

## ELECTRONIC FUND TRANSFER DISCLOSURE AND AGREEMENT



For purposes of this disclosure and agreement the terms "we", "us" and "our" refer to Dearborn Federal Savings Bank. The terms "you" and "your" refer to the recipient of this disclosure and agreement.

The Electronic Fund Transfer Act and Regulation E require institutions to provide certain information to customers regarding electronic fund transfers (EFTs). This disclosure applies to any EFT service you receive from us related to an account established primarily for personal, family or household purposes. Examples of EFT services include direct deposits to your account, automatic regular payments made from your account to a third party and one-time electronic payments from your account using information from your check to pay for purchases or to pay bills. This disclosure also applies to the use of your debit card (hereinafter referred to collectively as "Debit Card") at automated teller machines (ATMs) and any networks described below.

**TERMS AND CONDITIONS.** The following provisions govern the use of EFT services through accounts held by Dearborn Federal Savings Bank which are established primarily for personal, family or household purposes. If you use any EFT services provided, you agree to be bound by the applicable terms and conditions listed below. Please read this document carefully and retain it for future reference.

**DEFINITION OF BUSINESS DAY.** Business days are Monday through Friday excluding holidays.

**DEBIT CARD SERVICES.** The services available through use of your Debit Card are described below.

### DEBIT CARD SERVICES:

- You may withdraw cash from your checking account(s), savings account(s), and money market account(s).
- You may make deposits into your checking account(s), savings account(s), and money market account(s).
- You may transfer funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).
- You may use your card at any merchant that accepts Mastercard® Debit Cards for the purchase of goods and services.

### ATM SERVICES.

**NETWORK.** You can use your Debit Card to perform transactions at our ATM terminals and can access the accounts set forth above using our network.

**POINT OF SALE TRANSACTIONS.** Listed below is the card you may use to purchase goods and services from merchants that have arranged to accept your card as a means of payment (these merchants are referred to as "Participating Merchants"). Some Participating 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 "designated account" to be debited for the amount of the purchase. We have the right to return any check or other item drawn against your account to ensure there are funds available to pay for any Point of Sale transaction. We may, but do not have to, allow transactions which exceed your available account balance. If we do, you agree to pay an amount equal to the overdrawn balance plus any overdraft fees.

The following card and the corresponding designated account(s) may be used for Point of Sale transactions:

- debit card: checking account.

Your Debit Card may also be used to obtain cash from your designated account(s) at participating financial institutions when so authorized under the terms of your Account Agreement.

**AUTHORIZATION HOLDS.** An authorization hold is a temporary hold that is placed on your account for certain Debit Card transactions. The amount of the temporary hold may be more than the actual amount of the transaction, so your available account balance will temporarily be reduced by the amount of the temporary hold. If the authorization hold or the processing of subsequent transactions causes your account to have insufficient funds to pay the transaction, we may charge you non-sufficient funds fees if we return the item or overdraft fees if we pay the item on your behalf.

**CURRENCY CONVERSION - Mastercard®.** If you perform transactions with your card with the Mastercard® logo in a currency other than US dollars, Mastercard International Inc. will convert the charge into a US dollar amount. At Mastercard International they use a currency conversion procedure, which is disclosed to institutions that issue Mastercard®. Currently the currency conversion rate used by Mastercard International to determine the transaction amount in US dollars for such transactions is based on rates observed in the wholesale market or government-mandated rates, where applicable. The currency conversion rate used by Mastercard International is generally the rate of the applicable currency on the date that the transaction occurred.

However, in limited situations, particularly where transactions are submitted to Mastercard International for processing are delayed, the currency conversion rate used may be the rate of the applicable currency on the date that the transaction is processed.

**IMPORTANT ADDITIONAL FEE NOTICE.** If you use your Mastercard debit card outside the US, whether or not it is in US Dollars, a fee of up to 1% will be assessed by Mastercard. If the transaction is in a currency other than US Dollars, Mastercard will use its current currency conversion procedures which have been disclosed to all financial institutions that issue Mastercard debit cards. The conversion rate used by Mastercard may vary from the rate on the original purchase date and the date the transaction is processed. The fee will be shown on your periodic statement.

**SERVICES PROVIDED THROUGH USE OF TELEPHONE BANKING.** You may perform the following functions through use of Telephone Banking:

- You may initiate transfers of funds between your checking and savings accounts, checking and money market accounts, and savings and money market accounts.
- You may make balance inquiries on your checking account(s), savings account(s), and money market account(s).
- You may make payments on home mortgage loans and home equity loans that you have with us.

For questions or more information, call us at: (877)275-3372

**TELEPHONE BILL PAYMENT SERVICE.** You may make arrangements with us to initiate the direct payment of bills from your checking account(s), savings account(s), and money market account(s) using our Telephone Bill Payment Service. This service is provided to you through an agreement between you and Dearborn Federal Savings Bank. Please contact Dearborn Federal Savings Bank for further information.

**PREAUTHORIZED TRANSFER SERVICES.**

- You may arrange for the preauthorized automatic deposit of funds to your checking account(s), savings account(s), and money market account(s).
- You may arrange for the preauthorized automatic payments or other transfers from your checking account(s), savings account(s), and money market account(s).

**SERVICES PROVIDED THROUGH USE OF ONLINE AND MOBILE BANKING SERVICES.** Dearborn Federal Savings Bank offers its customers use of our Online and Mobile Banking Services service.

**Banking Transactions with Online and Mobile Banking**

A. Transfer of Funds. In addition to viewing account information, you may use Online Banking to conduct the transfer of funds. You may make one-time transfers or schedule future or recurring transfers such as transfers to make loan payments. You may transfer funds among your checking accounts, savings accounts, money market accounts and Line of Credit accounts.

NOTE: Because regulations require the Bank to limit preauthorized transfers (including Online and Mobile Banking transfers), the following limitations apply:

*Insured E-Z Access Fund account.* You can make no more than [six (6)] transfers per statement period by preauthorized or automatic transfer or by telephone or Online Banking and no more than [three (3)] of these may be by check, draft or debit card. Please note: If there are not sufficient funds in the account, we cannot complete this transfer. However, future recurring transfers will not be impacted.

B. Additional Services New services may be introduced for Online and Mobile Banking from time to time. The Bank will notify you of the existence of these new services. By using these services when they become available, you agree to be bound by the rules that will be made available to you concerning these services.

**Mobile Banking**

Mobile Banking is an extension of the Online Banking service offered by Dearborn Federal Savings Bank and is available to all customers who have enrolled in the service under the same general terms and conditions. To use Mobile Banking services, you will be required to use your existing login credentials. Not all features and

services available through Online Banking are available via Mobile Banking. The use of Mobile Banking services may result in fees or charges from your mobile provider; Dearborn Federal Savings Bank makes no representation regarding the applicability or extent of such costs.

You agree that you will not install software onto your mobile device that you are not familiar with or without familiarizing yourself with such software's terms and conditions. You agree to download mobile security software updates when available, to lock your mobile device if it is left unattended and to log off of Mobile Banking at the completion of any online session.

You agree that if your mobile device is lost or stolen or if you believe your login credentials have been compromised, you will immediately notify Dearborn Federal Savings Bank of such event and will make reasonable efforts to ensure that your mobile device is immediately deactivated.

**REAL-TIME PAYMENT SERVICES PROVIDED THROUGH USE OF N/A. N/A**

**ELECTRONIC CHECK CONVERSION.** If your account is a checking account, you may authorize a merchant or other payee to make a one-time electronic payment from this account using information from your check to pay for purchases or to pay bills.

**LIMITATIONS ON TRANSACTIONS**

**TRANSACTION LIMITATIONS - DEBIT CARD.**

**CASH WITHDRAWAL LIMITATIONS.** You may withdraw up to \$500.00 through use of ATMs in any one day. You may make up to 20 withdrawals of cash through use of ATMs in any one day.

There is a daily limit for all ATM withdrawal transactions. For security reasons, specific dollar limits are disclosed at the time the Debit Card is issued. Dearborn Federal Savings Bank reserves the right to change dollar amount limits at any time upon prior notification.

**POINT OF SALE LIMITATIONS.** You may buy up to \$2,500.00 worth of goods or services in any one day through use of our Point of Sale service. You can use our Point of Sale service for up to 20 transactions in any one day.

**OTHER LIMITATIONS.**

- The terms of your account(s) may limit the number of withdrawals you may make each month. Restrictions disclosed at the time you opened your account(s), or sent to you subsequently will also apply to your electronic withdrawals and electronic payments unless specified otherwise.
- We reserve the right to impose limitations for security purposes at any time.

**NOTICE OF RIGHTS AND RESPONSIBILITIES**

The use of any electronic fund transfer services described in this document creates certain rights and responsibilities regarding these services as described below.

**RIGHT TO RECEIVE DOCUMENTATION OF YOUR TRANSFERS.**

**TRANSACTION RECEIPTS.** Depending on the location of an ATM, you may not be given the option to receive a receipt if your transaction is \$15.00 or less. Upon completing a transaction of more than \$15.00, you will receive a printed receipt documenting the transaction (unless you choose not to get a paper receipt). These receipts (or the transaction number given in place of the paper receipt) should be retained to verify that a transaction was performed. A receipt will be provided for any transaction of more than \$15.00 made with your Debit Card at a Participating Merchant. If the transaction is \$15.00 or less, the Participating Merchant is not required to provide a receipt.

**PERIODIC STATEMENTS.** If your account is subject to receiving a monthly statement, all EFT transactions will be reported on it. If your account is subject to receiving a statement less frequently than monthly, then you will continue to receive your statement on that cycle, unless there are EFT transactions, in which case you will receive a monthly statement. In any case you will receive your statement at least quarterly.

**PREAUTHORIZED DEPOSITS.** If you have arranged to have direct deposits made to your account at least once every 60 days from the same person or company:

**USING YOUR CARD AND PERSONAL IDENTIFICATION NUMBER ("PIN").** In order to assist us in maintaining the security of your account and the terminals, the Debit Card remains our property and may be revoked or canceled at any time without giving you prior notice. You agree not to use your Debit Card for a transaction that would cause your account balance to go below zero, or to access an account that is no longer available or lacks sufficient funds to complete the transaction, including any available line of credit. We will not be required to complete any such transaction, but if we do, we may, at our sole discretion,

charge or credit the transaction to your account; you agree to pay us the amount of the improper withdrawal or transfer upon request.

Certain transactions involving your Debit Card require use of your PIN. Your PIN is used to identify you as an authorized user. Because the PIN is used for identification purposes, you agree to notify Dearborn Federal Savings Bank immediately if your Debit Card is lost or if the secrecy of your PIN is compromised. You also agree not to reveal your PIN to any person not authorized by you to use your Debit Card or to write your PIN on your Debit Card or on any other item kept with your Debit Card. We have the right to refuse a transaction on your account when your Debit Card or PIN has been reported lost or stolen or when we reasonably believe there is unusual activity on your account.

The security of your account depends upon your maintaining possession of your Debit Card and the secrecy of your PIN. You may change your PIN if you feel that the secrecy of your PIN has been compromised. You may change your PIN via the telephone.

## **RIGHTS REGARDING PREAUTHORIZED TRANSFERS.**

**RIGHTS AND PROCEDURES TO STOP PAYMENTS.** If you have instructed us to make regular preauthorized transfers out of your account, you may stop any of the payments. To stop a payment,

call us at: (800)809-3372

or

write to: Dearborn Federal Savings Bank  
22315 Michigan Ave.  
Dearborn, MI 48124

We must receive your call or written request at least three (3) business days prior to the scheduled payment. If you call, please have the following information ready: your account number, the date the transfer is to take place, to whom the transfer is being made and the amount of the scheduled transfer. If you call, we will require you to put your request in writing and deliver it to us within fourteen (14) days after you call.

**NOTICE OF VARYING AMOUNTS.** If you have arranged for automatic periodic payments to be deducted from your checking or savings account and these payments vary in amount, you will be notified by the person or company ten (10) days before each payment, when it will be made and how much it will be.

**OUR LIABILITY FOR FAILURE TO STOP PREAUTHORIZED TRANSFER PAYMENTS.** If you order us to stop one of the payments and have provided us with the information we need at least three (3) business days prior to the scheduled transfer, and we do not stop the transfer, we will be liable for your losses or damages.

**YOUR RESPONSIBILITY TO NOTIFY US OF LOSS OR THEFT.** If you believe your Debit Card or PIN or internet banking access code has been lost or stolen,

call us at: (800)809-3372 (Monday, Wednesday and Thursday 9:00AM - 4:30PM; Tuesday 9:00AM - 5:00PM; Friday 9:00AM - 6:00PM Eastern Time)

or

write to: Dearborn Federal Savings Bank  
22315 Michigan Ave.  
Dearborn, MI 48124

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.

**CONSUMER LIABILITY.** Tell us AT ONCE if you believe your Debit Card or PIN or internet banking access code has been lost or stolen or if you believe that an electronic fund transfer has been made without your permission using information from your check. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit, if applicable). If you tell us within two (2) business days after you learn of the loss or theft of your Debit Card or PIN or internet banking access code you can lose no more than fifty dollars (\$50) if someone used your Debit Card or PIN or internet banking access code without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your Debit Card or PIN or internet banking access code and we can prove we could have stopped someone from using your Debit Card or PIN or internet banking access code without your permission if you had given us notice, you can lose as much as five hundred dollars (\$500).

Also, if your statement shows transfers you did not make, including those made by card, code, or other means, tell us at once. If you do not tell us within sixty (60) days after the statement was transmitted to you, you may not receive back any money you lost after the sixty (60) days, and therefore, you may not get back any money in your account, if we can prove that we could have stopped someone from taking the money had you given us notice in time. If a good reason (such as a long trip or hospital stay) keeps you from giving the notice, we will extend the time periods.

**CONSUMER LIABILITY FOR UNAUTHORIZED TRANSACTIONS INVOLVING DEBIT CARD.** The limitations on your liability for unauthorized transactions described above generally apply to all electronic fund transfers. However, different limitations apply to certain transactions involving your card with the Mastercard® branded card.

If you promptly notify us about an unauthorized transaction involving your card and the unauthorized transaction took place on your Mastercard® branded card, including any PIN-based ATM or POS transactions, zero liability will be imposed on you for the unauthorized transaction. In order to qualify for the zero liability protection, you must have exercised reasonable care in safeguarding your card from the risk of loss or theft and, upon becoming aware of such loss or theft, promptly reported the loss or theft to us. For commercial accounts, zero liability protection will not apply to a transaction conducted with a card that is issued to an entity other than a natural person or for a commercial purpose, except that the rule shall apply to cards issued for use by a small business.

**ILLEGAL USE OF DEBIT CARD.** You agree not to use your debit card for any illegal transactions, including internet gambling and similar activities.

**IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR TRANSACTIONS.** In case of errors or questions about your electronic fund transfers,

call us at: (800)809-3372

or

write to: Dearborn Federal Savings Bank  
22315 Michigan Ave.  
Dearborn, MI 48124

or

email us at: customerservice@dfs.net

or

use the current information on your most recent account statement.

Notification should be made 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. You must contact Dearborn Federal Savings Bank no later than 60 days after we sent you the first statement on which the problem or error appears. You must be prepared to provide the following information:

- Your name and account number.
- A description of the error or transaction you are unsure about along with an explanation as to why you believe it is an error or why you need more information.
- The dollar amount of the suspected error.

If you provide oral notice, you will be required to send in your complaint or question in writing within ten (10) business days.

We will determine whether an error occurred within ten (10) business days (twenty (20) business days for new accounts) 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 (ninety (90) days for new accounts and foreign initiated or Point of Sale transfers) to investigate your complaint or question. If we decide to do this, we will credit your account within ten (10) business days (twenty (20) business days for new accounts) for the amount which you think is in error, so that you will have the use of the money during the time it takes 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. The extended time periods for new accounts apply to all electronic fund transfers that occur within the first thirty (30) days after the first deposit to the account is made, including those for foreign initiated or Point of Sale transactions.

We will tell you the results within three (3) 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.

### **DISPUTES REGARDING POINT OF SALE TRANSACTIONS.**

**REVERSAL OF TRANSACTION.** Dearborn Federal Savings Bank will reverse an EFT resulting from a Point of Sale transaction at a Participating 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, where 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 the reversal. You must verify any oral reversal order, notice and assurance in writing within fourteen (14) calendar days following the oral notification, on a form to be provided by us for that purpose. If written verification is not furnished, we will reinstate the original debits and credits involved in the transaction.

Our set-off rights apply with regard to any overdraft which occurs due to these transactions.

**LIABILITY FOR FAILURE TO COMPLETE TRANSACTION.** If we do not complete a transfer 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 as provided by law. However, there are some exceptions. We will NOT be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer.
- If the transfer would result in your exceeding the credit limit on your line of credit, if you have one.
- If the electronic terminal was not working properly and you knew about the breakdown before you started the transfer.
- If circumstances beyond our control (such as fire or flood, computer or machine breakdown, or failure or interruption of communications facilities) prevent the transfer, despite reasonable precautions we have taken.
- If we have terminated our Agreement with you.
- When your Debit Card has been reported lost or stolen or we have reason to believe that something is wrong with a transaction.
- If we receive inaccurate or incomplete information needed to complete a transaction.
- In the case of preauthorized transfers, we will not be liable where there is a breakdown of the system which would normally handle the transfer.
- If the funds in the account are subject to legal action preventing a transfer to or from your account.
- If the electronic terminal does not have enough cash to complete the transaction.

There may be other exceptions provided by applicable law.

### **CHARGES FOR TRANSFERS OR THE RIGHT TO MAKE TRANSFERS.**

**PER TRANSACTION CHARGE.** We may assess a fee for each preauthorized transfer, ATM transaction, telephone transaction or Point of Sale purchase you make. Please see the applicable Fee Schedule to determine the applicable amount.

**PERIODIC CHARGE.** We may charge you a fixed monthly or annual charge for the additional services available to you through your Debit Card or otherwise. See the applicable Fee Schedule to determine the amount of the charges.

**FEES.** You may be charged a fee for withdrawals of cash under certain circumstances, whether they take place at proprietary machines or through a network or are Point of Sale transfers or transfers made without the use of your Debit Card. The circumstances under which such charges will be assessed, as well as the amount of the charge, are included in the current Fee Schedule, which is hereby incorporated into this document.

**FEE SCHEDULE.** The Fee Schedule referred to above is being provided separately and is incorporated into this document by reference. Additional copies of the schedule may be obtained from Dearborn Federal Savings Bank upon request.

**PREAUTHORIZED TRANSACTIONS.** There are no additional charges for your use of preauthorized electronic fund transfers except as stated in our Fee Schedule, which is incorporated into this document by reference.

**DISCLOSURE OF ACCOUNT INFORMATION.** You agree that merchant authorization messages transmitted in connection with Point of Sale transactions are permissible disclosures of account information, and you further agree to release Dearborn Federal Savings Bank and hold it harmless from any liability arising out of the transmission of these messages.

We will disclose information to third parties about your account or electronic fund transfers made to your account:

1. Where necessary to complete a transfer or to investigate and resolve errors involving the transfer(s); 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 permission in a record or writing.

**AMENDING OR TERMINATING THE AGREEMENT.** We may change this agreement from time to time. You will be notified at least 21 days before a change will take effect if it will cause you an increase in costs or liability or it will limit your ability to make electronic fund transfers. No notice will be given if the change is necessary for security reasons. We also have the right to terminate this agreement at any time.

**SAFETY PRECAUTIONS FOR ATM TERMINAL USAGE.** Please keep in mind the following basic safety tips whenever you use an ATM:

- Have your Debit Card ready to use when you reach the ATM. Have all of your forms ready before you get to the machine. Keep some extra forms (envelopes) at home for this purpose.
- If you are new to ATM usage, use machines close to or inside a financial institution until you become comfortable and can conduct your usage quickly.
- If using an ATM in an isolated area, take someone else with you if possible. Have them watch from the car as you conduct your transaction.

- Do not use ATMs at night unless the area and machine are well-lighted. If the lights are out, go to a different location.
- If someone else is using the machine you want to use, stand back or stay in your car until the machine is free. Watch out for suspicious people lurking around ATMs, especially during the times that few people are around.
- When using the machine, stand so you block anyone else's view from behind.
- If anything suspicious occurs when you are using a machine, cancel what you are doing and leave immediately. If going to your car, lock your doors.
- Do not stand at the ATM counting cash. Check that you received the right amount later in a secure place, and reconcile it to your receipt then.
- Keep your receipts and verify transactions on your account statement. Report errors immediately. Do not leave receipts at an ATM location.

#### **ADDITIONAL PROVISIONS**

Your account is also governed by the terms and conditions of other applicable agreements between you and Dearborn Federal Savings Bank.

**NOTIFICATION OF REGULATORS.** Your rights in connection with electronic fund transactions and this agreement are governed by Michigan and federal law. You may contact the following agency if you believe a violation of the law has occurred:

**FEDERAL AGENCY:**

Office of the Comptroller of the Currency  
Customer Assistance Group  
P.O. Box 53570  
Houston, TX 77052