



TRAILHEAD FEDERAL CREDIT UNION

BUSINESS ELECTRONIC FUNDS TRANSFERS AGREEMENT

You agree to the following terms governing your and our rights and responsibilities concerning the electronic funds transfer services, as applicable. Terms and conditions set forth elsewhere in this Agreement shall also apply to your electronic funds transfer service. Electronic funds transfers ("EFTs") are electronically initiated transfers of money through direct deposits, automated teller machines ("ATMs"), Call Connection (audio response) and Online Banking transactions and VISA Check Card/point of sale purchases involving your deposit accounts at the Credit Union.

1. Services.

a. Automated Teller Machines (ATMs). You may use your Card and Personal Identification Code ("PIC") in automated teller machines of the Credit Union, The Exchange/ACCEL, The CO-OP, and CIRRUS Networks, and such other machines we may designate. At the present time, you may use your Card to make the following transactions on your accounts:

- Make deposits to your regular share and checking accounts.
- Withdraw cash from your regular share and checking accounts.
- Transfer funds between your regular share and checking accounts.
- Make balance inquiries on regular share and checking accounts.
- Other transactions as offered and permitted in the future.

b. VISA Check Card/Point of Sale ("POS"). You may use your VISA Check Card to purchase goods and services any place your Card is honored by participating merchants. Funds to cover your Card purchases will be deducted from your checking account. If the balance in your account is not sufficient to pay the transaction amount, the Credit Union may treat the transaction as an overdraft request pursuant to the overdraft protection plan or may terminate all services under the Agreement. If we approve point of sale ("POS") services for you, you may use your Card

and access code to make purchases from participating merchants who have agreed to accept the Card at POS terminals within The CO-OP, Exchange/ACCEL and CIRRUS Networks or such other terminals the Credit Union may designate.

c. Call Connection (Audio Response). If we approve the Call Connection audio response access service for your accounts, you must designate a separate four (4) digit personal identification code (PIC). You must use your PIC along with your account number to access your accounts. At the present time you may use the audio response access service to:

- Obtain balance, withdrawal, dividend, and loan payoff, due date information, cleared check information on your accounts at the Credit Union.
- Transfer funds between your shares, checking, money market, and loan accounts as allowed, including loan payments.
- Withdraw funds from your share and money market accounts by check, made payable to you and mailed to you at the address on your account.
- Transfer funds from your share or checking account to a loan account of yours.
- Access your line of credit account and transfer funds to your checking account or authorize a check payable to you.
- Other transactions as offered and permitted in the future.

d. Online Banking. Upon approval, you may use your personal computer to access your accounts. You must use your member number along with your security code to access your accounts. The Online Banking service is accessible seven (7) days a week, 24 hours a day. You will need a personal computer and a web browser (such as Netscape Navigator or Microsoft Internet Explorer). The online address for the Online Banking service is www.nrfcu.org. You are responsible for the installation, maintenance and operation of your computer and modem. The Credit Union will not be responsible for any errors or failures involving any telephone service or your computer. At the present time, you may use the Online Banking service to:

- a) Transfer funds between your Share Savings, Checking, and Money Market

and loan accounts, as allowed, including loan payments

- b) Transfer funds to accounts of other members you authorize for any of your accounts.
- c) Review account balance, transaction history, direct and tax information for any of your accounts.
- d) Review information on your loan account including payoff amounts, due dates, finance charges, interest rate, and balance information and past statements of yours.
- e) Request a withdrawal from any Share Savings, Checking, Money Market or loan account by check mailed to you.
- f) Communicate with the Credit Union using the electronic mail (E-mail) feature.

Transactions involving your deposit accounts will be subject to the terms of your Membership and Account Agreement and transactions involving a line of credit account will be subject to your Loan Agreement and Disclosures, as applicable. The Credit Union does not make any warranty, express or implied, to you regarding the Quicken or Money software programs including but not limited to any warranty of merchantability or fitness for a particular purpose.

e. Electronic Check Transactions. You authorize us to honor any electronic check transaction and any re-presented check fee debit transaction you authorize ("electronic check transaction"). You agree that your authorization for an electronic check transaction occurs when you initiate such a transaction after receiving any notice regarding the merchant's right to process the transaction, including any written sign provided by the merchant at the time of your transaction. All terms governing electronic funds transfer services will apply to electronic check transactions. You remain responsible for notifying us of any unauthorized electronic check transaction shown on your statement.

Service Limitations.

f. ATMs.

(1) Cash Withdrawals. There is no limit on the number of withdrawals you may make at Credit Union ATMs and nonproprietary ATMs. However, you may be charged a fee as set forth on the Fee Schedule. You may withdraw up to \$200 (if there are sufficient funds in your account) per day (for purposes of the daily limit, a day ends at midnight) at any authorized ATM, subject to limits placed on each individual ATM.

(2) Transfers. You may transfer between your regular share and checking accounts up to the balance in your accounts at the time of the transfer at available locations.

(3) Deposits. The servicing and processing schedule of automated teller machines may result in a delay between the time a deposit is made and when it will be available for withdrawal. You should refer to the Credit Union's funds availability schedule.

g. VISA Check Card/POS Purchases. You may make VISA Check Card purchases at participating merchants and POS terminals up to the maximum amount set by any participating merchant (if there are sufficient funds in your account).

h. Call Connection (Audio Response). Your accounts can be accessed under audio response via a touchtone telephone only. Not all pushbutton phones are touchtone. Converters may be purchased for pulse and rotary dial phones. Audio response service will be available for your convenience seven (7) days per week. This service may be interrupted for a short time each day for data processing. While there is no limit to the number of inquiries, transfers, or withdrawal requests you may make in any one day, there are certain limitations on transfers from a share or money market account. Transfers from a share, secondary savings, or a money market account will be limited to six (6) in any one month.

No transfer or withdrawal may exceed the available funds in your account. The Credit Union reserves the right to refuse any transaction which would draw upon insufficient funds, exceed a credit limit, lower an account below a required balance, or otherwise require us to increase our required reserve on the account. Check transactions may not exceed the amount in your account. All checks are payable to you as a primary member and will be mailed to your address of record. The Credit Union may set other limits on the amount of any transaction, and you will

be notified of those limits. The Credit Union may refuse to honor any transaction for which you do not have sufficient available verified funds. There is no limit on the number of transaction requests you may make during a single phone call. There is a five (5) minute time limit per call. The system will also discontinue service after three unsuccessful attempts to enter a transaction.

i. Online Banking. The following limitations on Online Banking transactions may apply:

(1) Transfers. You may make funds transfers to other accounts of yours as often as you like. However, transfers from your savings accounts will be limited to a total of six (6) in any one month. You may transfer or withdraw up to the available balance in your account or up to the available credit limit on a line of credit at the time of the transfer, except as limited under this Agreement or your deposit or loan agreements. The Credit Union reserves the right to refuse any transaction that would draw upon insufficient or unavailable funds, lower an account below a required balance, or otherwise require us to increase our required reserve on the account.

(2) Account Information. The account balance and transaction history information may be limited to recent account information involving your accounts. Also, the availability of funds for transfer or withdrawal may be limited due to the processing time for ATM transactions and our Funds Availability Policy.

(3) E-Mail. You may use the e-mail to send messages to us. E-mail may not, however, be used to initiate a transfer on your account or a stop payment request. The Credit Union may not immediately receive E-mail communications that you send and the Credit Union will not take action based on E-mail requests until the Credit Union actually receives your message and has a reasonable opportunity to act. If you need to contact the Credit Union immediately regarding an unauthorized transaction or stop payment request, you may call the Credit Union at the telephone number set forth in Section 4.

2. Conditions of Card Use. The use of your Card and Account are subject to the following conditions:

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

person. You may not use the Card for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

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

c. Security of Access Code. The personal identification code (access code) issued to you is for your security purposes. The access code is confidential and should not be disclosed to third parties or recorded on or with the Card. You are responsible for safekeeping your access code. You agree not to disclose or otherwise make your access code available to anyone not authorized to sign on your accounts. If you authorize anyone to have or use your access code, you understand that person may use the Online Banking service to review all of your account information and make account transactions. Therefore, we are entitled to act on transaction instructions received using your access code and you agree that the use of your access code will have the same effect as your signature authorizing transactions.

If you authorize anyone to use your access code in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union and changing your access code immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and your access code is changed. If you fail to maintain or change the security of these access codes and the Credit Union suffers a loss, we may terminate your electronic funds transfer and account services immediately.

d. Foreign Transactions. Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by VISA International, Inc. 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. In addition, you will be charged a Foreign Transaction Fee of 1% of the transaction amount for any card transaction made in a foreign country.

3. Authorized Users.

For any of your accounts accessed under this Agreement that you have designated or permitted an authorized user, you shall be fully responsible for all EFT transactions by any authorized users to or from any deposit or loan account as provided in this Agreement.

You agree any authorized user may make any transaction permitted under this Agreement including, without limitation:

- To withdraw all or any part of the account funds.
- To deposit checks and other items payable to any joint account owners.
- To give stop payment orders on any EFT transfer, whether initiated by that account owner or not.
- To close any account with the disbursement of account proceeds as provided for in this Agreement.

Each authorized user is authorized to act for the account owner, and the Credit Union may accept orders and instructions, regarding any EFT transaction or any account from any authorized user. If the Credit Union believes there is to be a dispute between the account owner and an authorized user or receives inconsistent instructions from the account owner and or authorized user, the Credit Union may terminate all EFT services, suspend or close any account, require a court order to act, or require all parties to agree in writing to any transaction concerning the account.

4. Member Liability. You are responsible for all transfers you authorize using your EFT services under this Agreement. If you permit other persons to use an EFT service, Card or access code, you are responsible for any transactions they authorize or conduct on any of your accounts. However, in order to reduce your losses, tell us at once if you believe anyone has used your Account, Card or access code and accessed your accounts without your authority.

If you believe your Card has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call: (503) 220-2592 or contact us electronically by sending e-mail messages through the Online Banking service at: www.nrfcu.org or write Trailhead Federal Credit Union, 221 NW Second Avenue, Portland, OR 97209.

5. Fees and Charges. There are certain charges for electronic fund transfer services as set forth on the Rate and Fee Schedule. From time to time, the charges may be changed. We will notify you of any changes as required by law. If you use an ATM that is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge will be debited from your account if you elect to complete the transaction.

6. Right to Receive Documentation of Transfers

a. Periodic Statements. Transfers, withdrawals, and purchases transacted through an ATM, Call Connection, Online Banking system, VISA Check Card/POS purchase will be recorded on your periodic statement provided by mail or electronically if you have requested an electronic statement. You will receive a statement monthly unless there is no transaction in a particular month. In any case, you will receive a statement at least quarterly. You may request that your statement be provided electronically.

b. Terminal Receipt. You will get a receipt at the time you make any transaction (except inquiries) involving your account using an ATM or POS terminal.

7. Account Information Disclosure. We will maintain the confidentiality and privacy of your account information in accordance with our privacy policy as stated at www.nrfcu.com. However, we will disclose information to third parties about your account or the transfers you make:

- a. As necessary to complete transfers;
- b. To verify the existence of sufficient funds to cover specific transactions upon the request of a third party, such as a credit bureau or merchant;
- c. To comply with government agency or court orders;
- d. If you give us your express permission.

8. Credit Union Liability for Failure to Make Transfers. You agree that neither we nor the service providers shall be responsible for any loss, property damage or bodily injury, whether caused by the equipment, software, Credit Union, or by Internet browser providers such as Netscape (Netscape Navigator browser) and Microsoft (Microsoft Internet Explorer browser), or by Internet access providers or by online service providers or by an agent or subcontractor for any of the foregoing. Nor shall we or the service providers be responsible for any direct,

indirect, special or consequential economic or other damages arising in any way out of the installation, download, use, or maintenance of the equipment, software, Online Banking services, or Internet browser or access software. In this regard, although we have taken measures to provide security for communications from you to us via the Online Banking services and may have referred to such communication as "secured," we cannot and do not provide any warranty or guarantee of such security. In states that do not allow the exclusion or limitation of such damages, our liability is limited to the extent permitted by applicable law. The Credit Union will not be liable for incomplete transaction errors in the following instances:

a. If, through no fault of ours, you do not have enough money in your account to make the transfer, your account is inactive, or the transfer would go over the credit limit on your line of credit.

b. If you used the wrong access code or you have not properly followed any applicable computer, or Credit Union user instructions for making transfer transactions.

c. If the Card has expired or is damaged and cannot be used.

d. If the automated teller machine (ATM) where you are making the transfer does not have enough cash or was not working properly and you knew about the problem when you started the transaction.

e. If your computer fails or malfunctions or the Online Banking services were not properly working and such problem should have been apparent when you attempted such transaction.

f. If circumstances beyond our control (such as fire, flood, telecommunication outages, postal strikes, equipment or power failure) prevent making the transaction.

g. If the funds in your account are subject to an administrative hold, legal process or other claim.

h. If you have not given the Credit Union complete, correct and current instructions so the Credit Union can process a transfer.

i. If there are other exceptions as established by the Credit Union.

j. The ATM machine may retain your Card in certain instances, in which event you may contact the Credit Union about its replacement.

k. If, through no fault of ours, a funds transfer transaction does not reach a particular payee due to changes in the payee address, account number or otherwise; the time you allow for payment delivery was inaccurate; or in a timely manner, and a fee, penalty, or interest is assessed against you.

l. If the error was caused by a system beyond the Credit Union's control such as a telecommunications system, an Internet service provider, any computer virus or problems related to software not provided by Credit Union.

9. Termination of Electronic Fund Transfer Services.

You agree that we may terminate this Agreement and your electronic fund transfer services, if you, or any authorized user of your Card or access code, breach this or any other agreement with us; or we have reason to believe that there has been an unauthorized use of your ATM Card or an access code; or you or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

10. Notices. The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.