

# ELECTRONIC FUNDS TRANSFERS DISCLOSURE AND AGREEMENT-REGULATION E

## YOUR RIGHTS AND RESPONSIBILITIES

Indicated below are types of Electronic Fund Transfers we are capable of handling, some of which may not apply to your account. Please read this disclosure carefully because it tells you your rights and obligations for the transactions listed. You should keep this notice for future reference.

**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. For example, your authorization to convert a check or draft to an electronic fund transfer or to electronically pay a returned check or draft charge can occur when a merchant provides you with notice and you go forward with the transaction (typically, at the point of purchase, a merchant will post a sign and print the notice on a receipt). In all cases, these third-party transfers 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 fund 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 Checking or Share Savings account(s).
- **Preauthorized payments.** You may make arrangements to pay certain recurring bills from your Checking or Share Savings account(s).
- **Electronic check or draft conversion.** You may authorize a merchant or other payee to make a one-time electronic payment from your checking or share draft account using information from your check or draft to pay for purchases or pay bills.
- **Electronic returned check or draft charge.** You may authorize a merchant or other payee to initiate an electronic funds transfer to collect a charge in the event a check or draft is returned for insufficient funds.

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to savings accounts.

**ATM Transfers - types of transfers, dollar limitations and charges** - You may access your account(s) by ATM using your Mastercard ATM Check Card and personal identification number, to:

- make deposits to Checking account(s) at ATMs that participate in the SUM Shared Deposit Program in Massachusetts
- get cash withdrawals from Checking account(s) with a debit card
- you may withdraw no more than \$300.00 per day in combination with point-of-sale transactions.
- You have the option to limit the amount that can be withdrawn in a single day to \$50.00 provided you make such a request to us in writing.
- See separate fee schedule for information on charges

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

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to ATM transfers.

**Types of Mastercard ATM/Check Card Transactions.** You may access your Checking 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 and charges- Using your card:

- You may not exceed \$500.00 per day in point-of-sale transactions without a PIN.
- You may not exceed \$500.00 per day in point-of-sale transactions with a PIN.
- See separate fee schedule for information on charges

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to debit card transactions.

**Bank Online Computer Transfers - types of transfers and charges** - You may access your account(s) by computer using your personal identification number, security code, user ID and internet access to [www.stannecreditunion.com](http://www.stannecreditunion.com) to:

- transfer funds from Share Savings to Share Savings and Checking account(s)
- transfer funds from Checking to Share Savings and Checking account(s)
- make payments from Share Savings or Checking to loan account(s) with us
- make payments from Checking to third parties (Electronic Bill Payment)
- get information about:
  - the account balance of Share Savings or Checking account(s)
  - the balance of loan account(s) with us

- deposits to Share Savings and Checking account(s)
- withdrawals from Share Savings and Checking account(s)
- various information on your account(s) and loan(s)

Please also see **Limitations on frequency of transfers** section regarding limitations that apply to computer transfers.

**Limitations on frequency of transfers.** In addition to those limitations on transfers elsewhere described, if any, the following limitations apply:

- During any month, you may not make more than six withdrawals or transfers from your Regular Share, Money Market, or Savings Supreme account(s) to another credit union account of yours or to a third party by means of a preauthorized, automatic or computer transfer, or telephonic order or instruction. No more than three of the six transfers may be made by check, draft, debit card (if applicable), or similar order to a third party. If you exceed the transfer limitations set forth above, your account will be subject to closure by the credit union.

## **CONDITIONS OF EFT SERVICES**

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

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

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

**Currency Conversion and Cross-Border Transaction Fees.** If you effect a transaction with your Mastercard ATM/Check Card in a currency other than US Dollars, MasterCard will convert the charge into a US Dollar amount. The MasterCard currency conversion procedure includes use of either a government-mandated exchange rate, or a wholesale exchange rate selected by MasterCard. The exchange rate MasterCard uses will be a rate in effect on the day the transaction is processed. This rate may differ from the rate in effect on the date of purchase or the date the transaction was posted to your account. MasterCard charges us a Currency Conversion Assessment fee for performing the currency conversion. In addition, MasterCard charges us an Issuer Cross-Border Assessment fee on all cross-border transactions regardless of whether there is a currency conversion. As a result, we charge you a Currency Conversion fee and a Cross-Border Transaction fee of \$1.50. The Cross-Border Transaction fee is charged on all cross-border transactions regardless of whether there is a currency conversion. A cross-border transaction is a transaction processed through the Global Clearing Management System or the MasterCard Debit Switch in which the country of the merchant is different than the country of the cardholder.

**Security of Access Code:** You may use one or more access codes with your electronic funds transfers. The access codes issued to you are for your security purposes. Any codes issued to you are confidential and should not be disclosed to third parties or recorded on or with the Card or account number. You are responsible for safekeeping your access codes. You agree not to disclose or otherwise make your access codes available to anyone not authorized to sign on your accounts. If you authorize anyone to use your access codes that authority shall continue until you specifically revoke such authority by notifying the Credit Union. You understand that any joint owner you authorize to use an access code may withdraw or transfer funds from any of your accounts. If you fail to maintain the security of these access codes and the Credit Union suffers a loss, we may terminate your EFT services immediately.

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

**Stop Payment of EFTs:** Unless otherwise provided in this Agreement, you may not stop payment of electronic funds transfers, therefore you should not employ electronic access for purchases and services unless you are satisfied that you will not need to stop payment.

**Termination.** You may terminate this Agreement or any EFT service under this Agreement at any time by notifying us in writing and stopping your use of your Card and any access code. You must return all Cards to the Credit Union. You also agree to notify any participating merchants that authority to make bill payment transfers has been revoked. We may also terminate this Agreement at any time by notifying you orally or in writing. If we terminate this Agreement, we may notify any participating merchants making preauthorized debits or credits to any of your accounts that this Agreement has been terminated and that we will not accept any further preauthorized transaction instructions. We may also program our computer not to accept your Card or access code for any EFT

service. Whether you or the Credit Union terminates this Agreement, the termination shall not affect your obligations under this Agreement for any EFTs made prior to termination.

**Attorneys' Fees.** You agree to pay the Credit Union all of our costs and reasonable attorneys' fees, including all collection costs, litigation costs, skip-tracing fees, and outside services fees incurred while we are enforcing our rights under this Agreement.

**Minimum Account Balance.** You must maintain a minimum account balance of \$25.00 in your Regular Share account as a condition of using an access device (card and/or identification code) to accomplish a transfer.

**Fees and Charges.** There may be certain fees and charges for electronic funds transfer services. For a current listing of all applicable fees, see our current Fee Schedule that was provided to you at the time you applied for or requested these electronic services. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction or continue with the balance inquiry.

**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 a balance inquiry even if you do not complete a fund transfer).

## DOCUMENTATION

**Terminal transfers.** You can get a receipt at the time you make a transfer to or from your account using an automated teller machine or point-of-sale terminal. However, you may not get a receipt if the amount of the transfer is \$15.00 or less.

**Preauthorized credits.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can call us at (508) 993-0011 to find out whether or not the deposit has been made.

**Periodic statements.**

- You will get a monthly account statement from us for your Checking accounts.
- You will get a monthly account statement from us for your Share Savings accounts, unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly.
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## 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.
- **Notice of varying amounts.** If these regular payments may vary in amount, the person you are going to pay will tell you, 10 days before each payment, when it will be made and how much it will be. (You may choose instead to get this notice only when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.)
- **Liability for failure to stop payment of preauthorized transfer.** If you order us to stop one of these payments 3 business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

## ADDITIONAL INFORMATION REQUIRED BY MASSACHUSETTS LAW

1. Any documentation provided to you which indicates that an electronic fund transfer was made to another person shall be admissible as evidence of the transfer and shall constitute prima facie-proof that the transfer was made.
2. The initiation by you of certain electronic fund transfers from your account, except as otherwise provided in the agreement, will effectively eliminate your ability to stop payment of the transfer.

**Unless otherwise provided in this agreement, you (the consumer) may not stop payment of electronic fund transfers, therefore you should not employ electronic access for purchases or services unless you are satisfied that you will not need to stop payment.**

## 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 or 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 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. If the funds are subject to legal process or other encumbrance restricting such transfer.
7. There may be other exceptions stated in our agreement with you.

### **CONFIDENTIALITY**

In order that your privacy may be protected, we will not disclose any information about you or your account to any person, organization, or agency except:

1. for certain routine disclosures necessary for the completion of a transfer; or
2. for verification of the existence and condition of your account for a credit bureau or merchant; or
3. to persons authorized by law in the course of their official duties; or
4. to our employees, auditors, service providers, attorneys or collection agents in the course of their duties; or
5. pursuant to a court order or lawful subpoena; or
6. to a consumer reporting agency as defined in Chapter 93 of Massachusetts General Laws; or
7. as explained in the separate Privacy Disclosure.

If an unauthorized disclosure has been made, we must inform you of the particulars of the disclosure within 3 days after we have discovered that an unauthorized disclosure has occurred.

### **UNAUTHORIZED TRANSFERS**

a. **Consumer liability.**

- *Generally.* Tell us AT ONCE if you think your card and/or code has been lost, stolen, used without your permission, or if you believe that an electronic fund transfer has been made without your permission using information from your check or draft. Telephoning is the best way, if any, of minimizing your possible losses. You can lose no more than \$50 if you fail to give us notice of your lost or stolen card and/or code and your card and/or code is used without your permission.
- *Additional Limits on Liability for Mastercard ATM/Check Card, when used for point-of-sale transactions.* You will not be liable for any unauthorized transactions using your Mastercard ATM/Check Card, when used for point-of-sale transactions, if: ( i) you can demonstrate that you have exercised reasonable care in safeguarding your card from the risk of loss or theft, (ii) you have not reported to us two or more incidents of unauthorized use within the prior twelve-month period, and (iii) your account is in good standing. If any of these conditions are not met, your liability is the lesser of \$50 or the amount of money, property, labor, or services obtained by the unauthorized use before notification to us. "Unauthorized use" means the use of your debit card by a person, other than you, who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. This additional limitation on liability does not apply to PIN-based transactions or transactions not processed by MasterCard.

b. **Contact in event of unauthorized transfer.** If you think your card and/or code has been lost, stolen or that someone has transferred or may transfer money from your account without your permission, for example, by using the information from your check or draft, call or write us at the telephone number or address listed in this brochure.

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### **PROTECTED CONSUMER USE**

Chapter 167B of the Massachusetts General Laws was enacted to provide a means for financial institutions, businesses, and consumers to conduct their business relations more conveniently. Transferring funds electronically will supplement the use of checks, credit, and cash and will not replace these present methods of doing business. As a consumer, you should be aware of your rights if you choose to utilize this system.

1. **Prohibition of compulsory use.** No person may:

- require you to use a preauthorized electronic fund transfer as a condition of the extension of credit unless the credit is being extended in connection with an overdraft checking plan, or is being extended to maintain a specified balance in your account, or
- require you either to accept a transfer service or to establish an account which is accessed electronically as conditions of employment or receipt of governmental benefit, or
- require you to pay electronically for the purchase of goods or services.

If your account is to be credited by a preauthorized transfer you may choose the financial institution to which the transfer may be made, if the institution is technically capable of receiving such preauthorized transfer.

2. **Waiver of rights.** No writing or agreement signed by you can waive the rights conferred to you by Chapter 167B of the Massachusetts General Laws unless you decide to waive these rights in settlement of a dispute or action.

3. **Refunds.** If it is the policy of a store or retail business to give cash refunds in return for an item purchased by cash, then this policy must also cover refunds for items purchased by electronic fund transfer unless it is clearly disclosed at the time the transaction is consummated that no cash or credit refunds are given for payments made by electronic fund transfers.
4. **Suspension of obligations.** If a person agrees to accept payment by means of an electronic fund transfer and the system malfunctions preventing such a transfer, then the consumer's obligation is suspended until the transfer can be completed, unless that person, in writing, demands payment by other means.
5. **Prohibited means of identification.** Your Social Security number cannot be used as the primary identification number although it can be used as secondary aid to identify you.
6. **Criminal liability.** Procuring or using a card, code or other means of electronic access to an account with the intent to defraud is a basis for criminal liability.

#### **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 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 (20 business days if the transfer involved a new account) after we hear from you and will correct any error promptly. If we need more time, however, we may take up to 45 days (90 days if the transfer involved a new account, a point-of-sale transaction, or a foreign-initiated transfer) to investigate your complaint or question. If we decide to do this, we will credit your account within 10 business days (20 business days if the transfer involved a new account) 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. We will tell you the results within 3 business days after completing our investigation. If we decide that there was no error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

#### **Business Days/ Hours:**

Business Days are Monday – Saturday  
Excludes Federal Holidays  
Monday, Tuesday, 9:00 A.M. – 4:00 P.M.  
Wednesday, 9:00 A.M. - Noon  
Thursday: 9:00 A.M. - 5:00 P.M.  
Friday: 9:00 A.M. - 6:00 P.M.  
Saturday: 9:00 A.M. - Noon