



PARSONS
Federal Credit Union

100 W. Walnut Street, Pasadena, CA 91124-0001
P.O. Box 90667, Pasadena, CA 91109-0667

Electronic Services Disclosure & Agreement

**PLEASE KEEP THIS BROCHURE
FOR YOUR RECORDS**

THIS DISCLOSURE SUPERCEDES
ALL DISCLOSURES PRIOR TO THE
EFFECTIVE DATE SHOWN BELOW.

Effective July 1, 2009

ELECTRONIC SERVICES DISCLOSURE & AGREEMENT INDEX

| | |
|---|----|
| DISCLOSURES APPLICABLE TO ATM CARDS AND VISA DEBIT CARDS | 1 |
| SAFETY TIPS FOR USING THE ATM | 4 |
| DISCLOSURES APPLICABLE TO PRE-AUTHORIZED DEPOSIT | 5 |
| DISCLOSURES APPLICABLE TO PRE-AUTHORIZED PAYMENT SERVICES | 5 |
| DISCLOSURES APPLICABLE TO AUDIO RESPONSE SERVICE (PARS) | 5 |
| DISCLOSURES APPLICABLE TO ALL ELECTRONIC FUNDS TRANSFER SERVICES | 9 |
| ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS | 11 |
| ADDITIONAL DISCLOSURES APPLICABLE TO ACH AND WIRE TRANSFERS | 12 |
| GENERAL PROVISIONS | 13 |

ELECTRONIC SERVICES DISCLOSURE AND AGREEMENT

This Agreement and Disclosure ("Disclosure") sets forth the terms and conditions for Electronic Funds Transfer Services which are or may be made available by PARSONS FEDERAL CREDIT UNION ("Credit Union"). It defines your rights and responsibilities and those of the Credit Union with respect to any Electronic Funds Transfers. Please read it carefully before using your ATM Card, VISA Debit Card, VISA Credit Card or effecting any other kind of Electronic Funds Transfer.

PURPOSE OF DISCLOSURE: This Disclosure contains the terms, conditions and disclosures with respect to Electronic Funds Transfers. You understand that the agreements and rules and regulations applicable to your Regular Share Account, Checking Account and any other Account (collectively "Accounts") you have with the Credit Union remain in effect and continue to be applicable except as specifically modified by this Disclosure.

APPLICATION OF THIS AGREEMENT AND DISCLOSURE: This Disclosure applies to any Electronic Funds Transfer made to or from your Account(s) including through the use of your ATM Card, VISA Debit Card or VISA Credit Card at any authorized ATM, through the use of your Personal Identification Number (PIN) in conjunction with your ATM Card, VISA Debit Card or VISA Credit Card, or the use of your ATM Card, VISA Debit Card or VISA Credit Card without your PIN, the "PARS" Audio Response Service, CU Online Home Banking, MemberPay™ or by pre-authorized deposit or by pre-authorized payment.

DEFINITIONS: In this Disclosure the words "you", "your" and "yours" refer to the party causing an Electronic Funds Transfer. The words "we", "us", "our" and "Credit Union" refer to PARSONS FEDERAL CREDIT UNION. The word "Card" means the ATM Card, VISA Debit Card or VISA Credit Card issued to you by the Credit Union. The word "ATM" means an Automated Teller Machine. The word "EFT" means any Electronic Transfer of Funds other than by check or other paper instrument that is initiated through an electronic terminal, telephone, computer, magnetic tape or other communication device for the purpose of providing cash, debiting, crediting, transferring or inquiring on an Account. The word "PIN" means a Personal Identification Number which enables you to effect transactions via ATM, "PARS" Audio Response Service or CU Online Home Banking Service or MemberPay™. The word "POS" means Point-of-Sale which represents transactions that directly debit (withdraw funds from) your Checking Account only, including your use of the Card as a debit card.

AUTOMATED TELLER MACHINE (ATM) AGREEMENT TO BE BOUND: Requesting, retaining, using or permitting another person to use your ATM Card, VISA Debit Card or VISA Credit Card or PIN constitutes an acceptance by you of all the terms and conditions set forth in this Disclosure and Agreement and binds you to all the rules and regulations governing the use of an authorized ATM or making an Electronic Funds Transfer. Your ATM card can only be used with your PIN. If your ATM is lost or stolen, it cannot be used unless the PIN is provided.

DISCLOSURES APPLICABLE TO ATM CARDS

SERVICES AVAILABLE: You may use your ATM Card with your PIN to perform the following transactions:

- Make Deposits to your Regular Share or Checking Account;
- Withdraw cash from your Regular Share or Checking Account.
- Make point-of-sale payments for goods and services to others from your Regular Share Account or Checking Account; and
- Make account balance inquiries.

Some of the transactions listed above may not be available at all terminals. All payments and deposits are subject to later verification by us.

LIMITATIONS ON TRANSACTIONS - ATM CARD: You may make ATM cash withdrawals or POS transactions up to \$600 each 24-hour period. Various institutions which participate in networks of which the Credit Union is a member may have withdrawal limits different from the amount set forth herein. In the event that a specific ATM is so limited, you may not be able to withdraw more than the cash limit of that particular ATM.

DISCLOSURES APPLICABLE TO VISA DEBIT CARDS

You may use the VISA Debit Card and PIN for:

- Cash withdrawals or purchases of Travelers Cheques from any American Express Cheque/cash dispenser (may only be made by a debit from your Checking Account):

- Point-of-Sale (POS) transactions (may only be made by a debit from your Checking Account);
- Inquiries of your balance in your Checking and/or Regular Share Account;
- Withdrawal of cash from your Checking or Regular Share Account;
- Make deposits to your Checking or Regular Share Account associated with your Card.**
- Transfer funds from your Checking Account to a designated loan.
- Deposit funds to be applied to a designated loan.

** Deposits can be made only at an ATM bearing the PARSONS FEDERAL CREDIT UNION name, or any ATM identified as the CO-OP terminal, Cash withdrawals may be made at any ATM identified as Plus, Star, Member Access Network, or the CO-OP terminals.

You may use the VISA Debit Card without the PIN to:

- Purchase goods or services at places that accept VISA Debit Cards (these are point-of-sale or POS transactions);
- Order goods or services by mail or telephone from places that accept VISA Debit Cards; and
- Make automatic payments from your Checking Account to pay bills or other charges, providing that the person or organization that you are paying agrees to accept payments this way.

Some of these services may not be available at all terminals.

Use of the Card, the Account number on the Card, the PIN or any combination of the three for payments, purchases, or to obtain cash from merchants, financial institutions or others who honor VISA Debit Cards is an order by you for the withdrawal of the amount of the transaction from your Account. Each transaction with the Card will be charged to your Account. When the Credit Union receives notification of a VISA Debit Card transaction, it will put a hold on an equivalent amount of funds in your Checking Account for up to 5 days or until the day the transaction is charged to your Account.

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

LIMITATIONS ON TRANSACTIONS: Purchases made above the floor limit of the merchant will require an authorization number from VISA. The VISA Debit Card purchase transaction limit as disclosed below, is for each 24-hour period as long as your available balance will cover the transaction.

The standard limits authorized on VISA Debit Cards during 24-hour period are as follows:

| | |
|--|------------|
| Daily cash withdrawal amount..... | \$305.00 |
| POS daily withdrawal amount..... | \$305.00 |
| Debit signature daily withdrawal amount..... | \$3,005.00 |
| Total daily withdrawal amount..... | \$3,310.00 |

TRANSACTION AUTHORIZATION: By using your ATM Card, VISA Debit Card or VISA Credit Card in conjunction with your PIN at an ATM, you authorize the Credit Union to provide Account balance information or to make withdrawals and transfers into and from your Accounts with the Credit Union, in accordance with instructions you give the ATM.

If you authorize us to issue an ATM Card, VISA Debit Card or VISA Credit Card or PIN (or any other access device) to anyone else, or if you permit any person to use your Card, you authorize that person to withdraw funds from any Account which can be accessed by the ATM Card, VISA Debit Card or VISA Credit Card, regardless of whether that individual is authorized to withdraw funds from the Account by means other than the use of the ATM Card, VISA Debit Card or VISA Credit Card.

Use of the ATM Card, VISA Debit Card or VISA Credit Card, the Account number on the Card, the PIN or any combination for payments, purchases, or to obtain cash from merchants, financial institutions, ATMs or others who honor the ATM Card or VISA Card is an order by you for the withdrawal of the amount of the transaction from your Account and is authorization to the Credit Union to provide Account balance information, make the requested transfer or accept deposits to your Account. Each transaction with the ATM Card, VISA Debit Card or VISA Credit

Card will be charged to your Account on the date the transaction is posted to your Account.

OTHER TERMS FOR USE OF THE VISA DEBIT CARD ONLY: When you use the VISA Debit Card to pay for goods or services at a merchant or Point-of-Sale terminal, or to obtain cash, you use it as a debit card and it works like a check you write on your Account. Your VISA Debit Card is not a credit card. This means you may not defer payment of VISA Debit Card transactions.

You may not stop payment on a VISA Debit Card transaction. If you have a dispute with a merchant, you may have to settle directly with the merchant. You agree to indemnify us if the merchant misrepresents the quality, price or warranty of goods or services you pay for using your Card and we become liable to the merchant for payment of the goods or services.

MAKING ELECTRONIC FUNDS TRANSFERS AT ATM: You agree to follow the instructions posted, displayed or otherwise given for use at an authorized ATM .

DOCUMENTATION: You can get a receipt at the time you make any Electronic Funds Transfer to or from your Account at an ATM or point-of-sale terminal. You can also receive a receipt from the merchant or financial institution at the time you make a purchase or obtain a cash advance.

CONFIDENTIALITY OF PIN: Your Card and your PIN will be mailed to you separately. You agree to hold your PIN in strict confidence, and you will notify the Credit Union immediately if the Card or PIN is lost or stolen.

As a precaution you should not write your PIN on your Card or any material carried near or with the Card. Never let anyone else use your Card. Never tell anyone your PIN. Never let anyone watch you use your Card or PIN at any ATM.

OWNERSHIP OF THE ATM CARD, VISA DEBIT CARD OR VISA CREDIT CARD: The Card remains the property of PARSONS FEDERAL CREDIT UNION and you agree to surrender the Card to us upon demand or through retrieval by any authorized ATM or merchant or financial institution.

LOST OR STOLEN CARD OR PIN: If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your Account without your permission, call (626) 440-7000 or write us at Parsons Federal Credit Union, P.O. Box 90667, Pasadena, California 91109-0667 ATTN: Card Services Dept.

ATM FEES AND CHARGES: Your ATM card service is subject to certain fees and charges.

All fees and charges associated with Electronic Fund Transfer Services are set forth in the accompanying SCHEDULE OF FEES, receipt of which, with this Disclosure you acknowledge.

ADDITIONAL ATM CHARGES will apply as follows:

- (a) Using your Card, you can purchase American Express Traveler's Cheques or receive cash from American Express Traveler's Cheque/Cash dispensers with funds only from your Checking Account. A 1% charge of the total face value of the traveler's cheques purchased may be assessed.
- (b) You can make cash advances on your Credit Union VISA Credit Card at any VISA Network ATM. There is no charge for this service at this time.

You understand that we may offer additional services in the future; if so, you will be notified. The CREDIT UNION reserves the right to impose other charges or increase existing charges for Card service after notice is given to you as required by law.

RENEWAL OF ATM CARD: For your protection, your Card is issued with an expiration date. If your Account is active and in good standing, upon expiration of your Card, we may issue you a renewal Card. We will not issue a renewal Card if your Account is not in good standing or if there has been no ATM activity on your Account within six(6) months prior to expiration of your Card.

GAMBLING: You may not use your Card or PIN for any illegal activity or transaction. Further, you may not utilize your card or PIN to effect the purchase of any goods or services on the internet that involve gambling of any sort. Such transactions include, but are not limited to, any quasicash or online gambling transaction, any electronic commerce transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gaming chips or off-track betting or wagering. However, in the event that a charge or a transaction described in this paragraph is approved and processed, you will still be responsible for such charge.

WHEN USING THE VISA CREDIT CARD AT A VISA NETWORK ATM: You may, with your PIN, make cash advances from your credit card Account only. You will not be able to access your other Accounts via the VISA Network ATM. We may offer additional services in the future, and if so, you will be notified of them.

OVERDRAFT LINE OF CREDIT: If you have an overdraft line of credit in conjunction with your Checking Account, then you may use that line of credit to fund any overdraft on your Checking Account, or your Regular Share Account. However, if you do overdraw, you authorize us to cover the overdraft as follows:

- (a) Overdrawn Checking Account: Make a cash advance from your line of credit if any, or withdraw funds from your Regular Share Account, or make a withdrawal from any other Accounts on which you are a joint owner.
- (b) Overdrawn Regular Share Account: Make a cash advance from your line of credit, if any, or make a withdrawal from any other Accounts on which you are joint owner.
- (c) Overdrawn Line of Credit: Withdraw funds from your Regular Share Account, Checking Account, or other Accounts on which you are a joint owner.

If no funds are available, you will repay, upon demand, any overdraft in addition to collection costs, reasonable attorney's fees, court costs, and any other charges incurred.

FOREIGN TRANSACTIONS (VISA Debit Card): Purchases, cash advances and credits made in foreign currencies will be billed to your Account in U.S. dollars. The conversion to U.S. dollars will be made in accordance with the VISA operating regulations for international transactions. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by VISA from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate VISA itself receives, or the government-mandated rate in effect for the applicable central processing date plus 1%. The conversion rate may be different than the rate on the day of the transaction or date of the posting of the Account. When a credit to the Account does not fully offset a charge to the Account due to changes in the rate, you are responsible for the differences. The Credit Union has no control over the conversion rate.

SAFETY TIPS FOR USING THE ATM

The automated teller machine ("ATM") provides you quick, convenient access to your money. By following these important safety tips, you can safely use the ATM whenever you need cash.

- Always use a Deposit Slip from your Checking Account when making a deposit at an ATM.
- Memorize your Personal Identification Number (PIN). Do not write your PIN on your Card or leave it in your wallet. Your Card can only be used with your PIN. If your card is lost or stolen, it cannot be used unless the PIN is provided.
- Keep your PIN a secret. It is for your protection. Someone you trust today may not be trustworthy tomorrow. If you suspect unauthorized use of your Card, notify the Credit Union immediately.
- Keep your Card in a safe place. Protect it as you would cash or credit Cards. If it is lost or stolen, notify the Credit Union immediately.
- When using the ATM at night, be sure you are in a well-lighted area. If someone in the area looks suspicious, choose another ATM in a safer location. Notify the proper authorities; police, sheriff and the Credit Union.
- Have your transactions ready before going to the ATM. Fill out your deposit slip and place your checks or cash in an envelope and seal it before you arrive at the ATM location.
- Have your Card ready to insert into the machine before arriving at the ATM so you don't have to reach into your purse or wallet while standing in front of the ATM.
- Don't fall for "con" games. If anyone asks you to withdraw money for any reason, leave the area, at once. Notify the Credit Union as soon as possible.
- Stand between the ATM and people waiting to use the machine, so others can't see you enter your PIN and perform your transaction.
- Put your money and receipts away before leaving the ATM.

- Never give information about your Card Account to strangers or inquirers on the telephone. Communicate this information only to the Credit Union in person.

DISCLOSURES APPLICABLE TO PRE-AUTHORIZED DEPOSIT OF NET PAYCHECK, PAYROLL DEDUCTIONS, PENSION CHECKS, AND FEDERAL RECURRING PAYMENTS

If you have arranged to have pre-authorized electronic deposits of your payroll deductions, pension checks, or other recurring payments, (for example, Social Security payments), the following provisions apply to you.

ACCOUNT ACCESS: Pre-authorized deposits may be made to your Account(s).

NOTIFICATION OF PRE-AUTHORIZED DEPOSITS: If you have arranged with a third party (for example, the Social Security Administration) to make pre-authorized deposits to your Account at least once every sixty (60) days, the third party making the pre-authorized deposits may have agreed to notify you every time the party sends us money to deposit to your Account. If you have not made such an arrangement you may telephone us at (626) 440-7000 and we will advise you whether or not the pre-authorized deposit has been made.

DISCLOSURES APPLICABLE TO PRE-AUTHORIZED PAYMENT SERVICES

If you have requested a pre-authorized payment from your Account such as payment of insurance premiums, mortgage payments, etc., the following provisions apply to you.

RIGHT TO RECEIVE DOCUMENTATION OF PRE-AUTHORIZED PAYMENT:

INITIAL AUTHORIZATION: You can get copies of the pre-authorized payment documentation from the third party being paid at the time you give them the initial authorization.

NOTICE OF VARYING AMOUNTS: If your pre-authorized payment varies in amounts, the party who will receive the payment is required to tell you ten (10) days before each payment when it will be made and how much it will be. You may agree with the person being paid to receive this notice only when the payment will differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

RIGHT TO STOP PRE-AUTHORIZED PAYMENT: If you want to stop any pre-authorized payment, here's how:

Call us at (626) 440-7000 or write us at PARSONS FEDERAL CREDIT UNION, P.O. Box 90667, Pasadena, CA 90667, in time for us to receive your stop request three (3) business days or more before the payment is scheduled to be made. If you call, we will also require you to put your request in writing and get it to us within 14 days after you call. The stop payment order will apply only to that particular payment; however, if the item is resubmitted by the payee, we will continue to honor the stop payment order and may suspend future payments to the payee until you authorize us to resume payments. To terminate the entire pre-authorized payment arrangement with the payee, you must contact the payee. You can also notify us that the pre-authorized payment arrangement has been terminated. We may ask for a copy of the termination notice which you must provide to us within 14 days of our request.

OUR LIABILITY FOR FAILURE IN WRITING TO STOP PAYMENT: If you order us to stop your pre-authorized payments three (3) business days or more before the transaction is scheduled and we do not do so, we will be liable for your losses or damages, to the extent provided by law.

DISCLOSURES APPLICABLE TO ACCOUNT RESPONSE BY TELEPHONE (PARS) AND CU ONLINE (HOME BANKING)

If you requested and have been approved for use of the PARSONS FEDERAL CREDIT UNION PARS (Audio Response Service) or CU Online (Home Banking) the following provisions apply to you.

You may use a touch tone phone (PARS) or a computer (CU Online) with a PIN to access your accounts.

TRANSACTIONS AVAILABLE: You may use PARS and/or CU Online to:

- Perform Account balance inquires.
- Process check withdrawals from your Account (except Individual Retirement Accounts or term Accounts).
- Confirm a check clearance.
- Transfer funds between your Accounts.
- Make loan payments by transferring funds from a Regular Share Account or Checking Account to your loan.

- Obtain an advance on your line of credit loan.
- Confirm your last deposit made to your Account.

All payments and deposits are subject to later verification by us.

Transactions made through PARS and CU Online are binding only after verification by the Credit Union.

LIMITATIONS: The total dollar amount of each transaction via PARS and CU Online are subject to limits set by the Credit Union and sufficient verified funds must be available to satisfy your transaction instruction.

You understand all Share withdrawals and Checking withdrawals will be made payable to the first named member on the Account and mailed **ONLY** to the address on file.

Check requests made Monday thru Friday will be mailed the next business day.

Checks requests made on Saturday or Sunday will be mailed the next business day.

All checks will be printed during the day and before the close of each Credit Union business day.

STOP PAYMENTS: You cannot stop payment on a transfer initiated through PARS and CU Online once it has been completed by you.

ACCESS TO ACCOUNTS: You understand that you are responsible for the safe-keeping of your PIN provided by the Credit Union and for all transactions by use of PARS and CU Online.

POSTING OF TRANSACTIONS: Transactions made on any business day are posted immediately. Transactions made on weekends or holidays are posted to your Account immediately and are recorded, for purposes of dividend calculations, at the time posted to your Account.

MEMBER ACCESS AND RESPONSIBILITY: When you instruct us through PARS and CU Online to transfer funds between your Accounts you authorize us to withdraw the necessary funds from the Account you designate. You agree not to instruct us to transfer funds from an Account with insufficient funds to complete the transaction.

CONFIDENTIALITY OF PIN: You agree to hold your PIN in strict confidence, and you will notify the Credit Union immediately if the PIN is lost or stolen. If you disclose your PIN to anyone, you understand that you have given them access to your Accounts via PARS and CU Online and that you are responsible for any such transaction. You further understand that your PIN is not transferable.

If the wrong PIN is entered three (3) times consecutively, the PARS and CU Online will hang-up as a security measure.

All payments and deposits are subject to later verification by us.

MemberPay™

In addition to the above online banking provisions, by effecting bill payments (or permitting another person to effect bill payments) pursuant to MemberPay™ electronic bill payment services (the "Services") from the Credit Union website (the "Site"), you agree to the following additional terms and conditions:"

1. By effecting bill payments (or permitting another person to effect bill payments) pursuant to MemberPay™ electronic bill payment services from this site, you agree to the following terms and conditions:
2. Fees. Current fees for effecting bill payment via MemberPay™ are as follows:
 - \$15.00 NSF (Non Sufficient Funds)
 - \$15.00 Stop Payment (for check transactions)
 - \$10.00 Returned Item (incorrect physical address entered in system)
 - \$11.00 Manually Reissue Checks (after Stop Pay)
 - \$6.00 Photocopies (for check transactions only)
 - \$16.00 Express Mail Fee

Fees are subject to change.

3. Limitations.
 - a) MemberPay™ may not be used to effect payments for alimony, maintenance, child support, court directed payment obligations or payments due to any governmental agency (federal, state or local) including but not limited to tax payments.
 - b) Minimum payment amount—\$.01; Maximum payment amount—\$9,999.99.
 - c) Funds for MemberPay™ can only be accessed through your primary Parsons Federal Credit Union Checking Account.

- d) In order to activate the Online Services, you must have at least one Checking Account with Parsons Federal Credit Union.
- e) Changes/Interruptions in MemberPay™. We may on a regular basis perform maintenance on our equipment or system that may result in interrupted service or errors in the MemberPay™ system. We also may need to change the scope of our MemberPay™ from time to time. We will attempt to provide prior notice of such interruptions and changes but cannot guarantee that such notice will be provided. Your MemberPay™ enrollment will be terminated after 90 days of nonusage and all payee information deleted. You have the right to reenroll if your enrollment has been terminated for nonusage.
- 4. Harm to Computer Systems/Data. You agree that we have no liability for loss to you associated with viruses, worms, Trojan horses, or other similar harmful components that may enter your computer system by downloading information, software, or other materials from our site. In any event, we will NOT be responsible or liable for indirect, incidental or consequential damages that may result from such harmful components.
- 5. Performance of Software and Electronic Service. In no event will we, our officers, directors, employees or agents be liable to you for any consequential, incidental or indirect damages arising out of the use, misuse, or inability to use MemberPay™, or for any loss of any data, even if we have been informed of the possibility of such damages. WE MAKE NO WARRANTY TO YOU REGARDING YOUR EQUIPMENT OR THE SOFTWARE, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR PARTICULAR PURPOSE.
- 6. Privacy. You agree we may release, or assist in the release of credit and other Account information to a third party as may be necessary to process a transaction or resolve disputes.
- 7 Security. In order to maintain secure communications and reduce fraud, you agree to protect the security of your PIN, numbers, codes, marks, signs, public keys or other means of identification ("access codes"). We reserve the right to block access to MemberPay™ to maintain or restore security to our site and systems, if we reasonably believe your access codes have been or may be obtained or are being used or may be used by an unauthorized person(s).
- 8 NO WARRANTIES. ALL CONTENT, PRODUCTS AND SERVICES AVAILABLE ON OR THROUGH THE SITE, ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND EITHER EXPRESS OR IMPLIED INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, TITLE, NONINFRINGEMENT, SECURITY, COMPLETENESS, ACCURACY OR FREEDOM FROM COMPUTER VIRUS. WE DO NOT ENDORSE NOR ARE WE RESPONSIBLE FOR (A) THE ACCURACY OR RELIABILITY OF ANY OPINION, ADVICE OR STATEMENT MADE THROUGH THE SITE OR A LINKED SITE BY ANY PARTY OR (B) THE CAPABILITIES OR RELIABILITY OF ANY PRODUCT OR SERVICE OBTAINED FROM A LINKED SITE. OTHER THAN AS REQUIRED UNDER APPLICABLE CONSUMER PROTECTION LAW, UNDER NO CIRCUMSTANCE WILL WE BE LIABLE FOR ANY LOSS OR DAMAGE CAUSED BY A MEMBER'S RELIANCE ON INFORMATION OBTAINED THROUGH THE SITE OR A LINKED SITE, OR MEMBER'S RELIANCE ON ANY PRODUCT OR SERVICE OBTAINED FROM A LINKED SITE, IT IS THE RESPONSIBILITY OF THE MEMBER TO EVALUATE THE ACCURACY, COMPLETENESS OR USEFULNESS OF ANY OPINION, ADVICE OR OTHER CONTENT AVAILABLE THROUGH THE SITE, OR OBTAINED FROM A LINKED SITE. PLEASE SEEK THE ADVICE OF PROFESSIONALS, AS APPROPRIATE, REGARDING THE EVALUATION OF ANY SPECIFIC OPINION, ADVICE, PRODUCT, SERVICE AND OTHER CONTENT.
- 9. LIMITATION OF LIABILITY FOR USE OF THE SITE AND LINKED SITES. IN NO EVENT WILL WE, OR ANY OF OUR SUBSIDIARIES OR AFFILIATES AND ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS, BE LIABLE, WHETHER IN CONTRACT, TORT, STRICT LIABILITY OR OTHERWISE, FOR ANY INDIRECT, PUNITIVE, SPECIAL, CONSEQUENTIAL, INCIDENTAL OR INDIRECT DAMAGES (INCLUDING WITHOUT LIMITATION LOST PROFITS, COST OF PROCURING SUBSTITUTE SERVICE OR LOST OPPORTUNITY) ARISING OUT OF OR IN CONNECTION WITH THE USE OF THE SITE OR A LINKED SITE, OR WITH THE DELAY OR

INABILITY TO USE THE SITE OR A LINKED SITE, EVEN IF WE ARE MADE AWARE OF THE POSSIBILITY OF SUCH DAMAGES. THIS LIMITATION ON LIABILITY INCLUDES, BUT IS NOT LIMITED TO, THE TRANSMISSION OF ANY VIRUSES WHICH MAY INFECT A MEMBER'S EQUIPMENT, FAILURE OF MECHANICAL OR ELECTRONIC EQUIPMENT OR COMMUNICATION LINES, TELEPHONE OR OTHER INTERCONNECT PROBLEMS (E.G., YOU CANNOT ACCESS YOUR INTERNET SERVICE PROVIDER), UNAUTHORIZED ACCESS, THEFT, OPERATOR ERRORS, STRIKES OR OTHER LABOR PROBLEMS OR ANY FORCE MAJEURE. WE CANNOT AND DO NOT GUARANTEE CONTINUOUS, UNINTERRUPTED OR SECURE ACCESS TO THE WEBSITE.

10. **Ownership of Materials.** The content and information on our site is copyrighted by Parsons Federal Credit Union and/or Corporate Network eCom, LLC and/or licensed to us and the unauthorized reproduction or distribution of any portions is prohibited. "MemberPay," "Memberstreet," "Corporate Network" and "Corporate Network eCom" are trademarks of Corporate Network eCom, LLC. Other trade marks, logos and service marks displayed on the site to identify the source of the services and products are our property or the property of the respective thirdparty owners (collectively the "marks"). All information and content including any software programs available on or used to operate the site ("Content") is proprietary to the respective owners. Members are prohibited from modifying, copying, distributing, transmitting, displaying, publishing, selling, licensing, creating derivative works or using any of the Marks or Content available on or through the site for commercial or public purposes.
11. **Severability.** If any provision of these Terms & Conditions are void or unenforceable in any jurisdiction, such ineffectiveness or unenforceability shall not affect the validity or enforceability of such provision in another jurisdiction or any other provision in that or any other jurisdiction.
12. **Area of Service.** MemberPay™ services are solely offered to members in good standing of Parsons Federal Credit Union.
13. **Venue.** Any action at law, suit in equity, or other judicial proceeding for the enforcement of these Terms and Conditions or any provision thereof shall be instituted only in the courts of the State of California.
14. **Arbitration of Disputes.** If either you or we have any unresolvable dispute or claim concerning the Services, it will be decided by binding arbitration under the expedited procedures of the American Arbitration Association ("AAA"). Arbitration hearings will be held in Pasadena, California. The arbitrator will award the filing and arbitrator fees to the prevailing party. A court may enter a judgment on the award of the arbitrator.
15. **No Signature Required.** When any payment or other online service generates items to be charged to your Account, you agree that we may debit your designated Account or the Account on which the item is drawn without requiring your signature on the item, and without prior notice to you.
16. **Amendment of these Terms and Conditions.** We may amend these Terms and Conditions (including changes in its fees and charges hereunder) by giving notice as required by law, unless such change or amendment is otherwise required by law or applicable regulation. Your continued use of the MemberPay™ is your agreement to the amendments(s).
17. **Termination.** We may terminate MemberPay™ service provided hereunder at any time without notice of termination, and we may terminate MemberPay™ service provided hereunder immediately upon suspicion of fraudulent use of the site or any of the services. If you terminate MemberPay™ service, you authorize us to continue making fund transfers and bill payments you have previously authorized until we have a reasonable opportunity to act upon your termination notice. Once we have acted upon your termination notice, we will make no further transfers or payments from your account, including any fund transfers or bill payments you have previously authorized. We reserve the right to terminate or to discontinue support of any software or equipment without written notice. Your MemberPay™ enrollment will be terminated after 90 days of nonusage and all payee information deleted. You have the right to reenroll if your enrollment has been terminated for nonusage.
18. **Governing Law.** These Terms and Conditions shall be governed by and construed in accordance with the laws of the state of California, without regard to California's conflict of law provisions. Your existing Account rela-

tionships shall continue to be governed by and construed in accordance with the laws of the state where the Parsons branch is located, at which you initially established your Account, is located or has been transferred by the Credit Union.

19. **Performance Standard.** We process all payments you make through the Online Services by either sending an electronic submission to the Payee or by mailing a draft to the Payee, based on the information you have provided to us regarding the Payee. Please note, Payees who receive electronic delivery will receive your payment information, including the Account Number, through a computer link. Electronic payments are generally received and credited by most Payees within two Business Days. All drafts drawn on your Account are mailed through the U.S. Postal Service. Draft payments are generally received and credited by most Payees within five to seven Business Days. You may cancel a pending funds transfer or Bill Pay transaction. However, to do so, we must receive your instruction to cancel prior to 5:00 p.m. CST at least one Business Day prior to the date the transaction is scheduled to be processed. If we do not receive your instruction to cancel a transaction before that time, we may process the transaction. To cancel any transaction, you must go to the [pending payment details] page and follow the instructions regarding cancellations.
20. **Holidays, weekends and nonworking days.** If the debit date falls on a holiday or a weekend, then the payment will be processed the previous working day.
21. **Available Funds.** The Credit Union will not pay bills if funds are unavailable at the time of the withdrawal. The Credit Union will notify you if funds are not available.
22. **Disclosure.** You acknowledge receipt of Parsons Federal Credit Union Electronic Services Disclosure and Agreement, with all Amendments and Schedule of Fees through this date.

DISCLOSURES APPLICABLE TO ALL ELECTRONIC FUNDS TRANSFER

INFORMATION DISCLOSURE TO THIRD PARTIES: The Credit Union will disclose information to third parties about your Account(s) or the transaction you engage in:

1. Where it is necessary for completing transactions, or
2. In order to verify the existence and conditions of your Account(s) for a third party such as a credit bureau or merchant, or
3. In order to comply with a governmental agency or court order, subpoena or other legal process, or
4. If you give us your written permission, or
5. At our discretion to our affiliates.

PERIODIC STATEMENTS AND DOCUMENTATION: At least quarterly, you will receive a statement for each Account which may be accessed by an Electronic Funds Transfer. You will get a statement of Account each month in which you made a reportable Electronic Funds Transfer or in which a pre-authorized deposit is made.

You will receive a receipt when you complete a transaction at a VISA, POS or ATM terminal (at some terminals, a receipt will be available, but must be requested).

IN CASE OF ERRORS OR QUESTIONS ABOUT ELECTRONIC FUNDS TRANSFERS: Telephone us at (626) 440-7000 or write us at PARSONS FEDERAL CREDIT UNION, P.O. Box 90667, Pasadena, CA 90667 as soon as you can if you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt. You must tell us no later than sixty (60) days after the FIRST statement is sent to you on which the problem or error appeared.

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

If you tell us orally, we may require that you send us your complaint or question in writing within 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, how-

ever, we may take up to forty-five (45) days to investigate your complaint or question. If we decide to do this, we will provisionally credit your Account within (10) business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we may choose not to provisionally credit your Account during the additional time that may be required to investigate your complaint or question.

EXCEPTION: We have up to twenty (20) business days to investigate and provisionally credit your Account if the notice of error involves an Electronic Funds Transfer to or from an Account within thirty days after the first deposit to the Account was made (i.e. a new Account). For new Account transactions, or foreign-initiated transactions, or transactions resulting from point-of-sale debit card transactions (including all debit card transactions, those for cash only, at merchants' POS terminals, and also including mail and telephone orders), we may take up to 90 calendar days to complete our investigation.

ATM CARD OR VISA DEBIT CARD EXCEPTION: We will provide provisional credit within five (5) business days of notification for unauthorized point-of-sale transfers other than cash disbursements at an ATM. Except that if we determine that the circumstances or your Account history warrant a delay, you will receive credit within ten (10) business days.

If we decide there was no 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 used in our investigation.

DISCLOSURE OF YOUR LIABILITY FOR UNAUTHORIZED TRANSACTIONS: Tell us AT ONCE if you believe your VISA Debit Card, PIN used with your ATM Card, VISA Debit Card or VISA Credit Card or PARS Audio Response Service or CU Online PIN (collectively "PIN") has been lost, stolen or discovered by an unauthorized person, or if you believe that someone may have used your Card or PIN without your permission or if you believe that an electronic fund transfer has been made without your permission. Telephoning is the best way of keeping your possible losses down. You could lose all of the money in your designated Account(s), plus funds in your other Accounts, if applicable. Call (626) 440-7000 or write us at PARSONS FEDERAL CREDIT UNION, P.O. Box 90667, Pasadena, CA 90667. If you tell us within two (2) business days, you can lose no more than \$50.00 if someone used your Card or PIN without your permission.

If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Card or PIN and we can prove that we could have stopped someone from using your Card or PIN without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, including those made by Card, PIN or other means, tell us AT ONCE. If you do NOT tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days, if we can prove that we could have stopped someone from taking the money if you had told us in time. You should also call the number or write to the address listed on the cover of this brochure if you believe a transfer has been made using the information from your check without your permission.

We may require you to provide a written statement regarding claims of unauthorized transactions.

If a good reason (such as a long trip or hospital stay) kept you from telling us, we may extend the time periods.

If you authorize someone else to use your Card and/or PIN you are responsible for all transactions which that person initiates at any time, even if the amount of the transaction(s) exceeds what you authorize.

EXCEPTION FOR CERTAIN VISA DEBIT CARD TRANSACTIONS: Notwithstanding the above, you will have no liability for unauthorized VISA Debit Card transactions that are processed through VISA. If a VISA Debit Card transaction at an ATM is not processed through VISA (such as a cash withdrawal from your Checking Account) this exception will not apply.

BUSINESS DAYS: Our business days are Monday through Friday, excluding Credit Union holidays.

CREDIT UNION LIABILITY FOR FAILURE TO COMPLETE TRANSACTIONS: If we do not properly complete an Electronic Funds Transfer to or from your Account(s) on time or in the correct amount according to our agreement, we will be liable for your losses and damages. However, there are some exceptions. We will not be liable, for instance:

1. If through no fault of ours, your Account(s) does not contain enough money (or sufficient collected funds) to complete the transaction.

2. If your Account is frozen because of a court order or a similar reason.
3. If the authorized ATM or other Electronic Funds Transfer System does not have enough cash.
4. If the authorized ATM equipment or other Electronic Funds Transfer System was not working properly and you knew about the breakdown when you started the transaction.
5. If your Card or PIN has been reported lost or stolen and we have blocked the Account(s).
6. If the circumstances beyond our control prevent the transaction, despite reasonable precautions we have taken.
7. If your Card has expired, is damaged so that the machine cannot read the encoding strip, is inactive due to non-use or because your PIN has been repeatedly entered incorrectly.
8. If your Card is retrieved or retained by an ATM.
9. If the failure to complete the Electronic Funds Transfer is done to protect the integrity of the system and/or to protect the security of your Accounts.
10. If we receive incorrect or incomplete information from a government agency, an automatic clearing house, or any other parties or entity.
11. You are in default on an Account you are attempting a transfer.
12. You fail to properly follow PARS Audio Response or CU Online instructions on how to make a transfer or payment.
13. You fail to authorize a payment soon enough for the payment to be made, transmitted, received or credited by the payee.
14. There is a malfunction in your personal computer, browser and/or software.
15. The transfer could not be completed due to system unavailability or a telecommunication failure.
16. There may be other exceptions.

CHARGES FOR ELECTRONIC FUNDS TRANSFER SERVICES: All charges for use of our Electronic Funds Transfer are disclosed in our Schedule of Fees, which is provided with this Disclosure and Agreement. Additional copies can be obtained at any of our offices or is also available on our web site. When you use an ATM not owned by us, you may be charged a fee by the ATM operator or any network used and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer.

ADDITIONAL DISCLOSURES APPLICABLE TO ELECTRONIC CHECK TRANSACTIONS

If funds from your Account have been transferred via ACH where you have provided a paper check or check information to a merchant or other payee to capture the routing, Account and serial numbers to electronically initiate the transfer (an "Electronic Check Transaction"), the following applies to you:

TYPES OF AVAILABLE TRANSACTIONS: You may make transfers via ACH where you have provided a paper check to enable the merchant or other payee to capture the routing, Account, and serial numbers to initiate the transfer, whether the check is blank, partially completed, or fully completed and signed; whether the check is presented at POS or is mailed to a merchant or other payee or lockbox and later converted to an EFT; or whether the check is retained by the consumer, the merchant or other payee, or the payee's financial institution.

ACCOUNT ACCESS: Electronic Check Transactions may be made from your Checking Account only.

LIMITATIONS ON DOLLAR AMOUNTS OF TRANSACTIONS: You may make Electronic Check Transactions only to the extent that you have available clear funds in your Checking Accounts or available funds in your designated overdraft sources.

OVERDRAFT LINE OF CREDIT: You understand that if you have an overdraft line of credit Account in conjunction with your Checking Account, that you may use that line of credit to fund any overdraft on your Checking Account including overdraft caused by any Electronic Check Transactions. You understand that you may not otherwise initiate an Electronic Check Transaction to overdraw your Checking Account, from your line of credit, if applicable. However, if you do overdraw, you authorize us to cover the overdraft on your Checking Account by making a cash advance from your line of credit Account, if any.

Overdrafts which cannot be honored are payable on demand and may result in termination of your Account(s).

TERMINATION AND AMENDMENT: The Credit Union may terminate your rights to use authorized ATMs or to make Electronic Funds Transfers at any time or cancel any or all Electronic Funds Transfer Services at any time. The Credit Union may amend, modify, delete or change any term of this Disclosure. Amendments to this Disclosure will be effective when indicated and will be mailed to you. You may by written notice to us and by actually discontinuing use of the Electronic Fund Transfer Service ("Electronic Services"), terminate any or all Electronic Services provided by the Credit Union. Termination by any one account owner will be binding on all Account owners and we are not required to notify other Account owners of the termination. We may suspend or terminate any or all of your Electronic Services if there are insufficient funds in any one of your Accounts or if any of your Accounts is not in good standing. Termination of Electronic Services does not terminate your Accounts or agreements with us and will not affect your authorization for transfers and payments made prior to termination.

ADDITIONAL DISCLOSURES APPLICABLE TO ACH AND WIRE TRANSFERS

This Agreement and Disclosure is subject to Article 4A of the Uniform Commercial Code - Fund Transfers as adopted in the state of California. If you originate a fund transfer for which Fedwire is used, and you identify by name and number a beneficiary financial institution, an intermediary financial institution or a beneficiary, we and every receiving or beneficiary financial institution may rely on the identifying number to make payment. We may rely on the number even if it identifies a financial institution, person or Account other than the one named. You agree to be bound by Automated Clearing House Association rules. These rules provide, among other things, that payment made to you, or originated by you, are provisional until final settlement is made through Federal Reserve Bank or payment is otherwise made as provided in Article 4A-403(a) of the Uniform Commercial Code. If we receive a credit to an Account you have with us by wire or ACH, we are not required to give you any notice of the payment order or credit.

PROVISIONAL PAYMENT DISCLOSURE: Credit given by us to you with respect to an automated clearing house credit entry is provisional until we receive final settlement for such entry through a Federal Reserve Bank. If we do not receive such final settlement you are hereby notified and agree that we are entitled to a refund of the amount credited to you in connection with such entry, and the party making payment to you via such entry (i.e. the originator of the entry) shall not be deemed to have paid you in the amount of such entry.

NOTICE DISCLOSURE: Under the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account, we are not required to give next day notice to you of receipt of an ACH item and we will not do so. However, we will continue to notify you of the receipt of payments in the periodic statements we provide to you.

CHOICE OF LAW DISCLOSURE: We may accept on your behalf payments to your Account which have been transmitted through one or more Automated Clearing Houses (ACH) and which are not subject to the Electronic Fund Transfer Act and your rights and obligations with respect to such payments shall be construed in accordance with and governed by the laws of the State of California as provided by the operating rules of the National Automated Clearing House Association, which are applicable to ACH transactions involving your Account.

CONSENT TO RECEIVE ELECTRONIC DOCUMENTATION: If you have elected to receive Electronic Documentation from us, and as permitted by law, you hereby authorize us to electronically provide any and all documentation (agreements, disclosures, notices, statements, and the like) related to our various products and services that you may from time to time request and/or use. The electronic transmission of such documentation may be conducted in a variety of means such as (a) an electronic message ("e-mail") sent to you at the e-mail address specified by you (and/or any other address specified by you); (b) your active retrieval via the Internet by any Internet access means from a specific Internet location (identified by us in an e-mail message sent to you by the Credit Union); and/or (c) any other means of electronically providing such documentation.

You understand and agree that your consent will remain in effect until and unless withdrawn by you either in an electronic message sent by you to us or by written request for withdrawal of your consent sent by you to the Credit Union. Your withdrawal of consent to receive documentation in this manner will take effect within a reasonable time period following the receipt of your request. This authorization does not affect your right to receive such documentation on paper or in a non-electronic form and you may at any time request that any electronically provided documentation be provided in a paper or non-electronic form. You agree to immedi-

ately provide us updated contact information in the event that your e-mail address (or any other means you have provided us to contact you) becomes unusable or inaccurate for any reason. A description of the current means used to provide electronic documentation along with current hardware and software requirements to receive such documentation is provided to you separately. You will be provided updated information in the event that we change these methods and/or hardware/software requirements.

To receive electronic records, you understand that the use of a device such as a personal computer ("PC") or personal digital assistant ("PDA") that has a graphical user interface, or "browser", capable of accessing and viewing electronic communications reasonably expected to reside on and transmit within the Internet will be required. Additionally, various software, such as that which can view an electronic file in a portable document file ("pdf") format may be required to view certain electronic communications. Our system is currently designed to operate using world wide web technologies and protocols which are adaptable to a wide variety of end user systems. CU Online Banking provides secure communications using 128-bit encryption security. CU Online Banking requires the use of a browser which supports at least 128-bit encryption. The browser that you are running determines which level of security will be used for your connection. If you are currently using a 40-bit encryption browser you will need to upgrade to a more secure 128-bit encryption browser, you can download the browser from either Netscape or Microsoft.

NOTICE: Many electronic communications sent and received over the Internet can be and are often intercepted by unauthorized recipients, beyond the control of the Credit Union. By authorizing the delivery of documentation electronically, you understand and agree that, to the extent permitted by law, the Credit Union cannot and will not be liable for any damages incident to the unauthorized receipt of electronic communications sent by or received from you where such unauthorized receipt is beyond the control of the Credit Union.

GENERAL PROVISIONS

VERIFICATION: Any and all transactions are subject to verification. The Credit Union will acknowledge transactions only after such verification is made.

DISCLOSURE CONTROLS: Both you and the Credit Union will be bound by this Disclosure. If there is a conflict between this Disclosure and something said by one of our employees, you agree that this Disclosure controls.

APPLICABLE LAW: Except as governed by Federal law, this Agreement shall be construed and governed in accordance with the laws of the State of California.

PRIOR AGREEMENTS: All agreements applicable to your various Accounts, Share Certificates or loan relationships with the Credit Union shall be applicable to all transactions initiated by the ATM Card, VISA Debit Card or VISA Credit Card, PIN, PARS Audio Response Service or CU Online PIN except that if any such Account is an Account requiring two or more signatures, all signature requirements are hereby waived by you and any other parties may withdraw funds in connection with a transaction initiated by the use of the ATM Card, VISA Debit Card or VISA Credit Card and PIN, PARS Audio Response Service or CU Online PIN and each party agrees to be bound by the transaction.

COLLECTION COSTS: The Credit Union may collect amounts owed to us by you under this Disclosure and you agree to pay the Credit Union our reasonable expenses, including court costs and attorney fees, for enforcing our rights under this Disclosure.

HOLDS ON DEPOSITS: The Credit Union reserves the right to place a "hold" on funds deposited to your Account(s) for a reasonable period of time. You may not withdraw funds in excess of the available funds from a deposit balance subject to such hold; however, the Credit Union will provisionally credit your Account at the time of posting subject to the hold. A copy of the Credit Union's "Disclosure of Delayed Availability of Deposited Funds Policy" can be found in the Truth-In-Savings Disclosure.

FEDERAL RESERVE REQUIREMENTS: Due to Federal Reserve Regulation D, you may not make more than six (6) transfer and withdrawals, or a combination of such transfers and withdrawals per month from your Regular Share Account to another Credit Union Account of yours at PARSONS FEDERAL CREDIT UNION or to a third party by means of a preauthorized or automatic transfer or telephonic agreement, order or instruction.

Additional Electronic Funds Transfer services may be made available by the Credit Union in the future. You will be notified regarding these services.

PARSONS FEDERAL CREDIT UNION

Main Office:
100 West Walnut Street
Pasadena, CA 91124

Mailing Address: P.O. Box 90667
Pasadena, CA 91109-0667

(626) 440-7000 FAX (626) 440-9405

Toll-Free in the United States
(800) 765-4527

PARS Audio Response:
Within 626 Area Code,
(626) 440-PARS (440-7277)

Outside 626 Area Code,
Toll-Free, 1-800-223-9166

Texas:
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Loop South
Bellaire, TX 77401

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