

other limits on the number and size of transfers or withdrawals you can make using your ATM Card or Debit Card. For share savings and money market accounts, if applicable, you may make up to six (6) preauthorized, automatic, telephonic or audio response transfers to another account of yours or to a third party during any calendar month. Of these six, you may make no more than three (3) transfers to a third party by check or debit card. A preauthorized transfer includes any arrangement with us to pay a third party from your account upon oral or written orders including orders received through the Automated Clearing House (ACH). You may make unlimited transfers to any Credit Union accounts owned by you or to any Credit Union loan account and may make withdrawals in person, by mail or at an ATM. However, we may refuse or reverse a transfer that exceeds these limitations and may assess fees against, suspend or close your account. In all cases, you agree to be responsible for all transfers authorized by you or from which you receive any benefit. If the EFT Terminal is "off-line" you may not be able to withdraw cash or transfer money between your accounts.

10. **Periodic Statements.** You will receive a monthly account statement for your checking account. You will also receive a monthly or quarterly account statement for your savings account.

11. **Service Charges.** Transactions at other institution PLUS®, The Exchange® or CU24® locations will be charged per cash withdrawal and per account balance inquiry or account transfer. Dollar amount may vary.

12. **Modifications of This Statement; Termination.** The terms of this Statement may be changed by us from time to time by notice from us to you. We may also revoke your right to use your ATM Card, Debit Card, or EFT Services at any time. You agree to pay us for any cash withdrawals, service charges, or other items that remain unpaid at the time this agreement is for any reason terminated.

13. **Applicable Law.** This agreement is governed by the laws of the state of Virginia.

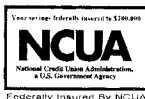
**Important Information Regarding
Your CELCO Federal Credit Union ATM Card, Debit Card
and Electronic Fund Transfer Services**

Keep your PIN confidential

- Never write your PIN on your ATM Card or Debit Card or repeat it to others

We will be happy to assist you whenever you have a question regarding:

- Use of your ATM Card or Debit Card
- Use of the Automated Response Telephone System
- Ordering additional cards
- Lost or stolen cards
- Other ATM locations
- Changing your Personal Identification Number
- Any questions involving electronic fund transfer services



Disclosure Statement for Electronic Fund Transfer Services

CELCO Federal Credit Union
P.O. Box 361
3381 Virginia Avenue
Narrows, VA 24124
(540) 921-2700
(540) 726-8038
(888) 921-2701

Disclosure Statement

We are pleased that you have chosen to take advantage of the convenience provided by our EFT service and supply this Statement so you can familiarize yourself with the operational and legal functions of this service. Please read this Statement carefully as it contains important information about electronic funds transfer. Retain this along with your other account records in case you have any questions in the future.

In this Statement, the words "you", "your" and "yours" mean any holder or other authorized user of your ATM Card, Debit Card, the Automated Response Telephone System or Account(s). The words "we" and "us" mean the financial institution named on the front panel of this Statement where you have a share or share draft account. "Share or share draft account" means your checking or savings account. "EFT Terminal" means an electronic funds transfer terminal; this includes automated teller machines, point-of-sale terminals, electronic check conversion transactions, deposits or withdrawals through the Automated Clearing House (ACH), the Automated Response Telephone System and other EFT devices or transactions. "ATM Card" or "Debit Card" means each magnetically encoded banking card provided to you by us. "PIN" means the personal identification number assigned to or selected by you for use with your ATM Card, Debit Card or Automated Response Telephone System.

1. ATM Card or Debit Card. Each ATM Card or Debit Card issued to you is our property and may be cancelled or repossessed by us at any time, with or without cause. You must surrender to us on demand each ATM Card or Debit Card issued to you. If you permit or authorize other persons to use your Card(s) and PIN(s), you will be liable on or for the resulting transactions. To guard against anyone making a transaction that you have not authorized, you should take all reasonable precautions to prevent any other person from learning your PIN(s).

2. In Case of Errors or Questions about your Electronic Transfers

Call us at (540) 921-2700 or (540) 726-8038
Monday through Friday (excluding Holidays)
between 8:00 A.M. and 5:00 P.M.
OR, Write us at: CELCO Federal Credit Union
P.O. Box 361
3381 Virginia Avenue
Narrows, VA 24124

promptly if you think your statement or receipt is wrong or if you need more information about a transfer listed on the statement or receipt. YOU MUST CONTACT US ONLY AT THIS TELEPHONE NUMBER OR ADDRESS ABOUT YOUR ERRORS OR QUESTIONS. We must hear from you no later than 60 days after we sent you the FIRST statement on which the problem or error appeared.

- (1) Tell us your name and account number.
- (2) Describe the error or the transfer you think is incorrect, and clearly explain why you believe it is an error or why you need more information.
- (3) Tell us the dollar amount of the suspected error and, if possible, the

date it appeared on your statement.

(4) It will be helpful to us if you also give us a telephone number at which you can be reached in case we need any further information. If you notify us orally, we have the right to require you to send us your complaint in writing within 10 calendar days following the date you notified us.

We will report to you the results of our investigation within 10 calendar days following the date you notified us. We will correct any error promptly. If we need more time, however, we may take up to 45 calendar days to investigate your complaint or questions following the date you notified us. If we decide to use more time to investigate, within 10 calendar days following the date you notified us, we will credit your account 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 calendar days following your oral notification, we may not credit your account. If we decide that there was no error, we will send you a written explanation within 3 business days after we finish our investigation. You may ask for copies of the documents that we used in our investigation.

3. Account Information. We will disclose information to third parties about your account or the transfers you make: (a) Where it is necessary for completing transfers or resolving errors involving transfers; or (b) In order to verify the existence and condition of your account for a third party, such as a credit bureau or a merchant; or (c) In order to comply with government agency rules, court orders, or another applicable law; or (d) To our employees, service providers, auditors, collection agents, or attorneys, in the course of their duties; or (e) If you give us your written permission.

4. Transaction Receipts. You will receive a receipt at the time you make any transfer to or from your account using an EFT Terminal.

5. Procedure for Stopping Payment of Preauthorized Transfers. If you have notified us in advance to make regular payments from your share savings or share draft account(s), you can stop any of these payments which are made to companies other than Celco FCU. To accomplish this:

- Telephone or write to us, using the phone numbers or address shown on the front panel of this statement, in time for us to receive your request at least three business days before the payment is scheduled to be made.
- If you call, we may also require you to put your request in writing and give it to us within 14 days after you call.

6. Our Liability for Failure to Make Transfer. 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. However, there are some exceptions. We will NOT be liable, for instance: (a) If through no fault of ours, you do not have enough money in your account to make the transfer; (b) If the transfer would go over the credit limit on your overdraft line, if you have one; (c) If the automated teller machine where you are making the transfer does not have enough cash; (d) If the EFT Terminal or processing

system was not working properly and you knew about the breakdown when you started the transfer; (e) If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions we have taken; (f) If the funds in your account are subject to legal process or other encumbrance restricting the transfer; (g) If your PIN, Debit Card, or ATM Card is reported lost or stolen; or (h) If we are holding uncollected funds in your account and the transfer would require the use of those funds. There may be other exceptions stated in our account agreement with you.

7. Your Liability. Tell us AT ONCE if you believe your ATM Card, Debit Card or your PIN has been lost or stolen. 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 you have one). If you tell us within 2 business days, you can lose no more than \$50.00 if someone used your ATM Card, Debit Card or PIN without permission. If you do NOT tell us within 2 business days after you learn of the loss or theft of your ATM Card, Debit Card or PIN and we can prove we could have stopped someone from using your ATM Card, Debit Card or PIN without your permission if you had told us, you could lose as much as \$1,500.00. Also, if your statement shows transfers 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 will be liable for up to \$50.00 of loss that occurs during such 60-day period and 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 to a reasonable time.

8. Reporting Lost Cards or PINs or Unauthorized Transfers. If you believe your ATM Card, Debit Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us or write us at the telephone numbers and address shown on the front panel of this Statement.

9. Types of Transactions. You may use your ATM Card or Debit Card with your PIN to: (a) Withdraw cash from your share or share draft accounts; (b) Transfer funds between your share and share draft accounts; (c) Perform other Debit services as may be available from time to time, and for which we will send separate notification to amend this Statement.

Some of these services may not be available to you at all EFT Terminals. If you have more than one account with us, some of these services may not be available for each account. On each processing day, (A) you may withdraw from automated teller machines up to a maximum of \$300.00 (or your available balance, if it is less than such amount), (B) by use of point-of-sale terminals with your ATM Card you may buy in goods or services up to a maximum of \$500.00 (or your available balance, if it is less than such amount), and (C) by use of point-of-sale terminals with your Debit Card, you may buy in goods or services up to a maximum of \$1,500.00 (or your available balance, if it is less than such amount). Every calendar day is a processing day, except that Saturday, Sunday and Monday are treated as a single processing day. For security reasons, there are