

DISCLOSURE STATEMENT : Preauthorized Electronic Funds Transfer|TONI - The Touch Tone Teller & Keesler Online

Preauthorized Electronic Funds Transfer

1. **Documentation of Transfers**—If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company, you can find out if the deposit has been made by (1) calling us at (228) 385-5500 or 1-888-533-7537, (2) Use TONI-The Touch Tone Teller or (3) Use CU@Home® .

2. **Types of Preauthorized Transfers**— We can transact any electronic funds transfer to or from your account that is transmitted through the Automated Clearing House (ACH) System. The most common types of ACH transfers to an account are: employee payroll, Social Security, Veteran's Administration, and other federal government payments. The most common types of ACH transfers from an account are: insurance premiums, mortgage and utility payments.

TONI-The Touch Tone Teller and CU@Home®

3. **Account Access**—You may call TONI - The Touch Tone Teller or connect to CU@Home® for the following services: Balance Inquiries, Account Transfers, Request Withdrawals by Check, Account History Inquiries, Rate Information, Checking, Savings and Loan Account Information.

4. **Electronic Check Conversion**—Electronic Check Conversion is a process where your check is used as a source of information—for the check number, your account number, and the number that identifies your financial institution. The information is then used to make a one-time electronic payment from your account—an electronic fund transfer. The check itself is not the method of payment.

5. **Periodic Statements**—We will send you a monthly share account statement unless there are no transfers in a particular month in which event we will send you a statement at least quarterly unless we consider the account inactive. Transaction account holders will get a monthly statement regardless of whether or not a transfer occurred in a particular month.

6. **Your Liability**—Tell us AT ONCE if you believe your Personal Identification Number (PIN) has been lost, stolen or compromised. Telephoning is the best way of keeping your possible losses down. If you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50 if someone used your PIN without your permission.

If you do NOT tell us within 2 business days after you learn of the loss or theft of your PIN and we can prove we could have stopped someone from using your PIN without your permission if you had told us, you could lose as much as \$500.00. Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not get back any money you lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or hospital stay) kept you from telling us, we will extend the time periods.

7. **To Report Lost or Stolen Personal Identification Number (PIN)** —If you believe your PIN has been lost, stolen or compromised or that someone has or may make an unauthorized transfer, loan advance, or withdrawal from your account, call (228) 385-5500 or 1-888-533-7537, or write Keesler Federal Credit Union, P.O. Box 7001, Biloxi, MS 39534-7001, Attention: Funds Transfer Specialist.

8. **Business Days**—Our business days are Monday through Friday. Holidays are not included.

9. **Liability For Failure To Make Transfers and/or Withdrawals**—If we do not complete a transfer, loan advance, or withdrawal to or from your account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable for instance, 1) If through no fault of ours, YOU do not have enough money to make the transfer and/or Withdrawal, 2) If the transfer and/or withdrawal would go over the credit limit on your KreditLine, 3) If the system was not working properly and you knew about the breakdown when you started the transfer and/or withdrawal., 4) If TONI - The Touch Tone Teller and/or CU@Home® fails to perform your transaction due to a mechanical malfunction beyond our control, 5) If you had previously reported a lost or stolen PIN or unauthorized transaction on the account, 6) If circumstances beyond our control, such as, fire or flood, prevent the transfer and/or withdrawal, despite reasonable precautions we have taken, 7) If the funds are subject to legal process or other incumbents restricting such transfer and/or withdrawal, 8) Any other exceptions stated in other agreements we may have with you.

10. **Varying Amount**—In accordance with Standard ACH rules, if regular preauthorized transfers out of your account may vary in amount, the person or company you are going to pay will tell you 10 days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only

when the payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain limits that you set. You hereby agree to hold us harmless and at no fault due to the failure if the person or company to whom the payment is going to provide you with such notice.

11. **Stop Payment**—You can stop payment on any preauthorized transfer out of your account by calling us at (228) 385-5502 or 1-888-533-7537 or write to: Member Services, Keesler Federal Credit Union, P.O. Box 7001, Biloxi, MS 39531-7001, in time for us to receive your request three business days or more before the payment is scheduled to be made. We will charge you the current charges for each stop payment order you give.

12. **Failure to Stop Payment**—If you order us to Stop payment on one of these preauthorized transfers out of your account three business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

13. **Account Information**—We will disclose information to third parties about your account or the transfers you make: (1) where it is necessary for completing transfers, or (2) in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or (3) in order to comply with government agency or court orders, or (4) if you give us your written permission.

14. **Error or Questions About Your Electronic Transfers**—Telephone us at: (228) 385-5500 or 1-888-533-7537, or write to us at Keesler Federal Credit Union, Attention: Member Service, P.O. Box 7001, Biloxi, MS 39531-7001 as soon as you can, if you think your statement is wrong or if you need more information about a transfer listed on the statement. We must hear from you no later than 60 days after we sent the FIRST statement on which the problem or error appeared. Provide us with the following information: (1) tell us your name and account number (if any), (2) describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information, and (3) tell us the dollar amount of the suspected error.

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will determine whether an error occurred within 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 45 days to investigate your complaint or question. If we decide to do this, we will credit your account within 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 10 business days, we may not credit your account.

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

15. **Termination or Amendments**—Access to TONI - The Touch Tone Teller and/or CU@Home® may be denied or terminated at any time. If your access to either is denied or terminated, you will be notified in writing as to the reason. We may amend the terms of this agreement after required written notification. (Notices will be mailed at least 21 days prior to any changes.)

You may cancel this agreement at any time by notifying the credit union in writing. In that event, all rights and obligations for any transaction(s) that occurs before the credit union receives notice of cancellation shall be determined by this agreement.

16. **Miscellaneous**—All credits for items are provisional and accepted subject to the provisions of the Uniform Commercial Code. Except as governed by federal law, This agreement shall be construed and governed in accordance with the laws of the state of Mississippi.

17. **Transfer Charges**—We will not charge you any special fees for using TONI - The Touch Tone Teller, CU@Home® or for any electronic funds transfer services other than normal service charges for share and deposit accounts. We, however, do reserve the right to institute charges in the future.

18. **Limitations**— This institution has the right to limit the frequency or amount of withdrawals.

19. **A Word About Security**—Your account cannot be accessed without a valid account number and access code. Do not give out your access code. When an invalid access code is attempted several times, Keesler Federal's data processing system disables both TONI - The Touch Tone Teller and CU@Home® access to your account. For your protection, you will need to call Keesler Federal to reactivate service. Regulation E limits your liability on unauthorized electronic transactions.