

ELECTRONIC FUNDS TRANSFER AGREEMENT

KELLY FEDERAL CREDIT UNION offers you various electronic fund transfer services. We are also providing or will provide plastic AUTOMATED TELLER (ATM) or MASTERCARD Debit Cards which are referred to throughout this disclosure as "ATM/Debit cards" or simply "Cards") to a certain number of our members. Sometimes two or more persons are furnished such cards relating to a single account in the credit union.

When a Personal Identification Number ("PIN") is also provided to a member, the ATM/Debit Card and PIN can be used in any one of a number of ATMs to make "electronic fund transfers". Transfers can be made to, from or between one or more accounts in the credit union. Simply follow the instructions at the machine. This disclosure is furnished to you as a member of Kelly Federal Credit Union. It meets the requirements of both the Federal and Michigan statutes relating to "electronic fund transfers". It also meets the requirements of the Regulation E issued by the Federal Reserve Board pursuant to the federal statute, whether such "electronic fund transfers" are made by use of an ATM or in any other manner.

This disclosure is a contract. The terms and conditions set out here are binding on you and on us as to the making of such "electronic fund transfers" and the use of the ATM/Debit Card and PINs, in the following cases:

If you use the account(s) covered by this disclosure after receipt of this agreement.

If you already have an ATM/Debit Card and PIN provided by us and you use them to make such transactions after receipt of this agreement.

If you ask us to provide you with a PIN and you thereafter use it, together with an ATM/Debit Card, to make such transactions.

In any such cases, your use of the account(s) or your making of such transactions constitutes your acceptance of the terms and conditions set out in this disclosure.

Although, your account(s) may be subject to "electronic fund transfers", and in that regard are subject to the terms and conditions of this disclosure, you may continue to use those account(s) to the same extent and in the same manner that you have in the past, insofar as "over-the-counter" and other non-electronic transactions are concerned.

In this disclosure, 'you' and 'your' include the plural in cases where two or more persons have an interest in a single account affected by an "electronic fund transfer" (EFT) service. 'We' or "us" refer to Kelly Federal Credit Union.

TYPES OF SERVICES

Accounts affected: Each of the following types of accounts in the credit union can be subject to some kind of EFT service:

- Share accounts
- Share draft accounts
- Loans (payments only)
- Vacation club
- Credit union club

These types of accounts are sometimes referred to in this Agreement as "asset account(s)" or simply as "your account(s)". You have previously designated which of your account(s) you want to be subject to a particular EFT service. You may change those instructions in the future, and we will follow your new wishes to the extent of our electronic fund transfer programs permit at that time.

Automated Clearing House Transfer Services: We offer preauthorized EFT services through the Automated Clearing House System. We are able to electronically transfer funds from your account(s) to account(s) at other financial institutions or receive funds electronically from other financial institutions for deposit in your account. Because you must authorize such transfers in advance these transfers are called "Preauthorized Transfers". Some of the services offered as preauthorized transfers are direct deposit of payroll, social security and other government payments.

Electronic Fund Transfer Services: At the present time, the following types of electronic fund transfers to or from your account(s) in the credit union may be authorized:

Transfers TO your account(s) (credits):

Deposit of payroll deductions from various employers which have agreed to send such deposits to us.

Direct deposit of various governmental benefits.

Deposits from any third party through the facilities of the Automated Clearing House Association.

Automatic transfers to your account(s) from another person(s) account with us.

Wire Transfers.

Transfers FROM your account(s) (debits)

Automatic deduction from your account of premiums for insurance coverage available to our members.

Payments to third parties, through the facilities of the Automated Clearing House Association.

Automatic transfers from your account(s) to another person's account with us.

Automatic transfers from your account(s) to make payments on another person's loan owing to us.

Automated Teller Machine (ATM) Transactions:

If you have an ATM/Debit Card for which we issued you a PIN, you can use it to make any or all the following transactions at any automated teller machine network which is a part of an electronic fund transfer service network to which we belong.

Deposits to your Regular Share account, Share Draft account, and all Share accounts

Cash withdrawals from your Regular Share account, Share Draft account, and all Share accounts

Transfer of funds(non-cash) from your Share account to your Share Draft account, from your Share Draft account to your Share account or Share or Share Draft to loan.

Verify balances in specified share, share draft or loan accounts that you have with us. (Those are not EFTs)

Point of Sale Transactions:

If you have an ATM/Debit Card for which we issued you a PIN you may also use it to purchase goods or services from merchants who accept your ATM card as a means of payment. These merchants are referred to as "Participating Merchants" and will display a logo or other symbol which identifies them as a merchant who will accept your card. Purchases made with your ATM card, including any purchases when you receive cash back, are referred to as "point of sale" transactions or "POS" transactions and will cause your share draft account balance to be debited for the amount of the purchase. Only share draft accounts may be used in connection with point of sale transactions performed with your ATM card.

Telephone and Audio Response Services: You may also call the credit union and, upon furnishing the credit union with information to identify yourself, transfer money between accounts,

and verify balance inquiries in specified accounts you have with us.

You can discontinue use of any electronic funds transfer service you have previously signed up for, at any time. If you begin using a different EFT service after the receipt of this Agreement, we must be notified of the account(s) to be affected. We may make additional types of EFT services available in the future. We may also discontinue one or more of our EFT services, but if we do that, we will give you at least 30 days advance notice in writing.

Excluded Transactions: We have developed an elaborate electronic data processing system which makes it possible to offer you many electronic services. However, some of these services do not constitute "EFT" for the purposes of this Agreement such as, for example, automatic transfers from your account(s) to pay your loan(s) owing to us and automatic services and transfers which are "EFT" as described above. They do not apply to other transactions which, although electronic in nature, do not constitute "EFT" described above.

SERVICE LIMITATIONS

Minimum Balance: You must always maintain a minimum of \$5.00 in a Regular Share account to be entitled to make "EFT" affecting your account. We reserve the right to increase the minimum balance requirement of to impose other restrictions in the future, but if we do so we will give you at least 30 days advance written notice.

Limitations on number of transfers: A maximum of six (6) preauthorized, automatic or telephone transfers and withdrawals will be allowed in one calendar month for Regular Shares. If you exceed this limit your account may be subject to a fee or closed.

No limit on the number of transactions for Share draft accounts.

Limitation on Dollar Amount of ATM and Point of Sale Transfers:

You may withdraw up to a maximum of \$300 cash a day from terminals each day.

You may only withdraw and buy up to \$300 worth of goods each day in a point of sale service

Fees for EFTs: We reserve the rights to impose fees, and to thereafter to increase them, if we deem it necessary. We will give you at least 30 days written notice before imposing or increasing any such fees.

Charges: All charges related to EFTs are disclosed in a separate Fee and Service Charge Schedule.

RIGHTS AND RESPONSIBILITIES

Notification of Regulatory Authorities: This Agreement and the EFT services provided in this Agreement are governed by Michigan Law. You may notify the federal or state agency noted below of any violation of the law

National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314

Business Day: For the purposes of this Agreement, a "Business day" is defined as Monday through Friday, except Holidays

Electronic Fund Transfer Card: If you have received an electronic fund transfer card ("Card") from us for the type of terminal transfers noted previously, the following provisions are applicable:

Your card can be used at any ATM terminals. Also, if noted under the types of transfers, you may use your Card to

purchase goods and services from merchants who have arranged to accept your Card as a means of payment. Some Participant Merchants may permit you to receive cash back as part of your purchase. Purchases made with your Card, including any purchase where you receive cash, are referred to as point of sale transactions and will cause your account to be debited for the amount of purchase.

In order to assist us in maintaining the security of your account and the terminals, the Card remains our property and may be revoked or canceled at any time without giving you prior notice. You agree not to use your Card for a transaction that would cause your account balance to go below zero. We will not be required to complete any such transaction, but if we do, you agree to pay us the amount of the improper withdrawal or transfer upon request.

Member Liability: The Card may be used with your PIN, which is used to identify you as an authorized user of the Card. Because the PIN is used for identification purposes, you will agree to notify us immediately if the card is lost or if the secrecy of the PIN is compromised. You also agree not to reveal your PIN to any person not authorized by you to use the Card. Further, you agree not to write the PIN on the Card or on any item kept with the card. The security of your account depends upon you maintaining possession of your Card and the secrecy of your PIN.

Documentation of transfers:

Terminal Transfers: You will get a receipt at the time you make any EFT transaction (unless you request otherwise) to or from your account at an ATM terminal or Participating Merchant.

Preauthorized Transfers: If you have arranged to have direct deposits made to your account at least once every sixty days from the same person or company, you can call or write us to find out whether or not the preauthorized deposit has been made to your account at the telephone number and address appearing on your periodic statement or as shown on this Agreement.

Statements:

If your preauthorized transfer/ATM terminal transaction affects your Share Draft account, these transactions will be noted on your monthly statement

If your preauthorized transfer/ATM terminal transaction affects your Share account, you will receive a monthly statement unless there were no transactions in a particular month, in which case you would receive your normal quarterly statement.

Your Right to Stop Payment of Preauthorized Transfers:

Rights and procedures to stop payments: If you have told us in advance to make regular payments out of your account(s), you can stop any of these payments. Here is how:

CALL US AT: (248) 244-4424
(800) 543-0776

OR

WRITE US AT: Kelly Federal Credit Union
999 W big Beaver Rd
Troy, MI 48084

in time for us to receive your request three (3) business days or more before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and get it to us within fourteen (14) days after you call. The fee for handling such stop payment orders is disclosed in a separate Fee and Service Charges Schedule.

Notice of Varying Amounts: If these regular payments may vary in amount the person you are going to pay will tell you, ten (10) days before each payment, when it will be made and how much it will be. You may choose instead to get this notice only

when the payment would differ by more than a certain amount from the previous payment, or when the amount would fall outside certain limits that you set.

Liability for Failure to Stop Payment of Preauthorized Transfer: If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

In case of errors or Questions About Your Electronic Transfers: Telephone us at (248) 244-4424 or (800)543-0776 or write us at Kelly Federal Credit Union, 999 W Big Beaver, Troy, MI 48084 as soon as you can think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared.

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

(3)Tell us the dollar amount of the suspected error.

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

We will tell you the results of the 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 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 may have use of the money during the time it takes us to complete the investigation. If we ask you to put your complaint or questions in writing and we do not receive it within ten (10) business days, we may not credit your account.

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.

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

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

Clearing of Deposits: Deposits made at an ATM whether in cash, check, draft or money order are subject to our Funds Availability Policy, which has either been provided to you at the time of opening the account or it has been mailed to you. If you do not have a copy of our Funds Availability Policy, please contact us and we will make a copy available to you.

Direct deposits to your accounts are made available immediately. If, in connection with a direct deposit plan, we deposit any amount in an account which should have been returned to the Federal Government for any reason, you authorize us to deduct the amount of our liability to the Federal Government from any other account you have with us, without prior notice and at any time, except as prohibited by law. We may also use any other legal remedy to recover the amount of our liability.

ACH and Wire Transfers This Agreement is subject to Article 4A of the Uniform Commercial Code – Fund Transfers as adopted in the state in which you have your account with us. 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 payments made to you, or originated by you, are provisional until final settlement is made through a Federal Reserve Bank or payment is otherwise made as provide by 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 payment order or credit.

Crediting Payments: Payments made at an ATM whether in cash, check, draft or money order are subject to verification and the posting of such payments to a loan account may be delayed until the funds can be collected.

Responsibility for Overdraft: If you obtain cash from an ATM or withdraw via Point of Sale transaction which creates an overdraft in your regular share or share draft account, the overdraft amount is due and payable the moment you get it and you agree to pay the full amount of it to us, together with the service charge, if applicable. You also authorize us in such a case to apply, from any other account you may have with us, the amount necessary to pay the overdraft amount and service charge, if applicable.

Notice of Theft or Loss: If you believe your Card or your PIN has been lost or stolen or that someone has transferred or may transfer money from your account without permission,

CALL US AT: (248) 244-4424

(800) 543-0776

OR

WRITE US AT: Kelly Federal Credit Union

999 W big Beaver Rd

Troy, MI 48084

Consumer Liability - Liability for unauthorized use of your ATM/Debit Card or other unauthorized transactions. Tell us AT ONCE if you believe that your ATM card or PIN has been stolen or lost. Telephoning is the best way of keeping your possible losses down. If your ATM card has been stolen and you tell us within two (2) business days after you learn of the loss or theft of your Card, maximum you can loose is \$50.00 if someone used you card without you permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your Card, and we can prove we could have stopped someone from using the Card without your permission if you had told us, you could lose as much as \$500.00.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (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 a hospital stay) kept you from telling us, we will extend the time periods.

Disclosure of Account Information to Third Parties: We will disclose information to third parties about your account or the transfers you make:

(1)where is necessary for completing transfers

(2)in order to verify the existence and condition and of your account for a third party, such as credit bureau or merchant, or

(3)in order to comply with government agency or court orders, or

(4)if you give us written permission

Reversal of Transactions: We will reverse any EFT transfer resulting from a point of sale transaction at a Participant Merchant and recredit your account for the full amount of the transfer if all of the following occur

(1) You provide us notice of having made a good faith attempt to seek redress and make an assurance to us of the return to the Participating Merchant of related goods in dispute, when returnable goods are involved

(2) The amount of the transaction is \$50.00 or more

(3) Within four (4) calendar days following the transaction we receive from you during our normal business hours, a written or oral request for reversals

(4) You verify the reverse order, notice and assurance in writing with in fourteen (14) calendar days following oral notification, on a form provided by us for that purpose. If written notification is nor furnished, we shall reinstate the original debits and credits involved in the transaction to the extent of the available account balance.

Liability for Failure to Complete EFT transfers: If we do not properly complete an EFT transfer to or from your account on time or in the correct amount in accordance with the terms of this Agreement, we will be liable for your losses or damages. However, there are some exceptions. We will NOT be liable if:

You do not have enough money in your account to make the transfer

We have terminated this Agreement

The terminal or any part of the system supporting the operation of the terminal was not working properly, and you knew of the breakdown when you began the transaction or at some time during the process of the transaction

If the terminal where you attempted to make the transaction did not have enough cash to allow the transaction.

When your card has been reported lost or stolen and we have reason to believe that something was wrong with the transaction

When circumstances beyond our control (such as fire, flood, or power failure) prevent the transaction

If funds in your account are frozen or pledged as a collateral for a loan

If the electronic transfer is not completed as a result of your willful or negligent use of the Card, PIN, or any EFT facility

Any other exceptions as established by the credit union

Amendments: We may change or amend any of the terms and conditions of this Agreement at any time upon at least 21 one days written notice to you prior to the effective date of the change or amendment. Your failure to timely furnish notice as set forth below shall be deemed as acceptance of such a change or amendment. If you do not agree to abide by a change or amendment, you must notify us prior to the effective date of the change or amendment. You must also surrender your Card and cancel this Agreement.

Termination of Prior Agreements: Upon receipt of this Agreement, this Agreement terminates and takes the place of any earlier EFT Agreement provide to you from us.

Notice Regarding ATM fees Charged by Others: When you use an ATM that is not owned by us, you may be charged a fee by the ATM operator and/or by an automated transfer network.

Effective date: The effective date of this Agreement is October 1, 2002.

Electronic Fund Transfer Agreement

Kelly Federal Credit Union 999 W Big Beaver Troy, MI 48084

Phone:

(248) 244-4424

(800) 543-0776

Fax:

(248) 244-4588

Hours:

Monday, Tuesday, Wednesday, Thursday, Friday

9:30a.m. to 5:30p.m