# Electronic Funds Transfer Disclosure Statement and Agreement

(for ESL ATM Card, ESL Visa® Debit Card, ESL Visa® Health Savings Account Card, TEL-E$L®, Automated Clearing House (ACH) Transactions, Electronic Check Conversion (ECK), ESL Online Banking, ESL Mobile Banking and ESL Online Bill Pay)

## 1. INTRODUCTION

This agreement governs the following products/services offered by ESL Federal Credit Union (ESL):

### ESL ATM Card (ATM/POS Transactions)

The ESL ATM Card allows you to access your ESL® accounts at any ESL ATM as well as at other ATM and POS terminals displaying the NYCE®, or PLUS® network logos across the country and worldwide.

### ESL Visa Debit Card

The ESL Visa Debit Card provides you with all of the features listed for the ESL ATM Card, and in addition, allows you to make electronic purchases directly from your designated ESL Checking Account. Visa purchases made with an ESL Visa Debit Card are directly debited from your designated ESL Checking Account.

### ESL Visa Health Savings Account (HSA) Card

The ESL Visa HSA Card provides you with all of the features listed for the ESL ATM Card, and in addition, allows you to make electronic purchases directly from your designated ESL HSA.

### TEL-E$L (Automated Telephone Transaction Service)

TEL-E$L is a computer assisted telephone self-service banking system that's available 24 hours a day, seven days a week. You can complete transfers between accounts in your name and obtain important credit union or account information by following a series of computerized voice prompts. TEL-E$L requires the use of a pre-assigned Personal Identification Number (PIN).

### Automated Clearing House (ACH) Transactions

The ESL ACH transaction service allows you to electronically perform credits and debits against your share accounts at ESL and transfer funds from other financial institutions to pay your loans or mortgages at ESL. These transactions are authorized by you through ESL or another institution and transmitted electronically.

### Electronic Check Conversion (ECK)

When you provide a check for payment, you authorize us to either use information from your check to make a one-time electronic fund transfer (ECK) from your account or to process the payment as a check

transaction. For electronic transactions, funds may be withdrawn from your account as soon as the same day we receive your payment and your check will be destroyed.

### ESL Online Banking

This service allows you to access all your ESL accounts via the Internet 24 hours a day, seven days a week. You can transfer funds between accounts at ESL as well as make external transfers. In addition, you can view check images, receive your statements, change your address, order checks and much more.

### ESL Mobile Banking

This service is offered as a convenience and supplemental service to our ESL Online Banking services. It is not intended to replace access to ESL Online Banking from your personal computer. ESL Mobile Banking allows you access to your ESL account information, make payments to payees, transfer funds and conduct other banking transactions.

### ESL Text Banking

Using this service, you may send certain text message codes to 454545 to instruct us to send you a text message response providing basic information about the accounts you have with us. To utilize ESL Text Banking, you must be enrolled in ESL Online and/or Mobile Banking.

### ESL Online Bill Pay

ESL Online Bill Pay is offered through Fidelity National Information Services, Inc. (FIS) to members who use ESL Online/Mobile Banking. ESL Online Bill Pay allows you to make payments to merchants, other institutions or individuals from your designated ESL Checking Account via the Internet. You can make one-time payments as well as set up recurring periodic payments.

### Expedited Payments (via ESL Online Bill Pay)

Also offered through FIS to members who use ESL Online/Mobile Banking. Expedited Payments allows you to make next business day payments to merchants, other institutions or individuals from your designated ESL Checking Account via the Internet. Depending on the payee, the Expedited Payment may be processed electronically (ACH) or with an overnight check (paper). A convenience fee will be assessed for each Expedited Payment through ESL Online Bill Pay, see Fee Schedule.

Please note, not all payees will accept expedited payments and limited payees will accept electronic payments.

### Member to Member Transfers

Using ESL Online/Mobile Banking, you can transfer funds from your ESL Checking, Savings or Loan Accounts to ESL Checking, Savings or Loan Accounts in another ESL member's name. A $2,000 daily limit will apply for Member to Member Transfers. This limit includes amounts set up as recurring Member to Member Transfers.

### Loan Payments from External Accounts

This service is offered through Digital Insight to members who use ESL Online or Mobile Banking. You can transfer from your checking or savings accounts at any external financial institution to pay your ESL loan.

### All Electronic Funds Transfer (EFT) Services

This agreement is a supplement to certain other share account agreements which you have already entered into with ESL. It supplements those accounts which you and ESL have agreed will be accessed by one of

the above services. This agreement supersedes all other share account agreements to the extent that there is a conflict.

The provisions of this agreement apply to all transactions covered by this agreement except where otherwise noted.

## 2. PERSONAL IDENTIFICATION NUMBERS AND SECURITY

### ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

Taking steps to activate and use your ESL ATM, ESL Visa Debit Card or ESL Visa HSA Card indicates your acceptance of the terms of this agreement. Since the ESL Visa Debit Card / ESL Visa HSA Card are debit cards, you also need to sign them. The cards must be used, together with your Personal Identification Number (PIN), to activate at the ATM or POS terminal. Please call 844.433.1140 to select or change your PIN. You may change your PIN at any ESL ATM. You are responsible for the control and use of the cards and/or PIN for yourself and/or any other person you allow to possess the cards and/or PIN. For your protection, you should guard the secrecy of the PIN and not write it on the cards or keep it in any place where it may be found with the cards.

We will inform you of any changes in the way the cards may be used. You do not need to enter a PIN to use the ESL Visa Debit Card or ESL Visa HSA Card at Visa merchant locations. However, you must first use the ESL Visa Debit Card or ESL Visa HSA Card at any ATM, or call 844.433.1140, to activate the Visa purchase capabilities of the card.

### TEL-E$L

When opening an account in person, you will be offered the opportunity to create your own four digit TEL-E$L PIN number. If you do not know your PIN or you are locked out of your account, you may call us at 585.336.1000 or 800.848.2265, or use ESL Live Chat Banking at esl.org and we will create a new PIN for you. You can change your PIN by following special TEL-E$L prompts. For your protection, you should guard the secrecy of your PIN. You are responsible for the control and use of the PIN and/or any other person you allow to possess the PIN.

### ESL Online/Mobile Banking

When opening an account in person, you will be offered the opportunity to create a temporary four digit ESL Online/Mobile Banking PIN. You must use this temporary PIN to log into ESL Online/Mobile Banking for the first time. You will be forced to change your PIN upon initial logon to a secure password. In addition to your User ID and password, an extra layer of security involving a single-use access code is required for ESL Online/Mobile Banking. During ESL Online/Mobile Banking registration, you will be asked to provide up to two phone numbers and one email address. For the phone numbers you provide, you will have the option of choosing to receive your single-use access code via text message, email and/or phone call. When you attempt to login to ESL Online or Mobile Banking, your computer or mobile device will be verified by sending a single-use access code to the phone number or email address you provided at registration. You will be provided the opportunity for the access code security feature to recognize the computer and browser you are using. If you select to have the computer and browser recognized, a cookie will be placed on that computer and browser which will allow you to bypass the single-use access code upon subsequent logins with that computer and browser. If you select to not have the computer and browser recognized, you will be prompted to receive and enter a single-use access code each time you log into ESL Online Banking. A cookie will be placed on your mobile device which allows you to authenticate your mobile device only one time. If that cookie is erased, you will have to authenticate your mobile device again. **Standard text messaging charges apply.**

If you forgot your password or are locked out of ESL Online/Mobile Banking, you can use the password reset link available on esl.org. Instructions are provided online. You may also contact us using ESL Live Chat Banking at esl.org, or by calling 585.336.1000 or 800.848.2265 and speaking with an ESL Representative. The representative will provide you with a new temporary PIN that you may use to log into ESL Online/Mobile Banking and then create a new password.

# 3. TYPES OF AVAILABLE ELECTRONIC TRANSFERS AND LIMITS

## ESL ATM Card

You may use your ESL ATM Card and PIN for the following transactions relating to your account(s):

1. Withdraw cash from your checking or savings accounts.
2. Perform balance inquiries on your checking or savings accounts.
3. Transfer funds between your checking and savings accounts.
4. Make deposits to your checking or savings accounts at ESL ATMs.
5. Pay for purchases from your checking account at locations that have agreed to accept the card.

**NOTE:** Some of these services may not be available at all ATMs at all times. For POS terminal transactions, you may only withdraw from your checking account.

**Limitations at Automatic Teller Machine (ATM):** You can withdraw a maximum of $1,000 during any calendar day of the year. Cash deposited at an ATM will be available immediately. Generally, the first $275, $1,000 or the full amount (as described in the Funds Availability Policy) of checks deposited will be available immediately. The remainder of your deposit will be available no later than the second business day after the day of the deposit (additional delays may apply). With your ATM card, you may make a maximum of six deposits each calendar day.

**For First Home Club (FHC) Savings Accounts only:** You cannot use your ESL ATM Card to withdraw cash from your savings account or transfer funds from your FHC Savings Account to your checking account. Deposits and withdrawals from your FHC Account are subject to the requirements of the Federal Home Loan Bank of New York. If these requirements are not met, you may not receive any or all of the available matching grant funds. It is your responsibility to ensure the withdrawals from your FHC Account comply with these requirements.

**For ESL First-Time Homebuyer (FTH) Savings Accounts only:** You cannot use your ESL ATM Card to withdraw cash from your savings account or transfer funds from your FTH Savings Account to your checking account. Deposits and withdrawals from your FTH Account are subject to the requirements of the ESL First Home Grant product. If these requirements are not met, you may not receive any or all of the available matching grant funds. It is your responsibility to ensure the withdrawals from your FTH Account comply with these requirements.

## ESL Visa Debit Card

You may use your debit card for the following transactions relating to your account(s):

1. Items 1-5, as listed above for the ESL ATM Card.
2. Make electronic purchases directly from your designated ESL Checking Account at any Visa merchant location.

**Limitations:** You can authorize purchases up to a maximum of $5,000 during any calendar day of the year in addition to the $1,000 daily maximum for ATM withdrawals.

## ESL Visa HSA Card

You may use your ESL Visa HSA Card and PIN for the following transactions relating to your ESL HSA Account(s):

1. Withdraw cash/take distributions from your ESL HSA.
2. Perform balance inquiries on your ESL HSA.
3. Make deposits/contributions to your ESL HSA at ESL ATMs.
4. Make electronic purchases directly from your designated ESL HSA Account.

Electronically accessing your ESL HSA – for example, getting cash back on an ESL Visa HSA Card transaction – can raise a variety of tax concerns. As a result, before electronically accessing your ESL HSA make sure you are using the correct card. Also, it is your responsibility to ensure the contributions, distributions and other actions related to your ESL HSA comply with the law, including federal tax laws.

**Limitations:** You can authorize purchases up to a maximum of $5,000 during any calendar day of the year in addition to the $1,000 daily maximum for ATM withdrawals.

## ACH Transactions

Periodic electronic pre-authorized credits and debits will be made by third parties to the account which you indicated for such transactions. Examples of third-party ACH transactions include Social Security deposits, Kodak pension deposits and RG&E and Frontier payments.

The frequency and amount of these third-party pre-authorized transactions will be subject to the terms of the agreement which you have with the originator.

You can also authorize ESL to originate periodic electronic transfers from your accounts at other financial institutions to pay your loans and mortgages at ESL. The frequency and amount of any ESL originated pre-authorized transactions will be subject to the terms of this agreement and the authorization form you sign with ESL.

## ESL Online Banking

You may perform the following transactions to accounts in your name:

1. Perform inquiries on ESL accounts.
2. Transfer funds between ESL Checking, Savings, HSA and Visa Accounts.
3. Transfer funds from an ESL Checking or Savings Account to make an ESL Loan payment.
4. Receive account statements online.
5. View images of cleared checks.
6. Transfer funds between an ESL Checking, Savings or HSA Account and an external financial institution checking, savings or investment account held in your name.
7. Transfer funds from an external checking or savings account to make an ESL Loan payment.
8. Transfer funds between an ESL Checking, Savings, HSA or Loan Account in your name to an ESL Checking, Savings, HSA or Loan Account in another ESL member's name.
9. Schedule transfers between ESL Checking, Savings, HSA and Loan Accounts in advance.
10. Receive notifications via email or text regarding the balance of your ESL accounts or when checks clear your ESL Checking or HSA Account.

**For First Home Club (FHC) Savings Accounts only:** You cannot use ESL Online Banking to transfer funds from your FHC Account to any other ESL account or external account or make an ESL Loan payment. Deposits and withdrawals from your FHC Account are subject to the requirements of the Federal Home Loan Bank of New York. If these requirements are not met, you may not receive any or all of the

available matching grant funds. It is your responsibility to ensure the withdrawals from your FHC Account comply with these requirements.

**For ESL First-Time Homebuyer (FTH) Savings Accounts only:** You cannot use ESL Online Banking to transfer funds from your FTH Account to any other ESL account or external account or make an ESL Loan payment. Deposits and withdrawals from your FTH Account are subject to the requirements of the ESL First Home Grant product. If these requirements are not met, you may not receive any or all of the available matching grant funds. It is your responsibility to ensure the withdrawals from your FTH Account comply with these requirements.

## ESL Mobile Banking

You may perform the following transactions to accounts in your name:

1. Perform inquiries on ESL accounts.
2. Transfer funds between ESL Checking, Savings, HSA and Visa Accounts.
3. Transfer funds between ESL Checking, Savings and HSA Accounts.
4. Transfer funds from an ESL Checking, Savings or HSA Account to make an ESL Loan payment.
5. Transfer funds from an external checking or savings account to make an ESL Loan payment.
6. From your designated ESL Checking or HSA Account, pay any designated merchant, institution or individual in accordance with this agreement a fixed recurring amount or a variable amount “on demand.”

**For First Home Club (FHC) Savings Accounts only:** You cannot use ESL Mobile Banking to transfer funds from your FHC Account to any other ESL account or make an ESL Loan payment. Deposits and withdrawals from your FHC Account are subject to the requirements of the Federal Home Loan Bank of New York. If these requirements are not met, you may not receive any or all of the available matching grant funds. It is your responsibility to ensure the withdrawals from your FHC Account comply with these requirements.

**For ESL First-Time Homebuyer (FTH) Savings Accounts only:** You cannot use ESL Mobile Banking to transfer funds from your FTH Account to any other ESL account or external account or make an ESL Loan payment. Deposits and withdrawals from your FTH Account are subject to the requirements of the ESL First Home Grant product. If these requirements are not met, you may not receive any or all of the available matching grant funds. It is your responsibility to ensure the withdrawals from your FTH Account comply with these requirements.

## ESL Text Banking

You may perform the following transactions on the primary account and transfer account you have registered:

1. Obtain the current and available balance of the primary account.
2. Current balance on all accounts in your name.
3. View the five most recent transactions on the primary account.
4. Transfer between the primary account and the transfer account you have registered.
5. Un-enroll from ESL Text Banking.

Although ESL does not charge a fee for using the service, you understand that you are responsible for any and all message and data rates imposed by your wireless service provider when you use the service. Any text messages that we send you will be subject to any terms and conditions imposed by your wireless service provider.

## ESL Online Bill Pay and Expedited Payments (via ESL Online Bill Pay)

When you apply for ESL Online Bill Pay through FIS, you must designate one or more ESL Checking or HSA Account(s) as the account(s) from which payments that you authorize will be deducted. You will be given the ability to set up merchants, institutions or individuals that you would like to pay. You are not permitted to designate governmental agencies or courts. ESL reserves the right to not allow the designation of a particular merchant or institution.

You can perform the following transactions:

1. From your designated ESL Checking or HSA Account, pay any designated merchant, institution or individual in accordance with this agreement a fixed recurring amount or a variable amount “on demand.”
2. Obtain information (payee information, payment status information, etc.) about your ESL Online Bill Pay account.

**Limitations for Expedited Payments (via ESL Online Bill Pay) only:** Not all payees will accept Expedited Payments and limited payees will accept electronic (ACH) payments. A convenience fee will be assessed for each Expedited Payment through ESL Online Bill Pay, see Fee Schedule.

## Loan Payments from External Accounts

When you choose to use this service, you can transfer from your checking or savings accounts at any external financial institution to pay your ESL loan by simply supplying your routing number and your account number.

**Limitations:** The following transactions cannot be made using the Loan Payments from External Accounts feature: making payments that are more than the amount due, making payments that are less than the amount due, paying off a loan, paying late fees only and making principal payments only. You cannot use this feature to pay your credit card.

**All EFT Services Limitations:**

1. Transfers which will overdraft or close your checking, savings or HSA account are not permitted.
2. If you initiate an online bill payment which creates an overdraft, the ESL Online Bill Pay Account will be blocked from access. All payments in ESL Online Bill Pay are SUSPENDED during the blocked period. If the payment is by check, and the check has not cleared, the ESL Online Bill Pay service will stop the check. If the payment was electronic, the ESL Online Bill Pay provider will attempt to collect funds up to three times, and an insufficient funds fee may be collected for each attempt where the funds are not available in the account. **Any instance of a single or recurring payment scheduled to be paid during the blocked period will not be sent and must be rescheduled by you once your balance is sufficient.** Future recurring and dated payments will be processed, assuming there is an adequate balance in your checking account at that time. Once the online bill payment successfully clears the account, it may take 7-10 business days for ESL Online Bill Pay to be available to use again.
3. Any external or internal transfer, or ESL Online Bill Pay which creates an overdraft may be charged an insufficient funds fee (NSF), see Fee Schedule for exact fee charged.
4. Transfers cannot be made from any account in an unavailable status, such as a dormant or inactive account or an account with a savings account loan for the full balance amount, or from any account subject to legal process or other encumbrance restricting the transfer.

# 4. POSTING AND TIMING OF TRANSACTIONS AND DOCUMENTATION OF TRANSACTIONS

## ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

Any transfer of funds accomplished through the use of an ATM to or from an account will be credited conditionally and subject to verification as to the availability of funds. No deposit or payment of funds shall be considered final until ESL has verified and processed the transaction. Withdrawals, deposits, and transfers of funds will be posted to your account at ESL immediately.

ATM deposits made at ESL ATMs are immediately posted to your ESL account, but may not be immediately available for withdrawal. In some cases, funds will be unavailable for withdrawal until the second business day following an ATM deposit.

## ESL Visa Debit Card & ESL Visa HSA Card

The amount of authorized purchases made with your ESL Visa Debit Card or ESL Visa HSA Card at Visa merchant locations will be made immediately unavailable for withdrawal from your designated ESL Checking Account or ESL HSA for up to two full business days following the date you performed the transactions. Most Visa purchase transactions will clear your designated ESL Checking Account or ESL HSA in one to two business days, but some Visa purchase transactions (especially those performed at Visa merchants not electronically connected to Visa) may take longer, even weeks.

You remain liable for the full amount of any Visa purchases made with your ESL Visa Debit Card/ESL Visa HSA Card regardless of how long the purchase transaction takes to clear your designated ESL Checking Account/ESL HSA and regardless of the balance in your account at the time the transaction clears.

**When using your ESL Visa Debit Card or ESL Visa HSA Card and you do not enter a PIN, the transaction may be processed as either a Visa Debit Card transaction or a transaction on the NYCE networks. Merchants must provide you with a clear way of choosing how you want to make a Visa Debit Card transaction if they support this option.**

## Electronic Check Conversion (ECK)

When you provide a check for payment, you authorize us to either use information from your check to make a one-time electronic fund transfer (ECK) from your account or to process the payment as a check transaction. For electronic transactions, funds may be withdrawn from your account as soon as the same day we receive your payment and your check will be destroyed.

**Exchange Rates for Foreign Transactions** The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from the 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.

An International Service Assessment fee in the amount of 1% of the international transaction will be deducted from your account.

## TEL-E$L

TEL-E$L transactions performed Monday through Saturday during regular business hours are immediately posted to your account. Transactions completed after regular business hours and on Sundays and holidays will be posted to your account(s) on the next business day.

## Automated Transactions

In the case of ACH transactions originated by third parties, posting dates are determined by the originator of the transaction and are submitted to ESL with the transaction itself. ESL posts these ACH transactions on the date provided by the originator, even if ESL receives the transaction(s) before the scheduled posting date.

For ACH transactions authorized by you to be originated by ESL for the purpose of paying your ESL Loan or Mortgage, posting dates will be determined by ESL that satisfy the terms of your loan or mortgage agreement.

For ACH transactions authorized by you to be originated by ESL to transfer funds from another institution to your share and/or loan account(s) at ESL, the posting date(s) will be authorized by you on the ACH transaction authorization form. However, the specific posting date(s) may periodically change to complete processing around weekends and holidays.

## ESL Online/Mobile/Text Banking

ESL Online/Mobile/Text account transactions performed Monday through Saturday during regular business hours are immediately posted to your account(s). Transactions completed after regular business hours and on Sundays and holidays will be posted to your account(s) on the next business day. A record of these transactions will be fully disclosed on your periodic statement. In addition, you will receive a confirmation number at the time of each transaction.

## ESL Online Bill Pay

You should allow at least three business days for electronic payments and five business days for merchants, institutions or individuals to receive your check payment. For recurring payments, your payment will be sent to the merchant, institution or individual on the date you selected or the previous business day if that date is a weekend or holiday. If you authorize an “on demand” payment to be made on the same business day, that payment will be sent to the merchant, institution or individual on the next business day. Payments will be posted to your ESL account within two business days of the date that the payment was sent to the merchant, institution or individual. A record of these transactions will be fully disclosed on your periodic statement. In addition, you will receive a confirmation number at the same time of each transaction.

## Expedited Payments (via ESL Online Bill Pay)

You should allow at least one business day for Expedited Payments. The cutoff time for electronic (ACH) payments depends on the payee. The cutoff time for an overnight check (paper) is 4:45 p.m. EST.

## Member to Member Transfers (via ESL Online/Mobile Banking)

Transactions performed Monday through Saturday during regular business hours are immediately posted to the recipient's account. Transactions completed after regular business hours and on Sundays and holidays will be posted to your account(s) on the next business day. A record of these transactions will be fully disclosed on your periodic statement. In addition, you will receive a confirmation number at the time of each transaction.

## Periodic Statement

A record of all EFT transactions will be fully disclosed on your periodic statement.

# 5. DOCUMENTATION OF TRANSFERS

### ESL ATM Card

You will get an acknowledgment form at the time you make any transaction from or to your account(s) using an ATM.

### ESL Visa Debit Card

You will get an acknowledgment form at the time you make any transaction from or to your account(s) using either an ATM or POS facility. You will also get a receipt at the time of purchase when using your card at Visa merchant locations. You may not get a receipt if the amount of the transaction is $15.00 or less.

### ESL Visa HSA Card

You will get an acknowledgment form at the time you make any transaction from your HSA(s) using either an ATM or POS facility. You will also get a receipt at the time of purchase when using your card at Visa merchant locations. You may not get a receipt if the amount of the transaction is $15.00 or less. Under IRS and Treasury regulations, all payments from your ESL HSA require third party documentation. You are responsible for meeting any documentation requirements.

### ACH Transactions

If you have arranged to have direct deposit of payroll made to your account, the company making the deposit will tell you every time they send us a deposit. If you have arranged to have other types of direct deposits made to your account at least once every 60 days from the same person or company, you can log into ESL Online/Mobile Banking at esl.org or call TEL-E$L at 585.336.1000 or 800.848.2265 to find out whether or not the deposit has been made.

If you are making pre-authorized payments to a person or company through ACH transactions, and the amount of the payments could vary, the person or company you are going to pay, including ESL, will tell you, 10 calendar 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.

### All EFT Services

Checking, Premier Checking, Money Maker, Premier Money Maker, Tiered Savings, HSA and some Daily Dividend Savings Account statements are sent to you each month. Other Daily Dividend Savings Account statements, where there are no EFT transactions in a particular month, are mailed at the end of each calendar quarter. Statements will indicate all of your account activity including EFT and POS transactions during the statement period.

# 6. LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transfer from or to your account(s) on time or in the correct amount, the liability of ESL is limited to any late fees you may have incurred as a result of the failure to effect the transfers. In addition, ESL is not liable:

### ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

1. If the ATM where you are making the transfer does not have enough cash, or;
2. If the ATM, POS, or Visa terminal was not working properly.

### TEL-E$L

1. If there is a terminal or equipment failure.

### ACH Transactions

1. If the following occurs: Originators of ACH transactions to ESL may send ESL a “pre-notification” of impending transactions, before the actual transaction(s) is sent. ESL may reject a pre-notification and/or subsequent ACH transaction(s) if the required information to successfully post the transaction is inaccurate and/or incomplete. This process could delay the actual posting date of a scheduled ACH transaction or payment.

2. If ESL is originating the transaction:

    a. If you have not given us complete, accurate, or current account numbers or other identifying information so that we or another financial institution can properly process your request.
    b. If your account at another financial institution that you have requested ESL to draw funds from has an insufficient balance, stop payment, or some other encumbrance at the time of the transaction to prevent ESL from completing the transaction.
    c. If another financial institution that you have requested ESL to draw funds from does not promptly or properly process your transaction within the guidelines of the Electronic Payments Network (EPN) or the National Automated Clearing House Association (NACHA).

### ESL Online/Mobile/Text Banking and ESL Online Bill Pay

If we do not complete a transfer from or to your account(s) on time or in the correct amount, the liability of ESL is limited to any late fees you may have incurred as a result of the failure to effect the transfers. In addition ESL is not liable:

1. If there is terminal or equipment failure.
2. If your telephone, PC, ESL Online/Mobile/Text Banking, or ESL Online Bill Pay was not working properly and the equipment failure should have been apparent to you when you attempted to authorize a transaction.
3. If you have not given us complete, accurate, or current account numbers or other identifying information so that we or a merchant institution can properly credit your account.
4. If you have not properly followed the ESL Online/Mobile/Text Banking, ESL Online Bill Pay or Loan Payments from External Accounts instructions or have provided us with wrong or inaccurate information.
5. If you fail to notify us of any inaccuracy in any merchant list that has been set up on your account.
6. If you receive notice from a merchant or institution that any payment you have made through ESL Online/Mobile Banking or ESL Online Bill Pay remains unpaid, and you fail to notify us promptly of that fact.
7. If the payee was a merchant or institution you are not permitted to designate (see Section 3).
8. If you do not set up the payment soon enough for your payment to be received and credited by the payee by the due date.
9. If the payee does not credit your payment promptly or properly after receipt.

### Member to Member Transfers

Each time you use the Member to Member Transfer service, you are certifying that the member you are transferring funds to is an owner on the account you wish to transfer to. ESL is not responsible for funds transferred to an incorrect account number.

### All EFT Services

1. If, through no fault of ours, your account(s) does not contain enough money to make the transfer, or;
2. If the funds are subject to legal process or other encumbrances restricting such transfer, or;
3. If the transfer would go over the credit limit on an overdraft line of credit you may have, or;
4. If circumstances beyond our control (such as fire or flood) prevent the transfer, and we have taken reasonable precaution to avoid such circumstances.

## 7. LIABILITY FOR UNAUTHORIZED TRANSFERS

### All EFT Services

An unauthorized transfer is a transfer made by a person other than you who does not have actual, implied, or apparent authority for such use, and from which you did not receive any benefit, including one made with a lost or stolen ESL ATM, ESL Visa Debit Card or ESL Visa HSA Card and/or PIN or ESL Online/Mobile/Text Banking or TEL-E$L PIN. If you believe that someone has transferred or may transfer money from your account without your permission, or if your account statement shows transfers you did not make you must notify ESL immediately. Calling us is the best way of informing us and keeping your possible losses down, you may also contact us using ESL Live Chat Banking at esl.org. You could lose all of the money in your account (plus your maximum overdraft line of credit); however, if you tell us as soon as discovery is made of an unauthorized transfer, you may have no liability for the losses provided the following conditions are met: (i) you have exercised reasonable care in safeguarding your account and/or card from the risk of loss, theft or unauthorized use; and (ii) upon becoming aware of such loss, theft or unauthorized use you promptly report the loss, theft or unauthorized use to us. Notwithstanding the above, you may be liable for greater amounts than listed above to the extent allowed under applicable law only if we determine that you were grossly negligent or fraudulent in the handling of your account.

## 8. UNLAWFUL USE OF FINANCIAL SERVICES

Any financial service provided by ESL 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 discretion of ESL. You further agree, should illegal use occur, to waive the right to sue ESL for such illegal activity directly or indirectly related to it. You also agree to indemnify and hold ESL harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

## 9. WHO TO CALL FOR LOST AND STOLEN CARDS OR UNAUTHORIZED TRANSFERS

### ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

If you believe that your ESL ATM Card, ESL Visa Debit Card or ESL Visa HSA Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, you should call 585.336.1000 or 800.848.2265, Monday-Friday, 7:30 a.m. – 4:30 p.m. All other times, call 800.754.4128.

### TEL-E$L and ESL Online/Mobile Banking

If you believe that your TEL-E$L PIN or ESL Online/Mobile Banking PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, you should call 585.336.1000 or 800.848.2265, or you may contact us using ESL Live Chat Banking at esl.org. You may also write to us at:

ESL Federal Credit Union
P.O. Box 92714
Rochester, NY 14692-8814

## 10. BUSINESS DAYS OF ESL FEDERAL CREDIT UNION

### All EFT Services

Our regular business days for posting ATM, Visa Check/Debit Card and TEL-E$L transactions to your account are Monday through Saturday, except for holidays normally observed by the banking community in Rochester, New York. Our regular business days for posting ACH and ESL Online Bill Pay transactions to your account are Monday through Friday, except for holidays normally observed by the banking community in Rochester, New York.

## 11. IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

### All EFT Services

Call us at 585.336.1000 or 800.848.2265, or use ESL Live Chat Banking at esl.org, or write to us at:

ESL Federal Credit Union
P.O. Box 92714
Rochester, NY 14692-8814

Contact us as soon as you can if you think that someone has transferred or may transfer money from your account without your permission, if you need more information about an electronic transfer listed on your statement, or if you need more information about your bill payment. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped the loss if you had told us in time. If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days.

1. Tell us your name and account number(s).
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.

We will determine whether an error has occurred within 10 business days (20 business days for new member accounts) after we hear from you and will correct any error promptly, by crediting your account within one business day. However, if we need more time, we may take up to 45 days (or 90 days for foreign-initiated transactions and all transfers resulting from point-of-sale debit card transactions and new member accounts) to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within 10 business days (or 20 business days for new member accounts), so you can have access to the money during the time it takes us to investigate your complaint or question.

Notwithstanding, 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 issue provisional credit to your account. If we decide there is no error, we will send you a written explanation within three days after we complete our investigation and re-debit any provisional credit from your account. You may ask for copies of the documents that we used in our investigation.

## 12. IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR STATEMENT

If you think your statement is wrong, or if you need more information about a transaction on your statement, please call or write to us on a separate sheet at the address listed on your statement immediately. We must hear from you no later than 60 days after we sent you the FIRST statement on which the error or problem appeared.

You must provide us the following information:

1. Your name and account number(s).
2. Describe the error and explain if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.
3. The dollar amount of the suspected error.

YOUR RIGHTS AND RESPONSIBILITIES AFTER WE RECEIVE YOUR NOTICE - We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, we cannot try to collect any amount in question or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of the statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any finance charges related to your questioned amount. If we did not make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we determine that you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within 10 days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. We must also tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we do not follow these rules, we cannot collect the first $50 of the questioned amount, even if your statement was correct.

### Special Rule for Credit Card (which could also include your check or debit card) Purchases

If you have a problem with the quality of property or services that you purchased with a credit card (which could also include your check or debit card) and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

1. You must have made the purchase in your home state or, if not within your home state within 100 miles of your current mailing address; and

2. The purchase price must have been more than $50. These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

## 13. DOCUMENTARY EVIDENCE CHARGES

If you request documentary evidence of a transaction on your account (for example, a verification of a withdrawal), we may pass along to you the cost to us of researching this evidence (see Fee Schedule for amount). No such charge will be imposed if the documentary evidence differs from the transaction as previously reflected on your statement.

## 14. SERVICE CHARGES

### ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

All transactions are free when using an ESL ATM. Deposits, inquiries, transfers, POS, and Visa Debit Card transactions are free. Two free non-ESL ATM withdrawals are available per month from ESL Free Checking or ESL Health Savings Accounts with a direct deposit into any ESL account. Five free non-ESL ATM withdrawals from ESL Premier Checking Accounts are available per month. Thereafter, we will charge your account and you agree to pay a charge for any additional non-ESL ATM withdrawal each month. All other ESL account types are subject to a charge for any non-ESL ATM withdrawals. See Fee Schedule for amount.

You may be charged additional ATM transaction “surcharges” at certain ATMs owned and operated by other institutions and not controlled by ESL, even if the NYCE or PLUS network logos are displayed (and you may be charged a fee by them for a balance inquiry). An institution implementing an ATM transaction surcharge at their ATMs must disclose to you the amount of the surcharge before you complete your transaction and must give you the option to discontinue your transaction before you incur such a surcharge. ESL has no control over these surcharges and does not receive any portion of the surcharge.

Any ATM, POS, ESL Visa Debit Card or ESL Visa HSA Card transaction that clears against insufficient funds in your account at ESL may result in an Overdraft/Insufficient Funds fee for each transaction, regardless of the account balance indicated at the ATM, POS, or Visa terminal at the time you performed the transaction. Due to different computer updating processes, the account balance indicated at the ATM, POS, or Visa terminal may not always reflect the actual balance in your account at ESL. Refer to the Fee Schedule for fee amounts.

If you request a new ATM Card, Debit Card or HSA Card to be expedited, there may be a rush charge fee. See Fee Schedule for fee amount.

### ACH

Any ACH transaction that clears against insufficient funds in your account at ESL may result in an Overdraft/Insufficient Funds fee for each transaction according to the Fee Schedule.

### Expedited Payments (via ESL Online Bill Pay)

A convenience fee will be assessed for each Expedited Payment through ESL Online Bill Pay, see Fee Schedule.

# 15. STOPPING PAYMENT

### ESL ATM Card, ESL Visa Debit Card, ESL Visa HSA Card & TEL-E$L

In view of the immediate posting of some of these transactions, you may not stop payment on any ESL ATM Card, ESL Visa Debit Card, ESL Visa HSA Card or TEL-E$L transactions.

### ACH Transactions

If you have arranged with a third party to make regular ACH debits from your account; you can stop any of those withdrawals.

### Single Pre-Authorized Payment

If you wish to stop a single pre-authorized payment, call us at 585.336.1000 or 800.848.2265, use ESL Live Chat Banking at esl.org, or write to us at the address in Section 11 in time for us to receive your request three business days or more before the payment is scheduled to be made. If you call, we will require you to put your request in writing, and submit it to us within 14 days after you call. A stop payment fee may be charged for this service; refer to the Fee Schedule.

### Series of Pre-Authorized Payments

If you wish to stop a series of pre-authorized payments to be made to the same person or company over a period of time, you must first contact the payee who was to receive the payments, requesting that the payments be discontinued. Then, call us at 585.336.1000 or 800.848.2265, use ESL Live Chat Banking at esl.org, or write to us at the address in Section 9 in time for us to receive your request three business days or more before the next payment is scheduled to be made. We will then stop all future payments to that payee. If you call, we will require you to complete the Written Statement for ACH Stop Payment Form and submit it to us prior to the next scheduled debit. We may also require a copy of the notice that you sent to the payee who was to receive the pre-authorized payments, requesting that the payments be discontinued. A stop payment fee may be charged for this service; refer to the Fee Schedule.

### ESL Online/Mobile/Text Banking and ESL Online Bill Pay

In view of the immediate posting of ESL Online/Mobile/Text Banking transactions, you may not stop payment on any ESL Online/Mobile/Text Banking transaction. However, you may stop payment on ESL Online Bill Pay transactions if the payment has not yet been processed. Simply select “Cancel” next to the payment in the “Pending Payments” section of the “Make Payments” summary screen. If you have questions regarding a stop payment you may use ESL Live Chat Banking at esl.org, or call 585.336.1000 or 800.848.2265 and speak with an ESL Representative.

### Loan Payments from External Accounts

You may cancel a payment any time before the cutoff time (4:00 pm ET) by clicking on the “Cancel” link next to the transaction in the “Status” column. Once your transfer funds request has been transmitted to ACH, you cannot cancel the transaction.

### Member to Member Transfers

In view of the immediate posting of Member to Member Transfers, once a transfer has been initiated, it cannot be reversed or corrected by you or an ESL Representative.

# 16. LIABILITY FOR FAILURE TO STOP PAYMENT

### All EFT Services

If you request to stop one or more payments three business days or more before the transfer is scheduled and we do not do so, the liability of ESL is limited to any late fees you may have incurred as a result of the failure to effect the transfers. In addition ESL is not liable:

1. If there is a terminal or equipment failure.
2. If circumstances beyond our control (such as fire or flood) prevent the transfer, and we have taken reasonable precaution to avoid such circumstances.
3. Our failure to stop payment resulted in payment on your behalf of a debt for which you were actually liable and you thereby received the benefit of our payment.

# 17. CANCELLATION

### ESL ATM Card, ESL Visa Debit Card & ESL Visa HSA Card

You may not use your ESL ATM Card, ESL Visa Debit Card or ESL Visa HSA Card for any transaction after the expiration date printed on the card. You may cancel card privileges at any time by delivering all cards to us cut in half. We may cancel your card privileges at any time, and need not give you advance notice of such cancellation. You must return all cards immediately upon request. Cancellation of card privileges in no way affects your responsibility for card transactions chargeable to your account(s), whenever the transactions are posted to us.

### TEL-E$L

If you do not access TEL-E$L for a period of 12 consecutive months, your access privileges will be cancelled. You can reinstate these privileges simply by calling us at 585.336.1000 or 800.848.2265 or use ESL Live Chat Banking at esl.org.

### ACH Transactions

ACH transactions authorized by you to be originated by ESL for the purpose of paying your ESL Loan or Mortgage will remain in effect until you provide further written notice to ESL in such a manner as to afford ESL reasonable opportunity to cancel such transactions before they are processed. ESL reserves the right to revoke your authorization for us to originate ACH transactions for the purpose of paying your ESL Loan or Mortgage if your account at the institution you designate ESL to obtain funds from has insufficient funds in any given month for us to process your request.

### ESL Online/Mobile/Text Banking and ESL Online Bill Pay

If you do not access either ESL Online/Mobile/Text Banking or ESL Online Bill Pay for a period of 12 consecutive months, your access privileges will be cancelled. You can reinstate these privileges simply by using ESL Live Chat Banking at esl.org, or calling us at 585.336.1000 or 800.848.2265.

You may terminate ESL Online/Mobile/Text Banking or ESL Online Bill Pay at any time by notifying us in writing and no longer using the service. To cancel ESL Online Bill Pay you may also use ESL Live Chat Banking or call 585.336.1000 or 800.848.2265. Any authorizations from you to make payments will continue in effect until we have received your written notice of termination and have had a reasonable opportunity to process it. Once we have acted upon your verification of termination, no further payments will be made; including payments scheduled in advance or pre-authorized recurring payments.

ESL also reserves the right to terminate your ESL Online/Mobile/Text Banking and/or ESL Online Bill Pay at any time and without advance notice if you incur excessive overdraft transactions, or otherwise misuse the service(s). Termination of ESL Online Banking and/or ESL Online Bill Pay privileges in no way affects your responsibility for ESL Online/Mobile/Text Banking and ESL Online Bill Pay transactions chargeable to any of your ESL accounts, when the transactions are posted to us. Any such termination by you or ESL applies only to ESL Online Banking and/or ESL Online Bill Pay service(s) and does not necessarily close any of your accounts or services.

## 18. DISCLOSURE OF ACCOUNT INFORMATION

### All EFT Services

We will disclose information to third parties about your account(s) or transfer(s):

1. Where it is necessary for completing transfers; or
2. In order to verify the existence and condition of your account for a credit bureau; or
3. In order to comply with government agency or court order; or
4. If you give us your written permission.

## 19. APPLICABLE LAW

Except to the extent that Federal law is controlling, your rights, our rights, and the terms of this Agreement will be governed in all respects by New York State law.

## 20. AMENDMENTS

From time to time, we may amend this agreement. If an amendment results in increased cost to perform an EFT transfer or service; or increased liability to you, decreases the type of electronic funds transfers available to you, or places stricter limitations on the frequency or dollar amount of transfers, written notice of the amendment will be mailed to your current address as shown on our records at least 21 days before the effective date of the amendment. If you have registered to receive your statements online at esl.org, you have agreed to receive all disclosures electronically; therefore, you will receive notice of the amendment on our website. However, if an immediate change in terms or conditions is necessary to maintain or restore the security of an electronic funds transfer system or account, we will provide written notice of the change to you on the next periodic statement or within 30 days, unless disclosure would jeopardize the security of the system or account.

ACCEPTED BY:
ESL Federal Credit Union
Corporate Headquarters
225 Chestnut Street
Rochester, NY 14604