearing the Downey Federal Credit Union name or CO-OP Network machines. The logos for the Networks we participate in are imprinted on the back of your Debit Card or ATM Card.

Cash withdrawals may be made at ATMs displaying the Network logos imprinted on the back of your Debit Card, ATM Card or CU Succeed Card.

LIMITATION ON TRANSACTIONS: Subject to an available balance in your account, you may use your Card to withdraw up to \$300.00 per day (\$100.00 per day on CU Succeed Card) from participating ATM networks; a combination of \$300.00 per day (\$100.00 per day on CU Succeed Card) from participating POS and VISA merchants, retailers, and financial institutions; for an aggregate total of \$300.00 per day. (\$100.00 per day on CU Succeed Card) (Note: ATM and POS terminal owners, merchants, and retailers may restrict cash withdrawals and purchases to lower limits and charge proprietary fees).

Withdrawals at ATMs must be in multiples of \$5.00, \$10.00, \$20.00, \$50.00, or \$100.00 depending on the ATM location.

For ATM and POS transactions, there is no overdraft protection from your Share Draft Account to your Regular Share Account. EFT transactions (POS, VISA merchant and ATM withdrawals) may be made from your Share Draft Account to the extent that funds are available in your Share Draft Account and subject to the combined account limits stated above. ATM cash withdrawals from your Regular Share Account may only be made to the extent that funds are available in your Regular Share Account and subject to the combined account limits stated above.

DOCUMENTATION OF TRANSFERS: You will 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 Electronic Funds Transfer activity during the month.

LOST OR STOLEN CARD OR PIN: If you believe your Debit Card or ATM Card or CU Succeed Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call (562) 862- 8141 to report a lost or stolen Card or PIN. After regular business hours call (888) 241-2510 within the U.S. or call collect (909) 941-1398 if outside the U.S. You may also write us at Downey Federal Credit Union, 8237 Third St., P.O. Box 4639, Downey, CA 90241-1639.

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

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

ADDITIONAL DISCLOSURES APPLICABLE TO VISA DEBIT CARD

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 or in a POS transaction, you authorize us to make withdrawals from your Share Draft Account for cash or to pay for goods and services to the extent that funds are available and subject to the daily limits set forth in "Limitations of Transactions". (There is no overdraft protection for transactions conducted with your VISA Debit Card). 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. For security reasons, there may be limits on the number of VISA Debit Card transactions that may be authorized.

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 Electronic Funds 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.

FOREIGN TRANSACTIONS IN FOREIGN CURRENCY: Purchases, cash advances and credits made in foreign currencies will be billed to your Account in U.S. dollars. Transactions processed outside of the United States or in a foreign currency may be charged a foreign transaction fee, regardless of whether there is a currency conversion associated with the transactions. The conversion rate in dollars will be a rate selected by VISA from a range of rates available in wholesale currency markets for the applicable Central Processing Date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable Central Processing Date in each instance, plus a one percentage point (1%) fee charged by the Issuer.

FOREIGN TRANSACTIONS IN U.S. CURRENCY: Purchases, cash advances made in foreign countries will be billed to your account in U.S. dollars. Transactions processed outside of the United States, in U.S. dollars, may be charged a foreign transaction fee of point eight percent (0.8%), regardless of whether there is a currency conversion associated with the transaction.

The conversion rate may be different than the rate on the transaction or date of the posting of the Account. When a credit to the Account does not fully offset a charge to the Account due to changes in the rate, you are responsible for the differences.

VERIFICATION: All transactions affected by use of the 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 Card and PIN (where PIN is required). Deposits at an ATM are subject to verification and collection by us and are subject to our "Your Ability to Withdraw Funds" Policy. We are not responsible for delays in deposit posting due to improper identification on the deposit envelope, if required. This identification should include your name, the Credit Union name, member number, and the account to which you want the deposit to go.

SAFETY TIPS FOR USING YOUR VISA DEBIT & ATM CARD

Your VISA Debit Card, ATM Card and CU Succeed Card provide you quick, convenient access to your money. We encourage you to be careful when using your Card. Here are some valuable tips:

- For security purposes, when selecting your Personal Identification Number (PIN), do not use your social security number or birth date.
- Memorize your PIN. Do not write it on your Card or have it written down on anything in your wallet.
- Keep your PIN a secret. Do not reveal your PIN to anyone. Someone you trust today may not be trustworthy tomorrow. If you suspect unauthorized use, notify the Credit Union immediately.
- Keep your Card in a safe place. Protect it as you would cash or credit cards, as the Debit Card can be used without a PIN. If it is lost or stolen, notify the Credit Union immediately.
- Be aware of your surroundings. If someone looks suspicious, or if at night the ATM is not well lit, choose another ATM in a safer location.
- Consider having another person accompany you to the ATM.
- Be prepared. Have your Card ready to insert into the machine so you don't have to reach into your purse or wallet while at the ATM.
- When using an ATM or POS terminal, shield your actions so that people nearby can't see you enter your PIN or perform your transaction.
- Put your money and receipt away before leaving the ATM.
- Never give information about your Card or account to strangers.
- Don't fall for "con" games. Use caution when asked to provide your Card number over the telephone or Internet. Report any suspicious requests to the Credit Union as soon as possible.
- Remember to record all transactions in your account register. Keep your receipts for reconciling with your account statement.

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

If you have arranged to have pre-authorized electronic deposits of your paycheck,

payroll deduction, pension checks, or Federal Recurring Payments, (for example Social Security payments), the following information applies to you.

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

NOTIFICATION OF PRE-AUTHORIZED DEPOSITS: If you have arranged with a third party (for example, the Social Security Administration) to make pre-authorized deposits to your account at least once every sixty (60) days, that third party making pre-authorized deposits may have agreed to notify you every time the party sends us money to deposit to your account. If you have not made such an arrangement you may telephone us at (562) 862-8141, and we will advise you whether or not the pre-authorized deposit has been made.

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

ADDITIONAL DISCLOSURES APPLICABLE TO PRE-AUTHORIZED PAYMENT SERVICES

If you have requested a pre-authorized payment of insurance premiums, mortgage payments, etc., the following information applies 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 the following number (562) 862-8141, or write us at Downey Federal Credit Union, 8237 Third St., P.O. Box 4639, Downey, CA 90241-1639, in time for us to receive your stop payment 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; however, if the item is resubmitted by the payee, we will continue to honor the stop payment order and may suspend payments to the payee until you authorize us to resume payments. We will charge you a Stop Payment Fee as established in our Fee Disclosure.

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 an affidavit with us stating that you have notified the receiving company that you have revoked authorization for the payment to be made in a manner specified by the original authorization you signed. If you notify us orally of the revocation you must provide us with the affidavit within 15 days of your oral notice; otherwise the oral notice will cease to be binding. You are authorizing the Credit Union to revoke or cancel the entire pre-authorized third party arrangement to that third party payee.

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

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

Pre-authorized debits are subject to Regulation D Transaction limitations. Sufficient verified and collected funds must be available to satisfy your transaction instructions.

NON-SUFFICIENT FUNDS (NSF) CHARGE: If your account does not have sufficient funds to pay your pre-authorized payment(s), the request(s) for payment will be returned to the third party (no overdraft protection). Additionally, your account will be charged a Non Sufficient Funds fee as established in our Fee Disclosure

ADDITIONAL DISCLOSURES APPLICABLE TO 24/7 TELEPHONE BANKING

If you have requested 24/7 Telephone Banking service, the following information applies to you.

By requesting 24/7 Telephone Banking, you have requested the Credit Union to provide you with a confidential PIN for access. 24/7 Telephone Banking is available for your convenience 24 hours a day, seven days a week, with minor interruptions for end-of-day data processing.

MEMBER ACCESS AND RESPONSIBILITY: When you instruct us through 24/7 Telephone Banking to transfer funds between your accounts or to make a loan payment from your account, you authorize us to withdraw the necessary funds from the account you designate.

You agree to hold your PIN Number in strict confidence, and you will notify the Credit Union immediately if the PIN Number is lost or stolen. If you disclose your PIN Number

to anyone, you understand that you have given them access to your accounts via 24/7 Telephone Banking and that you are responsible for any transaction they conduct via 24/7 Telephone Banking. You further understand that your PIN Number is not transferable.

If the wrong PIN Number is entered four (4) times, as a security measure, 24/7 Telephone Banking services will be suspended and you will need to contact the Credit Union.

TRANSACTIONS AVAILABLE: Our 24/7 Telephone Banking services will allow you to use your telephone and your PIN Number to:

- Transfer funds from Share Draft to any other Share Account.
- Transfer funds from Regular Share Account to any other Share Account.
- Transfer funds from Line of Credit to Share Draft.
- Transfer funds from Line of Credit to Regular Share Account.
- Transfer funds from one member account to another member account with advance authorization. Accounts must be in joint ownership.
- Make payments from Share Draft to Loan Accounts.
- Make payments from Regular Share Account to Loan Accounts.

GET INFORMATION ABOUT:

- The account balance of Share Draft Accounts.
- The account balance of Regular Share Accounts.
- The account balance of any other Share Accounts.
- The amount of the last direct deposit/payroll posting.
- The current Loan Rates, current Share Rates.
- Which checks have cleared.

We may limit services available through 24/7 Telephone Banking from time to time, at our discretion, and without prior notice unless advance notice is required by law. If we make changes to 24/7 Telephone Banking and you continue to use 24/7 Telephone Banking after the changes are made, you confirm your agreement to the changes.

Transactions made through 24/7 Telephone Banking are binding only after verification by the Credit Union.

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

TRANSACTION LIMITATIONS: Sufficient verified and collected funds must be available to satisfy your transaction instructions.

PERIODIC STATEMENT: We do not provide you with a separate written confirmation for transfers conducted through 24/7 Telephone Banking. You will receive a periodic statement at least quarterly and will receive a monthly statement for any account which has 24/7 Telephone Banking activity during the month, for the following transactions:

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

ONLINE E-MAIL COMMUNICATIONS

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

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUND TRANSFERS

Telephone us at (562) 862-8141 or write us at Downey Federal Credit Union, 8237 Third St., P.O. Box 4639, Downey, CA 90241-1639, as soon as you think your statement is wrong or if you need more information about a transaction listed on the statement or transaction receipt. You must tell us no later than sixty (60) days after the FIRST statement is sent to you on which the problem or error appeared.

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

If you tell us orally, we will require that you send us your dispute in writing within ten (10) business days. We will tell you the results of our investigation within ten (10) business days and will correct any error promptly. If we need more time, however, we

may instead take forty-five (45) calendar days to investigate your dispute or question. If we decide to do this, we will 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 dispute or question in writing, and we do not receive it within ten (10) business days, we may choose not to provisionally credit your account during the additional time that may be required to investigate your dispute or question.

EXCEPTION: We have up to twenty (20) business days to provisionally credit your account if the notice of error involves an electronic funds transfer to or from an account within thirty days after the first deposit to the account was made (i.e. 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.

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

UNAUTHORIZED VISA TRANSACTIONS - PROVISIONAL CREDIT: If you notify us of unauthorized transactions, which were processed through VISA (this does not include cash disbursements at an ATM using your VISA Debit Card) we will provide a provisional credit to your account within five (5) business days of the notification. If you tell us orally, we will require that you send us your dispute in writing within ten (10) business days. We will not credit your account until your written dispute is received.

Provisional credit is given so that you may have use of the money during the time it takes us to complete our investigation.

We may withhold providing provisional credit, to the extent allowed under applicable law, if the circumstances or account history warrants such a delay.

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

YOUR LIABILITY FOR UNAUTHORIZED TRANSACTIONS: Tell us AT ONCE if you believe your ATM Card, CU Succeed Card or Debit Card or PIN or 24/7 Telephone Banking Access Code has been lost, stolen or discovered by an unauthorized person. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account. If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card and/or PIN or Home 24/7 Telephone Banking PIN/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 PIN or 24/7 Telephone Banking PIN/Access Code, and we can prove that we could have stopped someone from using your Card, PIN or Access Code without your permission if you had told us, you can lose as much as \$500.00.

Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may lose up to \$50.00 of the unauthorized transactions, and more importantly, you may not get back any money you lost after the sixty (60) days, if we can prove that we could have stopped someone from taking the money if you had told us in time.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods. If you authorize someone else to use your Card or PIN or 24/7 Telephone Banking Access Code 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 CERTAIN VISA DEBIT CARD 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 checking account) this exception will not apply. This exception will not apply to VISA Debit Cards issued outside of the U.S. You must provide a written statement regarding any claim of unauthorized VISA transactions.

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 CO-OP, Plus, and Star systems.

Examples of the types of actions that you may be required to make to initiate a Visa transaction on your Visa Debit Card include 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 use 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 (562) 862-8141.

*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.

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 or system you are using 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 or 24/7 Telephone Banking PIN/Access Code 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 or 24/7 Telephone Banking PIN/Access Code has been entered incorrectly;
10. You fail to properly follow 24/7 Telephone Banking instructions on how to make a transfer;
11. There is a malfunction in your phone;
12. If the failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

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

PRIVACY: 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.

ADDITIONAL DISCLOSURES APPLICABLE TO ALL ELECTRONIC FUND TRANSFERS

FEES AND CHARGES: All charges for use of our Electronic Funds Transfer are disclosed in our Fee Schedule. Additional copies can be obtained from our office. In addition, transactions at certain ATMs on the systems which are not owned by the Credit Union may be subject to a service fee charged by the owner of the terminal.

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

COLLECTIONS: You agree that the Credit Union shall be entitled to recover any money owed by you as a result of your use of the Card or 24/7 Telephone Banking Service and you agree to repay any withdrawals which create an overdrawn balance upon demand or if you are in default or have failed to satisfy your financial obligation to us. The Credit Union has a security interest in your present and future shares or deposits and has the right to apply shares, deposits to any money you owe without further notice to you. If any legal action is required to enforce any provision of this Disclosure and Agreement or to recover money owed by you, you agree to pay all costs, including collection costs, attorney's fees, court costs, and any other charges incurred.

TERMINATION OF ELECTRONIC SERVICES: You may, by written request or discontinuing use of the service, 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. Termination by any one account owner is binding on all account owners and we are not required to notify other account owners of the termination. Termination of electronic services does not terminate your account or agreements with us and will not affect your authorization for transfers or transactions prior to termination.

REGULATION D TRANSACTION LIMITATIONS: During any month, you may not make more than 6 withdrawals or transfers from your Regular Share Account to another credit union Share or Share Draft account of yours or to a third party by means of a pre-authorized or automatic transfer or telephonic order or instruction. Transfers via 24/7 Telephone Banking are considered to be by telephonic order.

EFT TRANSACTIONS FOR LAWFUL PURPOSES ONLY: Any financial service provided by the Credit Union may be used for any transaction permitted by law. You agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at the Credit Union's discretion. You further agree, should illegal use occur, to waive the right

to sue for such activity directly or indirectly related to it. You also agree to indemnify and hold the Credit Union harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

NOTICE OF RECEIPT OF ACH ITEMS: 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.

PROVISIONAL PAYMENT: 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 the amount of such entry.

CHOICE OF LAW: 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 New York as provided by the Operating Rules of the National Automated Clearing House Association, which are applicable to ACH transaction involving your account.

INTERNATIONAL ACH TRANSACTIONS: You acknowledge that in the event an International ACH Transaction ("IAT") Entry that is transmitted to or from any of your Accounts is identified and designated by our screening criteria for review and examination under the OFAC Rules and Regulations ("OFAC Rules"), then the settlement of such an IAT Entry may be delayed or suspended pending our review of the IAT Entry, and may be terminated under applicable OFAC Rules. You also acknowledge that we may be required to place an indefinite hold on the funds covered by the IAT Entry if the IAT Entry is required to be terminated under the OFAC Rules. You agree that any delay described in the foregoing provisions of this paragraph is a permissible delay under the terms of laws and regulations applicable to the availability of funds held in deposit accounts. In the event an IAT Entry is delayed or terminated, we will provide you such notice as may be required by the NACHA Rules, OFAC Rules, or other applicable laws and regulations.

OFAC RULES: Economic and trade sanctions administered and enforced by the Office of Foreign Assets Control (OFAC) of the US Department of the Treasury to prevent "prohibited transactions" based on U.S. foreign policy and national security goals against targeted foreign states, organizations, and individuals.

NACHA RULES: An annual publication issued by the National Automated Clearing House Association (NACHA) incorporating the rules and regulations that govern the use of the ACH, Network in which all ACH participants must comply.

IAT: International ACH Transaction (IAT) or IAT Entry means a credit or debit Entry that is part of a payment transaction involving a financial agency's office that is not located in the territorial jurisdiction the United States.

CHANGE IN TERMS: The Credit Union may change any term and condition of this Disclosure and Agreement at any time, but the Credit Union will give you at least twenty-one (21) days' written notice of any change which would result in a greater cost or liability, or which would limit your access to accounts (except where a change is necessary for security reasons), or as otherwise provided by law or regulation.

NOTICES: Any notice sent to you by the Credit Union will be effective when delivered to your last known address as shown on the Credit Union records.

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

OTHER AGREEMENTS: Other agreements between you and the Credit Union controlling Share Accounts and Share Draft Accounts continue to apply, except to the extent expressly modified by 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.

ADDITIONAL SERVICES OFFERED: You may apply for the following services at www.downeyfcu.org where you can read, print and accept the agreement disclosures if applicable:

- Online and Mobile Banking
- Bill Pay
- E-Statements

NOTICE: IF YOU DO NOT AGREE TO THE TERMS OF THIS DISCLOSURE AND AGREEMENT, DESTROY YOUR CARD IMMEDIATELY BY CUTTING IT IN HALF AND RETURNING IT TO DOWNEY FEDERAL CREDIT UNION, 8237 THIRD ST., P.O. BOX 4639, DOWNEY, CA 90241-1639.

THIS PAGE
INTENTIONALLY
LEFT BLANK



DOWNEY FEDERAL CREDIT UNION
8237 3RD STREET
DOWNEY, CA 90241
562-862-8141
DOWNEYFCU.ORG