

Keystone Federal Credit Union

Downingtown

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Downingtown, PA 19335
610-269-5151

West Chester

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West Chester, PA 19380
484-356-0400

Avondale

811 Gap Newport Pike
Avondale, PA 19311
610-268-0861

Toll Free

1-800-662-8801

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484-356-0500
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www.keystonefcu.org

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kfcu@keystonefcu.org



Revised 07/01/2016



Disclosure Booklet



This credit union is federally insured by the National Credit Union Administration.

Table of Contents

Membership and Account Agreement.....	1
Truth-In-Savings Disclosure.....	14
Funds Availability Policy and Disclosure.....	16
Electronic Funds Transfer Agreement and Disclosure.....	17
—MasterCard Key CheckCard & ATM Card.....	18
—Key Response and Keystone@Home.....	22
—EFT Services.....	26
Privacy Disclosure and Opt Out Notice.....	30
Fee Disclosure.....	33
Dividend Rates.....	34
Keystone Services.....	36

BORROWING

- New Car Loans*
- Used Car Loans*
- 1st Mortgages
- Home Equity Loans*
- Home Equity Lines of Credit
- Signature Loans*
- Signature Lines of Credit*
- Boat Loans*
- Recreational Vehicle Loans*
- Motorcycle Loans*
- Computer Loans*
- Business Loans

*1/2% Rate Reduction with
Direct Deposit or Payroll
Deduction and Automatic
Transfer of Payment plus
Payment Protection!

SPECIAL MEMBER SERVICES

- Financial Planning
- Enterprise Car Sales
- Web Site: www.keystonefcu.org
- Vehicle GAP Protection
- Payment Protection

Keystone Services

SAVING & CHECKING

- Regular Share
- Holiday Accounts
- Coindexter Kids' Club
- Insured Money Markets
- Share Certificates
- IRA Share Certificates
- FREE Share Draft (Checking)
- Bright Future Checking
- Prestige Checking
- Business Checking

SAFETY & CONVENIENCE

- MasterCard® Debit Cards
- Standard MasterCard®
- Gold MasterCard®
- Platinum MasterCard®
- Internet Bill Payer
- **Key Response** Telephone Teller
- **Virtual Branch** Internet Home Banking
- Instant Loan Approval (Web Site)
- Toll-Free Access Lines
- Money Orders
- VISA® Gift Cards
- VISA® Travel Money
- Business Services
- Federal Deposit Insurance by NCUA

This Membership and Account Agreement (“Agreement”) covers the rights and responsibilities concerning your accounts and the rights and responsibilities of Keystone Federal Credit Union (“Credit Union”). In this Agreement, the words “you” and “yours” mean anyone who signs an Account Card or Account Change Card (Account Card or any other account opening document). The words “we”, “us”, and “our” mean the Credit Union. The word “account” means any one or more share or other accounts you have with the Credit Union.

Your account type(s) and ownership features are designated on your Account Card. By signing an Account Card, each of you jointly and severally agree to the terms and conditions of this Agreement and on the Account Card, the Truth-In-Savings Disclosure, the Funds Availability Policy Disclosure, the Electronic Funds Transfer Agreement and Disclosure, the Privacy Disclosure, the Fair Credit Reporting Act Disclosure and any Account Receipt accompanying this Agreement, and Keystone Federal Credit Union’s bylaws and policies, and any amendments to these documents from time to time which collectively govern your membership and accounts, all applicable present and future federal and state laws and regulations, local banking customs, and the rules of any clearing house with whom we may deal. The word “bylaws” means the Bylaws or Code of Regulations of Keystone Federal Credit Union.

1. **Membership Eligibility.** To join the Credit Union, you must meet the membership requirements including, if applicable, the purchase and maintenance of the minimum required share(s) (“membership share”) as set forth in the Credit Union’s Bylaws or established from time to time by the Credit Union’s Board of Directors. You authorize us to check your account, credit and employment history, and obtain reports from third parties, including credit reporting agencies, to verify your eligibility for the accounts and services you request.
2. **Customer Identification.** To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask you for your name, address, date of birth, and other information that will allow us to identify you. We will also ask to see your driver’s license and/or other identifying documents.
3. **Individual Accounts.** An individual account is an account owned by one member (individual, corporation, partnership, trust, or other organization) qualified for credit union membership. If the account owner dies, the interest passes, subject to applicable law, to the account owner’s estate or trust beneficiary, subject to other provisions of this Agreement governing our protection for honoring transfer and withdrawal requests of an owner or owner’s agent prior to notice of an owner’s death and to any security interest or pledge granted by the account owner and subject to our statutory lien rights.
4. **Joint Accounts.** A joint account is an account owned by two or more persons.
 - a. **Rights of Survivorship.** Unless otherwise stated on the Account Card, a joint account includes rights of survivorship. This means when one owner dies, all sums in the account will pass to the surviving owner(s). A surviving owner’s interest is subject to the Credit Union’s statutory lien for the deceased owner’s obligation and to any security interest or pledge granted by a deceased owner, even if a surviving owner

did not consent to it.

b. Control of Joint Accounts. Any owner is authorized and deemed to act for any other owner(s) and may instruct us regarding transactions and other account matters. Each owner guarantees the signature of any other owner(s). We have no duty to notify any owner(s) about any transaction. We reserve the right to require written consent of all owners for any change or termination of an account. If we receive written notice of a dispute between owners or inconsistent instructions from them, we may suspend or terminate the account and require a court order or written consent from all owners to act.

c. Joint Account Owner Liability. If an item deposited in a joint account is returned unpaid, a joint account is overdrawn, or if we do not receive final payment on a transaction, the owners jointly and severally, are liable to us for the amount of the returned item, overdraft, or unpaid amount and any charges, regardless of who initiated or benefited from the transaction. If any account owner is indebted to us, we may enforce our rights against any account of the indebted owner, including all funds in the joint account regardless of who contributed the funds in the account.

5. Accounts for Minors. We may require any account established by a minor to be a joint account with an owner who has reached the age of majority under state law and who shall be jointly and severally liable to us for any returned item, overdraft, or unpaid charges or amounts on such account. We may pay funds directly to the minor without regard to his or her minority. Unless a parent or guardian is an account owner, the parent or guardian shall not have any account rights. We have no duty to inquire about the use or purpose of any transaction. We will not change the account status when the minor reaches the age of majority unless notified in writing by all account owners.

6. Agency Designation on an Account. An agency designation on an account is an instruction to us that another person is authorized to make transactions as agent for the account owner. An agent has no ownership interest in the account(s) or credit union membership rights, including the right to vote. We have no duty to inquire about the use or purpose of any transaction made by the agent.

7. Liability. The Account Owner and each authorized signer agrees to indemnify and hold us harmless from any claim or liability as a result of any unauthorized acts by any signer or former signer or acts upon which we rely prior to receiving notice of any account change of Account Owner. The Account Owner agrees that we shall not be liable for any losses due to the Account Owner's failure to notify us in writing of such changes.

8. Account Access.

a. Authorized Signatures. Your signature on the Account Card authorizes your account access. We will not be liable for refusing to honor any item or instruction if we believe the signature is not genuine. If you have authorized the use of a facsimile signature, we may honor any check or draft that appears to bear your facsimile signature even if it was not made by an Account Owner. You authorize us to honor transactions initiated by a third person to whom you have given your account number even if you do not authorize a particular transaction.

	IRA Share Accounts	Roth IRA Shares	SEP IRA Shares
Dividend Rate & Annual Percentage Yield (APY)* *APY in Parenthesis	0.20% (0.20%)	0.20% (0.20%)	0.20% (0.20%)
Dividend Period	Monthly (Calendar)	Monthly (Calendar)	Monthly (Calendar)
Minimum Opening Deposit	\$5.00	\$5.00	\$5.00
Minimum Balance to Avoid Fees	N/A	N/A	N/A
Minimum Balance to Earn Stated APY	\$5.00	\$5.00	\$5.00
Balance Method	Daily Balance	Daily Balance	Daily Balance
See Disclosure Page 16	Account transfer limitations apply	Account transfer limitations apply	Account transfer limitations apply

	Money Markets	FREE Share Draft/Checking
Dividend Rate & Annual Percentage Yield (APY)* *APY in Parenthesis	\$1,000.00 to \$9,999.99 0.07% (0.07%) \$10,000.00 to \$24,999.99 0.25% (0.25%) \$25,000.00 to \$74,999.99 0.25% (0.25%) \$75,000.00 & Above 0.30% (0.30%)	N/A
Dividend Period	Monthly (Calendar)	N/A
Minimum Opening Deposit	\$1,000.00	N/A
Minimum Balance to Avoid Fees	N/A	N/A
Minimum Balance to Earn Stated APY	\$1,000.00	N/A
Balance Method	Daily Balance (Calendar)	N/A
See Disclosure Page 16	Account transfer limitations apply	N/A

	Primary Shares	Share Accounts
Dividend Rate & Annual Percentage Yield (APY)*	\$5.00 to \$99.99 0.00% (0.00%) \$100.00 to \$4,999.99 0.20% (0.20%) \$5,000.00 to \$19,999.99 0.20% (0.20%) \$20,000.00 & Above 0.20% (0.20%)	\$5.00 to \$99.99 0.00% (0.00%) \$100.00 to \$4,999.99 0.20% (0.20%) \$5,000.00 to \$19,999.99 0.20% (0.20%) \$20,000.00 & Above 0.20% (0.20%)
*APY in Parenthesis		
Dividend Period	Monthly (Calendar)	Monthly (Calendar)
Minimum Opening Deposit	N/A	N/A
Minimum Balance to Avoid Fees	N/A	N/A
Minimum Balance to Earn Stated APY	\$5.00	N/A
Balance Method	Daily Balance (Calendar)	Daily Balance
See Disclosure Page 16	Account transfer limitations apply	Account transfer limitations apply

	Holiday Clubs	Vacation Clubs
Dividend Rate & Annual Percentage Yield (APY)*	\$5.00 to \$99.99 0.00% (0.00%) \$100.00 to \$4,999.99 0.20% (0.20%) \$5,000.00 to \$19,999.99 0.20% (0.20%) \$20,000.00 & Above 0.20% (0.20%)	\$5.00 to \$99.99 0.00% (0.00%) \$100.00 to \$4,999.99 0.20% (0.20%) \$5,000.00 to \$19,999.99 0.20% (0.20%) \$20,000.00 & Above 0.20% (0.20%)
*APY in Parenthesis		
Dividend Period	Monthly (Calendar)	Monthly (Calendar)
Minimum Opening Deposit	N/A	N/A
Minimum Balance to Avoid Fees	N/A	N/A
Minimum Balance to Earn Stated APY	N/A	N/A
Balance Method	Daily Balance (Calendar)	Daily Balance
See Disclosure Page 16	Account transfer limitations apply	Account transfer limitations apply

Dividends are compounded and credited monthly for all dividend-bearing accounts.

- b. **Access Options.** You may withdraw or transfer funds from your account in any manner we permit (e.g., in person or by automated teller machine, point of sale device, automatic transfer or other available electronic means, mail, or telephone.) We may return as unpaid any draft drawn on a form we do not provide. Any losses, expenses, or fees resulting from or imposed due to handling such draft will be charged to your account. We have the right to review and approve any form of power of attorney and may restrict account withdrawals or transfers. We are under no obligation to honor any power of attorney.
- c. **Credit Union Examination.** We may disregard information on any draft or check, other than the signature of the drawer, the amount and any magnetic encoding. You agree that we do not fail to exercise ordinary care in paying an item solely because our procedures do not provide for sight examination of items.

9. **Deposit of Funds Requirement.** Funds may be deposited to accounts, in any manner approved by the Credit Union in accordance with the requirements set forth on our rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosures). We have the right to refuse any deposit, limit the amount that may be offered for deposit, and return all or part of a deposit. Deposits made by mail, at night depositories or at unstaffed facilities are not our responsibility until we receive them.

- a. **Endorsements.** We may accept transfers, checks, drafts, and other items for deposit into any of your accounts if they are made payable to, or to the order of one or more of the account owners even if they are not endorsed by all payees. You authorize us to supply missing endorsements of any owners if we choose to do so. If a check, draft or other item that is payable to two or more persons is ambiguous as to whether it is payable to either or both, we may process the check, draft, or item as though it is payable to either person. If an insurance, government, or other check or draft requires an endorsement as set forth on the back of the check or draft, we may require endorsement as set forth on the item. We may, but are not required to, accept for cash or other value checks, drafts, or items made payable to the Account Owner provided such items are endorsed with an original or facsimile signature of the required number of Account Owners. Endorsements must be made on the back of the share draft or check within 1½ inches from the top edge, although we may accept endorsements outside this space. However, any loss we incur from a delay or processing error resulting from an irregular endorsement or other markings by you or any prior endorser will be your responsibility.

- b. **Collection of Items.** We act only as your agent and we are not responsible for handling items for deposit or collection beyond the exercise of ordinary care. Deposits made by mail, at night depositories or at unstaffed facilities are not our responsibility until we receive them. We are not liable for the negligence of any correspondent or for loss in transit, and each correspondent will only be liable for its own negligence. We may send any item for collection. Items drawn on an institution located outside the United States are handled on a collection basis only. You waive any notice of nonpayment, dishonor, or protest regarding items we purchase or receive for credit or collection to your account. We reserve the right to pursue collection of previously dishonored items at any time, including giving a payor

financial institution extra time beyond any midnight deadline limits.

- c. **Restrictive Legends.** Some checks and drafts contain restrictive legends or similar limitations on the front of the item. Examples of restrictive legends include “two signatures required”, “void after 60 days” or “not valid over \$1,000”. We are not liable for payment of any check or draft contrary to a restrictive legend or other limitation in or on the item unless we have specifically agreed in writing to the restrictions or limitations.
- d. **Final Payment.** All items or Automated Clearinghouse (ACH) transfers credited to your account are provisional until we receive final payment. If final payment is not received, we may charge your account for the amount of such items and impose a return item charge on your account. Any collection fees we incur may be charged to your account. We reserve the right to refuse any item or funds transfer.
- e. **Direct Deposits.** We may offer preauthorized deposits (e.g. payroll checks, Social Security or retirement checks, or other government checks) or preauthorized transfers from other accounts. You must authorize direct deposits and preauthorized transfers by filling out a separate document. You must notify us at least thirty (30) days in advance to cancel or change a direct deposit or transfer option. Upon a bankruptcy filing, unless you cancel an authorization we will continue making direct deposits in accordance with your authorization on file with us. If we are required to reimburse the government agency for any benefit payment directly deposited into your account, we may deduct the amount returned from any of your accounts, unless prohibited by law. If your account is overdrawn, you authorize us to deduct the amount your account is overdrawn from any deposit, including deposits of government payments or benefits.
- f. **Crediting of Deposits.** Deposits made after the deposit cutoff time and deposits made on either holidays or days that are not our business days will be credited to your account on the next business day.

10. Electronic Funds Transfers.

- a. **Uniform Commercial Code Article 4A and Other Agreements.** Except as amended by this Agreement, electronic funds transfers we permit that are subject to article 4A of the Uniform Commercial Code will be subject to such provisions of the Uniform Commercial Code as enacted by the state of Pennsylvania. You may be provided with a separate document providing details about certain types of electronic funds transfer transactions available on your account. Any provisions in such documents purporting to limit your liability for unauthorized transactions, imposing liabilities on us for failing to stop a preauthorized electronic funds payment and imposing duties on us in the case of billing errors are not applicable to your account.
- b. **Fedwire Transactions.** We may execute certain requests for electronic funds transfers by Fedwire. Fedwire transactions are subject to Federal Reserve Board regulation J.
- c. **Authorization for Transfers/Debiting of Accounts.** Any Account Owner is authorized to

SHARE DRAFTS/CHECKING

*REGULAR CHECKING.....	N/C
*BUSINESS CHECKING (per month)	10.00
NSF ITEMS.....	30.00
*Keystone reserves the right, at its discretion, to pay or return any transaction which creates an overdraft on an account.	
STOP PAYMENT – Regular (per item).....	20.00
STOP PAYMENT – Series of Unwritten Checks.....	20.00
STOP PAYMENT – Business (per item).....	25.00
OVERDRAFT PROTECTION	
Up to six auto transfers per month.....	N/C
Keystone will not auto transfer after six, but we may pay a check by taking your account into a negative balance. (per item paid).....	
MICROFILM COPIES – Regular (per check).....	10.00
MICROFILM COPIES – Regular (rush).....	15.00
MICROFILM COPIES – Business (per check).....	15.00
MICROFILM COPIES – Business (rush).....	20.00
RESEARCH & RECONCILIATION –	
Regular (per hour).....	30.00
Business (each request).....	100.00
Check printing prices may vary depending on style.	
DEBIT CARD	
TRANSACTIONS –	
Deposits & Point of Sale.....	N/C
Withdrawals (ATM).....	
First three (3).....	N/C
Each withdrawal after three (3).....	.75
Inquiries (each inquiry).....	.50
FOREIGN TRANSACTION FEES –	
Purchases and cash advances made in foreign countries will be assessed a 0.80% Cross-border Fee. An additional 0.20% Currency Conversion Fee will be assessed for multi-currency transactions. The conversion rate to dollars will be at the wholesale market rate or the government mandated rate, whichever is applicable, in effect one day prior to the processing date.	
LOST/STOLEN REPLACEMENT.....	10.00
EMPTY ENVELOPES.....	35.00
RETURN ITEMS.....	30.00
RETURN ITEMS (personal checks).....	30.00
DEPOSIT ADJUSTMENTS.....	10.00
(Incorrect addition, improperly endorsed, or incorrect amount keyed into machine)	
Debit Card NSF/Negative Balance (per draft).....	30.00
Debit Card Draft Retrievals.....	Up to \$10.00 per draft

CHECKS RETURNED TO US

RETURN ITEMS.....	15.00
RETURN ITEMS (personal checks).....	30.00
(Return items will be resubmitted)	
ACH	
NSF ITEMS (overdraft) if returned.....	30.00
STOP PAYMENTS (must be in writing).....	20.00
INTERNET HOME BANKING/ BILL PAYER	
HOME BANKING.....	N/C
INTERNET BILL PAYER	
Per Bill Paid.....	.46
Monthly.....	N/C**
**Inactive Bill Pay – (if the account becomes inactive for 90 days, a monthly fee will be charged).....	
NSF ITEM (per check).....	30.00
MISC FEES	
PAPER STATEMENTS (per month; Over age 18 and under age 65).....	2.00
MAILED CHECK (under \$50).....	2.00
Free with Key-Response or Keystone@Home,	
CASHIER'S CHECKS.....	2.00
MONEY ORDERS.....	2.00
CERTIFIED CHECK FEE.....	2.00
ACCT HISTORY OR STATEMENT COPY –	
Personal Account.....	5.00
Business Account.....	10.00
DORMANT ACCOUNT (per month).....	10.00
Savings accounts with less than \$250, no other subaccounts, no activity for 6 months & over age 18.	
TELEPHONE TRANSFER FEE.....	2.00
FAX FEE (1st page).....	5.00
(each additional page).....	
1.00	
VISA TRAVELMONEY® -	
Initial Card.....	3.00
Per In-Branch Reload.....	2.00
FOREIGN CURRENCY	
overnight delivery.....	12.00
FOREIGN CHECK EXCHANGE.....	5.00
plus other bank fees and postage	
FOREIGN CHECK RETURN ITEM.....	30.00
INCORRECT ADDRESS (per month).....	5.00
LEVY/WRIT OF EXECUTION.....	50.00
IRS ACTION.....	25.00
SUBORDINATION FEE.....	100.00
WIRE TRANSFERS	
Outgoing Domestic.....	18.00
Outgoing International.....	35.00
Incoming.....	4.00

Bright Future Checking: Even if you have experienced a charge-off in the amount of \$500 or less or reportable adverse action with another financial institution,* you may qualify to open a Bright Future Checking account.** Plus, after two years of maintaining a Bright Future Checking account with fewer than two Non-Sufficient Funds (NSF) incidents per calendar year, Bright Future Checking members may choose to transition to either a Keystone FCU FREE Checking account or Keystone FCU Prestige Checking account.

Managing Your Bright Future Checking Account – IMPORTANT FEE INFORMATION		
What are the important facts?		What does it mean to you?
Minimum Deposit Needed to Open Account	\$25	Amount required at time opening.
Monthly Fee	\$8	To avoid monthly fee: <ul style="list-style-type: none"> • Fee waived first three (3) calendar months after account opening. • Maintain an average daily balance of \$500 in the Bright Future Checking Account during each calendar month.
Dividend-Bearing	No	
Account Closing Fee	\$24	Fee assessed when account is closed by member within first three (3) calendar months after account opening.
Mandatory Checking Account Closure		Account will be closed if more than six (6) NSF instances occur with any one calendar year; Account will be closed if balance remains negative for 45 days or more.

*As reported on account opening verification documentation.

** Multiple instances of charge-offs or adverse action within the past three years will disqualify a member from opening this type of account. Some fees and restrictions may apply.

Prestige Checking: Prestige Checking allows you to earn dividends on your transaction account. Simply maintain a \$1,500 average daily balance in your Prestige Checking account and watch your money grow.*

Managing Your Prestige Checking Account – IMPORTANT FEE INFORMATION		
What are the important facts?		What does it mean to you?
Minimum Deposit Needed to Open Account	\$500	Amount required at time opening.
Monthly Fee	\$10	To avoid monthly fee: <ul style="list-style-type: none"> • Fee waived first three (3) calendar months after account opening. • Maintain an average daily balance of \$1,500 in the Prestige Checking Account during each calendar month.
Dividend-Bearing	Yes	To earn dividends: <ul style="list-style-type: none"> • Maintain an average daily balance of \$1,500 in the Prestige Checking Account during each calendar month. • Dividends mirror the Business Checking dividend Rate and Annual Percentage Yield.
Account Closing Fee	\$30	Fee assessed when account is closed by member within first three (3) calendar months after account opening.

*Members must qualify to open Prestige Checking based on standard account opening verification documentation. Some fees and restrictions may apply.

Effective 10/1/2015

make or order electronic funds transfers to or from your account. We will debit your account for the amount of an electronic funds transfer and will charge your account for any fees related to the transfer. If a signature is required to authorize a funds transfer, the required number of signatures of Account Owners must be present before we will execute the transfer.

- d. Right to Refuse to Make Transfer/Limitation of Liability. Unless we agree otherwise in writing, we reserve the right to refuse to execute any order to transfer funds to or from your account. We are not obligated to execute any order or transfer funds out of your account if the amount of the requested transfer plus applicable fees exceeds the available funds in your account. We are not liable for errors, delays, interruptions or transmission failure caused by third parties or circumstances beyond our control including mechanical, electronic, or equipment failure.
- e. No Notice Required. We will not provide you with next day notice of ACH, wire transfers and other electronic payments credited to your account. You will receive notice of such credits on your account statements. You may contact us to determine whether a payment has been received.
- f. Provisional Credit for ACH Transactions. We may provisionally credit your account for an ACH transfer before we receive final settlement. If we do not receive final settlement, we may reverse the provisional credit or require you to refund us the amount provisionally credited to your account.
- g. Payment Order Processing and Cut-Off Times. Payment orders we accept will be executed within a reasonable time of receipt. Unless we agreed otherwise in writing, a payment order may not necessarily be executed on the date it is received or on a particular date you specify. Cut-off times may apply to the receipt, execution, and processing of funds transfers, payment orders, cancellations, and amendments. Funds transfers, payment orders, cancellations, and amendments received after a cut-off time may be treated as having been received on the next following funds transfer business day. Information about cut-off times is available upon request.
- h. Identifying Information. When you initiate a wire transfer, you may identify the recipient and any financial institution by name and address as well as by account or identifying number. The Credit Union and any other financial institutions facilitating the transfer may rely strictly on the account or other identifying number even if the number identifies a different person or financial institution.
- i. Amendments and Cancellations of Payment Orders. Any Account Owner may amend or cancel a payment order regardless of whether that person initiated the order. We may refuse requests to amend or cancel a payment order that we believe will expose the Credit Union to liability or loss. Any request to amend or cancel a payment order that we accept will be processed within a reasonable time after it is received. You agree to hold us harmless from and indemnify us for all losses and expenses resulting from any actual or attempted amendment or cancellation of a payment order.
- j. Security Procedures. We may require you to follow a security procedure to execute a

payment order or certain electronic funds transfer transactions. We will notify you of such security procedures. Unless we permit you to establish a different security procedure, you agree that the security procedures contained in the Credit Union's policies are commercially reasonable verification of payment orders and other electronic funds transfers. If we permit you to establish a different security procedure, you agree that procedure is a commercially reasonable method of verifying electronic funds transfers.

11. Account Rates and Fees. We pay account earnings and assess fees against your account as set forth in our account rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosures). We may change our rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosures) at any time and will notify you as required by law.

12. Transaction Limitations.

a. Withdrawal Restrictions. We reserve the right to restrict withdrawals or transfers from your account and shall not be liable for any restrictive action we take regarding i) withdrawals or transfers; or ii) payments or non-payments of a share draft, except for those damages which may arise solely as a result of the Credit Union's negligence.

We permit withdrawals only if your account has sufficient available funds to cover the full amount of the withdrawal or you have an established overdraft plan. Drafts or other transfers or payment orders which are drawn against insufficient funds may be subject to a service charge as set forth in our account rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosures). If there are sufficient funds to cover some, but not all, of your withdrawal, we may allow those withdrawals for which there are sufficient funds.

We may limit or refuse a withdrawal in some situations, and will advise you accordingly; for example: (1) a dispute between Account Owners (unless a court has ordered the Credit Union to allow the withdrawal); (2) a legal garnishment or attachment is served; (3) the account secures any obligation to us; (4) required documentation has not been presented; (5) you fail to repay a Credit Union loan on time; (6) someone with authority to do so requests us not to permit the withdrawal; or (7) there are other circumstances which do not permit us to make the withdrawal. We also reserve the right to refuse any withdrawal which is attempted by any method not specifically permitted by us. We may require you to give written notice of seven (7) to sixty (60) days before any intended withdrawals.

b. Transfer Limitations. We limit the number of transfers or withdrawals you may make from accounts other than checking, share draft and certificate accounts to six (6) per calendar month per account when the transfer or withdrawal is made by means of a preauthorized, or automatic transfer, or telephonic (including audio response and data transmission) agreement, order or instruction. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the automated clearinghouse (ACH). When a transfer exceeds these limitations, we may refuse it or reverse it, we may assess fees against your account, and we may suspend and close your account and transfer the balance to an account without such transfer limitations. There is no limit on the

Keystone Rewards

Effective 8/2/2013

Requirements:

- Aggregate balance of \$3,000 or more in shares and loans, including IRAs
- Active Checking or Credit Card Account
- Home Banking
- E-Statements
- Minimum of one year of Membership

Benefits:

- Fee-Free Cashier's Checks
- Fee-Free Travel Money
- Fee-Free Gift Cards
- Fee-Free ATM withdrawals (fees reimbursed at the end of each month).

Youth Plus

(Ages 14-21)

Effective 8/2/2013

Requirements:

- Share Draft with Allowance/Debit Card
- Home Banking/Mobile Banking
- E-Statements

Benefits:

- Fee-Free ATM withdrawals (fees reimbursed at the end of each month).
- Discount Regal Movie Ticket Purchases
- 25 Basis Point Reduction on Approved Signature Loan or Signature Line of Credit.

Keystone Rewards Plus

Effective 8/2/2013

Requirements:

- Aggregate balance of \$10,000 or more in shares and loans, including IRAs
- Active Checking or Credit Card Account
- Home Banking
- E-Statements
- Minimum of one year of Membership

Benefits:

- Fee-Free Cashier's Checks
- Fee-Free Travel Money
- Fee-Free Gift Cards
- Fee-Free ATM withdrawals (fees reimbursed at the end of each month)
- 25 Basis Point Reduction on Approved Auto Loan or Signature Loan
- Fee-Free In-State Home Equity Loan or Home Equity Line of Credit Application

Golden Key Plus Club

(Ages 55+)

Effective 8/2/2013

Requirements:

- Direct Deposit
- Active Checking Account
- Active Credit Card
- Home Banking
- E-Statements

Benefits:

- Fee-Free Cashier's Checks
- Fee-Free Travel Money
- Fee-Free Gift Cards
- Two (2) Free Boxes of Checks Per Year
- Fee-Free Bill Payer (active Bill Payer accounts only).
- Fee-Free Domestic Wire Transfers
- Fee-Free ATM withdrawals (fees reimbursed at the end of each month).

from your account without prior notice to you. If we bring a legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.

PRIVACY DISCLOSURE AND OPT OUT NOTICE

Keystone Federal Credit Union, your member owned financial institution, is committed to providing you with competitive products and services to meet your financial needs and help you reach your goals. We are equally committed to protecting the privacy of our members. Under federal law, we are required to give you this privacy notice. It describes our credit union's privacy policy and practices concerning the personal information we collect and disclose about our members. It also includes information about the parties who receive personal and sometimes nonpublic information from us as we conduct the business of the credit union. To obtain the full Privacy Notice and Opt-Out form or if after reading this notice you have questions, please contact us at: (484) 484-0400 or write to: Compliance Officer, Keystone FCU, 1052 Andrew Drive, West Chester, PA 19380.

1. **Information We Collect About You.** We collect nonpublic personal information about you from the following sources: Information we receive from you on applications and other forms; and Information we receive from a consumer reporting agency. We may disclose all of the information we collect, as described above, as permitted by law.
2. **Parties Who Receive Information from Us.** We may disclose nonpublic personal information about you to the following types of third parties: Financial service providers, such as insurance companies; and Non-financial companies, such as consumer reporting agencies, data processors, and plastic card processors.
3. **Disclosure of Information to Parties that Provide Services to Us.** In order for us to conduct the business of the credit union, we may disclose all of the information we collect as described above, to companies that perform marketing or other administrative services on our behalf or to other financial institutions with whom we have joint marketing agreements so that we may provide members competitive products and services. We may also disclose nonpublic personal information about you under circumstances as permitted or required by law. These disclosures typically include information to process transactions on your behalf, conduct the operations of our credit union, follow your instructions as you authorize, or protect the security of our financial records. To protect our members' privacy, we only work with companies that agree to maintain strong confidentiality protections and limit the use of information we provide. We do not permit these companies to sell the information we provide to other third parties.
4. **Disclosure of Information About Former Members.** If you terminate your membership with Keystone FCU, we will not share information we have collected about you, except as may be permitted or required by law.
5. **How We Protect Your Information.** We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, or procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

amount of transfers you may make to a Credit Union loan account. There is no limit on the number of withdrawals you may make if the withdrawal is made in person, by mail, messenger or at an ATM. There is also no limit on the number of telephone requests for withdrawals in the form of a check, which is then mailed directly to you, although we may impose a fee for such services.

13. **Share Certificate Accounts.** Any share certificate we offer is subject to the terms of this Agreement, our account rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosure), the Account Deposit Receipts and any other documents we provide for the account, the terms of which are incorporated herein by reference.
14. **Overdrafts and Dishonored Items.**
 - a. **Overdrafts.** If on any day the available funds in your account are not sufficient to pay checks, drafts, fees, returned items and other items posted to your account, those amounts will be subject to our overdraft procedures or an overdraft protection plan you have established for your account. We are not required to pay any item that will exceed the available balance for your account or that will cause the approved limit on an overdraft protection plan to be exceeded. The available balance for your account is determined according to our funds availability policy. Whether the balance in your account is sufficient to pay an item may be determined at any time between the presentation of the item and our midnight deadline with only one review of the account required. Items on your account may be paid in any order we choose. We may return any item and are not required to notify you if your account or overdraft credit limit does not contain sufficient funds to pay the item. However, we may, at our discretion, pay items that overdraw your account. By paying an item drawn on insufficient funds we do not agree to pay such items in the future. We may charge fees to your account as set forth in our account rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosures) for items drawn on insufficient funds regardless of whether we pay the item or return it. If we pay an item, impose a fee or post an item that overdraws your account, you must repay the amount according to the requirements of our overdraft policy. If you choose to opt out of the overdraft program, you may do so by notifying us in writing at 1052 Andrew Drive, West Chester, PA, 19380.
 - b. **Dishonored Items.** We may redeposit items taken for deposit, cash or other value, or we may return the item to you and charge your account. If your account does not contain sufficient funds to reimburse us for the amount of the item, you must repay us for the amount that we are unable to collect from your account. If we choose to redeposit an item, we are not required to notify you that the item was returned unpaid. We may charge your account and/or seek recovery directly from you for any item that is returned due to your breach of warranty under the Uniform Commercial Code as adopted by the state of Pennsylvania.
15. **Checks Presented for Payment in Person.** We may refuse to accept any draft drawn on your account that is presented for payment in person. Such refusal will not constitute a wrongful dishonor of the draft and we will have no liability for refusing payment. If we agree to cash a check that is presented for payment in person, we may require the presenter to pay a fee. Any applicable check cashing fees are disclosed in the fee schedule(s).

16. Postdated and Stated Checks. You agree not to draw or issue any draft that is postdated. If you do draw or issue a draft that is payable on a future date, we shall have no liability if we pay the draft before its payment date. You agree not to deposit drafts, checks, or other items before they are properly payable. We are under no obligation to pay a draft/check drawn on your account that is presented more than six (6) months after the date it was written. If, however, the draft/check is paid against your account, Keystone Federal Credit Union shall have no liability for such payment.

17. Foreign Currency. All drafts drawn on your account shall be payable in the currency of the United States of America. You agree not to draw a draft payable in any foreign currency. If you give us an order to pay the draft in foreign currency, we shall have the right to return the draft unpaid.

18. Substitute Checks and Your Rights

a. What is a substitute check? To make check processing faster, federal law permits banks to replace original checks with “substitute checks.” These checks are similar in size to original checks with a slightly reduced image of the front and back of the original check. The front of a substitute check states: “This is a legal copy of your check. You can use it the same way you would use the original check.” You may use a substitute check as proof of payment just like the original check.

Any checks that you view through our Home Banking service or check copies that you request from us may be substitute checks. This notice describes rights you have when you receive substitute checks from us. The rights in this notice do not apply to original checks or to electronic debits to your account. However, you have rights under other law with respect to those transactions.

b. What are my rights regarding substitute checks? In certain cases, federal law provides a special procedure that allows you to request a refund for losses you suffer if a substitute check is posted to your account (for example, if you think that we withdrew the wrong amount from your account or that we withdrew money from your account more than once for the same check). The losses you may attempt to recover under this procedure may include the amount that was withdrawn from your account and fees that were charged as a result of the withdrawal (for example, bounced check fees).

The amount of your refund under this procedure is limited to the amount of your loss or the amount of the substitute check, whichever is less. You also are entitled to interest on the amount of your refund if your account is an interest-bearing account. If your loss exceeds the amount of the substitute check, you may be able to recover additional amounts under other law.

If you use this procedure, you may receive up to \$2,500 of your refund (plus interest if your account earns interest) within ten (10) business days after we received your claim and the remainder of your refund (plus interest if your account earns interest) not later than forty-five (45) calendar days after we received your claim.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

We will tell you the results within three (3) business days of completing our investigation. If we decide that there was not an error, we will send you a written explanation. You may ask for copies of the documents that we used in our investigation.

If you give notice of an error within thirty (30) days after you make the first deposit to your account, we will have twenty (20) business days instead of ten (10) business days to investigate.

If you give notice of an error within thirty (30) days after you make the first deposit to your account, 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 ninety (90) days instead of forty-five (45) days to investigate.

Note: If the error you assert is an unauthorized MasterCard transaction, other than a cash disbursement at an ATM, we will credit your account within five (5) business days unless we determine that the circumstances or your account history warrant a delay, in which case you will receive credit within ten (10) business days.

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

9. Governing Law. This Agreement is governed by the Bylaws of the Credit Union, federal laws and regulations, the law and regulations of the State of Pennsylvania and local clearinghouse rules as amended from time to time. Any disputes regarding the Agreement shall be subject to the jurisdiction of the court of the county in which the Credit Union is located.

10. Enforcement. You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses

TELL US AT ONCE if you believe your card or any access code has been lost or stolen or if you believe that an electronic funds transfer has been made without your permission using information from your check. You may contact us by telephone at 484-346-0400 or 1-800-662-8801 or by mail at Keystone Federal Credit Union, 1052 Andrew Drive, West Chester, PA 19380.

Also, if your statement shows transfers that you did not make including those made by card, code, or other means, TELL US AT ONCE.

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

5. Rights to Receive Documentation.

- a. **Periodic Statements.** Transfers and withdrawals made through any ATM or POS terminal, Debit Card transactions, audio response transactions, preauthorized EFTs, electronic/PC transactions or bill payments you make will be recorded on your periodic 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.
- b. **Direct Deposit.** If you have arranged to have a direct deposit made to your account at least once every sixty (60) days from the same source and you do not receive a receipt (such as a pay stub), you can find out whether or not the deposit has been made by calling 484-356-0400. This does not apply to transactions occurring outside the United States.

6. **Notices.** All notices from us will be effective when we have mailed them or delivered them to your last known address in the Credit Union's records. Notices from you will be effective when received by the Credit Union at the address specified in this Agreement. We reserve the right to change the terms and conditions upon which this service is offered. We will mail notice to you at least twenty-one (21) days before the effective date of any change. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

7. **Billing Errors.** In case of errors or questions about electronic funds transfers from your accounts or if you need more information about a transfer on the statement or a receipt, telephone us at the following number or send us a written notice to the following address as soon as you can. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem appears. Call us at: 484-356-0400 or 1-800-662-8801, email us at kfcu@keystonefcu.org or write us at Keystone Federal Credit Union, 1052 Andrew Drive, West Chester, PA 19380.

- a. Tell us your name and account number.
- b. Describe the electronic transfer you are unsure about, and explain as clearly as you can why you believe the Credit Union has made an error or why you need more information.
- c. Tell us the dollar amount of the suspected error.

We may reverse the refund (including any interest on the refund) if we later are able to demonstrate that the substitute check was correctly posted to your account.

- c. **How do I make a claim for a refund?** If you believe that you have suffered a loss relating to a substitute check that you received and that was posted to your account, please contact us by telephone at (484) 356-0400 or by mail at Keystone Federal Credit Union, 1052 Andrew Dr., West Chester, PA 19380. You must contact us within forty (40) calendar days of the date that we mailed (or otherwise delivered by a means to which you agreed) the substitute check in question or the account statement showing that the substitute check was posted to your account, whichever is later. We will extend this time period if you were not able to make a timely claim because of extraordinary circumstances.

Your claim must include:

- A description of why you have suffered a loss (for example, you think the amount withdrawn was incorrect);
- An estimate of the amount of your loss;
- An explanation of why the substitute check you received is insufficient to confirm that you suffered a loss; and
- A copy of the substitute check [and/or] the following information to help us identify the substitute check: identifying information including the check number, the name of the person to whom you wrote the check, and the amount of the check.

19. Stop Payment Orders.

- a. **Stop Payment Order Request.** Any Account Owner may request a stop payment order on any draft drawn on your account. To be binding, an order must be dated, signed, and describe the account and draft number and the exact amount. The stop payment will be effective if the Credit Union receives the order within a reasonable time for the Credit Union to act on the order and you state the number, the account, and the exact amount. You understand that the exact information is necessary for the Credit Union's data processing system to identify the draft. If the stop payment is not received in time for us to act upon the order, we will not be liable to you or any third party for payment of the draft. If we recredit your account after paying a draft over a valid and timely stop payment order, you agree to sign a statement describing the dispute with the payee, to transfer to us all of your rights against the payee or other holders of the draft and to assist us in any legal action.
- b. **Duration of Order.** You may make an oral stop payment order which will lapse within fourteen (14) calendar days unless confirmed in writing within that time. A written stop payment order is effective for six (6) months and may be renewed in writing from time to time. We do not have to notify you when a stop payment order expires.
- c. **Liability.** Fees for stop payment orders are set forth in our fee schedule(s). You may not stop payment on any certified check, cashier's check, teller's check, or any other check, draft, or payment guaranteed by us. Although payment of an item may be stopped, you may remain liable to any item holder, including us. You have the burden of establishing the fact and amount of the loss resulting from the payment of an item

contrary to a binding stop payment order. You agree to indemnify and hold the Credit Union harmless from all costs, including attorney's fees, damages or claims related to our refusing to pay an item, including claims of any Account Owner, payee, or indorsee in failing to stop payment of an item as a result of incorrect information provided by you.

20. **Credit Union Liability.** If we do not properly complete a transaction according to this Agreement, we will be liable for your losses or damages not to exceed the amount of the transaction, except as otherwise provided by law or elsewhere in this Agreement. We will not be liable if: (1) your account contains insufficient funds for the transaction; (2) circumstances beyond our control prevent the transaction; (3) your loss is caused by your or another financial institution's negligence; or (4) your account funds are subject to legal process or other claim. We are not liable if drafts or other items were forged or altered so that the forgery or alteration could not be reasonably detected. We will not be liable for consequential damages, except liability for wrongful dishonor. We are not responsible even though a draft is paid by us if we acted in a commercially reasonable manner and exercised ordinary care. We exercise ordinary care if our actions or nonactions are consistent with applicable state law, Federal Reserve regulations and operating letters, clearinghouse rules, and general banking practices followed in the area we serve. You grant us the right, in making payments of deposited funds, to rely exclusively on the form of the account and the terms of this Agreement. Any conflict between what you or our employees may say or write will be resolved by reference to this Agreement.
21. **Unauthorized Use of Check Writing or Facsimile Signature Equipment.** You are responsible for maintaining the security of all facsimile signatures, check writing equipment, and supplies. You must promptly notify us in writing of any checks that have been lost or stolen or the unauthorized use of facsimile signature equipment and the circumstances surrounding the loss, theft or unauthorized use. We are not liable for any unauthorized use of such facsimile signature.
22. **Pledge of Shares/Statutory Lien.** Unless prohibited by law, you pledge and grant as security for all obligations you may have now or in the future, except obligations secured by your principal residence, all shares and dividends and all deposits and interest, if any, in all accounts you have with us now and in the future. If you pledge a specific dollar amount in your account for a loan, we will freeze the funds in your account(s) to the extent of the outstanding balance of the loan or, if greater, the amount of the pledge if the loan is a revolving loan. Otherwise, funds in your pledged account(s) may be withdrawn unless you are in default. Federal law gives us a lien on all shares and dividends and all deposits in accounts you have with us now and in the future. Except as limited by law, the statutory lien gives us the right to apply the balance of all your accounts to any obligation on which you are in default. After you are in default, we may exercise our statutory lien rights without further notice to you. **Your pledge and our statutory lien rights will allow us to apply the funds in your account to what you owe when you are in default, except as limited by law.** If we do not apply the funds in your account to satisfy your obligation, we may place an administrative freeze on your account(s) in order to protect our statutory lien rights and may apply the funds in your account(s) to the amount you owe us at a later time. The statutory lien and your pledge does not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security. By not enforcing our right to apply funds in your account(s) to your obligations that are in default, we do not waive our right 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.

- f. **Liability for Failure to Stop Payment of Preauthorized Transfers.** If you order us to stop payment of a preauthorized transfer 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.
- g. **Electronic Check Conversion/Electronic Returned Check Fees.** If you pay for something with a check or share draft you may authorize your check or share draft to be converted to an electronic fund transfer. You may also authorize merchants to electronically debit your account for returned check fees.

We will withdraw the designated funds from your share draft account for bill payment transfer by the designated cut-off time on the date you schedule for payment. We will process your bill payment transfer within a designated number of days before the date you are scheduled for payment. You must allow sufficient time for vendors to process your payment after they receive a transfer from us. Please have as much time as though you were sending your payment by mail. We cannot guarantee the time that any payment will be credited to your account by the vendor.

2. **Transfer Limitations.** For all share and Money Market accounts, no more than six (6) preauthorized, automatic, telephone, or Internet transactions and withdrawals may be made from each account to another account of yours or to a third party in any month, and no more than three (3) of these six (6) may be made by check draft, or access card to a third party. If you exceed these limitations, your account may be subject to a fee or be closed.
- a. **Joint Accounts.** If any of your accounts accessed under this Agreement are joint accounts, all joint owners, including any authorized users, shall be bound by this Agreement and, alone and together, shall be responsible for all EFT transactions to or from any share and share draft or loan accounts as provided in this Agreement. Each joint account owner, without the consent of any other account owner, may, and hereby is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transactions on any account from any joint account owner.
3. **Fees and Charges.** There are certain fees and charges for electronic funds transfer services. For a current listing of all applicable fees, see our Current Fee Schedule that was provided to you at the time you applied for or requested these electronic services. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. If you use an ATM not operated by us, you may be charged a fee by the ATM operator and by any national, regional, or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a funds transfer). The ATM surcharge will be debited from your account if you select to complete the transaction or continue with the balance inquiry.
4. **Member Liability.** You are responsible for all EFT transactions you authorize. If you permit someone else to use an EFT service, your Card or your access code, you are responsible for any transactions they authorize or conduct on any of your accounts.

us. In any case, we shall only be liable for actual proven damages if the failure to make the transaction resulted from a bona fide error despite our procedures to avoid such errors.

- 13. Limitation Of Our Liability** – UNLESS OTHERWISE REQUIRED BY LAW, WE WILL NOT BE RESPONSIBLE FOR ANY LOSSES OR DAMAGES FROM THE USE OF THE SERVICE(S) DESCRIBED IN THIS DISCLOSURE STATEMENT AND THE SERVICE AGREEMENT, INCLUDING DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL LOSSES OR DAMAGES.

WE WILL NOT BE RESPONSIBLE FOR ANY LOSSES OR DAMAGES FROM THE USE OF THE SOFTWARE OR THE EQUIPMENT YOU USE TO ACCESS THE SERVICE(S) INCLUDING DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL LOSSES OR DAMAGES.

WE WILL ALSO NOT BE RESPONSIBLE FOR ANY TRANSFER OF FUNDS THE PRIMARY PURPOSE OF WHICH IS THE PURCHASE OR SALE OF SECURITIES OR COMMODITIES REGULATED BY THE SECURITIES AND EXCHANGE COMMISSION OR THE COMMODITY FUTURES TRADING COMMISSION.

EFT SERVICES

The Credit Union reserves the right to refuse any transactions 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. 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. The service will discontinue if no transaction is entered after numerous unsuccessful attempts to enter a transaction, and there may be limits on the duration of each telephone call.

1. Preauthorized EFTs

- a. Direct Deposit. Upon instruction of (i) your employer or (ii) the Treasury Department or (iii) other financial institutions, the Credit Union will accept direct deposits of your paycheck or of federal recording payments, such as Social Security, to your share and/or share draft account.
- b. Preauthorized Debits. Upon instruction, we will pay certain recurring transactions from your share and share draft account.
- c. See section 2 for transfer limitations that may apply to these transactions.
- d. Stop Payment Rights. If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify us orally or in writing at any time up to three (3) business days before the scheduled date of the transfer. We may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do not receive the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made.
- e. Notice of Varying Amounts. If these regular payments may vary in amount, the person you are going to pay is required to tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to

enforce these rights at a later time.

23. **Legal Process.** If any legal action is brought against your account, we may pay out funds according to the terms of the action or refuse any payout until the dispute is resolved. Any expenses or attorney's fees we incur responding to legal process may be charged against your account without notice, unless prohibited by law. Any legal process against your account is subject to our lien and security interest.
24. **Account Information.** Upon request, we will give you the name and address of each agency from which we obtain a credit report regarding your account. We agree not to disclose account information to third parties except when: (1) it is necessary to complete a transaction; (2) the third party seeks to verify the existence or condition of your account in accordance with applicable law; (3) such disclosure is made to comply with the law or an order issued by the court or government agency; or (4) you give us written permission. We may provide information about your account to credit bureaus. Late payments, missed payments, or defaults on your account may be reflected in your credit report.
25. **Notices.**
 - a. Name or Address Changes. You are responsible for promptly notifying us in writing of any address or name change. The Credit Union is only required to attempt to communicate with you at the most recent address you have provided to us. If we attempt to locate you, we may impose a service fee as set forth in the Truth-In-Savings Disclosure.
 - b. Notice of Amendments. Except as prohibited by applicable law, we may at any time change the terms of this Agreement. We will notify you of any changes in terms, rates, or fees as required by law. We reserve the right to waive any term in this Agreement. Any such waiver shall not affect our right to future enforcement.
 - c. Effect of Notice. Any written notice you give us is effective when we receive it. Any written notice we give you is effective when it is deposited in the U.S. Mail, postage prepaid and addressed to you at your statement mailing address and will be effective whether or not received by you. Notice to any account owner is considered notice to all account owners.
 - d. Electronic Notices. If you have agreed to receive notices electronically, we may send you notices electronically and discontinue mailing you paper notices until you notify us that you wish to reinstate receiving paper notices.
26. **Taxpayer Identification Numbers and Backup Withholding.** You agree that we may withhold taxes from any dividends earned on your account as required by federal, state, or local law or regulations. Your failure to furnish a correct Taxpayer Identification Number ("TIN") or meet other requirements may result in backup withholding. If your account is subject to backup withholding, we must withhold and pay to the Internal Revenue Service ("IRS") a percentage of dividends and certain other payments. If you fail to provide your TIN within a reasonable time, we will close your account and return the balance to you, less any applicable service fees.

27. **Statements.**

- a. **Contents.** If we provide a periodic statement for your account, you will receive a periodic statement of transactions and activity on your account during the statement period as required by applicable law. For share draft/checking accounts, you understand and agree that your original draft, when paid, becomes property of the Credit Union and will not be returned to you, but copies may be retained by our payable through financial institution and made available upon your request. You agree and understand that statements are made available to you on the date they are mailed to you. You also understand and agree that drafts or copies thereof are made available to you on the date the statement is mailed to you, even though the drafts do not accompany the statement.
- b. **Electronic Statements (E-Statements).** If you have agreed to receive statements electronically, we may send you statements electronically and discontinue mailing you paper statements until you notify us that you wish to reinstate receiving paper statements.
- b. **Examination.** You are responsible for promptly examining each statement upon receiving it and reporting any irregularities to us. If you fail to report any irregularities such as forged, altered, unauthorized, unsigned, or otherwise fraudulent items drawn on your account, erroneous payments or transactions, or other discrepancies reflected in your statement within a reasonable time of receiving your statement, we will not be responsible for your loss. In addition, we will not be responsible for any such items, payments, or transactions, or other discrepancies reflected on your statement if you fail to notify us in writing within thirty-three (33) days of the mailing date of the statement. We will also not be liable for any items that are forged or altered in a manner not detectable by a reasonable person, including the unauthorized use of a facsimile signature.
- c. **Notice to the Credit Union.** You agree that the Credit Union's retention of drafts through its payable through financial institution does not alter or waive your responsibility to examine your statements or the time limit for notifying us of any errors. The statement will be considered correct for all purposes and we will not be liable for any payment made or charge to your account unless you notify us in writing within the above time limit for notifying us of any errors. The notice must specifically describe the transaction, include photocopies or other images of the relevant items, if returned to you, and:
- Your account number;
 - The dollar amount; and
 - Our transaction reference, if any.
- If timely notice is given, we reserve the right to make a final reasonable determination regarding whether and in what amount any adjustment shall be made. If you fail to receive a periodic statement, you agree to notify us within fourteen (14) days of the time you regularly receive a statement.
- d. **Address.** If we mail you a statement, we will send it to the last known address shown

transmitted) to you, you may not get back any money lost after the sixty (60) days if we can prove that your contacting us would have prevented those losses.

10. **Disclosure Of Account Information** – We shall disclose information to third parties about your account(s) or the transactions you make:
- a. Where it is necessary to complete transactions or investigate transaction errors and verify transactions;
 - b. Where we have a third party provide services on our behalf;
 - c. In order to verify the existence and standing of your account(s) with us upon the request of a third party, such as a credit bureau, merchant or payee;
 - d. In accordance with your written permission;
 - e. In order to comply with court orders or government or administrative agency summonses, subpoenas, orders, examinations, and escheat reports; and/or
 - f. On receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act.
11. **Bill Payer Service(s)** – Keystone will pay authorized merchants/payees from your Keystone Share Draft/Checking Account. All payees are subject to Keystone approval. By providing us with the merchant name, address, account number, and telephone number, you authorize us to honor any payment instructions that we receive from you through Keystone@Home. You agree that Keystone will not be liable for any late charges or other costs due to late payments. There may be fees associated with Bill Payer Services. Please refer to the fee schedule for details.
12. **Our Liability For Failure To Complete An Electronic Fund Transfer Transaction** - If we fail to complete a transaction on time or in the correct amount, when properly instructed by you, we will be liable for certain damages caused by our failure unless:
- a. There are insufficient funds in your account to complete the transaction through no fault of ours or the account has been closed.
 - b. The funds in your account are unavailable.
 - c. The funds in your account are subject to legal process.
 - d. The transaction you requested would exceed the funds in your account plus any available overdraft credit.
 - e. Your PIN has been reported lost or stolen or your Service(s) privileges have been suspended.
 - f. We have a reason to believe that the transaction requested is unauthorized.
 - g. The failure is due to an equipment breakdown, which you knew about when you started the transaction.
 - h. The failure was caused by an act of God, fire and other catastrophe, or by an electrical or computer failure or by another cause beyond our control.
 - i. You attempt to complete a transaction using the Service(s) which is not a permissible transaction.
 - j. The transaction would exceed security limits options on the use of the Service(s); or
 - k. You have not given us complete information or properly followed our procedures on how to complete a transaction.

There may be other exceptions in our rules and regulations and other agreements between

- c. you can why you need more information; and
Tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send your complaint or questions in writing within ten (10) business days to the above address.

We will tell you the results of our investigation within ten (10) business days after we hear from you and will correct any error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so that you will have use of the money during the time it takes us to complete our investigation.

If we require your written confirmation and we do not receive your complaint or question in writing within ten (10) business days, we may not credit your account. We may also not credit your account if the primary purpose of a transaction was to purchase securities or commodities regulated by the Securities and Exchange Commission or the Commodity Futures Trading Commission.

If we decide that there is not an error, we will send you a written explanation within three (3) business days after we finish our investigation. You may ask for copies of the documents that we use in our investigation. If we credit your account with funds while investigating an error, you must repay those funds to us if we conclude no error has occurred.

7. **Charges** – Use of the Service(s) is provided free of transaction charges. We will provide you with notice of changes in this policy as required by law.
8. **Business Days** – Our business days include every day other than Saturday, Sunday or one of the Federal Holidays. The time periods contained in this Disclosure Statement are Eastern Standard Time.
9. **Liability For Unauthorized Transactions** – CONTACT US IMMEDIATELY if you believe your PIN has been lost or stolen or may have been used without your permission. Telephoning us at 484-356-0400 or 1-800-662-8801 is the best way of keeping your losses to a minimum. If you telephone us, we may require that you send us written confirmation of your notice to be received by us within ten (10) business days of your phone call.

You could lose all your money in the account(s), including the available balance in your overdraft line of credit or other credit accounts(s), if you take no action to notify us of the loss of your PIN. If you notify us of the loss, your liability for unauthorized transfer will be as follows:

- a. If you contact us within two (2) business days of the loss or your discovery of the loss, you can lose no more than \$50.00 if someone used your PIN without your permission;
- b. If someone used your PIN without your permission, you could lose as much as \$500 if you do NOT contact us within two (2) business days after you learn of the loss and we can prove that we could have prevented the loss if you had contacted us; or
- c. If your monthly statement shows transactions that you did not make and you do not contact us within sixty (60) days after the statement was mailed (or electronically

on our records. If you have requested that we send your statement electronically, we will send it to the last e-mail address shown on our records.

28. **Inactive Accounts.** If your account falls below any applicable minimum balance and you have not made any transactions over a period specified in our rate sheet(s) and fee schedule(s) during which we have been unable to contact you by regular mail, we may classify your account as inactive or dormant. Unless prohibited by applicable law, we may charge a service fee as set forth on our rate sheet(s) and fee schedule(s) (Truth-In-Savings Disclosure) for processing your inactive account. If we impose a fee, we will notify you, as required by law, at your last known address. You authorize us to transfer funds from another account to cover any service fees, if applicable. To the extent allowed by law, we reserve the right to transfer all funds in an inactive or dormant account to an account payable and suspend any further account statements. If a deposit or withdrawal has not been made on the account and we have had no other sufficient contact with you within the period specified by state law, the account will be presumed to be abandoned. Funds in abandoned accounts will be reported and remitted in accordance with state law. Once the funds have been turned over to the state, we have no further liability to you for such funds and if you choose to reclaim such funds, you must apply to the appropriate state agency.
29. **Special Account Instructions.** You may request that we facilitate certain trust, will, or court-ordered account arrangements. However, because we do not give legal advice, we cannot counsel you as to which account arrangement most appropriately meets the specific requirement of your trust, will, or court-order. If you ask us to follow any instructions that we believe might expose us to claims, lawsuits, expenses, liabilities, or damages, whether directly or indirectly, we may refuse to follow your instructions. Account changes requested by any account owner must be evidenced by a signed Account Change Card and accepted by us.
30. **Termination of Account.** We may terminate your account at any time without prior notice to you or may require you to close your account and apply for a new account. We are not responsible for payment of any draft, transfer or item after your account is terminated; however, if we pay a draft, transfer or other item after termination, you agree to reimburse us for the amount of our payment as well as any applicable fees.
- You may terminate this Agreement by closing all of your accounts. We reserve the right to require the consent of all owners to terminate a joint account. If your account is a dividend-bearing account, any deposit or part of a deposit that we have returned or attempted to return to you upon termination of your account will no longer bear dividends. When the account is closed, you will receive the balance left in the account after we have made all appropriate deductions and charges. The termination of this Agreement and account does not release you from the obligation for payment of accrued fees or liability for any drafts in process.
31. **Termination of Membership.** You may terminate your membership by giving us written notice or by withdrawing your minimum required membership share and closing all of your accounts. You may be denied services for causing a loss to the Credit Union or you may be expelled for any reason as allowed by applicable law.
32. **Death of Account Owner.** We may continue to honor all transfer orders, withdrawals, deposits and other transactions on an account until we are notified of the Account Owner's death. Once we are notified of an Account Owner's death, we may pay drafts or honor other

payments or transfers authorized by the Account Owner for a period of ten (10) days after that date unless we receive instructions from any person claiming an interest in the account to stop payment on the drafts or other items. We may require anyone claiming a deceased Account Owner's account funds to indemnify us for any losses resulting from our honoring that claim. This Agreement will be binding upon any heirs or legal representatives of any Account Owner.

- 33. Waiver of Rights.** We reserve the right to waive the enforcement of any provision of this Agreement with respect to any transaction or series of transactions. A waiver of our rights at any time shall not be deemed a waiver of any other rights or a waiver of the same rights at a future time.
- 34. Severability.** If a court holds any portion of this Agreement to be invalid or unenforceable, the remainder of this Agreement shall not be invalid or unenforceable and will continue in full force and effect. All headings are intended for reference only and are not to be construed as part of this Agreement.
- 35. Enforcement.** You are liable to us for any loss, cost or expense we incur resulting from your failure to follow this Agreement. You authorize us to deduct any such loss, costs or expenses from your account without prior notice to you. If we bring legal action to collect any amount due under or to enforce this Agreement, we shall be entitled, subject to applicable law, to payment of reasonable attorney's fees and costs, including fees on any appeal, bankruptcy proceedings, and any post-judgment collection actions.
- 36. Governing Law.** This Agreement is governed by the Credit Union's bylaws, federal laws and regulations, the laws, including applicable principles of contract law, and regulations of the state of Pennsylvania, and local clearinghouse rules, as amended from time to time. As permitted by applicable law, you agree that any legal action regarding this Agreement shall be brought in the county of the Credit Union office where you opened your account.
- 37. Negative Information Notice.** We may report information about your loan and deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected on your credit report.

TRUTH-IN-SAVINGS DISCLOSURE

- 1. Rate Information.** The Annual Percentage Yield is a percentage rate that reflects the total amount of dividends to be paid on an account based on the dividend rate and frequency of compounding for an annual period. For Primary Share, Share, Holiday Club, Vacation Club, IRA Share, Roth IRA Share, and Money Market accounts, the Dividend Rate and Annual Percentage Yield may change monthly as determined by the Credit Union's Board Of Directors. The Dividend Rates and Annual Percentage Yields are the rates and yield as of the last dividend declaration date which is set forth in the Rate Schedule. The **Primary Share, Share, Holiday Club, and Vacation Club** accounts are Tiered Rate accounts. If your Daily Balance is from \$0.00 to \$99.99, the first Dividend Rate and Annual Percentage Yield listed for this account in the Rate Schedule will apply. If your Daily Balance is from \$100.00 to \$4,999.99, the second Dividend Rate and Annual Percentage Yield for this account will apply. If your Daily Balance is from \$5,000.00 to \$19,999.99, the third Dividend Rate and Annual Percentage Yield listed for this account will apply. If your Daily Balance is \$20,000.00 or

- a. Do not have adequate funds available in your account or available overdraft protection, or
- b. Do not enter the correct PIN or other requested information.

There is a limit on the number of denials permitted and you will be denied access to the Service(s) if you exceed these limits. The number of attempts permitted is not revealed for security reasons.

Transactions conducted on a business day before 5:00 PM Monday through Thursday, or before 6:00 PM Friday, will be posted to your account immediately and dated the same business day. Transactions conducted at or after 5:00 PM, Saturday, Sunday, Credit Union Holidays and/or Federal Holidays will be posted immediately, but dated the next business day. Recurring and future dated transactions will be posted to your account as of the business day such transactions are initiated. Account statements and balances may not reflect transactions until our posting process is completed. If service(s) are canceled, recurring and future dated transactions will also be canceled.

- 3. Account Transfer Limits** – Transfers out of your savings type accounts, except checking shares, are limited to up to six (6) times per month or monthly statement cycle and up to three (3) times per month or monthly statement cycle for Money Market Accounts using any combination of our Key-Response (telephone teller), Keystone@Home, overdraft transfers, over the telephone transfers and other preauthorized and automatic transfer Service(s).
- 4. How To Contact Us** – If you believe your PIN has been lost or stolen or that an unauthorized transfer from any of your accounts has occurred or may occur, please contact us immediately by calling 484-356-0400 or 1-800-662-8801, emailing us at kfcu@keystonefcu.org or writing us at:

**Keystone Federal Credit Union
1052 Andrew Drive
West Chester, PA 19380**

You may be denied access to the Service(s) until the Service(s) is reactivated and a new PIN is selected.

- 5. Record Of Transactions** – You will receive a monthly statement showing the status of your accounts, including transactions that occurred during the past month.
- 6. In Case Of Errors Or Questions About Your Transactions** – Telephone us at 484-356-0400 or 1-800-662-8801, e-mail us at kfcu@Keystonefcu.org or write us at Keystone Federal Credit Union, 1052 Andrew Drive, West Chester, PA 19380 as soon as you realize that your statement is wrong or if you need more information about a transaction listed on the statement. We must hear from you no later than sixty (60) days after we sent you the FIRST statement on which the problem or error appeared. You must provide us with the following information:
 - a. Tell us your name and account number;
 - b. Describe the error or the transaction you are unsure about, and explain as clearly as

15. **Lost or stolen KEY CHECK (debit) card.** If you believe your Key Check Card has been lost or stolen or that an unauthorized transfer, withdrawal or purchase has occurred from your accounts or may occur, please contact Keystone Federal Credit Union immediately by phoning: 484-356-0400 or 1-800-662-8801 during business hours or 610-269-1370 after business hours. In order to limit liability, we suggest that you call and transfer all funds out of your Share Draft account and into your Regular Share account to prevent any loss or additional loss to your account. This can be done by calling the Credit Union during regular business hours at 484-356-0400 or 1-800-662-8801 or via Key-Response (telephone teller) if the card has been lost or stolen after regular business hours at 484-356-0500 or 1-800-725-1403 or via Keystone's Internet Home Banking by clicking onto Keystone@Home. This will help to limit fraudulent activity.
16. **Application Disclosure.** Requests for a Keystone Federal Credit Union ATM Card or KEY CHECK CARD (debit card) are subject to a screening process. The Credit Union reserves the right to deny requests for this service at its discretion.
17. **Liability for MasterCard Key Check Card.** You will have zero liability for unauthorized MasterCard Key Check Card transactions provided if: the loss or theft is reported within 24 hours of discovery; you took reasonable care in safeguarding the card from risk of loss or theft; you have not reported two or more incidents of unauthorized use to us in the preceding 12 month period; and the account is in good standing. In all other situations, the maximum liability for unauthorized MasterCard Key Check Card transactions will be \$50. If the unauthorized use is at an ATM, the regular Regulation Z or E liability limits apply, because these transactions are not considered MasterCard transactions.

KEY RESPONSE AND KEYSTONE@HOME

1. **Service(s)** – You may use the service(s) you have selected to request the following transactions for the accounts which may be accessed through the Service(s):
 - a. Transfer funds between your checking and savings accounts
 - b. Transfer funds from shares to loans
 - c. Transfer funds to another authorized account within the Credit Union
 - d. Transfer loan advances to shares
 - e. Withdraw from shares by check
 - f. Make account inquiries, and obtain balances and account histories
 - g. Search for a specific Draft or Check
 - h. Obtain rate information
 - i. Pay bills
 - j. Change share and loan descriptions
 - k. Change your PIN and password
 - l. Print account information on a printer attached to the your PC, including share, loan and certificate details
 - m. Obtain online Credit Union defined help
 - n. Export functionality to transfer data to a 3rd party software such as MS Money or Quicken
2. **Limitations Of The Use Of The Service(s)** You will be denied the use of the Service(s) if you:

greater, the fourth Dividend Rate and Annual Percentage Yield listed for this account will apply. Once a particular range is met, the Dividend Rate and Annual Percentage Yield for that balance range will apply to the full balance of your account. The **Money Market** account is a Tiered Rate account. If your Daily Balance is from \$1,000.00 to \$9,999.99, the first Dividend Rate and Annual Percentage Yield listed for this account in the Rate Schedule will apply. If your Daily Balance is from \$10,000.00 to \$24,999.99, the second Dividend Rate and Annual Percentage Yield listed for this account will apply. If your Daily Balance is \$25,000.00 to \$74,999.99, the third Dividend Rate and Annual Percentage Yield listed for this account will apply. If your Daily Balance is \$75,000 or greater, the fourth Dividend Rate and Annual Percentage Yield listed for this account will apply. Once a particular range is met, the Dividend Rate and Annual Percentage Yield for that balance range will apply to the full balance of your account.

2. **Nature of Dividends.** Dividends are paid from current income and available earnings after required transfers to reserves at the end of the dividend period.
3. **Dividend Compounding and Crediting.** The compounding and crediting frequency of dividends and dividend period applicable to each account are stated in the Rate Schedule. The Dividend Period is the period of time at the end of which an account earns dividend credit. The Dividend Period begins on the first calendar day of the period and ends on the last calendar day of the period.
4. **Accrual of Dividends.** For all accounts, dividends will begin to accrue on noncash deposits (e.g. checks) on the business day you make the deposit to your account.
5. **Balance Information.** To open any account you must deposit or already have on deposit at least the par value of one full share in a Primary Share account. The par value amount is stated in the Fee Schedule. Some accounts may have additional minimum opening deposit requirements. The minimum balance requirements applicable to each account are stated in the Rate Schedule. For IRA Share, Roth IRA Share, and Money Market accounts, there is a minimum Daily Balance required to earn the Annual Percentage Yield disclosed for the dividend period. If the minimum daily balance is not met each day of the dividend period, you will not earn the stated Annual Percentage Yield. If your account balance falls below the minimum opening balance requirement, your account will be closed. For accounts using the Daily Balance method as stated on the Rate Schedule, dividends are calculated by applying a daily periodic rate to the balance in the account each day.
6. **Account Limitations.** For Primary Share and Share accounts, no more than six (6) preauthorized, automatic, or telephone transfers may be made from each account to another account or to a third party in any month, and no more than three (3) of these six (6) transfers may be made by check, draft, or debit card to a third party. If you exceed these limitations your account may be subject to a fee or be closed. For Holiday Club, IRA Share and Roth IRA Share accounts, you may not make any preauthorized, automated, or telephone transfers from your account at any time. For Holiday Club accounts, the entire balance will be transferred to your primary share account or the share account you designate on or after September 30 and the account will remain open. For Money Market accounts, you may make up to three (3) withdrawals from your account per month by telephone transfer, in person or internet; you may not make any withdrawals by preauthorized transfers or checks from your account at any time. For Share Draft/Checking accounts, no account limitations apply.

7. **Fees for Overdrawing Accounts.** Fees may be imposed on each check, draft item, ATM or Check Card withdrawal, debit card point-of-purchase, preauthorized automatic debit, telephone-initiated withdrawal or any other electronic withdrawal or transfer transaction that is drawn on an insufficient available account balance. The entire balance in your account may not be available for withdrawal, transfer, or payment of a check, draft, or item. You may consult the Funds Availability Policy for information regarding the availability of funds in your account. Fees for overdrawing your account may be imposed for each overdraft regardless of whether we pay or return the draft, item, or transaction. If we have approved an overdraft protection limit for your account, such fees may reduce your approval limit. Please refer to the Fee Schedule for current fee information.

FUNDS AVAILABILITY POLICY AND DISCLOSURE

YOUR ABILITY TO WITHDRAW FUNDS AT KEYSTONE FEDERAL CREDIT UNION

Our general policy is to allow you to withdraw funds deposited in your account on the second business day after the day we receive your deposit. Funds from electronic direct deposits will be available on the day we receive the deposit.

For determining the availability of your deposits, every day is a business day, except Saturdays, Sundays, and federal holidays. If you make a deposit before 5:00 PM on a business day that we are open, we will consider that day to be the day of your deposit. However, if you make a deposit after 5:00 PM or on a day we are not open, we will consider that the deposit was made on the next business day we are open.

Funds from the following deposits are available on the same business day as the day of your deposit:

- U.S. Treasury checks that are payable to you.
- Wire transfers.
- Checks drawn on Keystone Federal Credit Union.

If you make the deposit in person to one of our employees, funds from the following deposits are also available on the same business day as the day of your deposit:

- Cash.
- State and local government checks that are payable to you.
- Cashier's, certified, and teller's checks that are payable to you.
- Federal Reserve Bank checks, Federal Home Loan Bank checks, and postal money orders, if these items are payable to you.

Longer Delays May Apply

Funds you deposit by check may be delayed for a longer period under the following circumstances:

- We believe a check you deposited will not be paid.
- You deposit checks totaling more than \$5,000 on any one day.
- You deposit a check that has been returned unpaid.
- You have overdrawn your account repeatedly in the last six months.

take up to twenty (20) business days to credit your account for the amount you think is in error.

12. **Disclosure of Account Information.** We will disclose information about your account or the transactions you make to third parties:

- a. Where it is necessary to complete transactions;
- b. To verify the existence and standing of your account with us upon the request of a third party, such as a credit bureau;
- c. In accordance with your written permission;
- d. In order to comply with court orders or government agency summonses, subpoenas, or orders; and
- e. On receipt of certification from a federal agency or department that a request for information is in compliance with the Right to Financial Privacy Act of 1978.

13. **Our Liability for Failure to Complete an Electronic Funds Transfer Transaction.** If we fail to complete a transaction on time or in the correct amount, when properly instructed by you, we will be liable for damages caused by our failures unless:

- a. There are insufficient funds in your account to complete the transaction through no fault of ours;
- b. The funds in your account are uncollected;
- c. The funds in the account are subject to legal process;
- d. The transaction you requested would exceed the funds in your account plus any available overdraft credit;
- e. The STAR ATM or PLUS SYSTEM ATM has insufficient cash to complete the transaction;
- f. Your card has been reported lost or stolen and you are using the reported card;
- g. We have reason to believe that the transaction requested is unauthorized;
- h. The failure is due to an equipment breakdown which you knew about when you started the transaction at the STAR ATM, PLUS SYSTEM ATM, or Merchant terminal;
- i. The failure was caused by an act of God, fire, flood or other catastrophe, or by an electrical or computer failure or by another cause beyond our control;
- j. You attempt to complete a transaction at a STAR ATM, PLUS SYSTEM ATM, or Merchant terminal which is not a permissible transaction listed above; or
- k. The transaction would exceed security limitations on the use of your ATM Card.

In any case, we shall only be liable for actual proven damages if the failure to make the transaction resulted from a bona fide error despite our procedures to avoid such errors.

14. **In addition to All Previous Information, the Following Apply to the Use of the Key Check Card.** In addition to the amount you may withdraw in cash each day from an ATM, you may use the Key Check Card to purchase up to \$1000.00 each day. (However, the total amount of your cash withdrawals and purchase transactions each day may not exceed \$1,600.00.) The day for withdrawal and purchase limits starts at 3:00 p.m. each day and ends at 3:00 p.m. the following day. Furthermore, purchase refunds may take up to nine (9) business days to post to your account. There are also certain limitations on the frequency and use of the Key Check Card each day. These limitations are imposed and not revealed for security purposes.

receive a monthly statement showing the status of your accounts, transactions made during the past month, and any charges, which we may impose, for such services or transactions.

- 9. Liability for Unauthorized Transfers.** TELL US AT ONCE if you believe your card or any access code has been lost or stolen or if you believe that an electronic funds transfer has been made without your permission using information from your check.

Also, if your statement shows transfers that you did not make including those made by card, code, or other means, TELL US AT ONCE.

You should also call the number or write to the address listed above if you believe a transfer has been made using the information from your check without your permission.

Should you give your ATM Card and PIN Number to someone else to use, you are authorizing him or her to act on your behalf and you will be responsible for any use of the CARD by them.

You could lose all your money in the accounts if you take no action to notify us of the loss of your ATM Card or PIN or the use of your ATM Card or PIN without your permission. If you notify us of the loss or unauthorized use of your Card, your liability will be as follows:

- a. If you contact us within two (2) business days of the loss or your discovery of the loss, you can lose no more than \$50.00 if someone used your ATM Card and PIN without your permission.
- b. Also, if your monthly statement shows transfers of Purchases that you did not make and you do not contact us within sixty (60) days after the statement was mailed to you, you may not get back any money lost after sixty (60) days, if we can prove that your contacting us would have prevented those losses.

- 10. Business Days.** Our business days are Monday through Friday. Holidays are not included.

- 11. In Case of Errors or Questions About Your Transactions.** Telephone us at 484-356-0400 or 1-800-662-8801 or write to us at Keystone Federal Credit Union, 1052 Andrew Drive, West Chester, PA, 19380 as soon as possible if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. We must hear from you no later than sixty (60) days after we send you the statement on which the problem or error appeared.

If you tell us orally, we may require that you send us your complaint or question in writing within ten (10) business days. We will determine whether an error occurred within ten (10) business days after we hear from you and will correct the error promptly. If we need more time, however, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days for the amount you think is in error, so you will have use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to ninety (90) days to investigate your complaint or question. For new accounts, we may

- There is an emergency, such as failure of communications, or computer equipment problems.
- Your account is a new account.

We will notify you if we delay your ability to withdraw funds for any reason and we will inform you when the funds will be available. Funds will be available no later than the second business day after your deposit.

Special Rules for New Accounts

If you are a new member, the following special rules will apply during the first 30 days your account is open.

Funds from electronic direct deposits to your account will be available on the day we receive the deposit. Funds from deposits of cash, wire transfers, and the first \$5,000 of a day's total deposits of cashier's, certified, teller's, traveler's, and federal, state and local government checks will be available on the first business day after the day of your deposit if the deposit meets certain conditions. For example, the checks must be payable to you. The excess over \$5,000 will be available on the second business day after the day of your deposit. If your deposit of these checks (other than a U.S. Treasury check) is not made in person to one of our employees, the first \$5,000 will not be available until the second business day after the day of your deposit.

Funds from all other check deposits will be available on the second business day after the day of your deposit.

ELECTRONIC FUNDS TRANSFER AGREEMENT AND DISCLOSURE

The purpose of this Disclosure Statement is to inform you of certain rights which you have under the Electronic Fund Transfer Act.

This Electronic Funds Transfer Agreement is the contract which covers your and our rights and responsibilities concerning the electronic funds transfer ("EFT") services offered to you by Keystone Federal Credit Union ("Credit Union"). In this Agreement, the words "you" and "your" mean those who sign the application or account card as applicants, joint owners, or any authorized users. The words "we", "us", and "our" mean the Credit Union. The word "account" means any one or more share and share draft accounts you have with the Credit Union. Electronic funds transfers are electronically initiated transfers or money from your account through the electronic funds transfer services described below. By signing an application or account card for EFT services, signing your Card, or using any service, each of you, jointly and severally, agree to the terms and conditions in this Agreement and any amendments for the EFT services offered.

Types of Electronic Funds Transfers You May Make

If approved, you may conduct any one or more of the EFT services offered by the Credit Union. Keystone Federal Credit Union's Electronic Funds Transfer services include the following:

- Withdrawal of cash from your account;
- Deposits to your account;
- Transfer of funds between your accounts;
- Cash advances from your line of credit account;

- Payment for purchases at places that have agreed to accept one of our cards; and
- Payments of bills directly by telephone or by Home Banking/Bill Payer from your account in the amounts and on the days you request.

Some of these Electronic Funds Transfers may be conducted by the use of an Audio Response Personal Identification Number (PIN) and a Keystone@Home PIN and password. Some of these Electronic Funds Transfers may be conducted by the use of a Keystone Federal Credit Union Automated Teller Machine (ATM) Card/MasterCard Check Card and/or Personal Identification Number (PIN) or a ATM Card. Some of these Electronic Funds Transfer services may not be available at all terminals.

If you pay for something with a check, you may authorize your check to be converted to an electronic funds transfer. You may also authorize merchants to electronically debit your account for returned check fees. You authorize the electronic transaction through the merchant, either expressly in writing, or the authorization is implied by a sign posted at the merchant that the conversion will occur.

MASTERCARD KEY CHECKCARD & ATM CARD:

- 1. STAR Services.** You may use your ATM card with your Personal Identification Number (PIN) at STAR locations in Delaware, Maryland, New Hampshire, New Jersey, New York, Pennsylvania and West Virginia and those other states that may be added at a later date to conduct any of the following transactions for each of the accounts you have requested to be accessed by your ATM card:
 - Withdraw cash from:
 - your Transaction Share Draft account; and
 - your Regular Share account.
 - Deposit cash, checks or drafts to:
 - your Transaction Share Draft account; and
 - your Regular Share account.

*Some states and locations will not accept deposits
 - Transfer funds:
 - between your Transaction Share Draft account; and
 - your Regular Share account.
 - Obtain the available balance(s) from:
 - your Transaction Share Draft account; and
 - your Regular Share account.
- 2. PLUS System Services.** You may use the ATM card with your PIN at any PLUS system automated Teller machine (PLUS SYSTEM ATM) located throughout the United States, the Commonwealth of Puerto Rico, Canada, Great Britain and those foreign countries that may be added at a later date to conduct any of the following transactions that are available at the PLUS SYSTEM ATM:
 - Withdraw cash from:
 - your Transaction Share Draft account; and
 - your Regular Share account.
 - Transfer funds:

- between your Transaction Share Draft account; and
 - your Regular Share account.
- Obtain the available balance(s) from:
 - your Transaction Share Draft account; and
 - your Regular Share account.

These are the present services available from the PLUS SYSTEM network, but other services may be provided in the future as they are developed. The above transactions are only applicable to the accounts that you listed on your application form and have designated as the primary account of each account type, or such other primary accounts which are added later at your written request.

- 3. Purchase Transactions.** You may use your ATM Card with your PIN at any retail establishment ("Merchant") where ATM Cards are accepted to purchase goods and services and/or obtain cash where permitted by the Merchant. The amount of all such Purchases (including cash obtained, if permitted) will be deducted from your primary Transaction Share Draft account unless you do not have a Share Draft Account, in which case it will come from your Regular Share account, unless the merchant accesses a Transaction Share Draft account only. When you make a Purchase using your ATM Card you will be requesting us to withdraw funds from your selected primary Transaction Share Draft account in the amount of the Purchase and directing or ordering us to pay these funds to such Merchant. Any purchase refund made by a Merchant will be posted to your primary Transaction Share Draft account.
- 4. Limitations on the Use of your ATM Card.** You may use your ATM Card to withdraw up to \$600.00 each business day at a STAR CENTER, HONOR ATM, PLUS SYSTEM ATM, and any other ATMs, which are available for you to use from your accounts, provided the funds are available in your accounts. The day for withdrawal limits starts at 3:00 p.m. each business day and ends at 3:00 p.m. the next business day. There are also certain limitations on the frequency of use of ATM Card each business day. These limitations are imposed and not revealed for security purposes.
- 5. Lost or Stolen Cards or PINs.** If you believe your ATM CARD or PIN number has been lost or stolen or that an unauthorized transfer, withdrawal or purchase has occurred from any of your accounts or may occur, please contact Keystone Federal Credit Union by phoning: 484-356-0400 or 1-800-662-8801 during business hours or writing us at: 1052 Andrew Dr., West Chester, PA 19380. If you discover your card or PIN is lost or stolen after hours, please call 610-269-1370.
- 6. Charges for Transactions.** We reserve the right to change our fee schedule from time to time and to change your account in accordance with the fee schedule.
- 7. Deposit Information.** Deposits made at ATMs owned by Keystone Federal Credit Union are posted to your account according to the rules and regulations of those accounts. Funds deposited at an ATM not owned by Keystone Federal Credit Union will be available within 5 business days following the banking day of deposit.
- 8. Record of Transaction.** You may receive a printed receipt for each STAR, HONOR ATM, PLUS SYSTEM ATM, or Purchase transaction, at the time you make the transaction. You will