

ELECTRONIC FUNDS TRANSFER ACT DISCLOSURE AND AGREEMENT – Consumer

This Electronic Funds Transfer (EFT) Disclosure and Agreement (“Agreement”), as amended from time to time, sets forth the terms and conditions governing the use of Presidential Bank’s (the Bank) electronic transfer services. Disclosure information that applies to all electronic services offered by the bank is given below, followed by specific disclosure information for each service. This Agreement takes the place of all prior agreements and disclosures governing the use of all electronic services. By retaining, using, or allowing others to use the electronic services offered by the Bank, you are agreeing to be bound by the terms and conditions of this Agreement. In this Agreement, the term “you” and “your(s)” refer to the customer, and the terms “we,” “us” and “our(s)” refer to the Bank.

AMENDMENTS

The Bank may change the terms and conditions of this Agreement from time to time by mailing written notice to your address as it appears on our records. If any change results in greater cost or liability to you or decreases access to your Accounts, you will be given at least twenty-one (21) days prior notice of the change. Prior notice may not be given where an immediate change in terms or conditions is necessary to maintain the integrity of the system and/or the security of ATM Cards, Visa® Debit Cards (Debit Card) or designated accounts.

BUSINESS DAYS

Our business days are Monday through Friday, excluding holidays.

CHARGES

In order to obtain any electronic services, you must open and maintain an account and additional account(s) as applicable. All charges associated with our electronic fund transactions are disclosed in our Schedule of Fees.

COLLECTION COSTS

You agree to pay the Bank our reasonable expenses, including court costs and attorney’s fees, for enforcing our rights under this Agreement.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES

We will disclose information to third parties about your account or the transfers you make:

- a. when it is necessary to complete the transaction;
- b. in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant;
- c. in order to comply with government agency or court orders or other legal process; or
- d. if you give us your prior oral or written permission.

HOW TO NOTIFY THE BANK IN THE EVENT OF AN UNAUTHORIZED TRANSACTION

If you believe your ATM Card or Debit Card has been lost or stolen, call us immediately at (800) 383-6266 or 240-333-9059 so that we may cancel your card. If you believe your PIN has been compromised, please call us immediately at (800) 383-6266 or 240-333-9059, so that we may cancel your Card. You should also call the number or write to the address listed below if you believe a transfer has been made using the information from your check without your permission.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS

Telephone us at (800) 383-6266 or 240-333-9059 or write to us at Presidential Bank, Attention: EFT, 4520 East-West Highway, Bethesda, MD 20814 as soon 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 provide the FIRST statement on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will tell you the results of our investigation within 10* business days after we hear from you and will correct any error promptly; however, if we need more time, we may take up to 45** days to investigate your complaint or question. If we decide to do this, we will provisionally credit your account within 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 the error you assert is an unauthorized VISA transaction, other than a cash disbursement at an ATM, we will provisionally credit your account within 5 business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within 10 business days.) 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 provisionally credit your account.

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

*If you give notice of an error within 30 days after you make the first deposit to your account, we will have 20 business days instead of 10 business days to credit your account.

**If you give notice of an error within 30 days after you make the first deposit to your account, or notice of an error involving a point of sale transaction, or notice of an error involving a transaction initiated outside the U.S. its possessions and territories, we will have 90 days instead of 45 days to investigate.

OTHER AGREEMENTS

Except as stated otherwise in the Agreement, this Agreement does not alter or amend any of the terms or conditions of any other agreement you may have with the Bank.

OUR LIABILITY FOR FAILURE TO MAKE TRANSFERS

If we do not complete a transaction to or from your account(s) 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, if:

- a. through no fault of ours, you do not have enough money in your account to make the transaction;
- b. the transaction would go over the credit limit on your credit line;
- c. the terminal where you were making the transaction did not have enough cash;
- d. the ATM or network system was not working properly and you knew about the breakdown when you started the transfer;
- e. circumstances beyond our control (such as fire, flood, power failure, or computer downtime) prevented the transaction, despite reasonable precautions that we have taken;
- f. the money in your account is subject to an uncollected funds hold, legal process or any other encumbrance or agreement restricting a transaction;
- g. your ATM Card or Debit Card has expired, is damaged so that the terminal cannot read the encoding strip, is inactive or because your PIN has been entered incorrectly;
- h. your ATM Card, Debit Card or PIN has been reported lost or stolen and we have blocked the account; or
- i. failure to complete the transaction is done to protect the integrity of the system or to protect the security of your account.

There may be other exceptions not specifically mentioned above.

PERSONAL IDENTIFICATION NUMBER

The Bank may issue you a Personal Identification Numbers (“PIN”) for Automated Voice Response Service, ATM Card, Debit Card, and Online Banking including Bill Payer Services for transactions that require the use of a confidential password or number. This number should be memorized - DO NOT write it on your ATM or Debit Card. Do not post it where it can be readily accessible. To select or, if you forget your ATM/Debit Card PIN, call 800-300-3194 to change your PIN or contact the Bank and we will mail a PIN reminder. For help with the Automated Voice Response Service or Online Banking, call 800-383-6266.

RESPONSIBILITY FOR TRANSACTIONS

You are responsible for all transactions you make with an ATM Card, Debit Card, through Online Banking and Bill Payer Services, or that you authorize another person to make. You understand that if you disclose your card number, PIN or Login ID and Password to anyone, they may have access to all accounts identified by your card number or account number. If the Account is a joint account, all transactions involving the card/account are binding on all account holders.

RIGHT TO RECEIVE DOCUMENTATION OF TRANSACTIONS

You will get a monthly account statement reflecting all of your transactions. Depending on the terminal, merchant, or financial institution at the time you make a purchase or obtain cash you will receive, or you may choose to receive, a receipt at the time you make a transaction at a terminal. If you do receive a receipt, retain the receipt to compare with your monthly statement from the Bank. Beginning August 6, 2007, some terminals may not provide a receipt for ATM or POS transactions of \$15 or less.

CUSTOMER CONTACT INFORMATION

Keep the Bank informed of your current address to insure correct mailing of monthly statements, your phone numbers for fraud monitoring and email address to insure receipt of any correspondence from the Bank. Cards & PIN reminders will be mailed to the Account Address.

TERMINATION

You may terminate this Agreement with us at any time. The Bank reserves the right to terminate this Agreement and/or your use of your ATM Card, Debit Card, Online Banking/Bill Payer Service access, or PIN with or without cause. We may do so immediately if:

- a. you or any authorized user of your ATM Card, Debit Card, Online Banking/Bill Payer Service, PIN or account breaches this or any other agreement with the Bank;
- b. we have reason to believe that there has been, or might be, an unauthorized use of your ATM Card, Debit Card, Online Banking/ Bill Payer Service, PIN or account;
- c. you or any authorized user cause a loss to the Bank or do not keep your obligations,
- d. you or any authorized user of your ATM Card, Debit Card, Online Banking/Bill Payer Service, PIN or account request that we do so.

WAIVER OF RIGHTS

The Bank can delay enforcing any of the provisions under this Agreement or the law any number of times without losing its right to enforce them at a later date.

WHO IS BOUND BY THIS AGREEMENT

Each person who signs the Signature Card or applies for an account online agrees to be bound by the terms and conditions of this Agreement. The Bank can waive or delay enforcement of its rights as to one signer without affecting its ability to enforce its rights as to the other signer(s). The Agreement is also binding upon your heirs, personal representatives and

successors. Or, by using your access to the system, or authorizing anyone else to use your access to the system you agree to be bound by the terms and conditions of this Agreement and Disclosure.

YOUR LIABILITY FOR LOST, STOLEN OR UNAUTHORIZED TRANSACTIONS

Tell us AT ONCE if you believe your ATM Card, Debit Card and/or Personal Identification Number (PIN), Voice Response PIN, or Online Banking/Bill Payer Service PIN has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit if you have one with us). If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card or PIN without your permission. If you DO NOT tell us within two (2) business days after you learn of the loss or theft of your Card or PIN, and we can prove that we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.00. 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 made available, you may not get back any money lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods. The bank may require an affidavit for alleged unauthorized transactions.

Additional limits on liability for Visa Debit Card

Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen VISA® Debit Card. This additional limit on liability does not apply to ATM transactions or to transactions using your PIN which are not processed by VISA®.

If you have authorized someone else to use the ATM Card or Debit Card and/or PIN, you are responsible for all transactions that person or persons initiates at any time, even if the amount or transactions exceed what you may have authorized, until you have given actual notice to us that further transactions are unauthorized. You shall be obligated to pay us the amount of any money, property or services obtained by the authorized use of the ATM Card, Debit Card or PIN, to the extent that we are unable to charge such amounts to the account; and you authorize us to charge the amount of any such obligation to any other of your accounts with us.

Additional Disclosure Applicable to ACH Services including Funds Transfer

DOCUMENTATION OF DIRECT DEPOSIT

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 may call us at (800) 383- 6266 or 240-333-9059 to find out whether or not the deposit has been made. If the only possible transfers to or from your account are direct deposits or preauthorized deposits, a monthly statement will be made available to you.

DISCLOSURE OF RIGHT TO STOP PAYMENT

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. If these regular payments 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.

To place a stop payment, call us at (800) 383-6266 or 240-333-9059, or write to us at 4520 East West Highway, Bethesda, Maryland 20814, 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 may also require you to put your request in writing and get it to us within 14 days after you call.

Such stop payment notice will apply only to that particular payment. To be sure that a third party does not bill you again for the “stopped” payment or to cancel the entire pre-authorized payment arrangement, you understand that you are responsible for canceling the authorization with the third party.

The standard stop payment fees apply for each stop payment request you place. See the Schedule of Fees for complete details.

If you order us to stop one of these payments three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

TRANSACTIONS AVAILABLE

You may use ACH services to perform the following transactions:

- Make deposits to your checking and/or savings;
- Make loan payments;
- Transfer funds to and from other Financial Institutions.

All payments and deposits are subject to later verification by us. If we are unable to verify a payment or deposit, the payment or deposit may be subject to hold. It is your responsibility to cancel/delete electronic transfers you have set up.

Additional Disclosures Applicable to ATM and POS Services

RULES FOR USE

By using your ATM Card or Debit Card with your personal identification number (PIN) at automated teller machines (“ATM’s”) or other electronic terminals operated by a participating institution, network system, or company (collectively “terminals”), you authorize us to effect the transaction(s) from or to your savings or checking account(s) in accordance with the instructions given at the terminals. All ATM Card or Debit Card transactions are subject to the terms and conditions of your account agreement(s) with us governing the affected accounts.

ATM FEES

When you use an ATM not owned by the Bank, you may be charged a fee by the ATM operator and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer. A fee will not be imposed for use of an ATM/Debit Card issued by the Bank used at an ATM operated by the Bank.

TRANSACTIONS AVAILABLE

You may use your ATM Card or Debit Card to perform the following transactions:

- Make deposits to your savings or checking account(s) at our ATMs;
- Withdraw cash from your savings or checking account(s);
- Advance cash from your line of credit;
- Transfer funds between your savings and checking account(s);
- Make point-of-sale transactions to merchants for goods and services from your checking account, obtain cash back from a POS transaction; and
- Make account balance inquiries.

Some of the transactions listed above may not be available at all terminals. All payments and deposits are subject to later verification by us and final collection of payment. You may authorize a merchant or other payee to make a one-time electronic payment from your checking account using information from your check to:

- Pay for purchases
- Pay bills
- Pay for goods and services

LIMITATIONS ON TRANSACTIONS

You may make ATM cash withdrawals up to \$550 from ATMs or Pinned POS transactions up to \$500 each 24-hour period as long as your available balance will cover the transaction. Various institutions which participate in networks of which the Bank is a member may have withdrawal limits different from the amount set forth herein. There are limits on the number of daily POS transactions you may make.

ACCESS CARDS

All ATM/Debit Cards are nontransferable and belong to the Bank. The Bank may cancel, modify and restrict the use of any ATM Card or Debit Card upon proper notice or without notice if your account is overdrawn or where necessary to maintain or restore the security of accounts on the ATM system.

ATM SAFETY

An ATM provides a quick and convenient way to access your money. However, use caution and remember the following safety tips whenever you use an ATM:

- Be aware of the surroundings, particularly at night.
- Look for well-lighted ATMs when transacting at night.
- If you notice anything suspicious when approaching the ATM, return later or use another ATM, you may use a merchant location such as a grocery store to make a purchase with cash back.
- Have your transaction ready before you go to the ATM. Fill out any deposit slips/envelopes before approaching the ATM.
- Have your ATM/Debit Card ready to avoid going through your purse or searching through the contents of your wallet at the ATM site.
- If you notice anything suspicious while you are transacting business, immediately cancel your transaction, put your ATM/Debit Card away and leave.
- Consider having another person accompany you to the ATM.
- Immediately report all crimes to the ATM operator and to local law enforcement officials.
- Stand close to the ATM and away from others in line to avoid detection of your PIN or other account information.
- Put your cash away as soon as the transaction is complete; count the cash later in the safety of your vehicle or home.
- Never give information to strangers at the ATM or to anyone over the phone. Be aware of fraud or people who pose as Bank employees who try to get information from you. This information should only be discussed in person by you at the Bank.
- Remember to keep your PIN a secret. Make sure not to write it on your ATM/Debit Card or anywhere else in your wallet; thieves can easily figure out the reason for "hidden" or "secret" numbers.

Additional Disclosures Applicable to Automated Voice Response System

TRANSACTIONS AVAILABLE

You may use the Automated Voice Response System to perform the following transactions:

- Obtain account and loan balances;
- Obtain loan payment due date and pay off information;
- Obtain last interest payment date and amount through account history or you may obtain year-to-date current and prior year history;
- Verify payment of specific checks;
- Transfer funds between your checking and savings account;

We do not charge for use of the Automated Voice Response System

TRANSACTION LIMITATIONS

There is no maximum amount you may withdraw by check or transfer between your accounts.

Additional Disclosures Applicable to Debit Card Services

CARD ISSUANCE

“Card” means the Bank Debit Card and any duplicates, renewals or substitutions the Bank issues to you; “Account” means the account designated on the application for your ATM/Debit Card.

SPECIAL NOTICE TO VISA Debit CARDHOLDERS

If there is an unauthorized use of your VISA Debit Card, and the transaction takes place on the VISA network, then your liability will be zero (\$0.00). This provision limiting your liability does not apply to either VISA commercial cards or ATM cash disbursements. Additionally, your liability with respect to unauthorized transactions may be greater than the above zero (\$0.00) liability limit, to the extent allowed under applicable law, if the Bank reasonably determines, based on substantial evidence, that you were grossly negligent or fraudulent in the handling of your Account or Card. In any case, to minimize your potential liability you should notify us of any unauthorized use no later than 60 days after your statement was mailed to you or made available online.

MERCHANT DISPUTES

For POS transactions directly accessing a line of credit, the Bank is not responsible for the refusal of any merchant or financial institution to honor the Card. The Bank is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider and (a) your purchase was made in response to an advertisement the Bank sent or participated in sending to you or (b) your purchase cost more than \$50 and was made in your state or within 100 miles of your home.

LIMITATIONS ON DOLLAR AMOUNTS AND FREQUENCY OF TRANSACTIONS

Purchases made above the floor limit of the merchant will require an authorization number from VISA.

USE OF THE CARD

You may use the Card and PIN to:

- Withdraw cash from your checking and savings account(s) you have with the Bank at ATMs, merchants, or financial institutions that accept VISA card.
- Transfer funds between your checking and savings account(s) you have with the Bank.
- Make deposits to your checking and savings account(s) you have with the Bank at our ATMs.
- Make account balance inquiries.

You may use the Card (Visa Debit Card) without the PIN to:

- Purchase goods or services up to \$1,000 at places that accept VISA cards (these are point-of-sale or POS transactions).
- Order goods or services by mail or telephone from places that accept VISA card.
- Make automatic payments from your account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

Some of these services may not be available at all terminals. Use of the Card, the Account number on the Card, the PIN or any combination of the three for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor VISA cards is an order by you for the withdrawal of the amount of the transaction from your Account. Each

transaction with the Card will be charged to your Account on the date the transaction is posted to your Account. When the Bank receives notification of a Card transaction, it may put a hold on an equivalent amount of funds in your checking account for 3 days or until the day the transaction is charged to your Account.

All Card transactions covered by this Agreement are subject to the terms and conditions of your Account agreements with us governing the affected Accounts, except as modified by this Agreement. Any future changes to your Account Agreements may affect the use of the Card.

ILLEGAL USE OF DEBIT CARD

You agree that your Card will not be used to make or facilitate any transaction(s) that are or might be construed to be illegal pursuant to applicable law, rule or ordinance, including but not limited to gambling. Said use, including any such authorized use, will constitute an event of default under this Agreement. You agree that the Bank has no liability, responsibility or culpability whatsoever for any such use by you or any authorized user(s). You agree that you are responsible for repayment of any and all debts incurred for these transactions. You further agree to indemnify and hold the Bank harmless from any suits, liability, damages or adverse action of any kind that results directly or indirectly from such illegal use.

OVERDRAFTS

You promise to pay the Bank immediately upon demand for any negative (overdraft) balance arising in your Account, unless you have available overdraft privileges. If you do not have overdraft privileges, the Bank may deduct the amount of any overdraft on your Account from any other Account you have with the Bank, except an Individual Retirement Account.

REFUSAL TO HONOR CARD

The Bank is not liable for the refusal or inability of any electronic terminal to honor the Card or to complete a withdrawal from your Account, or for their retention of the Card. The Bank is also not responsible for the refusal of any merchant or financial institution to honor the Card or for their retention of the Card.

FOREIGN TRANSACTIONS

Transactions that are initiated in foreign countries and foreign currencies will be charged to your Account in U.S. Dollars. The conversion rate to dollars will be (i) 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, (ii) the government-mandated rate in effect for the applicable central processing date, in each instance, plus or minus any adjustment determined by the Issuer, or (iii) for Foreign ATM transactions, an exchange rate determined by the network(s) on their settlement day. Fees may be assessed for the use of a Visa® International ATM called an International ATM Cash Transaction Fee or, for cross-border purchases, an International Service Assessment Fee.

Additional Disclosures Applicable to Online Banking (including Bill Pay Services)

RIGHT TO CANCEL TRANSFERS

If you have used Online Banking to schedule future, one-time or recurring transfers within your own account, to another Presidential Bank customer's account, or to or from an account at another financial institution, you can cancel those transfers, provided the funds to be transferred have not yet been withdrawn from your account.

TRANSACTIONS AVAILABLE

You may use Online Banking service to perform the following transactions:

- Obtain account/loan balance information;
- Obtain loan payment due date and payoff information;

- Obtain last interest credit date and amount;
- Verify payments of specific checks;
- Transfer funds between your Presidential accounts;
- Download transaction information to personal financial management software;
- Pay bills through Bill Payer from your checking account(s); and
- Make Loan Payments.

Online banking and Bill Payer Service Fees are included in the Schedule of Fees.

LIMITATIONS ON TRANSACTIONS

You agree that you are authorized to conduct transactions on account at other Financial Service Providers.

Additional Disclosures Applicable to Online Bill Payer (also available online)

RIGHT TO STOP PAYMENT OF PREAUTHORIZED TRANSFERS, RIGHT TO RECEIVE NOTICE OF VARYING AMOUNTS, AND OUR LIABILITY FOR FAILURE TO STOP PAYMENT

If you have told us in advance to make regular payments out of your account, you can stop any of these payments. If these regular payments vary in amount, the person you are going to pay will tell you ten (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. To place a stop payment, call us at (800) 383-6266 or 240-333-9059 for Bill Payer Services, place a stop payment online through PC Banking – Current Activity, under the Additional Services tab on the tool bar, or write to us at 4520 East West Highway, Bethesda, MD 20814, 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 also require you to put your request in writing and get it to us within fourteen (14) days after you call. Such stop payment notice will apply only to that particular payment. To be sure that third party does not bill you again for the stopped payment or to cancel the entire pre-authorized payment arrangement, you understand that you are responsible for canceling the authorization with the third party. The standard stop payment fees apply for each stop payment request you place.

If you order us to stop one of these payments three (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.

TRANSACTIONS AVAILABLE

You may use Bill Payer service to perform the following transactions:

- **Add/Edit Payees:** Payees refers to the entity to which you pay bills. The payee can be a company, organization, or individual. The Add/ Edit payee feature allows you to add, edit or delete information on your personal list of payees.
- **Make nonrecurring payments from checking:** This feature allows you to schedule one-time payments to payees and enables you to specify the amount of the payment and the processing date.
- **Make recurring payments from checking:** This feature allows you to schedule recurring payments to payees.
- **View History:** View History permits you to see payments made over a specified time period.
- You understand that by enrolling in the Bill Payer service, you will be charged according to our Schedule of Fees and Charges, even if you have conducted no bill payment activity.

LIMITATIONS ON TRANSACTIONS

The following are limitations to the use of the Bank's Bill Payer service:

- Bill payments can only be made from your checking account;
- Payments cannot be made to payees outside of the United States;

- If you close the designated bill payment checking account, all scheduled payments will be stopped;
- You cannot stop a payment if the payment has already been processed; and
- You can schedule payments 24 hours a day, seven days a week.

METHODS AND RESTRICTIONS

Payments are made to your payee either electronically or by check. The method of payment depends upon the processing method that can be accommodated by the payee or by our bill payment service provider.

YOUR RESPONSIBILITIES

You are responsible for:

- Any late payment, late fees, interest payments, and service fees charged by merchant(s).
- Any overdraft, NSF or stop payment fees charged by the Bank as a result of these transactions.
- Accurate data input of payee information (payment amount(s), name, address, account numbers and any other pertinent information).
- Terminating Bill Payer service through Customer Service; and
- Allowing sufficient time for bill payments to be processed so that the funds can be delivered to the payee on or before the due date.

Other Electronic Transactions

ELECTRONIC CHECK CONVERSION

You may authorize a merchant to use your check as a source of information to initiate an EFT from your account. Electronic check conversion is a payment process in which a merchant (after obtaining your authorization) uses your check to gather routing, account and check number information to initiate a one-time EFT. This type of EFT transaction involving a consumer account is covered by the Electronic Funds Transfer Act and this disclosure. A description of the transaction will appear on your statement.

RE-PRESENTED CHECK TRANSACTIONS AND FEES

You may authorize a merchant to electronically collect a fee associated with the re-presentation of a check that is returned due to insufficient or unavailable funds. The resulting fee transaction, if debited as an EFT from a consumer account, is covered by the Electronic Funds Transfer Act and this disclosure. When a merchant re-presents a check electronically, that transaction is not covered by the Electronic Funds Transfer Act or this disclosure. A description of the transaction will appear on your statement.

WIRE TRANSFERS

The Bank offers both incoming and outgoing wire transfer services for which the following provisions apply. These rules do not apply to transactions governed by the Electronic Funds Transfer Act, Federal Reserve Board Regulation E, or transfers by check, draft, or other written item. Ordinarily, the Bank also enters into a Funds Transfer Authorization/Agreement for members who request such services. If you have entered into a specific Funds Transfer Authorization/Agreement with us, the provisions set forth below supplement but do not contradict that Agreement. In addition to your agreement, with the Bank, a payment order is subject to Article 4A of the Uniform Commercial Code, as adopted by the state whose law applies to the account which you are using for the funds transfer service ("Article 4A"). The applicable Wire Transfer Fees are reflected in the Schedule of Fees.

1. Sending Funds Transfers

This section applies to wire transfers which the Bank sends to other financial institutions and to payment orders subject to Article 4A, we make between accounts maintained by the Bank.

- a. Processing Requests and Cut-off Times. We have cutoff times for processing payment orders, and we process payment orders on a same-day basis until such cut-off times. Cut-off times may vary depending on the particular office of the Bank and the type of payment order. We treat payment orders we receive after a cut-off time as received on the next banking day. We will provide you our cut-off times upon request.
 - b. Amendment or Cancellation of Requests. You have no right to amend or cancel a domestic funds transfer payment order after we receive it. If you ask us to do this, we may make a reasonable effort to act on your request prior to the time we execute such payment order. However, we are not liable to you if, for any reason, a request is not amended or cancelled.
 - c. Identifying Beneficiaries and Banks. The beneficiary bank may make payment to the beneficiary based solely on the account or other identifying number which you have provided us, even if the name on the payment order differs from the name on the account. We or an intermediary bank may send a payment order to an intermediary bank or beneficiary bank based solely on the bank identifying number, even if the payment order indicates a different bank name.
 - d. Transmission of Requests. You authorize us to select any intermediary bank, funds transfer system or means of transmittal to send your payment order. Our selection may differ from that indicated in your instructions.
 - e. Rejection of Requests. The Bank may reject for any reason a payment order. We will notify you of any rejection of a payment order from your account orally, electronically or in writing. We are not liable to you for the rejection or obligated to pay interest for the period before you receive notice of the rejection.
 - f. Notices of your Payment of Orders. We ordinarily notify you about payment orders by listing them on your account statement. Generally, we will also send you a separate notice or advice regarding your outgoing funds transfer.
 - g. Interest Compensation. If we are obligated to pay for a loss of interest that results from our error or delay regarding your payment order, we will calculate and credit interest due to your account.
 - h. We may allow a wire transfer order to be submitted through Online Banking Secure Forms and will assume no liability for unauthorized access.
2. Receiving Funds Transfers

We may receive funds transfers directly from a sender, through a funds transfer system or through some other communications system. We may reject an incoming funds transfer for any reason. We are not obligated to notify you if we reject a payment order to your account.

- a. Notice of Incoming Funds Transfer. We will notify you that we have received an incoming funds transfer by listing them on your account statement. Generally, we will also send you a separate notice or advice regarding our receipt of an incoming funds transfer.

3. Errors and Questions about Your Statement

You must notify us at once if you think a payment order or incoming funds transfer shown on your account statement is incorrect. You must send us a written notice describing any discrepancy no later than 10 days after the date you receive the statement or we make the statement available online, on which the problem or error appears. If you fail to notify us within this 10-day period, the Bank is not liable for any loss of interest because of an unauthorized or erroneous payment order or an erroneous funds transfer.

4. ACH

If your payment order or other funds transfer is sent or received through an automated clearinghouse (ACH) system, you will be subject to all applicable rules of such clearinghouse, and any applicable rules set forth in Federal Reserve Operating Circulars. Any transfer you receive through ACH is provisional. If final settlement is not received by the beneficiary bank for a payment order transferred through an ACH, the beneficiary bank is entitled to recover from the beneficiary any provisional credit given and we charge your account for amounts so credited.

SEVERABILITY

If any part of this Agreement should be held to be unenforceable, the remaining provisions of this Agreement shall remain in full force and effect.