

ELECTRONIC FUND TRANSFER AGREEMENT AND DISCLOSURE

This Electronic Fund Transfer Agreement applies to Electronic Fund Transfers (EFTs.) Electronic Fund Transfers are electronically initiated transfers of money from your account through the electronic fund transfer services described below.

In this agreement, the words “you” and “yours” mean the Accountholder or Accountholders if there is more than one person in whose name the Account is held. The words “we,” “us,” “our” and “HIFICU” mean Hawaiian Financial Federal Credit Union. The words “Share Draft Account” mean a Value Share Draft, Preferred Share Draft or Advantage Share Draft Account. The words “Share Account” mean a Regular Share or VIP Tiered Savings Account. The word “Account” means a Share or Share Draft Account. The word “ShareCard” means the plastic card issued upon the request of a member holding a Share Account. The words “Check Card” mean the plastic card issued to a member holding a Share Draft Account. The word “Card” means a ShareCard or Check Card.

1. EFT Services

ShareCard. You may use your ShareCard and PIN (Personal Identification Number) at Bank of Hawaii and Hawaiian Financial FCU Automated Teller Machines (ATMs), and ATMs of other financial institutions displaying the Cirrus/Maestro network logos. See our current Rate and Fee Schedule. At the present time, you may use your ShareCard to:

- Withdraw available funds up to \$500.00 per day from your Share or Share Draft Accounts;
- Make deposits to your Share Draft Accounts at Hawaiian Financial FCU ATMs;
- Obtain your Share and Share Draft account balance, and make transfers between them at Hawaiian Financial FCU and Bank of Hawaii ATMs;
- Access your overdraft protection account.

Check Card. You may use your Check Card to make purchases as you would with checks any place your Check Card is honored by participating merchants. Funds to cover your Check Card purchases will be deducted from your Share Draft Account. If the balance in your Share Draft Account is not sufficient to pay the purchase amount, we may not pay the amount and may terminate all services under this Agreement, unless you have an approved overdraft protection account. You may use your Check Card and PIN (Personal Identification Number) at Hawaiian Financial FCU and Bank of Hawaii ATMs, and ATMs of other financial institutions displaying the Cirrus/Maestro network logos. At the present time, you may use your Check Card to:

- Withdraw available funds up to \$500.00 per day from your Share or Share Draft Accounts;
- Make deposits to your Share Draft Accounts at Hawaiian Financial FCU ATMs;
- Obtain your Share and Share Draft account balance, and make transfers between them at Hawaiian Financial FCU and Bank of Hawaii ATMs;
- Access your overdraft protection account;
- Make POS (Point-Of-Sale) transactions up to \$5,000 or the available balance (whichever is less per day) with your Check Card at merchants that accept MasterCard;
- Make purchases by mail, telephone or internet from merchants that accept MasterCard.

Because of the servicing schedule and processing time required in ATM operations, there is a delay between the time a deposit is made and when it will be available for withdrawal. We reserve the right to charge back your Share Draft Account for the amount of any check you deposited that is returned unpaid.

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

Preauthorized EFTs.

•**Direct Deposit.** If you arrange to have deposits electronically transferred to your Share or Share Draft account at least once every sixty (60) days from the same third party (employer, government agency, other financial institution, etc.), you can call HIFICU at 808-832-8700 or 800-272-5255 (Toll Free) or use our 24 hour a day Anytime Teller Voice Response System to find out whether or not the direct deposit has been made. For your protection, we will ask you for some identifying information about your account before responding to your request. Electronic fund transfers involving an Automated Clearing House (ACH) are not final until we receive final settlement of deposit. We have the right to reverse direct deposits to your account if we do not receive final settlement of the deposit.

•**Preauthorized Debits.** You may authorize a third party in advance to electronically collect payments from your Share or Share Draft account.

•Right to Stop Payment and Procedure for Doing So.

If you have told us in advance to make regular payments out of your Account, you can stop any of these payments. Here’s how: Call or write us as indicated below, 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. We will charge you a non-refundable fee for each stop payment order you give. See our current Rate and Fee Schedule.

To request a stop payment on a preauthorized electronic payment, call HIFICU Clearing Services at (808) 832-8700 or 800-272-5255 (Toll Free) between 8:30 and 4:00 Monday through Thursday, 8:30 and 6:00 on Friday; or write us at:

Hawaiian Financial Federal Credit Union
Attn: Clearing Services,
1138 North King Street
Honolulu, Hawaii 96817-3345

We are not required by federal law or by this agreement to accept stop payment requests if less than three (3) business days remain before a scheduled payment date. A stop payment order terminates if:

- A. We do not receive written confirmation from you before the fourteen days have lapsed;
- B. Payment of the preauthorized electronic payment has been stopped pursuant to the stop payment order; or
- C. The stop payment order is withdrawn in writing by you.

You can stop all future payments by revoking your authorization with the third party. You must revoke your authorization directly with the third party under the terms and conditions set forth in the authorization agreement.

•**Notice of Varying Amounts.** If the regular payments 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 electronic payment would differ by more than a certain amount from the previous payment or when the amount would fall outside certain dollar limits that you set. This notice need not be sent if this payment is to us.

- Liability for Failure to Stop Payment of Preauthorized Transfers. If you order us to stop payment of a preauthorized transfer three (3) business days or more before the transfer is scheduled, and we do not do so, we will be liable for your losses or damages.

2. Conditions of EFT Services

- Ownership of Card. Any Card or other device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, immediately according to instructions. The Card may be repossessed at any time at our sole discretion without notice. You cannot transfer your Card or account to another person.

- Security of PIN. The PIN issued to you is for your security purpose. You are responsible for the confidentiality and use of your PIN and any transactions initiated with your PIN. You should not write your PIN down at all, but if you do, do not write it on your Card or any place where it may be found with your Card. If you fail to maintain the security of the PIN and the Credit Union suffers a loss, we may terminate your EFT services immediately.

- Joint Accounts. If any of your accounts accessed under this Agreement are joint accounts, all joint owners shall be bound by this Agreement and shall be responsible for all EFT transactions to or from any Share, Share Draft or loan accounts as provided in this Agreement. Joint account owner, without the consent of any other account owner, may, and is authorized by every other joint account owner to, make any transaction permitted under this Agreement. Each joint account owner is authorized to act for the other account owners, and the Credit Union may accept orders and instructions regarding any EFT transaction on any account from any joint account owner. Each joint owner is responsible individually and jointly for paying all amounts owed to us.

3. Fees and Charges

A fee will be charged to your Account per transaction after a specified number of ATM transactions is reached. Transactions include: Deposits, Withdrawals, Balance Inquiries, and Transfers. From time to time, the charges may be changed. We will notify you of any changes as required by applicable law. See our current Rate and Fee Schedule.

4. Surcharges

When you use an ATM not owned by us or Bank of Hawaii, 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. Such fees are in addition to the fee Hawaiian Financial FCU charges.

5. Point-Of-Sale Transfers

- You can use your Check Card to pay for purchases at merchant locations which display the MasterCard logo.
- Honoring the Card. We are not responsible for the failure or refusal of anyone to honor the Card or any other device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund.
- Disputes with Merchants. You agree to try to settle with any merchant any disputes you may have concerning the merchant’s charges for goods and services you pay for using your Card.

- Waiver of Stop Payment and Return of Drafts (Point-Of-Sale Transactions Only). You waive all right to stop payment on any point-of-sale transaction (including sales drafts and cash withdrawals). You agree that we need not return to you with your account statement, the original, copy or facsimile of any sales draft or cash withdrawal draft originated by a point-of-sale transaction.

6. Member Liability

You must tell us AT ONCE if you believe your Card or your access number (PIN) has been lost or stolen. Telephoning is the best way of keeping your possible losses down, or if you believe that an electronic fund transfer has been made without your permission using information from your share draft. You could lose all the money in your Account plus the maximum amount of your overdraft protection account. If a transaction is made with your card or card number without your permission, and is a MasterCard transaction, you will have no liability for the transaction, unless you were grossly negligent in the handling of your account or card. Your liability for unauthorized use of your card or account will be determined under the following paragraphs for transactions that are not MasterCard transactions, for transactions at ATMs, or if you were grossly negligent in the handling of your account or card. If you believe your Card or PIN has been lost or stolen, and you tell us within two (2) business days after you learn of the loss or theft, you can lose no more than \$50 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 we could have stopped someone from using your Card or your PIN without your permission if you had told us, you could lose as much as \$500.

Also, if your account statement shows electronic fund transfers that you did not make, you must 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. 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 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 you must tell us immediately by telephone or in writing. Call HIFICU Clearing Services at (808) 832-8700 or 800-272-5255 (Toll Free) between 8:30 and 4:00 Monday through Thursday; 8:30 and 6:00 on Friday. After credit union business hours, on weekends and on holidays, call 800-528-2273 (in U.S.) and 812-647-9794 (outside U.S.). Or write to us at:

Hawaiian Financial Federal Credit Union
Clearing Services
1138 N. King Street
Honolulu, HI 96817-3345

You should also call or write to us at the number or address written above if you believe a transfer has been made using the information from your share draft without your permission.

7. Unauthorized Transactions

Anyone to whom you give your card and PIN will be deemed to have permission to make electronic transactions on your Account, even if such person exceeds the authority you have given to him or her to make transactions on your Account. However, you should contact us immediately to cancel the Access Device to minimize loss. (Contact us at the number or address listed in section [6], Member Liability.) You agree

to cooperate fully with the investigation of any unauthorized transaction regarding your Account, to file complete and truthful reports with criminal law enforcement agencies, and to give complete and truthful testimony. At our request, you agree that (a) we will be subrogated to, and you shall assign to us, all rights that you have against any unauthorized user, (b) you will do whatever is necessary to enable us to exercise our rights and will cooperate with us, and (c) you will not prejudice our rights. You further agree that we have the right to reverse any credits that we apply, and that you will indemnify and hold us harmless with respect to any dispute, to the full extent permitted by law.

8. Documentation

•Terminal Transfers. You can get a receipt at the time you make any transfer to or from your Account using an ATM or point-of-sale terminal.

•Preauthorized Credits. If you have arranged to have direct deposits made to your Account at least once every sixty (60) days from the same person or company, you can call HIFICU at 832-8700 or 800-272-5255 (Toll Free) to find out whether or not the direct deposit has been made.

•Periodic Statements. You will get a monthly account statement unless there are no transfers in a particular month. In any case you will get the statement at least quarterly.

9. Foreign Initiated Electronic Fund Transfers

Some ATMs located outside of the United States and in territories or possessions of the United States do not have the capability to perform certain electronic fund transfers. In most cases, you may be able to access only the primary Account for which your Card is validated. Terminal receipts and periodic statements for electronic fund transfers initiated outside of the United States may not reflect all of the information typically reflected on terminal receipts and periodic statements for electronic fund transfers initiated within the United States.

Transactions you make in foreign countries or in foreign currencies will be converted to U.S. dollars. The exchange rate used for processing international transactions is a rate selected by MasterCard from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate MasterCard itself receives; or the government-mandated rate in effect for the applicable central processing date. The conversion rate in effect on the processing date may differ from the rate in effect on the transaction or posting date. In addition, you agree to pay a foreign transaction fee.

10. Confidentiality and Account Information Disclosures

We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers; or
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant; or
- In order to comply with government agency or court orders; or
- If you give us your written permission.

11. Business Days

For purposes of these disclosures, our business days are Monday through Friday. Holidays are not included.

12. Hawaiian Financial FCU Liability

If we do not complete an electronic fund transfer to or from your Account in time or in the correct amount according to our agreement with you, we may be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If, through no fault of ours, you do not have enough available funds in your Account to make the electronic fund transfer, if any available funds in your Account necessary to complete the transfer are held as uncollected funds or pursuant to our Funds Availability Policy, if the funds in your Account are pledged as collateral or frozen because of a delinquent loan;
- If the electronic fund transfer would go over your overdraft protection credit limit;
- If we have not received enough money to cover an electronic deposit from a third party;
- If the funds in your Account are subject to legal process or other encumbrances restricting use;
- If the ATM where you are making the electronic fund transfer does not have enough cash;
- If the terminal or our processing system was not working properly and you knew about the problem when you started the electronic fund transfer;
- If an error was caused by a system of any participating ATM network;
- If circumstances beyond our control (such as fire or flood) prevent the electronic fund transfer, despite reasonable precautions that we have taken;
- If this Agreement is terminated;
- If the authorization for your electronic fund transfer is revoked by law or court order (in case of death or incompetence, for example); or
- If other exceptions are provided in other agreements we have with you or by applicable law.

We will not be required to complete any transaction described above. In the event that such a transaction is completed, you agree to pay us that amount that exceeds your Share Account balance or your line of credit or that is otherwise improperly withdrawn immediately upon request.

A cash withdrawal which activates your line of credit/overdraft protection account will be repaid in accordance with the terms of your Credit Line/ Loanliner Credit Agreement. We may also limit or refuse to complete your electronic fund transaction for security reasons.

13. In Case of Errors or Questions About Your Electronic Fund Transfers, telephone us at (808) 832-8700 or 800-272-5255 (Toll Free) between 8:30 and 4:00 Monday through Thursday, 8:30 and 6:00 on Friday; or write us at:

Hawaiian Financial Federal Credit Union
Clearing Services
1138 N King Street
Honolulu, HI 96817-3345

Contact us as soon as you can, if you 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 60 days after we sent the FIRST statement on which the problem or error appeared.

- Tell us your name and account number.
- 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.
- 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 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 10 business days, we may not credit your account.

For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint or question. For new accounts, we may take up to 20 business days to credit your account for the amount you think is in error.

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.

14. Use for Illegal Purpose Prohibited; Indemnification and Waiver

You may not use your Account, card or PIN for any illegal purpose, such as unlawful gambling. Display of a payment card logo by an online merchant or acceptance of a card by an online merchant does not necessarily mean that the transaction is legal in the jurisdiction in which you are located. You will be liable for any losses resulting from any illegal transaction. You agree that we may deem any illegal use by you of any financial product or service to be an event of default and a breach of contract, and that we may terminate services to you at our discretion. You further agree, should illegal use occur, to waive any right to sue us in connection with such illegal use and to indemnify and hold us harmless from any action or liability, including attorney’s fees and costs, directly or indirectly arising out of such illegal use.

15. Internet (Online) Transactions - MasterCard Secure Code

We subscribe to MasterCard Secure Code service. MasterCard Secure Code is an enhancement that improves the security of Purchases made via the Internet by enabling us to verify your Account ownership during Purchases. MasterCard Secure Code only relates to Internet Purchases from merchants that participate in MasterCard Secure Code.

16. Terminating This Agreement

You can terminate this Agreement at any time by notifying us in writing and no longer using your Card or access code (PIN.) We can also terminate this Agreement at any time. If we do, we will notify you. You agree that you will return your Card(s) to us when this Agreement is terminated. Whether you terminate this Agreement or we do, the termination will not affect your obligations under the Agreement, even if we allow any transaction to be completed after this Agreement has been terminated.

17. Notices

All notices from us will be effective when we have mailed them or delivered them to the last address that we have for you in our records. Notices from you will generally be effective once we receive them at the appropriate address specified in this Agreement. If more than one person signed your Application, notice to or from one of the individuals who signed the Application will be effective for everybody who signed it.

18. Changing This Agreement

We have the right to change the terms of this Agreement from time to time. We will notify you at least twenty-one (21) days before the change will take effect if the change will result in greater costs or liability to you or decrease your ability to access to your Account. As permitted by law,

we will not notify you in advance if the change is immediately necessary for security reasons. We reserve the right to change the terms and conditions upon which this service is offered. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

19. Our Rules and Regulations

Your Accounts may also be governed by other agreements between you and us and by our rules and regulations.

20. Collection Expenses

If we ever have to file a lawsuit to collect what you owe us, you agree to pay our reasonable expenses, including court costs and our attorneys’ fees and costs.

21. Evidence

If we go to court for any reason, we can use a copy, microfilm or microfiche of any document to prove what you owe or that a transfer has taken place. A copy, microfilm or microfiche will have the same validity as the original.

22. Governing Law

Except to the extent that federal laws apply, this Agreement will be governed by the laws of the State of Hawaii. If any provision of this Agreement cannot legally be enforced, the provision will be deemed revised and enforced to the maximum extent possible, and this Agreement will be considered changed to the extent necessary to comply with law.

23. Jurisdiction and Venue

Jurisdiction and venue shall be vested in the courts of the State of Hawaii and federal courts in the District of Hawaii. The parties agree that any action to enforce any remedies under this Agreement and for any other purpose may be brought in the First Circuit Court of the State of Hawaii and federal court in the District of Hawaii.