

ARIZONA FEDERAL CREDIT UNION

C.U. Online - Internet

Electronic Funds Transfer Disclosure And Consent and Agreement to Receive Disclosures Electronically

INTRODUCTION: This Agreement and Disclosure specifically governs the Arizona Federal CU Online - Internet (CU Online) electronic funds transfer and Electronic Statement services, and informs you of your rights and responsibilities and the terms and conditions under which these services are provided. Please read this Agreement and Disclosure carefully.

In this Agreement and Disclosure, the words "you", "your" and "yours" mean each and every one of you who utilizes the CU Online and Electronic Statement services. The words "we", "us", "our", "Arizona Federal" and "Credit Union" each mean Arizona Federal Credit Union.

ACKNOWLEDGEMENT AND AGREEMENT: By initiating the use of the CU Online service, or by permitting another to use CU Online on your behalf, you acknowledge receipt of this Agreement and Disclosure. You agree to be bound by all terms and conditions contained herein, and acknowledge these are in addition to the terms and conditions in our other agreements found in the Accounts and Services of Arizona Federal Membership Agreement. You further agree to follow all instructions provided by CU Online as reflected on your computer monitor or other system access screen. You further agree to abide by any terms or conditions which may be added because of future enhancements to CU Online or Electronic Statement Services.

You specifically acknowledge and agree that Arizona Federal may provide all disclosures, agreements, contracts, periodic statements, receipts, notices, modifications, amendments, and all other evidence of our transactions, or notice of the availability of any of the foregoing with you or on your behalf electronically (hereafter all such documentation is referred to as "electronic records"). For instance, if you apply for a new service on our Web site, all agreements and disclosures may be made available to you electronically. It is your responsibility to download or print electronic records to review them and keep them in a convenient place. You acknowledge that both your periodic and Visa statements will no longer be printed and mailed to you effective with the next statement processing cycle.

You may elect to have an e-mail notification sent to you that your statement is available for viewing. This notification will be sent to the e-mail address you have provided and we have on file in the CU Online system. You agree to notify the credit union of any change in e-mail address at least three (3) business days prior to the last business day of the month to give us time to affect the change. Failure to do so may result in a delay or lack of delivery of your statement notification for the given period. To change your e-mail address, utilize the User Options feature in CU Online.

You understand that you have no expectation of privacy if electronic records are transmitted to an e-mail address owned by your employer or any other persons that are not owners, borrowers, authorized users, or otherwise. You further agree to release the credit union from any liability if the information is intercepted or viewed by an unauthorized party at the email address you provide.

You have a right to receive a paper copy of any electronic records if applicable law specifically requires us to do so. Also, you may withdraw your consent and revoke your agreement to receive records electronically. To request a paper copy or to withdraw your consent and agreement to receive electronic records, write to us at the following address:

Arizona Federal Credit Union, P.O. Box 60070, Phoenix, AZ 85082-0070

For purposes of this section, the words User ID shall also mean CU Online login and Personal Identification Number ("PIN") shall also mean "Password". You are required to select a User ID and PIN for use with the CU Online service. The PIN is required for security purposes in connection with the authentication of transfers and payments you initiate through the CU Online service. You acknowledge your User ID and PIN are confidential and should NOT be disclosed to others or recorded on documentation or records located on or around your personal computer (PC). You are responsible for the proper safekeeping of your User ID and PIN. You agree not to disclose or otherwise make your User ID or PIN available to anyone not authorized to access your accounts. If you authorize anyone to use your User ID and PIN, such authority shall continue until you specifically revoke the same by changing the PIN or by notifying the Credit Union and obtaining a replacement PIN. You understand that if you reveal your User ID and PIN to anyone, you have authorized that individual to transfer and withdraw funds from any of your accounts which can be accessed by the User ID and PIN, regardless of whether that person is authorized to transfer or withdraw funds from the account(s) by any means other than by use of CU Online. If you fail to maintain security of your User ID and PIN and the Credit Union suffers a loss, we reserve the right to terminate your CU Online services under this Agreement and Disclosure as well as other Credit Union deposit and loan services. The Credit Union will not be responsible for any losses you suffer due to your failure to maintain the security of your User ID and PIN. Users of the CU Online service should utilize such other PIN protection precautions as may be appropriate under any particular set of circumstances to ensure proper security over system access and access to account and transaction information and funds transfer capabilities. This should include, but is not limited to, installing security software (anti-virus, anti-spyware, etc.) to safeguard your PC from viruses, malware, or other threats to the security of the PC. CU Online provides the capability for you to change your PIN. To help safeguard your security, you should change your PIN frequently.

If you forget your PIN or your system access is disabled due to the use of an incorrect PIN, you must contact a Credit Union representative to have a temporary PIN issued to you. You authorize Arizona Federal to reset your PIN as requested by any joint owner listed on your account. Contact the Credit Union at (602) 683-1000, or Toll Free at (800) 523-4603 (Outside Maricopa County.) We reserve the right to require written re-application for a new/ replacement PIN.

EQUIPMENT AND SOFTWARE REQUIREMENTS: To use the CU Online and Electronic Statement services, you must use a PC or other device with the capacity to interface by modem or otherwise with the Credit Union's or our agent's system. The Credit Union is not responsible for providing any equipment, services or advice related to equipment necessary to interface with our system, and is not responsible for any error in connections, transmissions or otherwise regarding any system, software, entries or instructions.

These are the present minimum requirements that are required to access and use the system, which may change without notice. We make no warranty or representation regarding the access speed that you will have now or in the future, as such is beyond the control of the credit union (depending largely on your computer system and method of access -- e.g., dial up connection vs. DSL or other connection). Also, these minimum requirements are likely to change as technology, software, and other matters continue to evolve.

SERVICES: Except as otherwise provided for herein, using your PC and your User ID and PIN you can access your Credit Union accounts, periodic statements, and process transactions. Specifically, the following features are available from CU Online:

- Inquire and download account balance and transaction history information on your savings, checking, certificates, home equity line of credit, and other loan accounts.
- Transfer available funds between your savings and checking accounts;
- View current and past periodic and VISA account statements (statements are available for a minimum of 24 months from the statement date);
- Make payments to your Arizona Federal VISA, line of credit, home equity line of credit and other loans;

- Obtain cash advances from your Arizona Federal VISA, line of credit, and home equity line of credit accounts, and transfer the funds to your other accounts;
- Establish e-mail notifications when your account reaches or drops below a balance that you designate;
- Generate bill payments electronically through the "Bill Pay Service" feature of CU Online. (***You must specifically apply for the Bill Pay Service. Refer to the Bill Pay Service Agreement for further information, including terms and conditions.***)

In addition, you can:

- E-mail Us - E-mail questions and comments to us regarding the CU Online service.
- Customize - Change your password, session time-out, and your e-mail address registered with us.
- Obtain Help - Help provides additional information about how to use the CU Online service.

BUSINESS AND PROCESSING DAYS: CU Online and Electronic Statements are available 24 hours a day, seven days a week, except when unavailable for maintenance or as otherwise indicated in the paragraph titled "System Unavailability". Our business days are Monday through Friday, excluding holidays. The Business Day Cut-off time is 6:00 p.m. Mountain Time, after which transactions may reflect an effective date of the calendar day you initiated the transaction, but a posting date of the next business day. For example, transactions initiated by you each business day before 6:00 p.m. are processed with that calendar day's date. Transactions initiated after 6:00 p.m. may reflect a posting date (transaction date) of the next business day, but will reflect the date of the calendar day on which you initiated the transaction as the effective date for purposes of dividend accrual and finance charge calculation. Similarly, transactions that you initiate on non-business days (Saturday, Sunday and Holidays) are effective dated the date the transaction was initiated by you, but will reflect a posting date of the next business day. Dividends on accounts and finance charges on loans will be calculated utilizing the effective date of the transaction.

SYSTEM UNAVAILABILITY: Access to CU Online may be unavailable at times for the following reasons: (1) Scheduled Maintenance - There will be necessary periods when systems require maintenance or upgrades; (2) Unscheduled Maintenance - CU Online may be unavailable when unforeseen maintenance is necessary; (3) System Outages - Major unforeseen events, such as, but not limited to, earthquakes, fires, floods, computer failures, interruptions in telephone service, or electrical outages, may cause system unavailability; (4) Internet Service Provider - Failure by or unavailability of an Internet Service Provider. We will make all reasonable efforts to ensure the availability of CU Online, however, we are in no way liable for system unavailability or any consequential damages that may result; or, (5) Data Processing: The service may be interrupted for a short time daily for data processing purposes.

LIMITS ON TRANSFERS, WITHDRAWALS, AND TRANSACTIONS: There are no limits on the number or value of transactions you may initiate through CU Online except as stated below, provided collected funds are available in your account or sufficient credit is available on your line of credit. You cannot initiate transfers using CU Online to or from Share Certificate, IRA accounts, or any restricted accounts. Overdraft protection (if any) is automatically triggered to cover Internet Bill Pay transactions. We reserve the right to limit the frequency and dollar amount of any transactions at any time for security reasons. Please see the Bill Pay Service Agreement for limitations placed on payments made through the Bill Pay service.

During any calendar month, you may not make more than six (6) withdrawals or transfers from your savings or money market accounts to another Credit Union account of yours or to a third party by means of a preauthorized, automatic transfer, telephonic, home banking, or audio response transfer, or facsimile order or instruction. **No more than three of the six transfers may be made by check, debit card (POS), check card, ACH debit, bill payment service, or similar order to a third party.** Transfers to make payments on your loans at the Credit Union and withdrawals by check made payable to you are excluded from this limitation. If you exceed the transfer limit in any statement period, we may reverse or

refuse to make the transfer, and your account will be subject to closure and an excessive withdrawal fee charged as stated in the Rate and Fee Schedule.

FINANCE CHARGES ON LOAN TRANSFERS: Each transfer made from your Arizona Federal VISA account, line of credit account, home equity line of credit account, or any other revolving line of credit account you may have with us, is considered a cash advance. Finance charges begin to accrue from the effective date of each loan transfer in accordance with the terms of your credit agreement(s).

FUNDS AVAILABILITY AND ACCRUAL OF DIVIDENDS: Funds from electronic funds transfer credits/deposits will be available on the effective date of the transfer in accordance with our "Funds Availability Policy." Dividends begin to accrue on the effective date of the transfer.

CREDIT UNION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS: If we do not complete a transfer to or from your account on time or in the correct amount according to our agreement with you, we may be liable for your losses and damages. However, there are some exceptions. We will NOT be liable, for example, if: (1) Through no fault of ours, you do not have enough available funds in your account to make the transfer; (2) The transfer would exceed any permitted overdraft line you have with us; (3) Circumstances beyond our control (such as fire, flood, power failure, labor dispute, computer breakdown, telephone line disruption or a natural disaster) prevent or delay the transfer despite reasonable precaution taken by us; (4) The funds in your account are subject to legal process, an uncollected funds hold, or are otherwise not available for withdrawal; (5) The PIN or transaction information or other information you have provided is incorrect, incomplete, ambiguous or untimely; (6) The system was not working properly and you knew about the breakdown when you started the transfer; or (7) You are in default on an account to which you are attempting a transfer. (There may be other exceptions stated in our agreement with you.)

In addition, the Credit Union will also have no liability whatsoever for failure to complete a payment or transfer you initiate or attempt to initiate through CU Online under any of the following circumstances: (1) If you did not properly follow software or CU Online instructions on how to make the transfer or payment; (2) If you did not give the Credit Union complete, correct and current instructions or information to process your transaction request; (3) If you did not authorize a payment soon enough for the payment to be made, transmitted, received and credited by the payee/vendor; (4) If the Credit Union made a timely payment but the payee/vendor did not promptly credit your payment after receipt; (5) If your PC and/or software malfunctioned for any reason; (6) If the transfer or payment could not be completed due to system unavailability or a telecommunication or Internet Service Provider service failure; or (7) We blocked the transfer to protect the integrity or security of the system.

YOUR RESPONSIBILITY AND LIABILITY FOR UNAUTHORIZED TRANSFERS: You are responsible for all transfers and payments you initiate and authorize using CU Online. If you permit other persons to use CU Online and your User ID and PIN, you are responsible for any transactions they authorize from any of your accounts. Notify us **IMMEDIATELY** if you believe that your User ID and PIN has been lost or stolen or that someone has used it or may use it to access your accounts and transfer money without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account plus any available credit on your line(s) of credit. **The Credit Union Telephone Number is: (602) 683-1000 or (800) 523-4603 (Outside Maricopa County.) Our Address is: Arizona Federal Credit Union, P.O. Box 60070, Phoenix, AZ 85082-0070**

If you notify us within two (2) business days after learning or suspecting that your PIN was lost, stolen, or used by someone without your permission, you can lose no more than \$50.00. If you do NOT notify us within two (2) business days after you learn of the loss or theft of your PIN, and we can prove we could have stopped someone from using your PIN without your permission had you told us, you could lose as much as \$500. Also, if your statement shows transfers that you did not make, tell us AT ONCE. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have prevented someone from taking the money had you told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC FUNDS TRANSFERS OR ELECTRONIC STATEMENT: Call us or write us **IMMEDIATELY** at the telephone number or address described in the preceding section if you think your statement is wrong (or shows transfers and transactions that you did not authorize) or if you need more information about a transfer. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. If you do not tell us within 60 days after the statement was mailed to you, you may not recover funds lost after the 60 day period if we can prove that the loss could have been prevented had you told us in time. **Tell us your name and account number. Tell us the dollar amount of the suspected error and the date it occurred. 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.**

If you notify us verbally, we may require you to 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 take up to forty-five (45) calendar days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within ten (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or request in writing and we do not receive it within ten (10) business days, we may not re credit your account. If we determine there was no error, we will send you written explanation within three (3) business days after we complete our investigation. You may ask for copies of the documents that we used in our investigation and which we relied upon to conclude that the error did not occur (to the extent possible without violating any other member's right to privacy).

RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS: Your completed CU Online transactions will appear on your periodic statements. You will get a monthly statement on the electronic funds transfer activity on your accounts unless there are no transfers in a particular month. In any case, you will get a statement at least quarterly. Be sure to review and verify all statement information thoroughly. You may also obtain information on transfers and payments by inquiry of your transactional account history using CU Online.

FEES AND CHARGES: There are currently no fees for the CU Online, Bill Pay, or E-Statement services or the termination thereof. However, the Credit Union reserves the right to impose fees or to change any fee structure with or without notice as required by law. You are solely responsible for the payment of any Internet Service Provider and telephone and utility company charges incurred in connection with accessing any of these services.

ACCOUNT TRANSACTION HISTORY: Each time you inquire and download account transactional information, you will receive information for at least the last 60 calendar days. This means that you may need to download transactional information at least once every 60 days if you wish to have all of your account information on your personal computer.

RIGHT TO STOP PAYMENT ON ELECTRONIC TRANSFERS: A Stop Payment order **cannot** be placed once a CU Online transfer has been initiated by you and accepted by the system, or a bill payment transfer has been made and your account has been debited on the scheduled payment date. If you have made a transfer in error, you must reverse the transaction by initiating a correcting transfer. (Note: Transfers cannot be corrected via CU Online when made as transfer/payments to closed-end loan accounts. Contact the Credit Union if you require reversal of these transactions or need additional assistance.) For further information on placing stop payments on bill payment transfers before payment is made, refer to the Internet Bill Pay Service Agreement.

E-MAIL CAPABILITIES AND LIMITATIONS: The CU Online service includes e-mail capabilities allowing you to send and receive electronic e-mail messages to and from the Credit Union. The Credit Union will not immediately receive and review e-mail messages that you send and will NOT process any request for a funds transfer received via e-mail. Further, the Credit Union may not act upon requests for stop payments, requests for a replacement PIN, reports of a lost or stolen PIN or unauthorized transactions

(refer to "Member's Responsibility and Liability for Unauthorized Transfers" above for appropriate action), reports of lost or stolen ATM or VISA Cards, or on any other request in which the Credit Union would normally require written notification or your authorizing signature, without first confirming the authenticity of the e-mail request/notification via telephone. In some instances, written confirmation reflecting your authorizing signature may still be required. The Credit Union will not take action based on your e-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. **If your request requires immediate attention, contact the Credit Union directly at (602) 683-1000, or Toll Free at (800) 523-4603 (Outside Maricopa County.)**

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES: We will disclose information to third parties about your account or the transfers you make: **(a)** Where it is necessary for completing transfers; or **(b)** In order to comply with government agency or court orders; or **(c)** In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or **(d)** If you give us your written permission.

NOTIFICATION AND CHANGES IN TERMS AND CONDITIONS: We may change or amend any part of this Agreement and Disclosure at any time, including changes in terms, conditions, and fees, as long as we give you advance notice as required by law. Notification will be sent to you electronically.

OTHER LIMITATIONS OF LIABILITY: You are solely responsible for the selection, installation, maintenance, and operation of your personal computer and software. The Credit Union expressly disclaims any and all liability as relates to the improper use of your personal computer and the transmission of data except as provided by statute. The Credit Union is not responsible for any errors or failures due to any malfunction of your personal computer or the software, or unsuitability of your personal computer or software, or any virus, or any problems that may be associated with the use of an on-line service.

TERMINATION AND AUTOMATIC DEACTIVATION OF SERVICE: You may terminate your CU Online service at any time by providing written notice to the Credit Union and immediately discontinuing use of the service, or by discontinuing use of the service (by not logging on to the service) for a three-consecutive-month period. You are solely responsible for notifying any participating merchants (when applicable) that you have terminated your bill payment transfer capabilities.

If you do not utilize the CU Online Service (by not logging on to the service) for a three-consecutive-month period, your access to the Service will automatically be deactivated. If this occurs and you wish to reactivate your CU Online service, you must contact the Credit Union by telephone or in person. We reserve the right to require written reapplication before we reactivate your CU Online system access.

The Credit Union may also terminate the CU Online service and this Agreement and Disclosure at any time by giving you advance notification, either orally or in writing. Whether you or the Credit Union terminates your CU Online service and this Agreement and Disclosure, the termination shall not affect your obligations under this Agreement and Disclosure for any transfers or payments made prior to termination.

ENFORCEMENT: You agree to be liable to the Credit Union for any liability, loss, or expense as provided in this Agreement that the Credit Union incurs as a result of any dispute involving your accounts or services. You authorize the Credit Union to deduct any such liability, loss, or expense from your account without prior notice to you. In the event either party brings a legal action to enforce this Agreement or collect any overdrawn funds on accounts accessed under this Agreement, the prevailing party shall be entitled, subject to Arizona law, to payment by the other party of its reasonable attorneys' fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions, if applicable. Should any one or more provisions of this Agreement be determined illegal or unenforceable in any relevant jurisdiction, then such provision may be modified by the proper court, if possible, but only to the extent necessary to make the provision enforceable, and any such modification shall not affect any other provision of this Agreement.

GOVERNING LAW: This Agreement is made in Arizona and shall be governed by the laws of the State of Arizona to the extent that Arizona Law is not inconsistent with controlling Federal Law.

Revised: 2/08